



Perception Accounting  
Accountants with Vision

# NEWSLETTER

**JUNE 2025 - Issue 19**

## **31ST JULY**

**Not a date to be missed**

## **THE HIDDEN GEM**

**Ssh, it's a secret**

## **HIRING A BOOKKEEPER**

**Do I need one?**

## **RUNNING A BUSINESS IN 2025**

**The wild west meets AI**

## **IDENTITY VERIFICATION**

**Companies House new initiative**

## **THE SMART HUSTLE**

**Working on your business, not just in it**

## **MIXING IT UP**

**The Perception summer cocktail**

## **5 QUESTIONS**

**Every business owner should ask their accountant**

## **A WORD FROM THE MD**



**Don't Miss..**

## **the 31 July Tax Deadline: Your Second Payment on Account Is Due!**

**SECOND PAYMENT  
ON ACCOUNT**



**31st  
JULY  
2025**

Ah, summer. Sun's out, rosé's flowing... and HMRC's got their hand out again. Yep – 31 July 2025 marks the second payment on account deadline for those of us in the Self Assessment club. Miss it, and you could face interest charges that sting harder than a sunburn.

### **What's a Payment on Account, Anyway?**

If your last tax bill was over £1,000 – and less than 80% of your tax was already collected via PAYE – HMRC assumes your next bill will be similar. So, they split it into two advance payments:

- First payment: Due 31 January
- Second payment: Due 31 July

These are basically down payments on your upcoming tax bill, each one typically 50% of what you owed last year.

### **So, What Do I Owe?**

Let's say your 2023/24 tax bill was £2,000. You'll have already paid £1,000 in January 2025. Now, it's time to cough up the other £1,000 by 31 July 2025.



## What If Your Income's Dropped?

You can apply to reduce your payments on account – online or via form SA303. BUT (and it's a big but): underestimate too much and HMRC will charge interest on the shortfall. They don't forget, and they definitely don't forgive.

## How Do I Pay?

Plenty of options:

- Log in and pay through your HMRC online account
- Bank transfer using HMRC's details
- Direct debit
- Good old-fashioned cheque with a payslip (just leave enough time for it to clear)

## What Happens If You Miss It?

Interest starts stacking up from day one. While you might dodge a penalty, it's still extra money out of your pocket – and that's never a vibe.

Mark Your Calendar:

- ☒ 31 Jan 2025 – First payment on account for 2024/25
- ☒ 31 Jul 2025 – Second payment on account
- ☒ 31 Jan 2026 – Balancing payment + first payment for 2025/26

Need help checking what you owe or reducing your bill? Give us a shout – we'll handle the maths, so you can handle the sunshine. ☀️

### 2nd Payment on Account Deadline for Personal Tax Returns



**DONE AND**



**DUSTED!**





## The Hidden Gem: Loss on Sale Relief

Here's the scoop: if you've paid inheritance tax (IHT) on assets like property or shares based on their value at the time of death, and those assets have since been sold for less, you might be entitled to a refund on the overpaid tax.

### **Property Sales: Up to 4 Years to Claim**

- **Eligibility:** If an inherited property is sold within four years of the deceased's death for less than its probate value.
- **Conditions:**
  - The sale must result in a loss of at least £1,000 or 5% of the property's value at death, whichever is lower.
  - The property must not be sold to a beneficiary or their relative.
- **Action:** Executors can claim a refund by submitting the appropriate form to HMRC.



## Shares: 12-Month Window

- Eligibility: If inherited quoted shares are sold within 12 months of death at a loss.
- Conditions:
  - The relief applies only to quoted shares and certain securities, not to unit trusts or private company shares.
  - The shares must not be repurchased by the estate within two months of sale.
- Action: Executors can claim the relief by submitting the appropriate form to HMRC

## How to Claim

- Forms:
  - For property: Use form IHT38.
  - For shares: Use form IHT35.
- Deadline: Claims must be made within four years of the end of the 12-month period following the date of death.
- Processing Time: Refunds typically take three to nine months to process, and HMRC may pay interest on the overpaid amount.

## Important Considerations

- The relief is only available if the assets are sold, not if they are transferred to beneficiaries.
- If multiple assets are sold, the relief applies only if there is an overall loss on the sales.
- The claim must be made by the executor or person responsible for paying the IHT.



