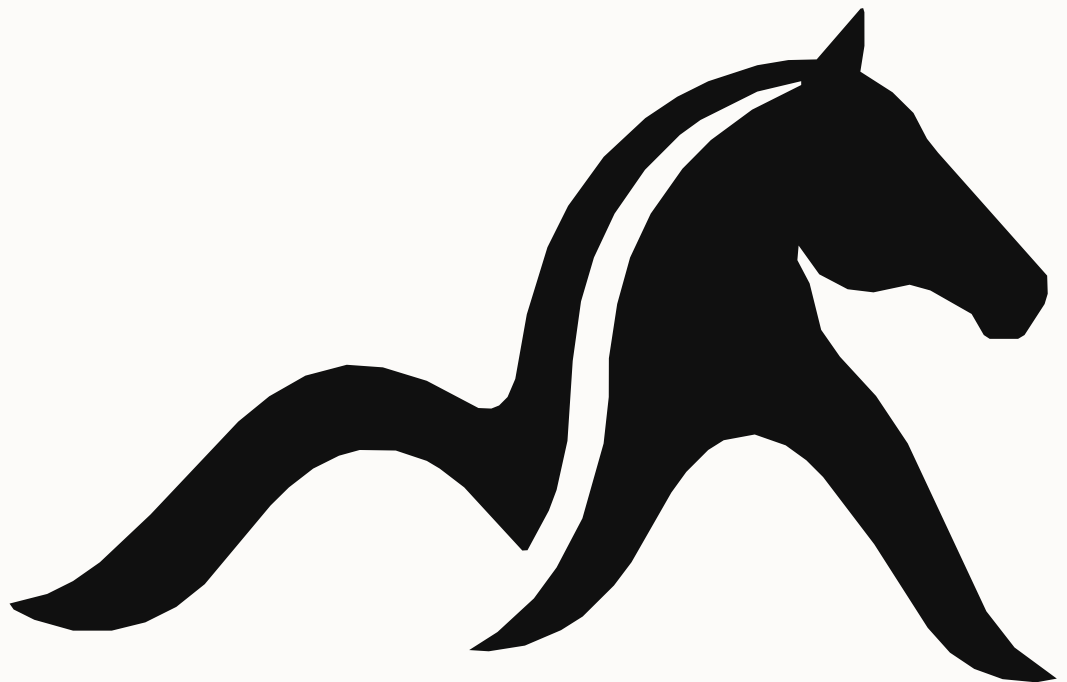

Practice edition

USER MANUAL



Published by Murgese Ltd, company number 13464940, registered in
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This edition describes version 2.9.38.

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PART 1

Getting started

Installing Murgese, answering the first-run questions, and finding your way around the screens.

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About this manual

This manual covers Murgese Practice edition, version 2.9.38.

Practice edition is for an accountancy practice: many client companies, with a job board, deadlines, time recording and fee billing on top of the accounting. If you are keeping one company's books and have no client list, you have Business edition, and there is a separate manual for it.

You can see which edition you are running at the bottom of the sidebar, under your name.

1.1 HOW THIS MANUAL IS ARRANGED

It follows the order you will actually need things. Getting started, then setting up, then taking on a client, then the day-to-day bookkeeping, then VAT and CIS, then the year end, then the reports, then running the practice. The last part is about looking after your data.

Every screen in the product is covered. The ones you will use every week are set out step by step. The specialist ones, which most firms will never open, are covered more briefly, but none of them is left out.

1.2 WHAT THE PICTURES SHOW

Every screenshot in this manual is a photograph of the running product, not a drawing of it. The company in them, Aldridge Construction Ltd, and everybody connected with it are invented, and so is every figure. No real company, person, VAT number or Unique Taxpayer Reference appears anywhere in this manual.

1.3 CONVENTIONS

Screen names are written as they appear in the sidebar, so **Chart of accounts** means the item labelled Chart of accounts.

Money is always shown in pounds and pence. Murgese stores money as whole pence internally, which is why it never loses a penny to rounding, but you will never have to think about that.

Dates are shown in the British order throughout: 30 August 2026, or 30 Aug 2026 where the column is narrow. Where a screen asks you to type a date it uses your computer's date picker.

WORTH KNOWING

Where this manual says the product will not let you do something, that is deliberate rather than a gap. Murgese refuses a number of things on purpose, and each time it does the screen says why. Those refusals are noted here as well, because knowing what a program will not do is as useful as knowing what it will.

1.4 GETTING HELP INSIDE THE PRODUCT

Every screen has a **Help on this screen** link at the bottom of the sidebar. It opens the help topic for the screen you are standing on rather than a search box, so you do not have to know what the feature is called to read about it.

The full help is on the [Help & support](#) screen, which also carries your licence details, the terms you accepted, and the button that changes which edition this installation runs as.

Installing Murgese

Murgese runs on Windows, on your own computer or your own server. It is not a website and there is no account to create with us. Your books stay on your machine.

2.1 WHAT YOU NEED

- Windows 10 or Windows 11, 64-bit
- About 400 MB of disk space for the program, plus room for your data
- A screen of 1280 by 720 or larger. Murgese works on a smaller one, but the wider registers, invoices, bills and the trial balance, will scroll sideways rather than fitting across. Folding the sidebar with **Ctrl+B** buys back about 170 pixels if you are close.
- No internet connection for the accounting itself. A connection is only needed for the parts that talk to somebody else: Companies House lookups, filing with HMRC, and email.

2.2 INSTALLING IT

1. Run `Murgese-Setup-2.9.38.exe`.
2. The installer is signed with Murgese Ltd's code signing certificate, so Windows names the publisher as **Murgese Ltd**. While a new certificate builds a reputation with Microsoft, Windows may still show a blue "Windows protected your PC" box: choose **More info**, check that the publisher reads Murgese Ltd, then choose **Run anyway**. If the publisher is unknown, or is anybody else, do not run the file; download it again from murgese.co.uk.
3. Choose where to install it. The default installs for your Windows account only and needs no administrator rights.
4. When it finishes, Murgese appears in your Start menu.

CAREFUL

Do not turn off your antivirus to install this, and do not add an exclusion for it. If your antivirus blocks the installer, check the file against the SHA-256 checksum published with the download first, and only then decide.

2.3 WHERE YOUR DATA IS KEPT

Murgese keeps everything in one database file in your Windows user profile. [Help & support](#) shows you exactly where.

Because it is one file, backing up Murgese is backing up that file, and the product does this for you. See [Backups and keeping your data safe](#).

CAREFUL

If several people need to use the same books, they must all reach the same database file. Two people each running Murgese on their own machine are keeping two separate sets of books, not sharing one.

2.4 SIGNING IN THE FIRST TIME

The first person to open Murgese sets the installation up: your name, your email address and a password. That account becomes the administrator.

There is no "forgot my password" email from us, because there is no us in the middle: this is your installation. What there is instead is a recovery code, shown once when your account is created. Print it or write it down and keep it away from the computer. It is the only way back in if you forget the password and there is no other administrator.

The first-run questions

The first time Murgese is set up, the set-up form asks which edition to run as. It needs this once, to decide which screens to show.

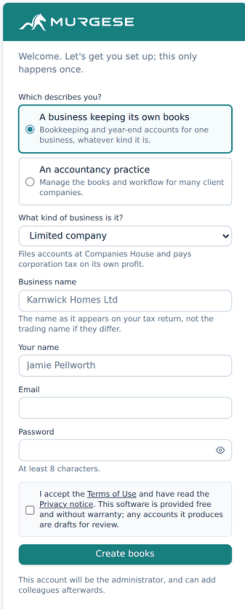


Figure 1 The set-up form. "Which describes you?" decides which screens appear, and nothing else. Your records are not affected either way. The figures shown are invented.

Choose **A business keeping its own books** if you are one business doing your own bookkeeping and year end, and then say what kind of business it is. Choose **An accountancy practice** if you have client companies to manage, and want the job board, deadlines and time recording as well.

An installation carried over from an earlier version has no set-up form, so it asks the same question the first time you sign in instead. **Decide later** lets you look round first; the question is asked again next time.

You can change this later on [Help & support](#), and changing it does not touch a single record. It only changes which screens are shown.

Because you chose Practice edition, the sidebar has a practice section at the bottom with the job board, your client list, deadlines and fees, and every accounting screen sits inside a client.

3.1 THE TERMS

You will be asked to accept the terms and the privacy notice before you can carry on. They are readable in full on [Help & support](#) at any time afterwards, along with the date and version you accepted.

3.2 THE TOUR

A seven-step tour offers itself on first run. You can take it or skip it, and you can start it again later from [Help & support](#). Skipping it holds nothing back.

Finding your way around

Murgese has one window, split in two. The sidebar on the left is where you choose what to work on. Everything else is the screen you chose.

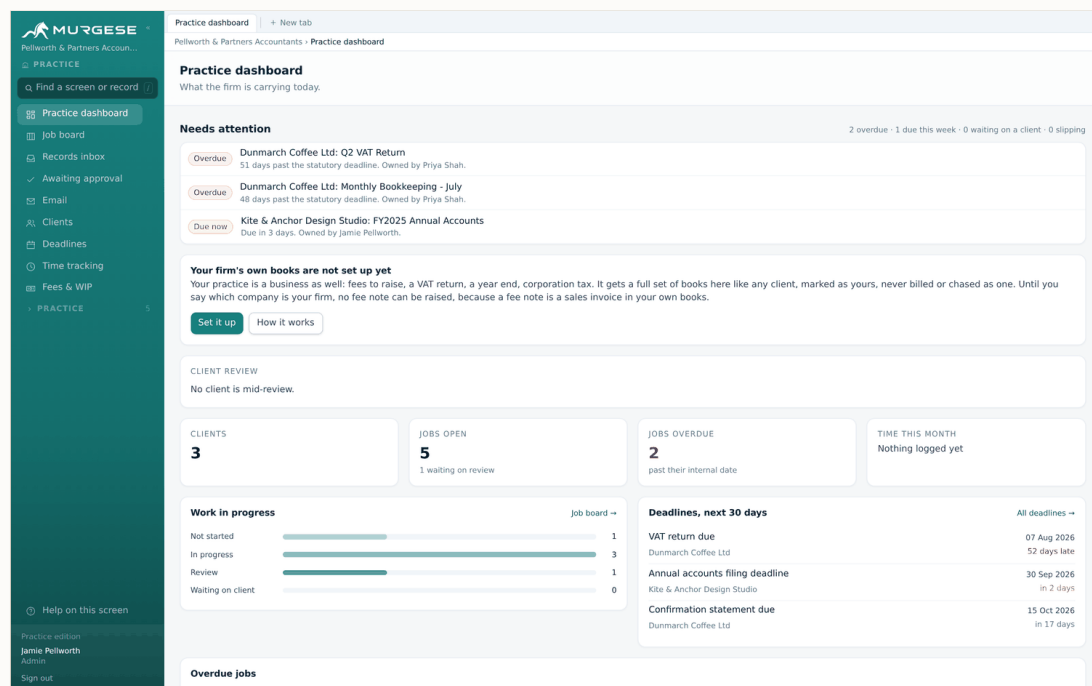


Figure 2 The Practice edition sidebar. The top half is the firm: the job board, deadlines, fees. The **PRACTICE** group at the bottom holds the settings, the staff list and the licence. The figures shown are invented.

