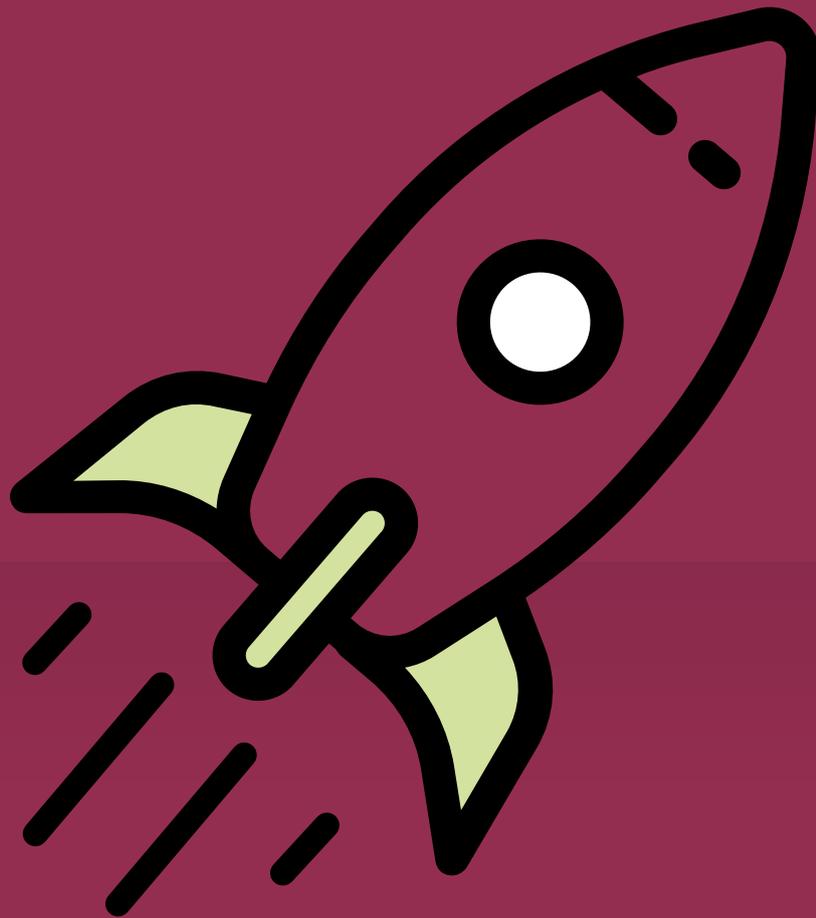


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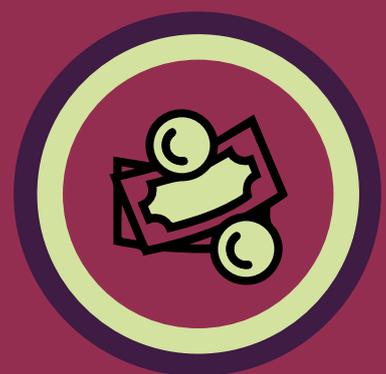
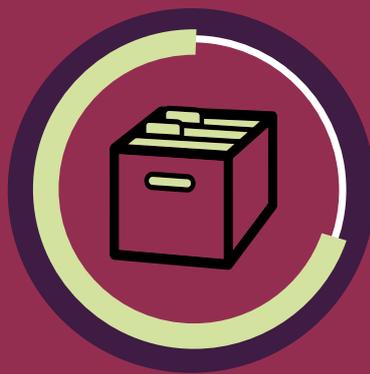
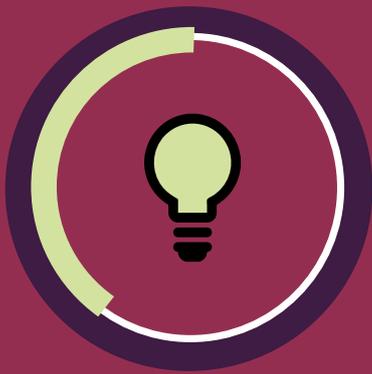
The **starterupperers** guide
to launching a business

ah
partnership

A bit **about us:**

Introduction

In this guide we're going to tackle three key areas:



1. Registering **your business**

- > Sole traders
- > Partnerships
- > Companies

2. Record **keeping**

- > Overview
- > What records do I need to keep?
- > What system should I use for book keeping?