# Do I need a Bookkeeper for my business?

Running a small business comes with no shortage of challenges—from finding customers to delivering great service. But ask any seasoned entrepreneur what can quietly make or break a company, and they'll likely point to the books.

Many small business owners start off managing their finances themselves, armed with a spreadsheet and a bit of guesswork. But as turnover grows and transactions multiply, the question inevitably arises: Do I need a bookkeeper?

## The Backbone of Business Finances

A bookkeeper is responsible for recording and organising the financial transactions of a business. This includes managing invoices, processing payroll, reconciling bank statements, and preparing financial reports.

In short, they provide the groundwork for accurate accounting—and keep the financial wheels turning behind the scenes.



## Can You Go It Alone?

For very small businesses or sole traders with limited monthly expenses, the DIY approach may suffice—at least in the beginning. Cloud-based tools like Xero have made basic bookkeeping more accessible. But even with software, the workload can be deceptively time-consuming.

“The danger is not knowing what you don’t know, burying your head in the sand and panicking at tax time.

## Red Flags You Need Help

Business owners should consider bringing in a bookkeeper when:

- Invoices and receipts start to pile up
- Reconciling accounts becomes a monthly ordeal
- Tax filing becomes stressful or confusing
- Business and personal finances are blending together
- Staff or contractors are being hired

It’s at this stage that disorganisation can start costing money—both in missed deadlines and poor financial decision-making.



## The Upside of Delegating

Hiring a bookkeeper doesn’t just tidy up your financial admin—it can actually save money. With clean, up-to-date records, businesses are less likely to incur penalties, miss tax relief opportunities, or run into cash flow issues.

“A good bookkeeper is like a satnav for your business finances,” one local entrepreneur commented. “You might still hit traffic, but at least you won’t get totally lost.”



## Bookkeeper vs. Accountant

It's worth noting the distinction. While a bookkeeper handles the daily record-keeping, an accountant uses that data to advise on strategy, ensure compliance, and file tax returns.

Most growing businesses eventually need both.

If your business is growing, hiring a bookkeeper isn't a luxury—it's a smart move. With your financial data in safe hands, you can focus on what you do best: running your business.





## Owning a Business in 2025

### The Wild West Meets AI

Running a business in 2025 feels a bit like riding a mechanical bull—with ChatGPT whispering in one ear, HMRC making you panic in the other, and a Gen Z intern suggesting you do a TikTok about it.

#### Here's what it really looks like:

AI is your assistant, not your saviour. It can write your emails, crunch your data, and design your flyers—but it still can't stop a supplier ghosting you or win you a client's trust.

✓ **Speed is currency.** Customers want real-time replies, next-day delivery, and instant updates. If you're slow, you're invisible.

✓ **Authenticity wins.** The polished, "we're crushing it" corporate tone is out. People want to know the human behind the business. The messy middle. The lessons and the losses.

✓ **Remote is normal**, hybrid is ideal, and burnout is still very real. If your culture isn't strong, your people won't stick around—even if they're logging in from Bali.

✓ **Sustainability isn't a 'nice-to-have'.** Customers want purpose. If your business isn't giving back or looking forward, someone else is.

2025 business isn't about perfection. It's about adapting fast, staying real, and knowing when to hand things over to the bots (and when not to).



## Identity Verification

### **The new Companies House Identity Verification Programme: What You Need to Know Before It Becomes Mandatory in Autumn 2025**

Starting from 8 April 2025, HMRC has introduced a voluntary identity verification programme aimed at enhancing the integrity of the UK's company register. While currently optional, this process will become mandatory in autumn 2025, affecting over six million individuals involved in UK companies.

#### **Why Is Identity Verification Being Introduced?**

The initiative is part of the Economic Crime and Corporate Transparency Act 2023, designed to combat economic crime and improve corporate transparency. By verifying the identities of those setting up, running, or controlling companies, HMRC aims to prevent fraudulent activities and ensure the accuracy of company information.



## Who Needs to Verify Their Identity?

The following individuals will be required to complete identity verification:

- Directors: Both new and existing company directors.
- People with Significant Control (PSCs): Individuals who own or control more than 25% of a company.
- Filing Agents: Anyone submitting information to Companies House on behalf of a company.
- LLP Members: Members of Limited Liability Partnerships.