4.1 THE SIDEBAR

The sidebar changes depending on where you are standing. When you are on a practice screen it lists the practice screens. When you open a client, it becomes that client's sidebar, with the accounting screens grouped by the kind of work, and the client's name at the top with a dropdown to switch to another one.

That is deliberate: the alternative is a sidebar carrying both, which grows to fifty items and stops being a way of finding anything.

One group open at a time

The groups fold. When you arrive, the only group open is the one holding the screen you are looking at, and the rest are folded to their headings, with a number beside each saying how many screens it is holding. Click a heading to open it, click it again to fold it, and Murgese remembers what you chose for next time.

Two rows are never folded away: **Dashboard** and **Bank**. The dashboard is where to go when you have lost your place, and the bank is the screen most people are on most days.

A folded group still shows the screen you are standing on, so the sidebar never stops saying where you are.

The screen you are on is marked with a bar in the theme's colour, and the menu it belongs to is marked as well: that group's heading is lit, and its screens hang off a line running down from the heading in the same colour. Every other open group has the same line, faintly, so you can always see which screens belong to which heading.

Getting back to the firm

Inside a client, the top of the sidebar carries **Return to practice**, and the client's own block sits on a darker band with the company name, its number and its VAT and CIS badges. The practice screens are still there, folded into the group at the bottom, but the band and the crumbs across the top of the window mean you should never be in any doubt about whose books you are typing into.

The crumbs across the top

Above every screen is a line saying where you are: [Practice](#) › [Dunmarch Coffee Ltd](#) › [Sales](#) › [Invoices](#). Every step except the last is a link, so it is also the quickest way back out.

The two chevrons at the top right of the sidebar collapse it to icons, which is worth doing on a narrow screen. The icons keep their names: hover for a tooltip, and a screen reader reads the name rather than the drawing.

At the very bottom sit your name, the edition this installation runs as, and **Sign out**.

4.2 FIND A SCREEN OR RECORD

The box at the top of the sidebar is the fastest way anywhere. Type two or three letters and press Enter, or use the arrow keys and then Enter.

It searches:

- every screen, including the ones inside folded groups, and by the words people actually use rather than the words on the label, so [nominal](#) finds Chart of accounts and [auth code](#) finds References & identity
- every report in the library
- this company's invoices, bills, quotes, purchase orders, contacts, items, accounts and journals, by number or by name
- every company in the practice, by name or company number, and the contacts inside them
- where you have just been

Each result says where it lives, so [Dunmarch Coffee Ltd](#) › [Sales](#) › [Invoices](#) tells you what you are about to open before you open it. Press / from anywhere to jump into the box without reaching for the mouse.

4.3 FAVOURITES AND RECENTLY USED

The star beside any sidebar row pins it. Pinned screens sit in a **Favourites** section at the top of the sidebar, above the groups, whichever group they came from, and a company you pin stays there whichever client you are in.

Recently used sits under it and fills itself in as you work. It is folded by default; open it once and it stays open.

Both are yours: they are remembered for your sign-in on this computer, and nobody else's sidebar changes.

4.4 SEARCH FROM ANYWHERE

Press **Ctrl+K** from any screen. One box that finds a screen, a report, an invoice by number, a contact by name, a stock item, a ledger account by code, or another company to switch to.

It searches the report library by the words people actually use rather than the words printed on the report, so typing **debtors** finds Aged Receivables and **nominal ledger** finds Account Transactions. Pick a report and it opens, rather than dropping you on the reports screen to find it again.

Arrow keys move, Enter opens, Escape closes.

4.5 TWO SCREENS AT ONCE

You will often want to keep one screen while you check another: the bank on one side and a report or the ledger on the other. Murgese holds both.

- Hold **Ctrl** and click a screen in the sidebar, or click it with the middle mouse button, and it opens **beside** the one you are reading instead of replacing it.
- **Ctrl+T** opens another view of the screen you are on, so you can move one and keep the other.
- The tabs run along the top of the working area. Click one to go back to it, with its filter, its report and its place still there.
- **New tab**, at the right-hand end of the strip behind a divider, opens a second view of the screen you are on. It does not create a record.
- Each tab has a cross to close it. If anything on the tab has been typed and not saved, Murgese asks before closing it.

KEY	WHAT IT DOES
Ctrl+T	Open another tab
Ctrl+W	Close this tab
Ctrl+Tab	Next tab (Ctrl+Shift+Tab for the one before)
Ctrl+1 to Ctrl+8	Jump to that tab

KEY	WHAT IT DOES
Ctrl+9	The last tab

The last tab cannot be closed, so a stray click cannot leave you looking at an empty window. Signing out closes them all: the tabs name the companies you were working on, and they should not be sitting there for whoever signs in next.

WORTH KNOWING

A tab remembers **where** you were, not what was on the screen at the time. Coming back to a tab draws the figures again from the books, so what you are looking at is always current. A tab holding an hour-old total would look exactly like one holding today's.

4.6 WHAT IS ON A ROW

A row shows one obvious action and keeps the rest behind **More**. Opening the record is the action the row is for -- the client's name is the link, and the things you do occasionally, together with anything that deletes or withdraws, are in the menu. Deleting always asks first, and the question says what it would cost in accounting terms rather than only "are you sure".

4.7 COLUMN WIDTHS

Any table with three or more columns can be adjusted. Each column is sized from its own right-hand edge. Move the mouse onto the heading row and a faint line marks every edge you can drag; the one under the pointer is drawn thicker and in colour. Drag it right to widen the column, or left to narrow it.

To widen the **Date** column on the bank screen, for example, take hold of the line between **Date** and **Description**, not the one between the tick box and **Date**.

Columns that hold only a tick box or buttons have no edge to drag. Their width is the width of what is in them.

The width is remembered for that screen, so a description column you widen on the bank screen stays wide next time you open it, for every client, and stays wide when you sort the list by a different column. Double-click the same edge to put that column back to the width the screen chose for it.

Widening a column takes the room it needs from the columns that have room to spare. Once they are as narrow as what is in them, the table grows instead and scrolls sideways inside its card. A column can never be made narrower than what is in it, so dragging the **Date** column to the left stops at the width of a date, and dates, amounts and buttons are never cut off or printed over the column beside it. A bank description too long for its column ends in "..."; point at it to read the whole line. Only the columns you have sized keep a width of their own; every other column goes on fitting whatever is in it.

Two places this does not apply, on purpose: the pages of a set of statutory accounts, whose layout is fixed because it goes to Companies House; and tables with only two columns, where making one wider only makes the other narrower.

Tables inside a dialogue have the same edges, such as the postings behind a figure you have clicked. A width set there is remembered for that dialogue, not for the screen behind it.

4.8 SIZING A DIALOGUE

Any dialogue can be made bigger or smaller. Drag its left, right or bottom edge, or either bottom corner; the bottom right corner has a small mark to show it can be taken hold of. A dialogue stays in the middle of the window, so it grows on both sides at once: dragging the right-hand edge 2 cm out makes it 4 cm wider.

The square button beside the close button, **Fill the window**, makes the dialogue as large as the window. Press it again, or double-click the dialogue's title, to put it back to the size it was. Double-click any edge to return it to the size it first opened at.

The size is remembered for that kind of dialogue. Widen the postings behind a balance once and they open that wide from then on, whichever account you click. A size remembered on a large monitor never opens larger than the window you are using.

4.9 HELP ON THIS SCREEN

The last item in the sidebar is **Help on this screen**. It opens the help written for the screen you are standing on, rather than a search box you have to know the right word for.

The full help, the licence details, the terms you accepted and the button that changes the edition are all on [Help & support](#).

4.10 THE FILE MENU

Murgese is a Windows application, not a website, so it has a **File** menu at the top of the window. What is on it is not available anywhere else:

- **Back up data now**, and **Restore from backup**
- **Open data folder** and **Open automatic backups folder**
- **Setup and sharing**, which is where the backup schedule lives

See [Backups and keeping your data safe](#).

WORTH KNOWING

If you are reaching this installation from a tablet or another computer over the office network, you get the screens but not the File menu, because backups and the data folder belong to the machine that actually holds the data.

4.11 WHAT THE BADGES MEAN

Small coloured labels appear throughout, and they always mean the same thing.

BADGE	WHAT IT MEANS
VAT	This company is registered for VAT
CIS	This company is in the Construction Industry Scheme, as a contractor, a subcontractor or both
Draft	Entered but not approved, so nothing has posted to the ledger
Awaiting payment	Approved and posted, and not yet settled
Paid	Settled in full
Overdue	Past its due date and unpaid
Your firm	This is the practice's own company, not a client. See Your firm's own books

PART 2

Setting up

The settings that decide how the product behaves, who can use it, and what it can connect to.

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Settings

The screen is called **Practice settings**, in the Practice group at the foot of the sidebar. What sits on it belongs to the firm rather than to any one client: the details printed on every set of accounts you produce, the taxonomies your filings are tagged against, the dates your calendar works to, the credentials that reach HMRC, Companies House and your bank feed provider, and the archive that hands you your data in a form somebody else can read.

5.1 BEFORE YOU START

Anybody may read the screen. Saving anything on it needs the `manage_settings` capability, which an Administrator or a Manager has. Nothing else need be in place first, although fee billing does not work until the question about your firm's own books is answered.

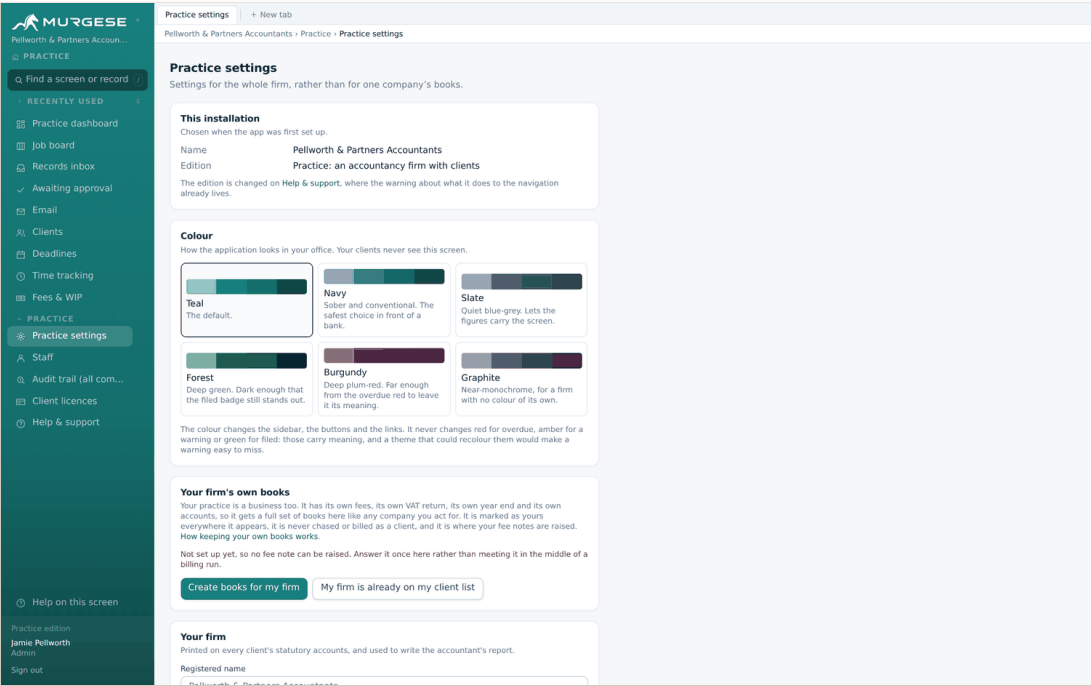


Figure 3 Practice settings, at the top: the installation, the six colour themes, and the panel that asks which company is the firm itself. The figures shown are invented.

