

TAX

BUSINESS

COMPLIANCE

**YOUR JANUARY  
2025 MONEY  
POWER  
BRIEFING**

**LISA HAY**

REALLY GREAT SUPPORT

**ESSENTIAL  
FINANCIAL  
INSIGHTS  
FOR  
BUSINESS  
SUCCESS**

**STAY AHEAD:  
ESSENTIAL  
DATES & KEY  
METRICS!**

**BUSINESS**



## MONTHLY MONEY POWER BRIEFING

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Get in touch - we're just a call or email away! Stay tuned for upcoming courses and deep dives!

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# EDITOR'S NOTE

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*Dear Business Owners,*

Happy New Year! And, welcome to the first edition of the Monthly Money Power Briefing of 2025! I'm so glad you've joined us for some great insights, strategies and practical advice to help your business thrive and get the year off to a productive start.

Kickstart the year with must-know compliance deadlines, smarter bookkeeping strategies, and essential business metrics. We've highlighted key dates you can't afford to miss and why a strong financial system is crucial for success.

With January's self-assessment

deadline looming, we break down what it means for you and how to stay compliant. Plus, discover the key metrics that drive growth, improve productivity, and boost profits—giving your business the competitive edge it needs!

So, grab a coffee, take a moment to read, and give yourself 10 minutes to digest the insights—who knows, it could spark a game-changing idea for your business!

*Yours in Success,*

*Lisa x*





# Monthly Spotlight Solid Foundations

As we step into January, it's the ideal time to set the stage for an organised, stress-free financial year. This month, our focus is on **ensuring solid foundations - knowing your key compliance dates and understanding the value of a reliable bookkeeping system.**

## Tax and Compliance Dates You Can't Afford to Miss

Planning ahead for key tax deadlines can save you time, money, and unnecessary hassle. **In this month's edition of Monthly Money Power Briefing, you'll find a handy overview of crucial tax dates—be sure to note these or print them for easy reference.** Each month, we'll guide you on what to prioritise to keep your business on track. An organised approach not only ensures compliance with HMRC and Companies House but also helps you manage your business with confidence and clarity.

### Bookkeeping? Here's What We Recommend...

- **Xero:** Our go-to bookkeeping system—reliable, flexible, and offering robust reporting features. It's perfect for seamless collaboration with accountants
- **Hubdoc:** Included free with Xero, this app extracts key information from receipts, invoices, and bills - reducing manual data entry and filing, think of it - like a great personal assistant!
- **Know Your Numbers:** Generate reports and seek useful actionable insights.
- **Prepare for Accountant Meetings:** Go in with a clear checklist of topics to cover, including those all-important tax deductions to minimise your tax bill.

**With the right tools and proactive preparation, you'll keep your business in check and build a solid foundation for growth.**



## A Solid Bookkeeping System

Having an efficient bookkeeping system is crucial for commercial success and avoiding costly mistakes.

- Maximise Tax Deductions
- Avoid Costly Mistakes:
- Maintain Compliance
- Improve Cash Flow Management:
- Make Informed Decisions

**A good system not only keeps your business compliant but also boosts profitability and peace of mind.**

Now is the perfect time to review your systems. **Take a step back and assess your software and processes**—are they efficient and effective? Identify any gaps and consider whether you're fully leveraging technology. Ensure your accounts are regularly reconciled and all expenses, even those not directly spent through your business are being recorded. A thorough review now can streamline your financial management and set you up for the coming year.



# KEY DATES

## STAY COMPLIANT YOUR ESSENTIAL TAX AND COMPLIANCE CALENDAR

Planning for the year and laying the groundwork for an organized financial year starts with knowing your dates.

Below you'll find the key dates to keep your schedule on track.



### January

Deadline for filing Self Assessment & Capital Gains Tax	31st
Payment of Self Assessment Tax	31st
First Payment on Account due	31st

### April

24/25 Tax Year Ends	5th
25/26 Tax Year Begins	6th
Deadline for employers' final PAYE return	19th

### May

Deadline for forms P60 to be issued to employees	31st
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### Your Dates

Annual Confirmation Statement	_____
File Your Corporation Tax Return	_____
Pay Your Corporation Tax	_____
File your company's annual accounts	_____
Submit VAT Return & Pay Qtr 1	_____
Submit VAT Return & Pay Qtr 2	_____
Submit VAT Return & Pay Qtr 3	_____
Submit VAT Return & Pay Qtr 4	_____

### July

Deadline for P11D, P11D(b) to be submitted to HMRC	6th
PAYE and Class 1 A NIC payment due	22nd
Second Payment on Account due	31st

### October

Deadline for Self Assessment registration to notify HMRC of Income & Capital Gains Tax	5th
Deadline for postal submission of Self Assessment Tax Returns	31st

### December

Deadline for Self Assessment Tax Returns If you want HMRC to collect tax you owe using your PAYE code	30th
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# Profit Pulse

## Track & React To Key Metrics

### Start Strong What To Track?

Every successful business needs to track and react to Key Performance Indicators (KPIs).

If you're just starting this journey or looking to fine-tune your current metrics, here are five powerful KPIs to consider - because what gets measured, can truly get managed!

- **Gross Profit Margin:** Measures how efficiently your business produces goods or services.
- **Net Profit Margin:** Indicates overall profitability after all expenses are deducted.
- **Average Gross Profit per Client:** Explored in detail in this month's edition—learn how to boost client profitability.
- **Customer Churn Rate:** Tracks the percentage of customers lost each month, helping you manage retention.
- **Revenue Growth Rate:** Shows how quickly your business's income is increasing over time.



### The 'Churn Rate' Often Overlooked!

The 'Customer Churn Rate' might sound like a big-business buzzword, but it's just as crucial for smaller businesses.