Verification will be a one-time process, with individuals receiving a unique identifier to be used in all future dealings with Companies House.

## How to Verify Your Identity

There are several methods available for identity verification:

1. Online via GOV.UK One Login: Use a biometric passport, UK driving licence, or other approved ID to verify your identity through the GOV.UK One Login system.
2. In Person at a Post Office: If unable to verify online, individuals can complete the process at designated Post Office branches.
3. Through an Authorised Corporate Service Provider (ACSP): Engage a registered ACSP, such as an accountant or solicitor, to verify your identity on your behalf.

Each method requires specific documentation and may have associated costs, particularly when using an ACSP



## Timeline for Mandatory Compliance

- 8 April 2025: Voluntary identity verification begins.
- Autumn 2025: Verification becomes mandatory for new directors, PSCs, and filing agents.
- By Autumn 2026: Existing directors and PSCs must complete verification, typically aligned with the company's next confirmation statement.



## Consequences of Non-Compliance

Failure to complete identity verification by the required deadlines may result in:

- Inability to File Documents: Unverified individuals will be restricted from submitting filings to Companies House.
- Legal Penalties: Non-compliance may lead to financial penalties or criminal charges.
- Company Sanctions: Companies with unverified directors or PSCs may face restrictions or be marked as non-compliant on the public register.



## Preparing for the Change

To ensure compliance:

- Verify Early: Take advantage of the voluntary period to complete verification ahead of the mandatory deadline.
- Gather Necessary Documents: Ensure you have the required identification documents ready.
- Consult Professionals: If needed, engage with an ACSP to assist with the verification process.

By proactively completing identity verification, individuals and companies can avoid potential disruptions and contribute to a more transparent corporate environment in the UK.



## The Smart Hustle:

### Working On Your Business, Not Just In It

**In 2025, being "busy" isn't a flex anymore.** Anyone can be busy. The real skill? Being strategic.

Too many business owners are still trapped in the daily grind—approving invoices, answering every email, spinning plates like a circus act with no intermission.

🔧 If your business can't run a day without you, you've built yourself a job—not a business.

**Automate the noise.** From scheduling to customer service, AI isn't here to take your job—it's here to take your to-do list.

**Step back to scale up.** Growth doesn't come from micromanaging. It comes from systems, people, and letting go of tasks that don't need you.

**Build you into the brand.** Whether it's your values, your story, or your face on camera—people don't just buy from companies, they buy from people they trust.

**Protect your peace.** Burnout doesn't make you a hero—it just makes you miserable. Rested brains build better businesses.

So if you're still drowning in admin and firefighting every issue yourself, ask: What would my business look like if I focused only on the things that truly need me?

This year, hustle smarter. Then take a lunch break.





## **"The Ledger Balancer" – A Summer Cocktail for the Numbers Nerd with Taste**

### **Ingredients:**

50ml gin (because accountants love a classic)  
25ml elderflower liqueur (to sweeten the tax return)  
15ml lemon juice (for a bit of zesty profit & loss)  
75ml sparkling water (bubbly, like your quarterly forecast)  
A sprig of mint (for that fresh outlook on fiscal year-end)  
Cucumber ribbon or lemon wheel to garnish (for aesthetic ROI)  
Ice (cold, like HMRC's reminders)

### **Method:**


In a cocktail shaker, add gin, elderflower liqueur, and lemon juice.

Shake like you're auditing dodgy expenses.

Pour into a chilled highball glass over ice.

Top with sparkling water to keep it liquid.

Garnish with a mint sprig and cucumber ribbon—because balance sheets should be beautiful.



