

IS YOUR BUSINESS VAT REGISTERED? TIME TO GO DIGITAL!

McPhersons Chartered Accountants

HMRC are implementing "Making Tax Digital" from 1st April 2019 and if you are not already using cloud-based software, this will have a significant impact on your bookkeeping.

What does this mean for your business?

If your VAT return is currently submitted by logging onto the HMRC website, from April 2019 you will no longer be able to do this. Instead *your VAT return must be filed using accounting software* which keeps a digital record of your business transactions. **This means that HMRC have forced VAT registered business to cease using handwritten books or spreadsheet records for their bookkeeping.**

Within a year or two this will also apply to all accounting and tax information and to businesses below the VAT threshold.

McPhersons have been assisting clients with the transition and clients are finding that our cloud based accounting package has significant benefits including:-

- Capturing receipts and payments from the bank account directly;
- Using smart phones to photograph receipts and having them filed straight into accounts software;
- Seeing financial results 24/7 from a PC, Mac, tablet or smartphone;
- Creating and sending quotes and sales invoices easily;
- Taking stress out of the bookkeeping process;
- Ensuring accounts are always up to date;
- Enabling tax planning;
- Being able to plan for tax payments well in advance; and
- Throwing away all the paper currently kept on file!



McPhersons are cloud accounting specialists and offer a variety of options to ensure the transition, and clients' ongoing bookkeeping, is as easy and painless as it can be. We also provide one-to-one training and/or group training classes to help clients become familiar with the package and to ensure they get the most out of it.

This is supplemented by online video-based training and our ongoing support which will normally be free of charge.

My business is below the VAT threshold – what do I have to do?

Businesses and landlords with a turnover below the VAT threshold will not have to move to the new digital system until at least 2020, although there are significant advantages to switching to online accounting (see above).

How can we help?

Contact us for more information on anything in this article.

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