5.2 THE SCREEN

PANEL	WHAT IT HOLDS
This installation	The name given when the app was first set up, and which edition it runs as. Both read-only; the edition is changed on Help & support .

PANEL	WHAT IT HOLDS
Colour	Six named themes, shown as four swatches with a sentence each: Teal, Navy, Slate, Forest, Burgundy and Lime. Lime is a charcoal sidebar with lime buttons and a lime marker beside the screen you are on; it replaced Graphite, and a firm that had chosen Graphite is moved to Lime. The choice applies at once, and is put back if the save is refused.
Your firm's own books	Which company on your list is the firm itself. It either names that company, with a button releasing the mark, or turns amber and offers to create books for your firm or to pick it off the list. The same panel is on Fees & WIP , and answering it once answers it in both places.
Your firm	Registered name, professional body, membership number, company number, ICO registration, address, email, telephone and website.
iXBRL taxonomy	The FRC suite, the two entry point schemas, the element name used for each line of the accounts, and the HMRC computational taxonomy beside it.
Companies House lookup	The firm's API key for reading the register, with Save key, Remove and Test the key.
Target dates	How many days before each statutory deadline you want the work finished, and how far ahead the calendar looks.
Reading and analysing with AI	Which reader turns a dropped-in invoice, receipt or bank statement into figures: Murgese's own, on this computer, or an AI model from Anthropic, OpenAI or Microsoft Azure on the firm's own account, which sends each document away. Beside it, whether Analyse with AI and Draft with AI are on, and with which account.
HMRC: Making Tax Digital	Which HMRC registration VAT returns are filed under.
Companies House filing	The presenter credentials that authorise a filing in your firm's name, the environment, and the element names revised accounts need.
HMRC: Corporation Tax Online	Gateway credentials, vendor ID and submission address for a CT600, and whether HMRC have recognised the software.
Bank feeds (Plaid)	Plaid client ID and secret, the environment, how often to look for new transactions, and a test button.
Subscription	A written note of what this installation is on: plan, seats, started, renews, reference and a note. Reminders appear when the renewal is close or past, or when more people are set up than the plan covers. Nothing here is read to decide what anybody may do.
Stored passwords and keys	What the encryption covers, and any credentials that have to be entered again on this machine, by name.

PANEL	WHAT IT HOLDS
Take your data elsewhere	One button, producing a single archive of every company on your list, with the practice's own records beside them, in the formats other accounting products import.

The credential panels have their own chapter, Connections to other services, which says for each what you must obtain, from whom, and what it can and cannot do today. The rest are below.

Your firm

Everything here is printed on the accounts. The professional body matters most: it fixes the title of the accountant's report and the words the firm signs under, so an ACCA firm signs as Chartered Certified Accountants and an ICAEW firm as Chartered Accountants. Nine bodies are offered, and Not set. A summary line then states the result: reports will be headed X and signed Y, with that body's guidance note beneath it. Getting it wrong is a conduct problem, not a typo.

iXBRL taxonomy

A filing is tagged against a published taxonomy, and the FRC issues a new suite most years, so the suite is a setting rather than something built in. Pick it, then tick **I have checked these against the FRC's published suite**. Until that is ticked every filing carries a warning, and changing the suite unticks it again.

Below it are two entry point schemas, for FRS 102 Section 1A and FRS 105 micro-entity accounts, and an editable element name for every line of the accounts, grouped as balance sheet, profit and loss, the FRS 105 versions of both, notes and entity. Each line has a Reversed tick and shows what it was changed from. Blank returns a schema to the shipped default.

The HMRC computational taxonomy has its own section below, with a release picker, a separate confirmation tick, its own entry point schema and its own element table. That table carries an extra column, **Seen in a filing**, saying whether an element has been used in a computation HMRC read or merely follows the convention. Unverified elements are highlighted and counted.

CAREFUL

The namespaces shipped with the product follow the FRC's convention and have not been checked against the suite by anybody at the publisher. The FRS 105 address has not been taken from a filing anyone has had accepted. Check them before your first filing, and correct an element here when a validator rejects it. Marginal relief is worth looking at first: it was abolished in 2015 and brought back in 2023, and the name shipped is the one it carried before it went away.

Target dates

The **statutory date** comes from HMRC and Companies House and never moves. The **target date** is yours, and it is what the job board, the deadline list and the attention panel

work to. Each obligation has a row with a days before box, saying "default n" until you override it.

The rows, with their defaults in days: annual accounts (42), corporation tax payment (21), CT600 (42), confirmation statement (14), VAT return (10), CIS monthly return (5), CIS statements to subcontractors (3), PAYE real-time submission (3), P60s (14), P11Ds (14), Self Assessment return (45), partnership return (45), anti-money-laundering review (14), ECCTA identity verification (21), charity accounts and trustees' report (60), Charity Commission annual return (21), VAT instalment on the annual accounting scheme (7). Below them, **How far ahead the calendar looks**, between 30 and 730 days, standing at 120.

Back to the defaults clears your overrides rather than writing today's figures in, so a later change to a default is inherited. Jobs already created keep the target they were made with.

Reading and analysing with AI

The panel makes two separate choices, each off until somebody turns it on: who reads dropped-in documents, and whether AI analyses figures and drafts wording. Both use the firm's own account with an AI provider. Three are offered, because firms already have one: **Claude (Anthropic)**, **OpenAI (GPT)** and **Azure OpenAI (Microsoft)**, the last for firms on Microsoft 365 whose IT keeps AI inside their own Azure subscription. A Copilot licence is not an API account and cannot be used here; an Azure OpenAI resource can.

Setting up an account

Each provider has its own tab under the two choices. A tick on the tab means its account is complete. **How to set up this account**, open on a tab with no key yet, lists the steps for that provider.

1. Make an API key with the provider and add a little credit to that account. For Anthropic, at console.anthropic.com under API keys; for OpenAI, at platform.openai.com under API keys; for Azure OpenAI, create an Azure OpenAI resource, deploy a model in it, and copy the endpoint and a key from **Keys and Endpoint** in the Azure portal. A ChatGPT, Claude or Microsoft 365 Copilot subscription is not an API account and does not include one. The provider bills the firm's account for what is read or drafted; nothing goes through Murgese.
2. Open the provider's tab, paste the key into **API key** and press **Save key**. For Azure, fill in **Endpoint** (such as <https://your-resource.openai.azure.com>) and **Deployment name** (the name you gave the model when you deployed it) as well, and press **Save**. The key is tried as it is saved. One the provider refuses is not kept; one that could not be tried because the computer is offline is kept, and the panel says it has not been checked. Only its last four characters are ever shown again.
3. Choose the model, where the provider offers a choice. Anthropic: Claude Sonnet 5.5 (the default), Claude Opus 5.5 (the most careful, at about twice the cost) and Claude Haiku 4.5 (the cheapest). OpenAI: GPT-6.1 Sol (the default), GPT-6 Astra (the most capable, at about five times the cost) and GPT-6 Luna (the cheapest). Providers bring out new models and withdraw old ones, so **Another model this account offers** takes any model name as the provider writes it, and **Models this account offers** asks the provider for its list. A name the provider does not offer is refused. If a model you use is

later withdrawn, the reader falls back to Murgese's own and the card says the model is no longer offered, rather than failing in silence. Azure uses whichever model the deployment holds.

4. Press **Try it on a sample invoice**. Murgese sends an invented invoice that comes with the program, not a client's, and shows each field as printed beside what the provider read, with how long it took and what it cost. It proves the key, the model and the connection before any client's document is sent, and needs no confirmation, because there is no client data in it.

Remove on a tab takes that key away and, at once, turns off whatever used it: the reader goes back to Murgese's own, and analysis and drafting go off. Every save, change and removal goes on the audit trail without the key.

Before anything is first sent

Choosing a provider as the reader, or for analysis and drafting, opens **Before anything is sent to** that company. Nothing is sent until someone who can change settings ticks three statements for the firm:

- the firm has accepted the provider's data processing terms for its account;
- its clients have been told, in its engagement letter or privacy notice, that their documents and figures may be read by an AI provider (in the Business edition: its privacy notice tells the people whose details are in its documents);
- it has considered its professional body's guidance on using AI with client information.

The dialogue offers suggested wording for an engagement letter and a privacy notice, with the provider's name filled in and a **Copy** button for each. It is a starting point to adapt, not legal advice: fill in or remove the parts in square brackets and check the result against your own documents. The answer is asked once for each provider, recorded with the name of whoever gave it and the date, and put on the audit trail in full. Clause 12 of the licence agreement and section 8 of the privacy notice, both on [Help & support](#), say the same at more length.

Only someone who can change settings can switch the features on, and only someone who can export reports can press **Analyse with AI** or **Draft with AI**.

What it has cost

At the foot of the panel, **What the AI features have cost and taken** shows this month or last: for each kind of use (invoices read, statements read, analyses, commentary, policies and notes, report sections, sample tries) and each model, how many questions were asked, how many failed, the average time, the tokens, and the cost. For invoices it also shows how often a person corrected a figure, date or reference on a card an AI had read before it was entered, which is the plainest measure there is of how often the reader is right. Costs are estimates at each provider's published list price on the date shown, in US dollars as the providers bill; the provider's own usage page is the bill, and Azure shows tokens only, because its price depends on the firm's own Azure agreement. The table names no client.

Inside the desktop app, requests to AI providers go through the computer's own network settings, so an office whose internet goes through a proxy reaches the provider in the same way the computer's web browser does. The panel says so beneath the accounts.

Reading invoices and statements

Choose the reader in **Reading invoices and statements**. **Murgese's own reader** works on this computer and sends nothing anywhere; it is the one in use until somebody chooses otherwise. An AI reader reads any layout of invoice, receipt or bank statement, including scans and photographs, and sends each document to its provider to do it. A provider is greyed out in the list until its account is complete.