# Zero Balance Zinger Mocktail

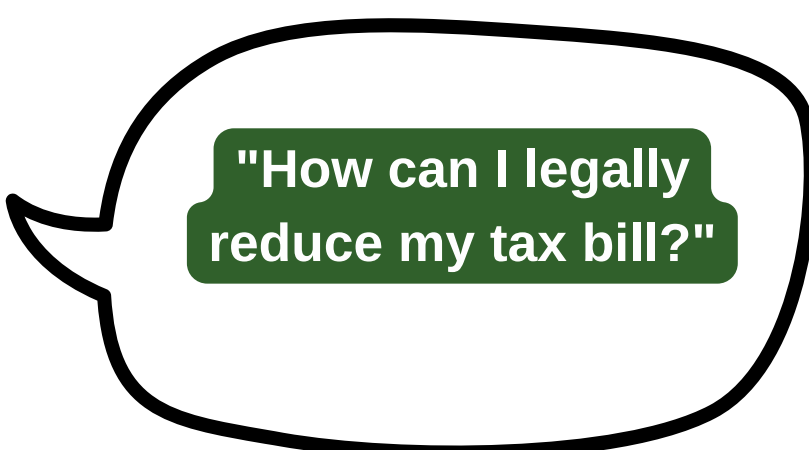
## Ingredients:

- 50ml fresh lime juice (assets)
- 25ml ginger syrup (spicy equity)
- 100ml soda water or sparkling water (bubbly liabilities)
- A few fresh mint leaves (fresh perspective)
- Crushed ice (because... you've got to stay chill)

## Method:

- Muddle the mint leaves gently at the bottom of a shaker or glass.
- Add lime juice and ginger syrup – the core assets of this mocktail.
- Shake or stir with crushed ice until nicely chilled (think: end-of-year cool-down).
- Strain or pour into a highball glass over fresh crushed ice.
- Top up with sparkling water – fizzier than your tax excuses.

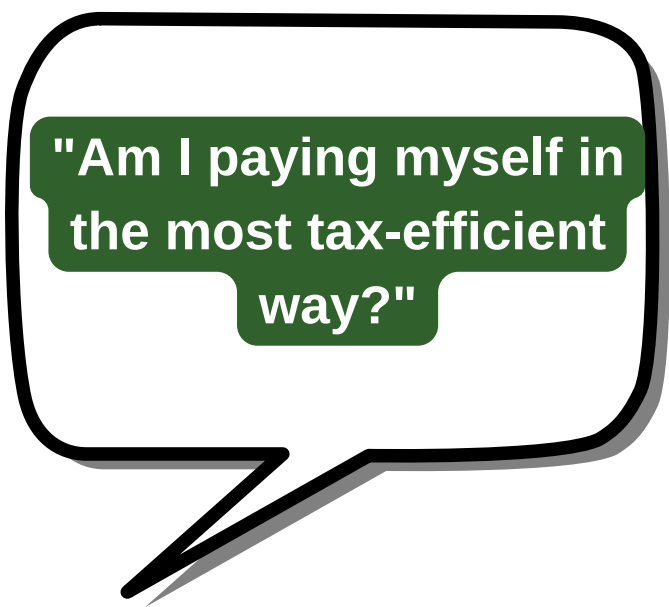
# What are the 5 questions every business owner should ask an accountant?

A speech bubble with a black outline and a tail pointing towards the top left.

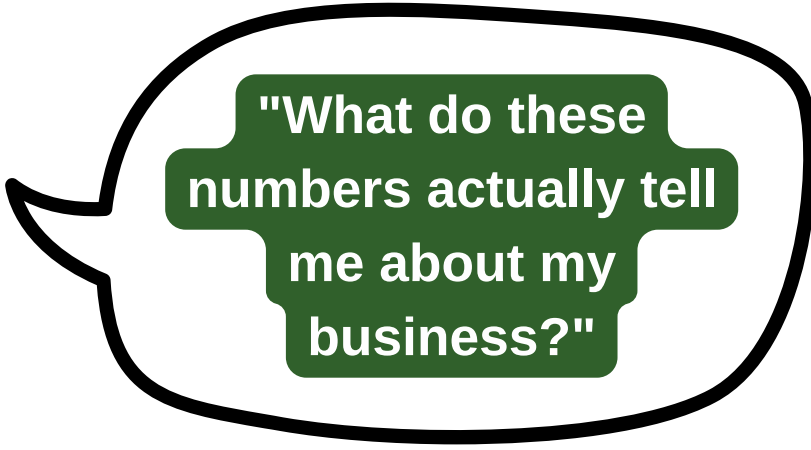
**"How can I legally reduce my tax bill?"**

This one opens the door to everything from R&D tax credits to VAT schemes and allowable expenses.

