



With the advent of Making VAT Digital in the UK, our clients have asked for more and more support with their VAT returns and filings – especially those who are anxious about the prospect of an HMRC enquiry (we are seeing an increase in the number of VAT inspections although we have no evidence as to whether this will continue) and want to ensure they are accounting for UK VAT correctly.

We have therefore recently introduced a more comprehensive support package which involves a risk assessment of UK VAT returns and ensures all UK VAT is accounted for correctly and the VAT return filed on time.

This service costs from £85+VAT per month and includes access to [Hubdoc](#) which we will set up for you.

The beauty of using Hubdoc means that we can carry out our review with minimal involvement from you – and it saves you time when reconciling your bank! And you have a copy of the invoice straight in Xero to refer to!

This is a service we strongly advise clients to consider!



1 How does it work?

1.1 Your responsibilities:

- 😊 You upload all your receipts and supplier invoices to Hubdoc for processing:
 - ✓ You'll have an email address to forward any invoices you receive – one click 😊
 - ✓ If you have paper receipts, you can take a photo and upload via your phone
- 😊 If you don't upload all your receipts and supplier invoices to Gubdoc, we'll ask you to add these to the transactions to your bookkeeping system directly via the VAT return
- 😊 You reconcile the bank transactions against the receipt or invoice rather than coding directly to the overhead accounts
- 😊 As most of the documentation for the VAT on expenses is in the system, this reduces the amount of queries we need to raise with you 😊
- 😊 You also get full visibility of the documentation right within your bookkeeping system – meaning you don't go hunting for receipts at year end or if you have a VAT inspection (by the way, we know the VAT man loves this because he told us so!)
- 🚫 But we ask you **NOT** to do the following 😊
 - 👉 **Don't** upload order confirmations as these can get processed as duplicates and take time and effort to sort out 😞!!
 - 👉 Try very hard not to upload receipts and invoices for the same expenses as, again, these can get processed as duplicates and take time and effort to sort out 😞!!

It's not a problem our end but you will end up paying more!!



1.2 Our responsibilities:

- ☺ We'll set up Hubdoc for you all ready to use
- ☺ Once you've uploaded all your receipts and supplier invoices to Hubdoc for processing, you decide what you'd like us to do:
 - ✓ We can then code these appropriately and publish them to your bookkeeping system once a week on an agreed day
 - ✓ Or you can publish these yourself
- ☺ If you have a lot of repeating supplier invoices or receipts, we can set up rules for you and Hubdoc will auto-publish these – meaning you don't lift a finger!

And when it's your VAT quarter we'll do the following:

- ☺ Review any outstanding supplier invoices and receipts to ensure they are all valid – and there are no duplicates or mispostings (so be careful what you upload!!)
- ☺ Prepare your VAT return for you
- ☺ Review the VAT return to ensure VAT treatment of expenses is reasonable
- ☺ Review nil rate VAT sales invoices to ensure the treatment is correct
- ☺ Once any queries are resolved, we'll upload a copy of the VAT return to Senta for approval
- ☺ File the VAT return with HMRC

And finally...

- ☺ As long as your fees are up to date, if you have a VAT inspection, we will not only liaise with the Inspector regarding any queries they have on any VAT returns we've submitted – we'll also pick up any penalties and interest if we've dropped the ball on any of the returns we've reviewed (although we don't think we will!)



2 Where does it go wrong!

We want the VAT return process to be as smooth and painless as possible! However, sometimes (very, very rarely!) we find it very difficult to support a client with their VAT – and this normally leads to additional fees. So why would that be?

Well we've listed the two most common reasons below:

2.1 The client doesn't respond in time

A non-responsive or slow responding client puts enormous pressure on our bookkeeping team – especially with regards to VAT quarter ends.

So where a client is non-responsive or slow responding, we may have to take the decision that we can't support them with their VAT return going forward – this isn't a decision that we take lightly.

The client might also pick up penalties due to VAT returns not being submitted – so we'd rather be honest with them before that happens.

2.2 The client mis-posts transactions

Where a client regularly mis-posts transactions or duplicates transactions, it takes us far longer to find any errors and correct them! This may lead to additional fees being payable.

We'll guide the client on what we need, but if the client isn't able to follow the right guidelines, we will then discuss with them the best way forward – which may include suggesting we take over the bookkeeping!

3 When to sign up

If it's part way through your VAT quarter, you can either pay for any months already passed, or ask us to start from your next VAT quarter – it's entirely up to you! Just let us know what you prefer!