

Record keeping checklist

This is a list of the basic financial records you may need to keep. Not all of them will be relevant to all businesses.

If you employ people, you'll need to keep PAYE (Pay As You Earn) records and that is dealt with in the **PAYE** area.

If you're new to running a business, see the tutorial on **how to set up a record-keeping system**.

You can also use our interactive record-keep decision tool to **find out what records you should be keeping**.

As a general rule, you have to keep all financial records that support the information you have entered on your business tax returns for at least six years.

The time you need to keep certain other records is shown in brackets in the checklist below.

Basic financial records - all businesses

You'll need to keep a number of records to help complete your annual tax return. Depending on the size of the business, this information is often recorded in a 'cash book'. You should use whatever system suits you best - whether simple paper/computer records or using specific financial record-keeping software. Remember to keep a back-up copy of your information if you keep your records only on computer.

- ☐ Have you recorded your sales and income?
- ☐ Have you kept receipts for purchases and expenses?
- ☐ Have you kept the following (where relevant):
 - ☐ cheque book stubs/cancelled cheques
 - ☐ bank paying-in books, bank statements, copies of payments made or received using online banking systems
 - ☐ copies of sales invoices issued by the business (and credit notes)
 - ☐ receipts and delivery notes
 - ☐ purchase orders/invoices from suppliers
 - ☐ receipts for all cash purchases, till rolls, etc
 - ☐ credit and debit card statements, transaction slips/vouchers

- ☐ supplier statements
- ☐ your statements (if you give credit)?
- ☐ Do you have a **record of sales**?
- ☐ Do you have a **record of purchases**?
- ☐ If you have employees, do you have a **wages book** or use payroll software? See also our section on **record-keeping for PAYE**. (If you're an employer, you must keep your PAYE records for the previous three years as well as the current year.)

Vehicles

- ☐ Have you kept the following records for any business vehicles you have (including your own vehicle if you are a sole trader):
 - ☐ vehicle information, annual bills (insurance and road tax) MOT, servicing and maintenance charges
 - ☐ fuel receipts
 - ☐ records of personal and business mileage
 - ☐ details of how business motoring expenses were incurred?

If your business is VAT registered

If you're not sure whether you need to register your business for VAT, see our section **do I need to register for VAT?**

- ☐ Have you kept the following records **if your business is registered for VAT**:
 - ☐ VAT returns
 - ☐ A VAT account
 - ☐ VAT sales and purchase invoices
 - ☐ Import and export documentation?

You can also see our section on **VAT record keeping guidance**.

If your business is a limited company

- ☐ If you are set up as a limited company, do you have:

- ☐ Corporation Tax computations
- ☐ Articles of association
- ☐ dividend allocations and payments
- ☐ a directors loan account analysis
- ☐ details of company share ownership (form 363)?
- ☐ Do you have the following records for your company's directors:
 - ☐ P45 - shows pay and tax to date on leaving employment
 - ☐ P60 - shows pay and tax details for the previous tax year
 - ☐ P11D - details of expenses and benefits
 - ☐ Taxed Award Scheme certificates
 - ☐ evidence of other income, benefits and business expenses they have paid out?

If you use contractors under the Construction Industry Scheme

There are certain records that you must keep if you use contractors under the Construction Industry Scheme (CIS). This is a complex area and you can find out more in our guide on **monthly returns and record keeping for contractors**. (If you're using contractors under CIS, you must keep your CIS records for the previous three years as well as the current year.)