Balance take-home pay with tax-smart strategies. It's not just about how much you earn — it's about how much you keep.

A speech bubble with a black outline and a tail pointing towards the bottom left.

**"Am I paying myself in the most tax-efficient way?"**

A speech bubble with a black outline and a tail pointing towards the top left.

**"What do these numbers actually tell me about my business?"**

The numbers should help you read the story behind your profit/loss, cash flow, and balance sheet



**"What should I be planning for over the next 6–12 months?"**

You should be looking at forecast cash flow, prepping for upcoming taxes, planning for growth, and dodging future financial potholes.

From forgotten VAT filings to nightmare payroll blunders. Learning from others' mistakes is a lot cheaper than making your own.

**"What mistakes do you see other businesses like mine making?"**

## 5 QUESTIONS TO ASK YOUR ACCOUNTANT





# COMPANY NEWS



Home Start Ashford are our charity partners for 2025. Watch this space for our *'Charity Casino Night'* in October

More details on how you can support us coming soon.

On a personal note, Lisa and Georgie are taking on a 50k trek to raise money for Macmillan Cancer. This is to support our office manager Karen's daughter, as she fights her own personal battle with cancer.




Please click link if you would like to make a

[Click here to donate](#)










# A WORD FROM THE MD

Dear All,

Summer is here and the sun is shining 

We have a terrific summer of sport with the women's Euros  and Wimbledon starting this week 

which I am going to enjoy!.

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As usual, we are keen to get as many tax returns in as early as possible to take the strain away from December/January!

We have had just under 20% of tax return information in so far and would love more. As an incentive, we will do our prize draw again in which **three** people will win a **prize** if they have sent their tax return information to us before 31 July 2025.

The top prize will be a bottle of Bollinger champagne.



Some of you will have heard about the changes to reporting your personal tax if you are self-employed or have rental income over a certain amount each year. These changes come in from the start of the next tax year (April 2026). The changes are significant as a lot of people will have to start reporting quarterly and will have to use software. However, please don't worry, we will be contacting you soon to let you know if you are affected and to offer simple and cost-effective solutions.

Finally, I hope everyone has a great summer and enjoys whatever holiday they might be taking. If you are not going away, I hope the sun keeps shining and you can enjoy some downtime.

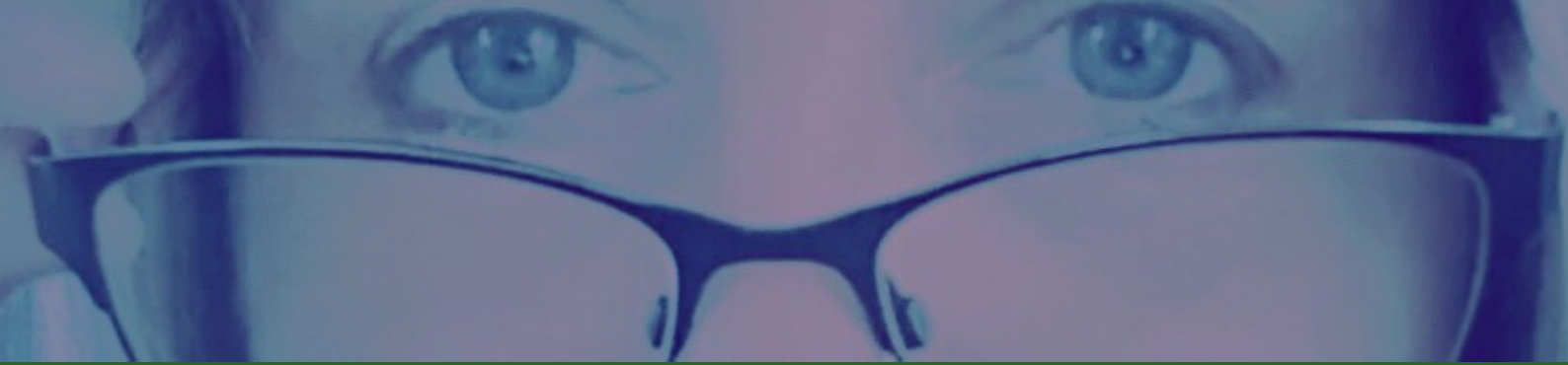
*Lisa*





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