3. Paying **your taxes**

Get in **touch:**

Please take time to browse through this document and do not be afraid to get in touch.

**We're the accountants that help businesses grow up
and we're here for every step of the way.**

Add: 49 Dartford Rd, Sevenoaks TN13 3TE

Tel: 01732 458191

Fax: 01732 452753

E-mail: info@ahpartnership.co.uk

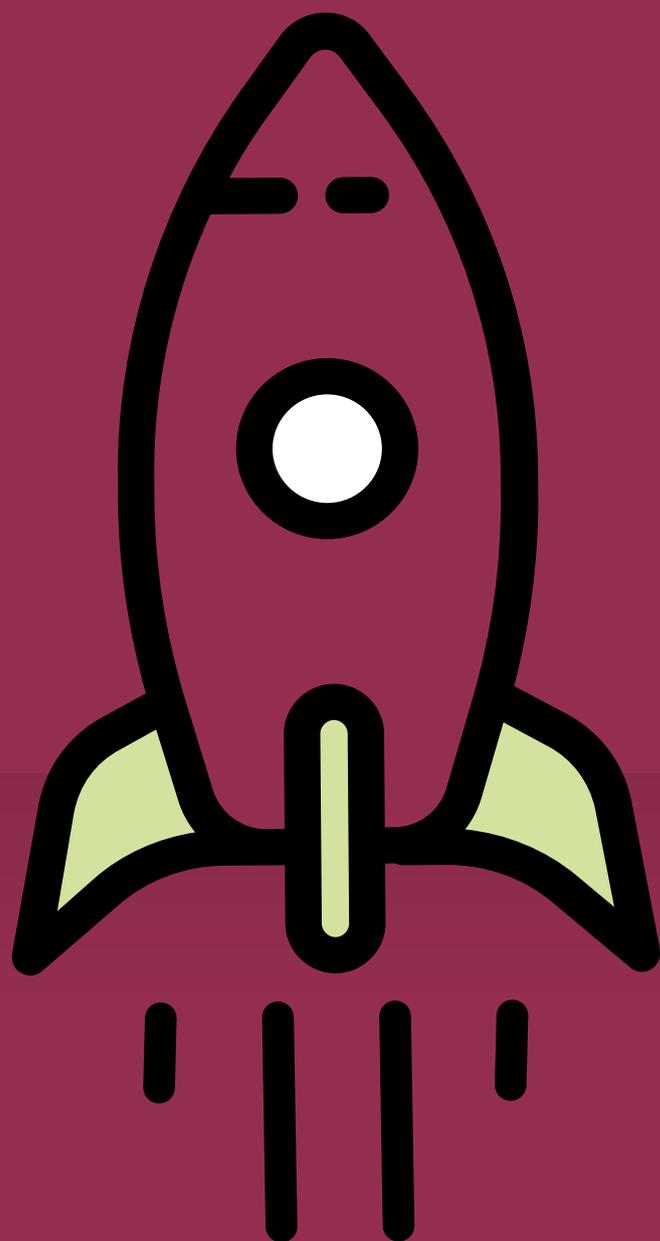
Web: www.ahpartnership.co.uk

Registering your **business with HMRC:**

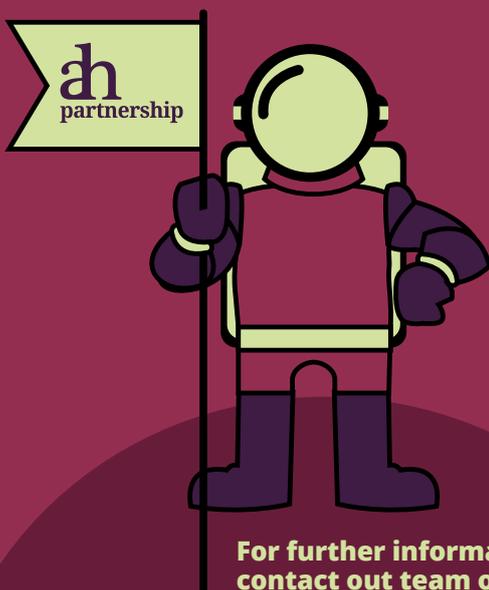
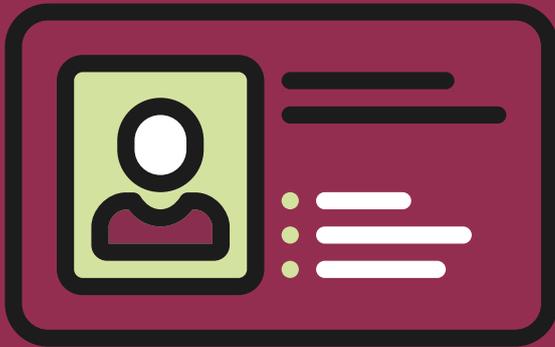
Ready to launch...

Congratulations on setting up your new business! Now that your business is up and running you will need to inform HM-R&C that you are trading.

Here are details of how you register your business with HMR&C:



The Sole Trader:



**For further information
contact our team on:**

Tel: 01732 458191

E-mail: info@ahpartnership.co.uk

✓ 05

Unique tax reference number

