

Accounting resource: Limited companies accounting and tax compliance.

“Getting things right from the start is a must. Shortcuts rarely save time in the long term and can be expensive to rectify.”

Chris Wilson, Director, Wilson Partners Ltd

What every active limited company has to do in relation to accounts and tax compliance:

Accounts

1. Maintain accounting records capable of showing the company's assets and liabilities at any point in time (i.e. bookkeeping)
2. Prepare year-end financial statements that comply with UK accounting standards and Companies Act 2006 requirements

Statutory records

1. Maintain statutory registers of directors, members etc of the company
2. Complete and submit an Annual Return to Companies House
3. Notify Companies House of any changes in directors / company secretary (including change of address)
4. Prepare board minutes and dividend vouchers for any dividends declared by the company

...

Limited companies accounting and tax compliance

Payroll / employee payments

1. Register a PAYE scheme with HMRC if it intends to make salary payments
2. Operate a payroll for any salary payments made to staff (including directors)
3. Report on a real time basis details of salary payments and deductions to HMRC
4. Report annually details of reimbursed expenses and benefits provided to employees (forms P11D)

VAT

1. Register for VAT with HMRC if your taxable supplies exceed the VAT registration threshold
2. If registered for VAT, prepare and submit quarterly VAT returns to HMRC

Corporation Tax

1. Prepare accounts in 'iXBRL' computer readable format
2. Complete a Corporation Tax computation based on your financial statements
3. File a Corporation Tax Return, computation and iXBRL accounts to HMRC on an annual basis

Note: depending on the activities of the company, it may be required to prepare and file additional returns and computations (e.g. EC Sales List, employee share returns).