While an AI reader is in use, an amber note on this panel, the drop area on Bills and Invoices, and the statement importer all say which company documents go to. Clients' documents carry names, addresses and bank details, so check that your engagement letters and privacy notice cover a processor reading them.

Whichever reader is in use, the checks do not move. An invoice is refused if the VAT is negative, the total is nil, net and VAT do not add up, or there is no reference, and no reader may choose a nominal account. A bank statement still has to reconcile to its own summary box, opening and closing balances and running balance. An AI reading faces one check more: every figure it returns has to be printed on the document itself, so a misread figure cannot be covered by misreading a second one to match, and every date on a statement has to fall inside the period it covers. When the provider cannot be reached, or turns a document down, the document is read on this computer instead and its card says so. Nothing is entered without a person looking at it.

Analysis and drafting

Choose the account in **Analysis and drafting**, or leave it **Off**. While it is on, four screens carry an **Analyse with AI** button and three carry **Draft with AI**:

BUTTON	WHERE	WHAT IS SENT
Analyse with AI	Reports: Profit and Loss, Balance Sheet and Trial Balance	The report as shown, for the period shown
Analyse with AI and Draft with AI	Management accounts	The pack as shown; drafting writes the commentary
Analyse with AI	Company dashboard	The last twelve months as the dashboard shows them
Analyse with AI	VAT return	The return, and the returns before it
Draft with AI	Year-end accounts	The statements, the policies and notes as they stand, and the directors' or trustees' report wording

Nothing is sent until somebody presses one, and each button says, before it is pressed, which company the figures go to. The figures go as text, named and in pounds, with no internal references; nothing else from the books goes with them.

What comes back is checked before you see it. Every amount in an analysis or a draft is looked for in the figures that were sent, or as the difference or sum of two figures on the

same line, allowing only for the rounding the amount is written with (so "£12,300" may stand for £12,345.67, but "£12,346" may not stand for £12,400); any other amount is listed in red against the sentence that holds it. Every percentage is checked the same way: it has to be one figure as a share of another, or the change from one to another, or a rate such as VAT at 20%. A point in an analysis that quotes no figure at all could have been written about any company, so it is marked **General** and listed last. A reference to a paragraph of a standard or a section of an Act is flagged for checking, unless the wording already made it. Em dashes are taken out. Where a fact is needed that the figures do not give, the draft leaves a bracketed prompt, such as [REASON FOR THE INCREASE], and the prompts are listed for the preparer.

Nothing is saved by itself. An analysis is read and can be copied. Drafted wording comes back as proposals, each beside the wording it would replace, each with its own tick, and nothing changes until **Use the ticked wording** is pressed; a proposal holding a figure that is not in the accounts starts unticked. Wording accepted into a set of year-end accounts must then be reviewed where it sits before the accounts can be approved (chapter on year-end accounts). Every analysis, every draft, every acceptance and every review goes on the audit trail, saying what was sent and to whom, and the window says what each one took and cost.

CAREFUL

An analysis is a draft for you to judge, not a finding, and drafted wording is yours once you accept it. Read every proposal against the accounts and the standard before it goes into anything a director signs.

Stored passwords and keys

A tick or an exclamation mark, a sentence saying what the encryption covers, and, after a restore onto a new machine, the credentials that came back unreadable and have to be typed again, by name.

5.3 SETTING THE FIRM'S DETAILS

1. Open **Your firm**.
2. Enter the registered name, the one the accounts are prepared in.
3. Choose the professional body and enter the membership number, then read the summary line to check the report title and the designation are the ones you sign under.
4. Fill in the address, email, telephone and website, then press Save.

5.4 WHAT IS NOT ON THIS SCREEN

Document numbering, the logo, and the wording and colour of sales documents belong to one set of books rather than to the installation, so they sit on that company's own Settings screen and are covered in Client settings. Email is set up on the [Email](#) screen: the mail account, the templates, and the mailbox records arrive in.

5.5 WORTH KNOWING

There are six themes rather than a colour picker because all six are checked against white sidebar text by a test before anybody sees them. A picker cannot be checked, and its failure is a firm whose sidebar text is unreadable deciding the software is broken. No theme recolours red for overdue, amber for a warning or green for filed: those carry meaning, and moving them would make a warning easy to miss.

The encryption covers passwords and keys, not the bookkeeping. Client names invoices and balances are readable to anyone holding a copy of the books file, so turn on BitLocker if that matters here. Credentials deliberately do not survive a restore onto another machine, because a backup carrying them could be used by whoever got hold of it. Naming them afterwards is the difference between a five-minute job and a mystery.

The archive under **Take your data elsewhere** is on the settings page rather than behind a support request, because a firm that has to write in to find out how to get its data out has already been told something it should not have to take on trust.

Staff and what each role can do

Staff is the list of people who can sign in, what each of them may do, and, in Practice edition, whose books each of them may see. There are five roles and no checkbox matrix. That is deliberate: a permissions grid with thirty ticks gets configured once, wrongly, and is never looked at again.

6.1 BEFORE YOU START

Anybody may read the list. Only an Administrator may change it, or see the + Add a colleague button. There is no limit here on how many people you set up; the seat count on Practice settings is a note to yourself and stops nothing.

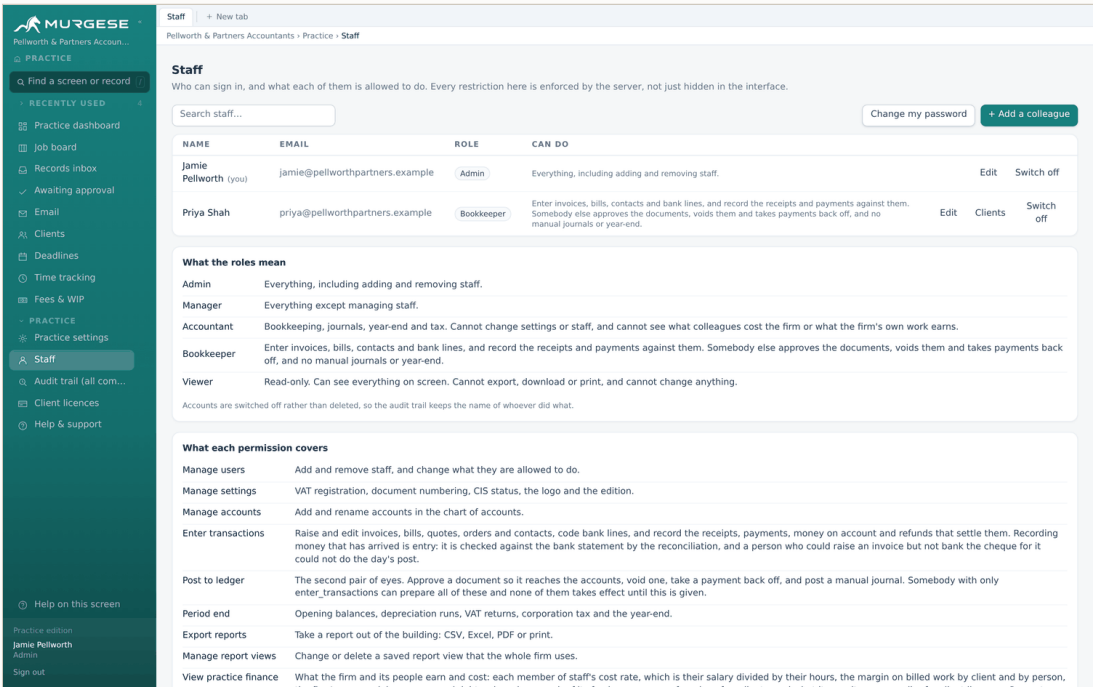


Figure 4 The staff list, the role each person holds, and what that role can do. The figures shown are invented.

6.2 THE SCREEN

A search box with a count sits above the table, and + Add a colleague beside it. Each row shows the person's name, with (you) against your own and a Switched off badge where the account is disabled, their email address, their role, a sentence saying what that role can do, and the buttons Edit, Clients and Switch off or Switch on.

Below it, **What each role can do** lists every permission once, with what it lets a person do, and a tick under each role that holds it. The roles are fixed: a permission cannot be given to or taken from one role or one person.

6.3 WHAT EACH ROLE CAN DO

PERMISSION	ADMIN	MANAGER	ACCOUNTANT	BOOKKEEPER	VIEWER
Manage users: add and remove staff, and change what they may do	Yes				
Manage settings: VAT registration, document numbering, CIS status, the logo and the edition	Yes	Yes			
Manage accounts: add and rename accounts in the chart	Yes	Yes	Yes		
Enter transactions: raise and edit invoices, bills, quotes, orders and contacts, code bank lines, and record the receipts, payments, money on account and refunds that settle them	Yes	Yes	Yes	Yes	
Post to ledger: approve a document so it reaches the accounts, void one, take a payment back off, and post a manual journal	Yes	Yes	Yes		
Period end: opening balances, depreciation runs, VAT returns, corporation tax and the year-end	Yes	Yes	Yes		
Export reports: CSV, Excel, PDF or print	Yes	Yes	Yes	Yes	
Manage report views: change or delete a saved view the whole firm uses	Yes	Yes	Yes		
View practice finance: staff cost rates, margins, the firm's own work in progress and debtor days, fee concentration, and what the firm pays for client licences	Yes	Yes			
View: read everything on screen	Yes	Yes	Yes	Yes	Yes

A Bookkeeper prepares documents and records the money against them; nothing they prepare reaches the accounts until somebody with **Post to ledger** approves it, and only that person can void it or take a payment back off. On [Awaiting approval](#) a Bookkeeper sees the queue and is told to ask an accountant or a manager.

Viewer is without export on purpose. Reading a debtors list on screen and carrying the whole ledger out on a memory stick are different acts, and a firm giving an outside adviser or a temp a read-only login has usually meant the first. If somebody genuinely needs to take reports out of the building, make them a Bookkeeper.

6.4 ADDING A COLLEAGUE

1. Press + Add a colleague.
2. Enter their name and email address. The email is what they sign in with.
3. Set a temporary password. It has to be at least eight characters, it cannot be one of the passwords everybody tries first, and it cannot contain their name, their email address or the firm's name. Murgese says which of those it is if it refuses one. They can change it once they are in.
4. Choose the role. The description appears under the picker as you change it.
5. Press Create the account.
6. **Write down the recovery code** shown on the next panel before you close it.
7. If they should only see certain clients, press Clients on their row.

The recovery code is shown once and never again. There is no mail server behind this product, so there is no reset link to send, and the code is the only way the person can get back in by themselves.

6.5 CHANGING SOMEBODY'S DETAILS

Edit opens their name, their role and a box for a new password. The email address is fixed and cannot be edited, because it is what their sign-in and every line of the audit trail are tied to. Leaving the password box empty leaves their password alone.

6.6 CHANGING YOUR OWN PASSWORD

Anybody can change their own password without an Administrator seeing the new one. It asks for the current password first, which is what makes it a change rather than a way for somebody who finds an unlocked screen to take the account over.

Do this once after an Administrator has set a temporary password for you. Until you do, the person who set it knows it, and the audit trail cannot tell the two of you apart.