If you have never been self-employed you will need to register online and apply for a unique tax reference number you can do so by following this link www.gov.uk/government/publications/self-assessment-and-national-insurance-contributions-register-if-youre-a-self-employed-sole-trader-cwf1

✓ 04

Self-assessment

Once you have registered you will be sent your 10 digit unique tax reference and be enrolled for self-assessment at the same time.

✓ 03

Register for PAYE

If you want to employ staff then you will need to register for PAYE - see www.gov.uk/register-employer

✓ 02

Register for VAT

If the business is going to exceed the VAT threshold you will need to register for VAT – www.gov.uk/vat-registration/how-to-register

✓ 01

Extra help

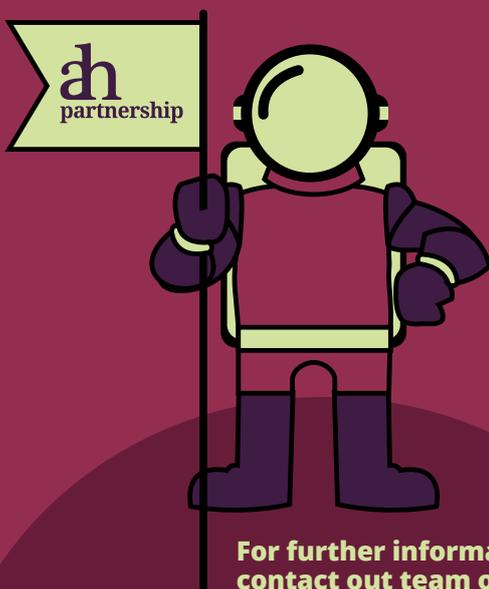
If you want help with registering your business ahp can do this for you. Please contact us for further information



BLAST OFF...