It's a simple metric that shows the percentage of customers you lose each month compared to your total customer base.

Why does this matter? Because attracting new customers often costs more than keeping existing ones. A lower churn rate means more stability, better profitability, and a healthier bottom line.

**Of course, every business - no matter how fantastic - will lose some customers. The key is to keep this number as low as possible while letting go of those unprofitable clients who might be holding you back (because, let's face it, some goodbyes are a blessing!).**

The best part? Churn is quick and easy to calculate, giving you instant insights into your business's health to strengthen your business.

### Leverage KPIs to Drive Real Results!

Get the Most from Your KPIs.

- **Set Clear Targets:** Define specific, measurable, and achievable goals for each KPI.
- **Visualise Data:** Use dashboards or graphs for clear insights.
- **Review and Analyse:** Regularly assess trends to spot strengths and weaknesses.
- **Take Action:** Address issues highlighted by KPIs with targeted improvements.
- **Communicate Results:** Keep stakeholders informed on progress and priorities.
- **Align with Goals:** Ensure KPIs support your strategic objectives.
- **Adapt and Update:** Review KPIs periodically to keep them relevant.

By managing your KPIs effectively, you'll gain valuable insights to drive your business forward.

### Quick Win Of The Month

Automate invoice reminders to improve cash flow and speed up customer payments..

# COMPLIANCE

## Mastering the Art of Compliance What to Watch This Month...

### 31st January - Deadline for Filing Self Assessment

The self-assessment deadline of 31 January is fast approaching. It is crucial to ensure all your financial records and tax documents are meticulously prepared and accurate. Filing your return on time is essential to avoid steep penalties and preserve your business's reputation with HMRC..

This deadline covers income from all sources, including business profits, dividends, and additional earnings. Now is the time to review your accounts, consult with your accountant, and confirm every detail before submission. Meeting this deadline protects your cash flow and demonstrates your commitment to sound financial management and regulatory compliance for your business.



### 31st January - Payment of Self Assessment Tax & First Payment on Account

31 January is the critical deadline for paying your Self Assessment tax bill. This date requires you to settle the tax, as calculated in your Self Assessment tax return for the previous tax year in full.

The first Payment on Account is also due. 'Payments on account' are payments towards your next tax bill, they help spread the cost of your tax by making payments in 2 instalments. Each payment is half of the tax you owed last year and due by on 31 January and 31 July

Failure to pay on time can result in steep penalties and interest charges. Timely payment ensures compliance with HMRC and upholds your business's financial integrity.

### Next Year Ready? Own Your Tax Bill: Plan, Deduct, and Save

As the 6th April new tax year approaches, starting early is essential to avoid missing key deductions or overpaying tax.

A trusted accountant provides expert advice, but you must also take ownership of your tax bill to ensure you claim every relevant deduction. Make sure you're happy with the service you receive from your accountant and don't hesitate to ask questions.



Follow my Instagram page for regular tax tips and updates. With proactive planning and careful review of your finances, you can simplify your tax obligations and achieve a healthier bottom line for next year.



**lisahayaccountant**







# In The News

## Real World Insights

### CRYPTO

## HMRC Crackdown on Digital Currencies – Act Now

With the 31 January 2025 self-assessment deadline fast approaching, many crypto investors are unaware that **profits above £3,000 are subject to capital gains tax**. It's likely that many are under the impression that investing their money in this way hides them from a tax liability, it does not.

Around 7 million Britons own crypto assets, and with recent market surges, some may face higher tax bills than expected. It's crucial to understand that crypto trading isn't tax-free and failure to file could result in a fine.

**If you've made crypto gains act now, don't risk penalties by missing the filing deadline.**



## Spice Sting!

HMRC has issued a £250,000 tax bill to Spice Garden, an Indian restaurant, after discovering staff hiding cash under the till. The owner failed to explain many discrepancies or provide records from an HMRC test-eat visit.

This case reveals inadequate systems resulted in the Owner's costly downfall.

## 31st January Alert: File Tax Returns Now!

HMRC warns that roughly 1 million taxpayers might miss the January 31, 2025 deadline for filing their 2023/24 tax returns..

**So, what happens if you file late?** A late submission triggers an initial £100 penalty—even if no tax is owed. If the return is three months overdue, an extra £10 per day may be charged for up to 90 days, with further fines at six months and one year. Late payments also incur interest; the current rate is 7.25%, rising to 8.75% in April 2025. Any tax unpaid 28 days after the

deadline faces an extra 5% charge.

**Avoid late filing by setting reminders and engaging an accountant well ahead of the 31st January.**

**If necessary, request a time-to-pay plan to halt penalties (though interest accrues) and stay compliant.**





# CONTACT US

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***Save Money / Stay Compliant / Reduce Stress***

Discover our previous briefings at  
**[www.taxtalks.co.uk/moneypowerbriefings](http://www.taxtalks.co.uk/moneypowerbriefings)**

**Congratulations on diving into this month's Money Power Briefing, brought to you by Tax Talks!** By staying informed, you're keeping up with regulatory requirements, enhancing your financial savvy, and discovering powerful tax-saving and profit-boosting strategies to drive your business forward.

## **Need More?**

Keep an eye out for our upcoming courses this year, where we'll be taking a deep dive into tax-saving strategies and compliance essentials—ensuring your business stays on track, maximises tax savings, and remains fully compliant.

**Remember, staying on top of your tax process is a year-round effort,** If you're ready to dive deeper into tax-savings and learn how to confidently lead your finances, follow me 'lisahayaccountant' on **Instagram** and learn how to save tax, stay compliant and reduce stress.



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