A password can be at most 72 characters. That is a limit of the way passwords are stored rather than a choice, and Murgese refuses a longer one rather than quietly ignoring the end of it and leaving you believing the whole thing counted.

6.7 WHEN SOMEBODY LEAVES

Press Switch off. The account stops working at once and the row keeps a Switched off badge. Accounts are switched off rather than deleted so that the audit trail keeps the name of whoever did what.

Murgese refuses three things here, each with a message saying why:

- The only Administrator cannot be given another role. Make somebody else an Administrator first.
- The only Administrator cannot be switched off.

- You cannot switch off your own account.

6.8 LIMITING SOMEBODY TO CERTAIN CLIENTS

Clients on a person's row opens a tick, **Limit this person to named clients**, and a list of every company including the archived ones.

Left off, which is the default, they see every client in the practice. Turned on, they see only what you tick, and a client they have not been given is indistinguishable from one that does not exist: it is absent from their client list, their job board, their deadlines and the command palette.

A warning appears if you turn the restriction on and tick nothing. That is allowed, and it is how a new starter is set up before their work is assigned, but it is worth being deliberate about.

An Administrator cannot be restricted. They are the person who grants access to everybody else, and an Administrator locked out of the clients they administer could not put themselves back. Change the role first if that is what you meant.

6.9 IF SOMEBODY FORGETS THEIR PASSWORD

There are three ways back in, and the sign-in screen offers whichever of them apply.

1. **The recovery code.** They enter their email, the code and a new password. A code is single use, so a fresh one is issued and shown once at that point. Write that one down too.
2. **An Administrator resets it.** Edit on their row, then set a new password and tell them what it is.
3. **A reset at the machine that holds the data.** Offered only in the desktop app on the computer the books are on. Anyone sitting at that machine already holds the database file, so this adds nothing they did not have; it is refused over the office network, which is the case that would matter.

6.10 TOO MANY FAILED SIGN-INS

Guessing is slowed down. Five wrong passwords for one account, or thirty failed attempts from one machine, and Murgese stops answering for five minutes and says how long the wait is.

Three things are worth knowing about it:

- **A machine that is blocked still lets in the people who normally use it.** Somebody trying addresses at random on the office server cannot lock out the colleagues who sign in from that machine every day, because an account that has signed in from there before is still allowed to try.
- **The recovery code works while you are locked out.** It has a limit of its own, so the sentence on the lockout is true rather than an invitation to something that would also refuse you.

- **Every lockout is on the audit trail**, under Sign-in, with the machine and the account. Look there if somebody reports being locked out for no reason. The five-minute counters themselves are held in memory and start again when the office server is restarted, so restarting clears a block; the record of it on the audit trail does not go with it.

6.11 WORTH KNOWING

Every restriction on this screen is enforced on the server as well as on screen. Hiding a button stops an honest person making a mistake. It does not stop anybody who can reach the interface directly, and in shared-office mode that is everyone on the network.

A role and a client list answer different questions. The role says what somebody may **do**. The client restriction says whose books they may do it to.

Two people cannot share a sign-in and have the audit trail mean anything, so give everybody their own account even where two of them do the same job.

Connections to other services

Murgese runs on your own machine, and nothing is relayed through the publisher. Every connection below is made with credentials your firm holds in its own name, entered once here and kept sealed on this installation. The cost is that you have to go and get them. The benefit is that a message from your firm leaves from your address, and a filing goes to Companies House under your presenter account rather than somebody else's.

Three of these cannot reach the service they are for in this build. Each says so on its own screen, and each is set out below in the same terms.

CONNECTION	WHERE IT IS SET UP	STATE TODAY
Companies House lookup	Practice settings	Works, with your own free API key.
Companies House filing	Practice settings	Works, with your own presenter credentials. Defaults to the test environment.
HMRC, Making Tax Digital for VAT	Practice settings	This build carries no HMRC registration, so nothing can be filed from it unless you hold your own.
HMRC, CIS	Nothing to set up	Deductions and returns are prepared here. Nothing is sent to HMRC.
HMRC, Corporation Tax Online	Practice settings	HMRC have not recognised the software. Nothing is sent.
Sending email	Email	Works, through your own mail account.
Reading the records mailbox	Email	Works, through your own mailbox.
GoCardless	A tick on a company's Settings	Payouts are typed in. Nothing is fetched.
Bank feeds through Plaid	Practice settings	Works, with your own Plaid account and production access from Plaid.

7.1 COMPANIES HOUSE: READING THE REGISTER

The lookup fills a client's or a contact's registered name, number and registered office straight from the register, and the refresh on a client's Settings screen shows every difference and applies only the rows you tick.

What you need and where from. A free API key from developer.company-information.service.gov.uk. Register, create an application, and copy its key. It must be the REST API key of a **live** application: a stream key, a test-environment key and the application id all sit beside it on that page and none of them works here.

Where it goes. [Practice settings](#), the panel headed **Companies House lookup**. Paste the key and press Save key. It is tried as it is saved, and a key Companies House refuses is not stored at all. If the machine is offline it is stored with a line saying it could not be tried, rather than a green tick it has not earned. Afterwards it shows only as saved, with its last four characters. Test the key checks it again later, and Remove deletes it.

One key serves every client, and without one nothing breaks: the details are typed by hand.

7.2 COMPANIES HOUSE: FILING ACCOUNTS

Accounts are sent to the XML gateway under your firm's own presenter account.

What you need and where from. Register as a presenter with Companies House, and have them **test your package** before you switch to live. That gives you a presenter ID, a presenter authentication and a package reference. For revised accounts you also need two element names, which are not published: ask xml@companieshouse.gov.uk for the amended accounts XML specification and copy them from it exactly.

Where it goes. The panel headed **Companies House filing**. The environment picker offers Test (nothing reaches the register) and Live (filings go on the public register), and it stands at Test until you move it. The authentication is sealed and shown afterwards only by its last characters.

CAREFUL

Until the element that marks a submission as amending has been entered, Murgese refuses to send revised accounts rather than guessing at the name. A guess the gateway happens to accept puts a second **original** set of accounts on the public register for a year that already has one, and that cannot be undone.

7.3 HMRC: MAKING TAX DIGITAL FOR VAT

Where a build carries HMRC's registration, there is nothing to set up: returns are filed under it, and you authorise HMRC once per client from the VAT screen, by signing in with the Government Gateway user ID on HMRC's own page.

This build carries no HMRC registration. The panel says so in amber, and says the rest plainly: returns cannot be filed from it, and that is not something you can fix on the screen. Either move to a build that has one, or enter your own credentials.

What you need and where from, if you hold your own. A client ID and client secret from **HMRC's developer hub**, developer.service.hmrc.gov.uk. Anything entered there replaces the built-in registration on this installation, and Clear and use the built-in registration puts it back.

Where it goes. Behind the link Our firm has its own HMRC developer hub credentials on the **HMRC: Making Tax Digital** panel. The environment picker offers Sandbox (nothing filed is real) and Production (filings are real), and applies to your own credentials only. HMRC approve an application for production separately, after a demonstration.

7.4 HMRC: THE CONSTRUCTION INDUSTRY SCHEME

CIS is two duties, and Murgese does a different amount for each.

Deductions and the monthly return. The deduction is calculated and posted here, the CIS300 for a tax month is built from the payments, and the payment and deduction statements for subcontractors are produced. Recording the return as filed fixes the figures and the declarations exactly as they went in, so the return can be produced again months later. **Nothing is sent to HMRC.** File the CIS300 on HMRC's own service.

Verifying a subcontractor. The whole path is built: the request, the credentials, the fraud prevention headers, the answer, the record, and what the answer does to the rate. It cannot reach HMRC. Verification is not part of the Making Tax Digital interface: it runs on HMRC's older CIS Online channel, which needs a separate vendor recognition that has not been obtained. The screen says so and tells you what to do instead: verify through the HMRC CIS online service or on 0300 200 3210, then record the verification number and the treatment HMRC gave. The rate, the CIS300 and the date the verification goes stale all follow from what you record.

7.5 HMRC: CORPORATION TAX ONLINE

The fields are a Government Gateway sender ID and password, a vendor ID of four digits, a submission address, an environment of Test or Live, and a separate tick saying whether **HMRC have recognised this software.**

HMRC will not accept a company tax return from software they have not recognised for Corporation Tax Online. That application is a different one from Making Tax Digital, made through the Software Developers Support Team, and it takes several weeks. It has not been made. The vendor ID and the submission address are both issued with recognition, so the product ships without them rather than with a guess. **Nothing is sent while the recognition tick says no.** A CT600 can be prepared and checked here, and then filed through HMRC's own service.

7.6 SENDING EMAIL

Everything leaves through your firm's own mailbox: your domain, your name, your responsibility as sender.

What you need and where from. The SMTP host and port from your mail provider, a username, and a password, usually an app password rather than the one you type in the morning.

Where it goes. **Email**, the **Mail account** tab: Server, Port (587 to start with), Username, Password, From name, From address, Reply to, if different, Chase after (days), and Blind-

copy me on everything sent, which is how you see what went out, since SMTP does not fill your own Sent folder. Saving with the password box empty leaves the stored password alone. Press Send yourself a test before you trust it.

If the test fails on a certificate, press Check the certificate. This application keeps its own list of trusted certificate authorities and does not use Windows', so a mail server behind antivirus or a company firewall, which presents its own certificate, can fail here while Outlook is perfectly happy. The chain is shown leaf first with the root highlighted, and you can trust that root, which adds it alongside the usual authorities. The hostname and the expiry are still checked.

7.7 READING THE RECORDS MAILBOX

A separate mailbox that your clients send records to. What arrives is matched to a company where that can be done with certainty, and everything else waits on the [Records inbox](#) to be placed by hand. Nothing is guessed.

What you need and where from. The IMAP host and port from the same provider, a username and password, and the folder to read.

Where it goes. [Email](#), the **Records mailbox** tab: a Read this mailbox tick, Server, Port (993 to start with), Username, Password, Folder (INBOX to start with), Check every (minutes), The address to give your clients, and Encrypted from the first byte, which is on for port 993 and off for port 143 with STARTTLS. Test the connection reads nothing in and marks nothing as read. A "how it is getting on" line shows when the mailbox was last looked at and the last error.

The sending account and the receiving mailbox are two cards, two passwords and two switches on purpose: the address clients are told to send receipts to should not be a partner's own mailbox, and the feature has to be switchable off without stopping anybody's post.

7.8 GOCARDLESS

Licence subscriptions are collected by Murgese Ltd from its own tool, not from this installation. GoCardless here means one thing: recording a payout.

Recording a payout. The tick on a company's Settings screen, This company collects by direct debit through GoCardless, puts the payout tool on that company's Bank screen. Nothing is fetched there either: you copy the date, the figure paid and each collection from the payout page in the GoCardless dashboard, and Murgese checks that they add up and refuses to post them when they do not.