The Partnerships:



**For further information
contact our team on:**

Tel: 01732 458191

E-mail: info@ahpartnership.co.uk

✓ 05

Register as self-employed

You will need to register as self-employed by clicking this link www.gov.uk/government/publications/self-assessment-and-national-insurance-contributions-register-if-youre-a-self-employed-sole-trader-cwf1

✓ 04

Register the partnership

You will also need to register the partnership - see www.gov.uk/government/publications/self-assessment-register-a-partnership-for-self-assessment-sa400

✓ 03

Register for PAYE

If you want to employ staff then you will need to register for PAYE - see www.gov.uk/register-employer

✓ 02

Register for VAT

If the business is going to exceed the VAT threshold you will need to register for VAT - www.gov.uk/vat-registration/how-to-register

✓ 01

Extra help

If you want help with registering your business ahp can do this for you. Please contact us for further information



BLAST OFF...



The Companies:



✓ 03

Register with HMR&C

After you have set up the company you will need to register with HMR&C within 3 months of starting the business – see <https://online.hmrc.gov.uk/registration/newbusiness/introduction>

✓ 02

Register for VAT or PAYE.

This link can also be followed if you want to register for VAT or PAYE.

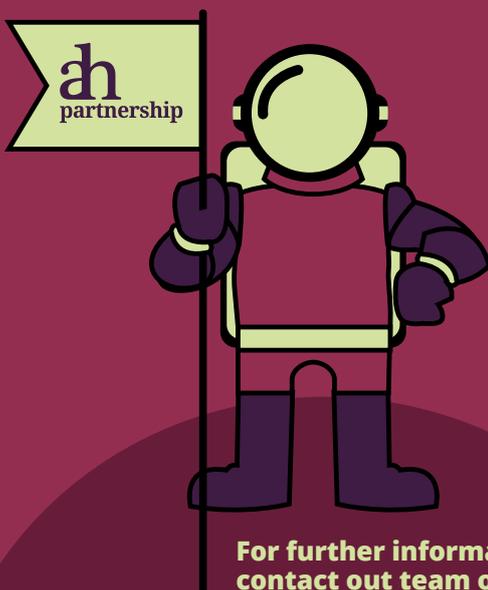
✓ 01

Extra help

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contact our team on:**

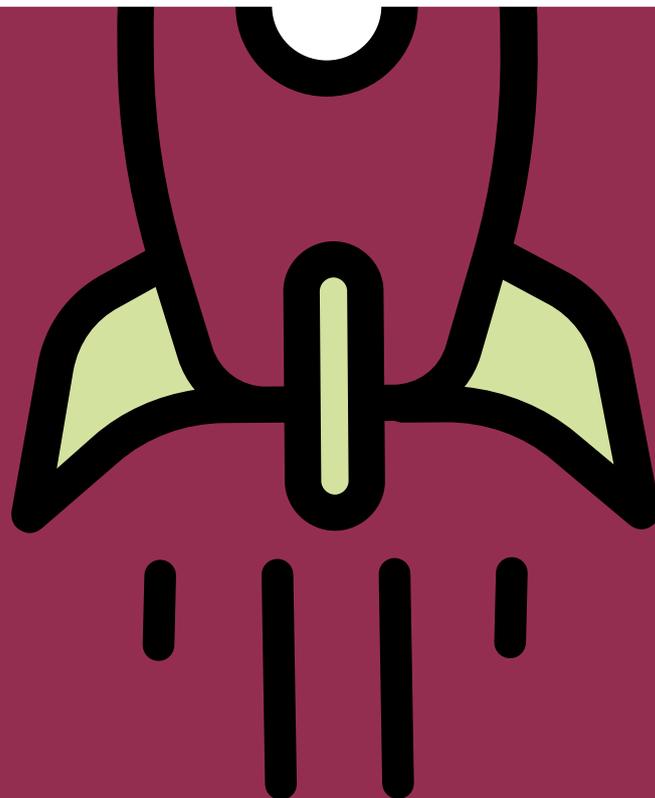
Tel: 01732 458191

E-mail: info@ahpartnership.co.uk

Record Keeping:

Clear skies ahead

Many new businesses and existing businesses often have questions on what records to keep and how. On the next few pages we detail some information which we think would be useful.



What records should I keep?

