

VAT Return System 1

We will be preparing and submitting your quarterly VAT returns ongoing, meaning that you will be well aware of your VAT liabilities and keep the VAT man happy!

We aim to have all VAT returns filed by the last working day of the month after the quarter end.

To be able to claim VAT back on a purchase we will need a VAT receipt – at a minimum the receipt should show the VAT number, and if the purchase is over £100 the receipt will also need to show the net/VAT/gross breakdown. Without this receipt we are not able to claim the VAT back.

Day1

VAT Quarter Ends

Your VAT quarter ends in line with your VAT period. You will receive notification of this by email.

Your bookkeeping needs to be updated -

So that your VAT return can be processed these are the 4 things which need to be completed:

- Raise any outstanding Sales Invoices from last quarter
- Add in any outstanding purchase invoices/receipts to Xero (via Receipt Bank)
- Add in any mileage or expenses into Xero
- Reconcile all bank transactions up to the end of the VAT quarter.

If we are looking after your bookkeeping we will process your purchases from Receipt Bank and complete the reconciliation.

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ACTION POINT – PPF/CLIENT:

This needs to be completed
within 10 days of VAT quarter end.
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Consequence Management

If this is not completed within 10 days of your VAT quarter ending your VAT return will be submitted with last quarters data so you are not fined.

This will result in additional work next quarter to correct this.

Day11

Your VAT return is prepared

- We will be preparing your VAT returns as a recurring quarterly job so you NEVER miss a deadline and we begin work on the VAT return the day after your quarter end
- An audit will be carried out on all transactions for the period – we will check that purchase VAT has been claimed on every transaction that it should have been, and that it hasn't been claimed where it shouldn't have
- We will ensure you are on the best scheme to maximise your cashflow – cash or accruals. We will also keep an eye on going over the threshold at which you HAVE to move to accrual VAT accounting.

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Your VAT pack is sent for review

Your VAT pack contains the amount due and the due date in 2 key documents:

- VAT Report – your return as it will be submitted to HMRC
- Quarterly Healthcheck report – summary report of where your business is year to date.

Note: This will be delivered on our portal – you will receive an email when the report is uploaded.

VAT Return System 2

Continued...

Day20

Sign off your VAT return

- You will receive an email titled - An electronic signature is required
- In the email there will be a link to log onto our portal to view your Return Pack and sign off.

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ACTION POINT – PPF/CLIENT:
Must sign off within 25 days of quarter end
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Consequence Management

If you haven't signed off your VAT return by day 25 it will be assumed to be correct and submitted anyway to avoid any fines. If there are corrections which need to be made at a later date, then this will result in additional work.

The correction will be taken into account in the next quarter's return.

Your Return is submitted to HMRC

- You will receive confirmation that your return has been successfully submitted.
- This will include the payment deadline date

Note: This will be delivered by email

Day37

Pay your VAT liability

This payment should either be diarised or a DD set up to ensure you are not fined.

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ACTION POINT – CLIENT:
Payment must be paid within 37 days of quarter end
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Consequence Management

If this payment deadline is not made then you will be fined. This is why we always encourage a DD to be set up to avoid this.