7.9 BANK FEEDS THROUGH PLAID

What you need and where from. Your own Plaid account: there is no shared one inside the software. The client ID and the secret are on the Plaid dashboard under Developers, then Keys, at dashboard.plaid.com. Before Plaid will connect a real bank, three things

have to have happened: they have opened the account, they have enabled the United Kingdom on it, and they have granted production access. Sandbox needs only the first.

Where it goes. The **Bank feeds (Plaid)** panel. The client ID is the same value in both environments; the secret differs, which is the usual reason Plaid refuses a set of keys. The environment picker offers Sandbox (Plaid's imitation banks, no real money) and Production, and stands at sandbox. **Check for new transactions every** takes 15 to 1440 minutes and stands at six hours, and there is a tick for bringing them in automatically. Test the connection creates a link token and throws it away: no bank is contacted, nothing is connected, and the secret is never echoed back.

Connecting an actual bank happens on a company's **Bank** screen, not here. Nothing is matched for you: you say which account in the books is which account at the bank.

7.10 WORTH KNOWING

A secret is never put back on screen once saved, only its last few characters. A form that re-fills its own password box puts the credential into the page, into a screenshot of the page, and into anything else reading it.

Credentials do not survive a restore onto a different machine, because a backup that carried them could be used by whoever got hold of it. The **Stored passwords and keys** panel on **Practice settings** names the ones to enter again, which turns an afternoon of confusion into a five-minute job.

The environments all default to the safe side: Test at Companies House, Sandbox at HMRC, Sandbox at GoCardless, Sandbox at Plaid. Check the environment before your first real filing or collection, because a setting that looks configured and quietly sends nowhere is worse than one that is plainly empty.

Your licence

A licence key is a short piece of text that says who it is for and when it runs to. Murgese does not need an internet connection to check it, which is why the product can be used on a client's premises with the network down. Keys issued under an earlier version of the software are still accepted.

A licence covers a set of books rather than an installation. Your practice management is free and always will be: the client list, the job board, deadlines, time, work in progress, the records inbox and chasing. Your own firm's books are free as well, and never need a key. What is licensed is each CLIENT company whose books you keep here, on a key issued for that company, and your installation goes on working for as long as it holds at least one licensed client company. See **Licensing your clients** below.

The panel headed **Subscription** on [Practice settings](#) is a note you keep of what you pay and when it renews, and nothing in the product reads it.

8.1 WHAT IS LICENSED AND WHAT IS NOT

Business edition is the licensed edition: one company keeping its own books, one signed key, bound to that company's name and, where the key carries one, to its registered number. A key issued to another business is refused with a sentence naming the business it was issued to.

Practice edition licenses the same thing one company at a time. The practice side of it is free and has every feature: a client list, a job board, deadlines across every client, time recording and fee billing, none of which Business edition has, because a single company has no client list to manage. The firm's own books are free too. Every other company in the installation needs a key of its own, signed against that company in exactly the way a Business licence is, because it is the same licence for the same thing: one company's books. The bookkeeping, VAT, CIS, year end and reporting screens are the same in both editions.

8.2 LICENSING YOUR CLIENTS

There is no key for the installation itself. Your part in licensing is the other way round: your clients run on keys issued by Murgese Ltd at your request, and the [Client licences](#) screen is where you ask. It holds your partner code, every licence you have asked for, the key that came back for each, and every client company on this machine with the date its position changes.

A client company's books are licensed wherever they are kept, on your machine or on the client's own copy: it is the same licence at the same price, and which machine it sits on is a matter of convenience. A company with no key works for 30 days from the day you created it, and then posts nothing further to its ledger until one is entered, though documents can still be written up as drafts. Everything in it stays readable, printable, exportable and backed up, always.

Your own installation is free and stays free for as long as it holds at least one licensed client company other than your own books. From the day you set it up you have 30 days and then 30 days of grace, two months in which nothing has to be shown. If you have never held a licensed client at the end of that, the whole installation stops posting to any ledger, your own books and your job board included, and everything stays readable for as long as you keep it. If you held one and the last one lapses, you have 30 days of grace from that day. One licensed client company starts everything again the moment its key goes in.

Help & support shows where every set of books on the machine stands, and the warning strip across the top of the window becomes more insistent as a date approaches. You should never be surprised by any of this.

A firm can instead hold one key of its own covering a set number of client companies, entered under **Help & support**. The client companies then take a slot each, oldest first, and nobody asks for a key per company. The screen says which arrangement the firm is on.

The screen opens with the month's statement, which is the thing to do there once a month. The list of client companies below it is folded to the ones that need something, such as a company out of licence, in its trial or read only, with a link to show them all. On a firm key, the keys issued one company at a time are folded into **Keys for single companies**: they are the record of what was issued, and one is only needed for a client outside the allowance or on its own copy. A key still waiting to be pasted opens that section by itself.

How a request is made, what travels in it and what a licence costs are set out in the partner pack rather than here, because they differ by agreement. Ask your contact at Murgese if you do not have it.

Two things about it are worth knowing wherever you are reading.

A key that has been issued **cannot be recalled**. It is a signed document sitting on somebody else's machine with no connection back to here, and that is the design rather than an oversight: the whole product runs offline. Cancelling stops the billing and the renewals, and the client keeps what they paid for until the date on the key they hold.

Clients get 30 days of grace after the expiry date, then a read-only state in which everything can still be read, printed, exported and backed up, work can still be written up as drafts, and nothing new reaches the ledger. A fresh installation with no key gets a 30-day trial from the day its books were created.

8.3 WORTH KNOWING

A key is issued to one business and will not work for another.

Taking on a client

Setting a company up in Murgese, from its Companies House record to the balances it brings over.

01	Adding a client	42
02	References and identity	46
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04	Opening balances	56
05	Importing your books from another system	60

Adding a client

Clients is the list of companies your firm acts for. Each one gets its own full set of books, its own chart of accounts and its own bank account, created for you the moment the client is. Adding one is a short form, and the first question on it decides most of what follows.

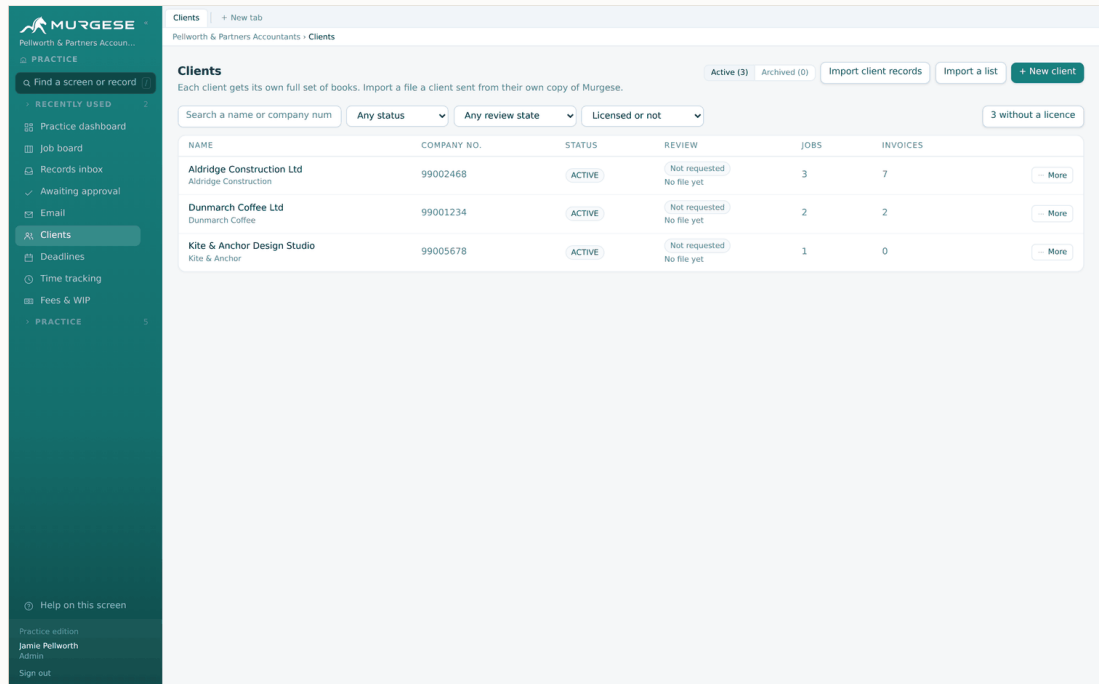


Figure 5 The client list, with the review state, the job and invoice counts, and the buttons that add, import and archive. The figures shown are invented.

9.1 BEFORE YOU START

Nothing has to be in place. The **Find on Companies House** button on the form needs the firm's API key from **Practice settings**, and without one you type the details in by hand and lose nothing else.

9.2 ADDING A CLIENT

1. Press + New client.
2. Answer **What kind of business is it?** first. This decides whether there is share capital or a capital account, whether anything is filed at Companies House, and whether the profit is taxed on the business or on the people who own it. Each type has a note under it.
3. For a company or an LLP, press Find on Companies House and search for it. The register fills the legal name, the company number and the registered office.
4. Type the trading name where they trade under something else, and the email address.
5. Press Create client.

6. Go to **Deadlines** and generate the jobs, so the filing dates follow.

A default chart of accounts and a business bank account are created with the client. For an unincorporated business, adding the proprietor or the partners afterwards creates their capital accounts.

9.3 WHAT THE REGISTER FILLS IN, AND WHAT YOU TYPE

Companies House holds the legal name, the company number, the registered office, the company status, the date of incorporation, the accounting reference date, the SIC codes, and the dates the next accounts and confirmation statement are due. All of those can be brought in and refreshed later from the client's Settings screen, which shows every difference and applies only the rows you tick.

Nothing else comes from the register. The trading name, the email address, the telephone number, the trading address, the kind of business, the VAT position, the CIS role and every statutory reference are yours to enter. For a sole trader, a partnership or an unincorporated charity there is no register entry at all, so everything is typed.

9.4 THE CLIENT LIST

Active and **Archived** are two lists with a count each, never mixed, and an archived client is shown greyed. Each row carries the client's name with the trading name beneath it, an Own books badge where the client is your own firm, the company number, the company status, the **review** state, the number of jobs and invoices, and the buttons Archive and Delete.

The review cell is a badge, one of Not requested, Awaiting review, In review or Approved to file, with the date the last file was received. Clicking it opens a note where you record what you are waiting on or who signed it off, and an **information to request** list worked out from the client's own data, each item with a few dated examples.

Finding one, and sorting the list. A search box matches the client's name, the trading name and the company number, punctuation and spacing ignored, so SC 123456 finds SC123456. Beside it are filters for the client's status, the review state, which includes Any still open for everything not yet approved, and whether the client is licensed. Every column heading that can be sorted is a button: press once for ascending, again for descending, again to go back to the order the list came in.

What you set is remembered for the next time you open the screen, per person, so a partner who always works from the review column does not have to set it again every morning. Clear puts it all back.

Refresh all runs a Companies House sweep across the whole list. It changes nothing on its own, and it exists for spotting the client who has quietly gone into liquidation or is heading for strike-off.