Businesses need to keep all core records for a

**MINIMUM
OF SIX
YEARS**

This is normally as far as any HMRC enquiries go and is a

**LEGAL
REQUIREMENT**

Core records include all invoices (both sales and expenditure) and book keeping information.

We know that that temptation to clear space is always there and it sometimes becomes an issue

storing old information that just looks like it is collecting dust.

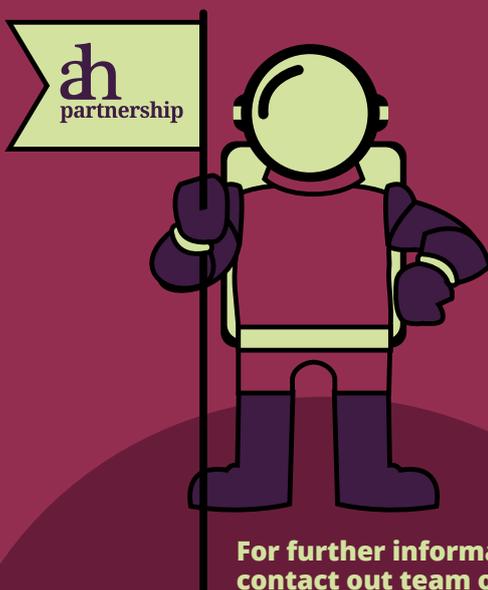
The retention of these records is very important as even though the actual invoices and book keeping records are not submitted anywhere, they will form the basis of the accounts and tax returns that are submitted.

Under tax laws the business is required to keep the records this long but a better way of viewing this is for protection.

Imagine spending considerable funds on say equipment and correctly including the cost in your accounts and then being asked for details some time later by HM Revenue and Customs.

Clearly the easiest way to proof that the expenditure is correct is to supply copies of the invoices and the makeup of the cost can be traced via your book keeping records. However, say you didn't keep these!!!

> **Now ask yourself how you are going to proof that the expenditure did happen and was on what you said it was if you do not have these records anymore!**



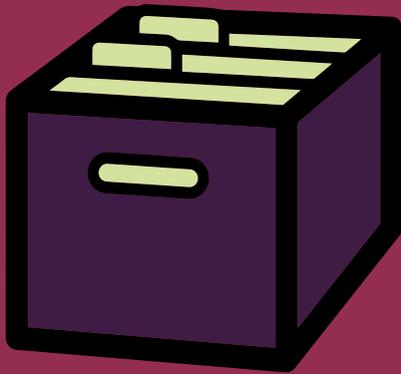
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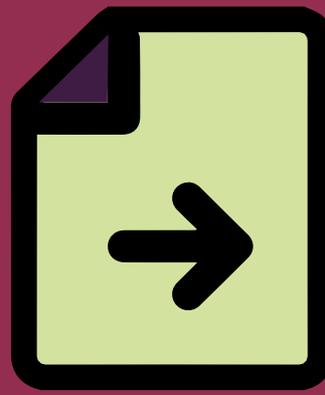
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What system should I use for book keeping?

The first question you need to ask is electronic or in paper form?



Vs



Paper Form

Paper form is fast becoming a system of the past involving writing everything down manually. This does not mean it is an incorrect system to use, however using this system could cause additional time further down the track.

Electronic Form

The second option is electronic form. By this we mean basically using a computer!! Electronic methods may include anything from a spreadsheet to a more expensive specific book keeping system. One clear advantage here is as the book keeping records are stored electronically there is less paper to build up and store away! Another advantage is electronic systems are becoming more user friendly with search facilities and automation and should save time in the long run.

The simple answer to this is what is right for you.

Everyone has different levels of computer knowledge, whereas most people can use a pen! When considering think not what is right now but what will be right in the future. Yes, initially writing everything down maybe easier on day one when you have a few entries to make each month, but consider will this be the case in say a few years' time.

Most businesses get busier as they grow which can mean more invoices, more transactions so the best advice is don't pick a system that will limit you or force you to spend your spare time doing your book work.....

spare time should be exactly that.....everyone needs a break!

So, if you opt for an **electronic system** what one?

In some cases' a specific book keeping software package is not required. A lot of business simply choose to design and use spreadsheets to record bookkeeping entries. This does give you a lot of flexibility and you can make it as simple or complex as you like. You can however lose some structure and automation

If you carry out an internet search for electronic book keeping software package you will see (after you have celebrated several birthdays and Christmas's in front of your computer) that there are quite a few out there. Prices range from a few pounds a month upwards.....and you will soon realise there is another decision to make.....do you use a cloud based system.

A lot of the major systems have a version that is cloud based which means you log on via the internet and neither the program or your data are stored on your computer. Now there are some advantages to this such as the information is stored electronically

on someone else's server which means you can use several devices to access and process the data, not just the computer you installed it on! The other main advantage is you will also be working on the most recent version of the software without the need, or cost, of upgrading. There is however one clear disadvantage and that is you must have internet access!

One of the main advantages of software based book keeping system is the reports and the other outputs such as sales invoices that the system will produce for you, normally on the back of doing basic inputting, this can save you time!

Whatever decision you make just remember it is not a life commitment, so choose what system you think you can get on with now and you can change in the future if you need to.

Ultimately there is no answer over the system to use. Different businesses will have different criteria so look at your choices and ask yourself:



> **Does it do** what I want now?



> **Will it do** what I want in the near future?



> **Where and how do** I want to access my information?



> **What do I want** my system to do for me?