9.5 IMPORTING A LIST OF CLIENTS

Import a list takes a CSV and works in three steps: choose the file, read what it would do, then commit. Nothing is saved until you have seen the preview.

1. Press Import a list, then Download the template. It carries every column heading and one worked example row.
2. Paste your list into it. Only the client name is required. The other columns run from the trading name, company number and entity type through the year end, the VAT registration and scheme, the CIS role, the PAYE and accounts office references, the UTRs, the contact details and the owner's email address.
3. Upload it and read the preview. Rows are badged to create, already on file, to update, with a warning or cannot be read, unrecognised columns are listed and ignored, and each row shows its errors in red and its warnings in amber.
4. Check the dates. Every date is echoed back **in words**, because a slash date is always read in the British order and that is the one thing worth being sure about.
5. Untick anything you do not want, then press Import n clients.
6. Go to [Deadlines](#) and generate the jobs.

A row matching an existing company number, or failing that an exact name, updates that client rather than making a second one. The match is never fuzzy, because a fuzzy name match would silently merge two clients, and an existing client is never renamed from a spreadsheet. Each client is created in its own transaction, so one bad row does not lose the other hundred and ninety-nine.

The warnings say what each gap will cost you. A client marked VAT registered with no registration date means the calendar lists every quarter since the year end. No year end means 31 December is assumed and every filing deadline follows from it. A company with no company number cannot be filed for and cannot be licensed.

WORTH KNOWING

The staged file is held in memory only. If the server restarts between the preview and the commit, the preview is gone and the file has to be uploaded again. Nothing has been saved, so nothing is half done.

9.6 ARCHIVING AND DELETING

Archive takes a client out of the way and off the active list. Their records stay exactly as they are and can be read at any time from the Archived list, and Restore brings them back.

Delete is offered on every row, and pressing it asks the server what would happen. You then see one of three things: the reasons the client cannot be deleted, in the server's own words; a plain confirmation for a company with nothing in it; or, for a company with books, a table of exactly what would go, journals, postings, invoices, bills, contacts, accounts, bank accounts, bank transactions and attachments, and a box in which you must type an exact phrase including the company's name. Afterwards the screen shows the path of the database backup taken before anything was removed.

CAREFUL

The jobs, deadlines and recorded time go with a deleted company. Any fee note you have already raised stays in your own books, because it is your income. Where these are a client's real records, archive instead of deleting: you have to keep them.

References and identity

Every field on **References & identity** is asked for by a form with a deadline attached. Hunting through emails for an accounts office reference at five o'clock on the 19th is not a filing system, so the references live in one place, beside the record of who has verified their identity and when it has to be done again.

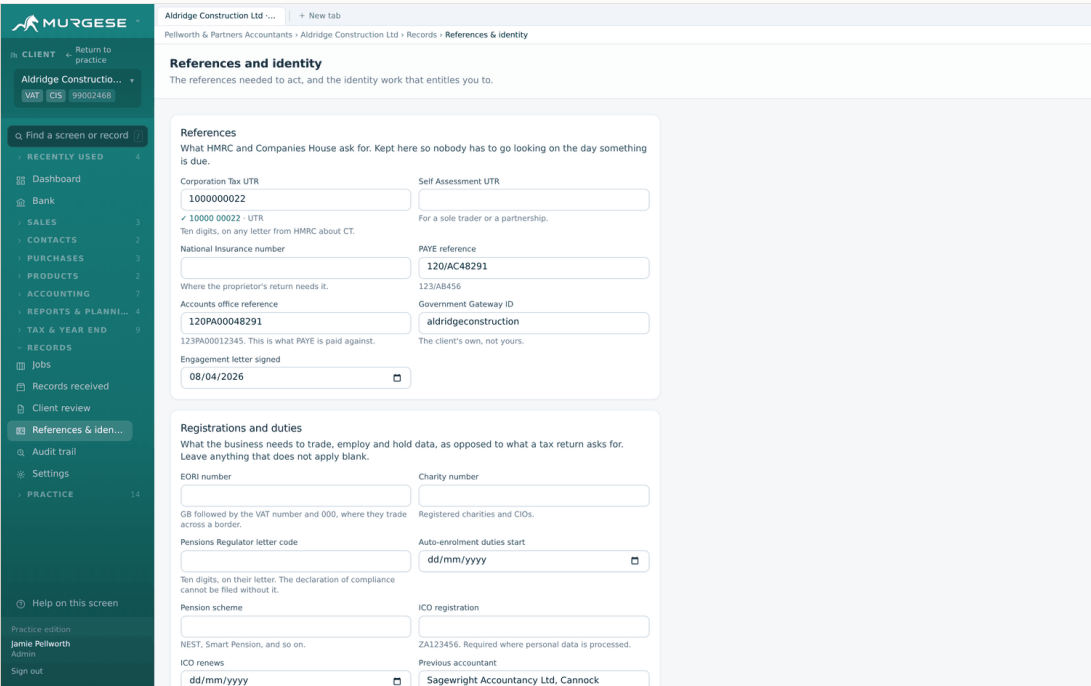


Figure 6 The references card, the operating registrations beneath it, and the identity checks recorded against each director. The figures shown are invented.

10.1 THE SCREEN

The screen is a stack of cards. All of them except the identity table are also shown on the client's **Settings** screen, from the same component, so a reference typed in one place is there in the other.

The references a return asks for

FIELD	WHAT IT IS
Corporation Tax UTR	Ten digits, on any letter from HMRC about corporation tax.
Self Assessment UTR	For a sole trader or a partnership.
National Insurance number	Where the proprietor's return needs it.
PAYE reference	Three digits, a slash, then the office reference, like 123/AB456.

FIELD	WHAT IT IS
Accounts office reference	Thirteen characters, like 123PA00012345. This is what PAYE is paid against.
Government Gateway ID	The client's own, not yours.
Engagement letter signed	The date the client signed the letter engaging your firm.

Both UTRs and the National Insurance number are checked by their own check digit rather than by their length, which catches a transposed pair of digits, the commonest way a reference is typed wrongly. The PAYE and accounts office references are checked for shape. Every one of these is a **warning and never a refusal**: HMRC issue formats this software does not know about, and a validator that refuses a reference the client genuinely holds would be worse than one that says a reference looks unusual.

The engagement

One box, **Agreed fee for the year (£)**, in pounds. Left blank it means nothing has been agreed, which is a real answer and is not the same as an agreed fee of nought. The portfolio report compares it against what was actually billed, which is the question a partner asks about a client who has quietly become twice the work they were priced at.

What a business needs to operate

The second card is the other half: not what a return asks for, but what a business needs in order to trade. **EORI number**, which is GB followed by the VAT number and 000, and which nothing crosses a border without. **Charity number**. **Pensions Regulator letter code**, ten digits, without which the declaration of compliance cannot be filed, and **Auto-enrolment duties start** and **Pension scheme** beside it. **ICO registration** and **ICO renews**, which is annual. Then **Previous accountant**, **Clearance requested** and **Clearance received**, which are what prove professional clearance was sought before the work began.

It is a separate card rather than mixed into the first because somebody looking for a UTR should not have to read past a pension scheme name to find it.

Companies House authentication code

Offered only for a company or an LLP, since nobody else has one. It has its own box and its own Save button, and it is treated as a password rather than as a reference: saved, never sent back to the screen, and never written to the audit trail. Afterwards the screen says only that a code is saved. A code is always six characters, and showing the last two of six would hand over a third of the credential every time the screen was read.

CAREFUL

A UTR identifies a company. An authentication code **authorises a filing** in its name, and anybody holding it can change the registered office or appoint a director. Treat it as a password, and use Clear it if it has been shared more widely than you meant.

Identity and anti-money-laundering checks

A table of who has been checked: **Who**, with their role and, for somebody not checked yet, the words Not yet verified, **How**, with the document type and its last four characters, **Verified**, **Again by**, which turns amber once it is past, **Risk**, and buttons to change the row or remove it. Above it, an amber strip counting the checks that are outstanding or out of date.

10.2 RECORDING A CHECK

1. Press + Record a check.
2. Enter the person's name and choose their role: Director, PSC, Shareholder, Proprietor, Partner, Member, Secretary or Other.
3. Choose the **Status**: Verified, Not yet verified, Failed or Exempt.
4. Enter the date they were **Appointed on**, or for a PSC the date they **Became a PSC on**, and for a PSC their **Birth month**. The compliance deadlines work their identity verification date out from these.
5. Choose **How**: Documents seen, Certified copies, Electronic check, Met in person, or Other.
6. Name the document, a passport for instance, and enter its number. Only the last four characters are kept.
7. Set **Verified on** and **Check again by**.
8. Set the risk as Low, Medium or High.
9. Where the individual has verified with Companies House directly, enter their **Companies House personal code**. Once it is recorded, their verification deadline comes off the compliance calendar.
10. Press Record it.

10.3 FROM THE COMPANIES HOUSE REGISTER

Fetch from Companies House adds the people the register says have to verify their identity: every serving director who is a person, and every person with significant control who has not ceased. A PSC who is also a director is added once, as a director, because a director verifies on the director's timetable. A PSC comes with their birth month, which the register publishes. It needs a Companies House key, saved in Practice settings, and a company number on the client.

Everybody added this way is Not yet verified, with no method, no document and no personal code. A name on the public register is who has to be checked, not a check, so recording the verification stays with you. Nobody already held is added again, however their name is written, and nothing you have typed is changed; the only thing ever filled in on an existing row is a PSC's birth month where none was held.

10.4 COMPLETING OR CHANGING A CHECK

Press Record the check on a row that is not yet verified, or Change on any other. The same form opens with what is held, and Save the changes writes over that row rather than adding a second one beside it. Leave the document number empty to keep the four characters already on file.

10.5 WORTH KNOWING

The document number is not stored. Four characters are enough to confirm that the document in front of you is the one on file, and they are no use to anybody who gets hold of the books.

A practice records these because it is supervised under the money laundering regulations and has to be able to say who it acted for and how it satisfied itself. The identity verification duty your clients themselves carry under the Economic Crime and Corporate Transparency Act is a different obligation on the same register, and it has its own line on the compliance calendar.

The reference fields are one component shown on two screens rather than two forms writing the same columns. Accountants looked for a UTR under Settings, did not find it there, and reasonably concluded it had never been built. Two separate forms would have drifted apart instead.

The engagement letter box is hidden in Business edition, because a business does not engage itself. The column and any date already in it are left alone, so an installation that switches between the editions loses nothing.

Client settings

Settings, under Records in a client's sidebar, holds everything about one set of books: what kind of business it is, how it is reached, its VAT position, its CIS role, how its documents are numbered, and what its invoices look like.

11.1 BEFORE YOU START

The client has to exist. The Companies House refresh needs the firm's API key from Practice settings and a company number saved here. Set the kind of business before anything else, because it decides which screens and which accounts apply.