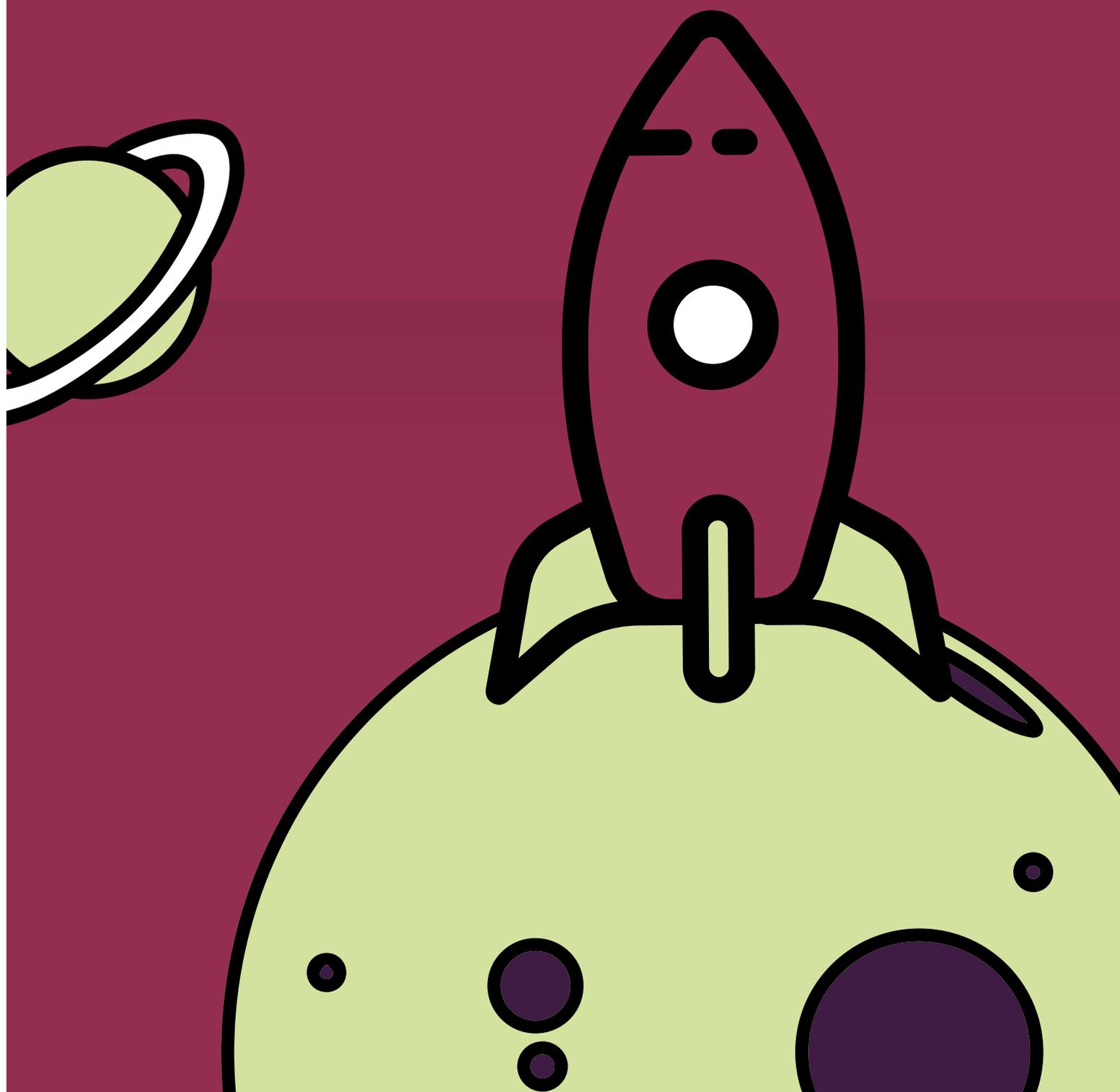


> **How much** do I want to spend on it?

Paying your **taxes**

It's not rocket science.

HMRC accept various forms and types of payment and to save you time we have gathered some useful links.



I know what I have to pay **but how do I pay?**

HMRC accept various forms and types of payment and to save you time we have shown useful links below. These links will take you to the correct part on HMRC's website and provide you with everything you need to know. Everything from paying with a debit card to making a bank transfer will be covered.

The link below will take you to a page dealing with all taxes, if you use this, find and follow the link for the particular tax you wish to pay.

<https://www.gov.uk/topic/dealing-with-hmrc/paying-hmrc>

You will notice that all of these links provide payment options and any other details you need to know. In some cases there is a direct debit option which avoids the need to remember to pay the bill

Below are direct links to the more frequent taxes:

Corporation tax

(due within 9 months and 1 day past your company's year end)

<https://www.gov.uk/pay-corporation-tax>

Personal tax

(due by 31 January following the tax year and in some cases where payments on account are required by 31 July)

<https://www.gov.uk/pay-self-assessment-tax-bill>

PAYE/National Insurance

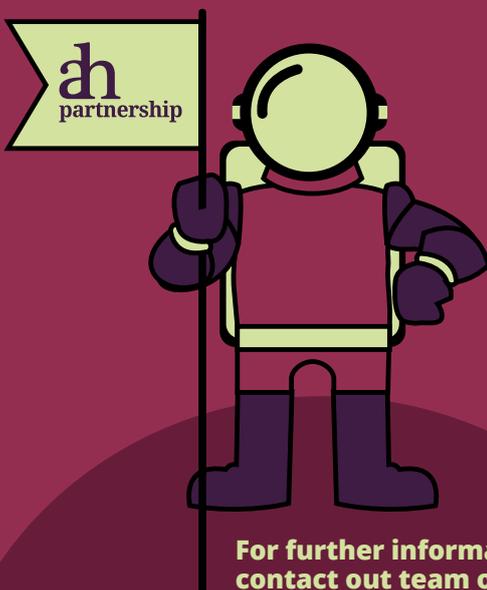
(due by the 19th of the following month of pay day)

<https://www.gov.uk/pay-payee-tax>

VAT

(due by 1 month and 7 days following the end of the VAT period)

<https://www.gov.uk/pay-vat>



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Contact us:

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