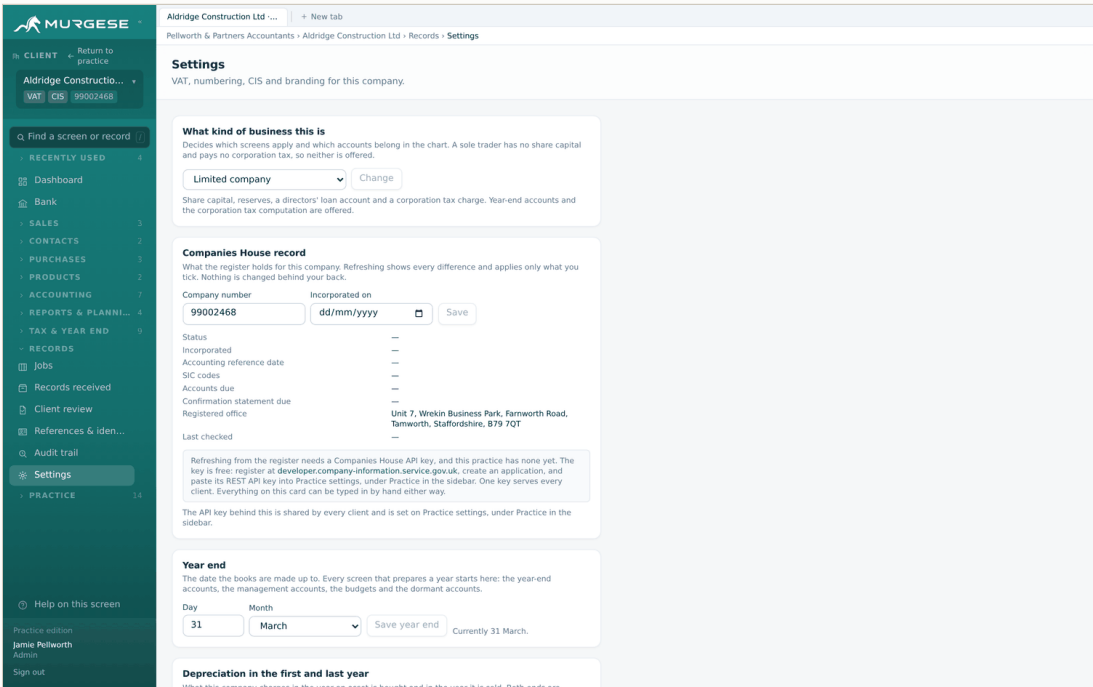


Figure 7 The company's own settings: what kind of business it is, its registered details, and the panels for VAT, numbering, CIS and branding below. The figures shown are invented.

11.2 THE SCREEN

PANEL	WHAT IT IS FOR
What kind of business this is	A picker with a description under it. Decides which screens apply and which accounts belong in the chart.
Companies House record	The company number and the date of incorporation, with one Save button, then a read-only summary of the register: status, incorporated, accounting reference date, SIC codes, accounts due, confirmation statement due, and when it was last checked. A refresh button beside it. The date of incorporation can be typed for a company the register has not been asked about; it starts the company's first accounts and its first corporation tax period.

PANEL	WHAT IT IS FOR
Year end	The date the books are made up to, in a day and a month. Every screen that prepares a year starts from it.
Contact details	Legal name, trading name, email, telephone, trading address and, for an incorporated business, the registered office. Its own Save button. It also holds the address this client sends records from, which is often not the main email address.
VAT	A master tick, and every setting the return needs when it is on.
VAT rates	The rates this company can put on a document line, each with a percentage and a treatment.
Construction Industry Scheme	This company's role in the scheme, and its own CIS status where it is a subcontractor.
Direct debit collections	A tick saying this company collects by direct debit through GoCardless, which puts the payout tool on its Bank screen.
Numbering	Five panels, one each for invoices, bills, credit notes, quotes and purchase orders.
Your logo	A PNG or JPG under 300KB, used on the year-end accounts and on printed reports.
Sales documents	The accent colour, the wording and what appears on an invoice.
Preview	A real invoice, drawn with whatever is on the form at that moment.
Take these books elsewhere	A portable export of this company on its own.

The references a return asks for, and the Companies House authentication code, are on this screen as well as on [References & identity](#). They are one form shown twice, not two forms, and they have their own chapter.

11.3 VAT

Turn the master tick off and VAT disappears from invoices, bills and the ledger entirely. Turned on, the panel asks for the registration number, which is checked by its check digit, and then:

- **How often returns are filed:** Quarterly, which is usual, Monthly, which usually means a repayment trader, or Annually under the annual accounting scheme. An annual return is due two months after the period end.
- **Payments on account,** for the annual scheme only: none agreed, monthly at 10% at the end of months 4 to 12, or quarterly at 25% at the end of months 4, 7 and 10. Each instalment then appears on the compliance calendar as a deadline of its own.

- **Registered from**, the effective date on the certificate. Returns before it are not listed, and the first return runs from that date.
- **Deregistered on**, blank while still registered. Setting it produces a final return and stops the ones after.
- **Returns prepared here from**, for a company moved across from another package: documents before this date are left off the VAT return.
- **Quarters end in**, the stagger HMRC gave you.
- **VAT scheme**: Standard, Cash accounting or Flat rate. On the flat rate scheme you also give the trade sector, which fills in the published rate, and say whether this is a limited cost business.
- **Default rate on new lines**, used by recurring invoices.
- Ticks for trading in goods under the Northern Ireland Protocol, and for making exempt supplies as well as taxable ones, which turns on partial exemption and asks which month the VAT year ends in.

What these settings then do to a return is in the VAT chapters. Two of them are worth knowing here.

CAREFUL

Limited cost business is a decision, not a calculation, and Murgese will not guess at it. The test turns on spend on goods, excluding services, capital items, food and drink, vehicles and fuel, which is a distinction a ledger cannot make. It is also a test on each period, so it needs looking at every quarter. At 16.5% against a builder's 9.5% it is nearly double the VAT.

Partial exemption left off means the calculation is not run at all, rather than run and shown as nil. A working paper put in front of somebody who does not need it is one they will eventually act on.

11.4 VAT RATES

Each rate has a percentage and a **treatment**: standard rate, reduced rate, zero rated, exempt, no VAT or outside the scope, or the domestic reverse charge for CIS. A new company's outside-the-scope rate is called **No VAT (outside the scope)**. One is marked as the default for new lines, and rates can be reordered and switched off.

The treatment is not a decoration on the percentage. Zero rated, exempt and outside the scope are all 0% and land in different boxes of the return. Editing a rate does not reach back into the books either: a document line stores the percentage and the treatment it was raised at. A rate that has been used cannot be deleted, only deactivated.

11.5 THE CONSTRUCTION INDUSTRY SCHEME

Two fields. **This company's role**: not in the scheme, contractor, subcontractor, or both. Then, for a subcontractor, **our own CIS status**: registered at 20%, not registered at 30%, or gross payment status.

Setting the role puts this company's CIS obligations on the compliance calendar and drives the deduction on a subcontractor's bill. The obligations appear as soon as the setting is saved: a monthly CIS300 for each tax month, and the payment and deduction statements owed to subcontractors as a line of their own, because they are a separate duty with their own penalty. Clearing the role takes any of that work back off again where it has not been started. What Murgese does and does not do about CIS is in the CIS chapter, and it matters: deductions are calculated and posted here, and the monthly return is prepared here, but nothing is sent to HMRC.

11.6 NUMBERING

Each of the five series has a **Prefix**, which may be left blank, and a **Next number**, with a live preview of the reference the next document will actually carry. Bill numbering is off by default, because a purchase bill normally carries the supplier's own invoice number.

WORTH KNOWING

Next number is a text box rather than a number box, on purpose. Type 0001 and it stays 0001. A number box would turn it into 1, because to a number box those are the same value, and they are: what differs is how the reference is written. Muddling the two is how a series that reaches 9999 wraps to 0000 instead of widening to 10000.

The preview line is not a guess made in the browser. The screen asks the server to compose the reference, which is the same code that will compose it when the document is raised, so the screen and the document cannot disagree. Credit notes and sales invoices share one uniqueness rule: where the number a credit note reaches is already on an invoice, it takes the next free one and leaves an honest gap.

11.7 BRANDING AND THE LOOK OF A SALES DOCUMENT

Upload a logo, then choose how the document looks:

- **Layout:** Classic, Modern (a band of colour across the top), Compact (tighter rows for long jobs) or Printed letterhead (leaves the top of the page empty for headed paper and prints the registration numbers at the foot instead).
- **Typeface:** four, all already on the machines documents print from, so nothing is fetched from the internet.
- **Accent colour**, from the picker or as a hex value, for the title and the rules; and an optional **second colour** for the column headings and the small labels, which also runs as a thin second stripe on the Modern layout. Both are darkened where needed so they can always be read.
- **Logo position:** left, above the company name; right, above the document title; or centre, across the top of the page. The printed letterhead layout does not print the logo, because the paper already carries it.
- The wording: what to call an invoice, the contact block, how to pay, the payment terms and the footer.

Ticks decide what appears: the logo, a VAT rate against each line, item codes, the quantity and the unit price. Under **Column headings** each column, the discount included, can be given its own name, such as Hours and Rate for time, or left blank to keep its usual heading. The amount column is always before VAT. **Header fields on new invoices**, one per line and up to twelve, are the fields every new invoice and credit note starts with, such as PO number and Project; one left empty on a document is not printed. The preview below redraws as you type, reading the form rather than the saved record, so it never lags a save behind.

Turning the per-line VAT column off is safe on a VAT invoice. The rate and the amount are still in the summary, which is what HMRC require.

CAREFUL

The quantity and the unit price can be hidden, but on a VAT invoice or credit note they print regardless whenever a line is for more than one of something or carries a discount, because the amount is then no longer the unit price. A full VAT invoice has to show the quantity or extent of what was supplied and the unit price. A line for one item or one job shows both without the columns: the description is the extent, and the amount is the unit price. Quotes, and a company not registered for VAT, follow the setting as it stands. The preview's scaffold line is fourteen days, so a VAT-registered company sees the columns come back on it.

A customer can be given a layout of its own on its contact record. Everything else stays the company's.

11.8 WORTH KNOWING

Changing the kind of business adds the accounts the new kind needs and removes the ones it does not, but it never removes an account that has already been posted to. Those stay, so no balance is left with nowhere to sit.

11.9 WHAT A REFRESH OFFERS

Refresh from Companies House reads the register and shows every difference as a tick, with what is held now beside what the register says. Nothing is applied until you tick it and confirm, and what you leave unticked stays as it is and is offered again next time.

Directors and secretaries are one line on that list, with the names underneath it. Ticking it does three things and no more: it adds officers the register has and the record does not, it records resignations the register knows about, and it fills in an appointment date where none was held. It never overwrites a date somebody typed; a register date and a typed date that disagree are a question for a person.

People to verify at Companies House is a line of its own. Ticking it adds the directors and people with significant control the register lists, and **References & identity** does not hold, as not yet verified, so their identity verification deadlines appear on the compliance calendar. See From the Companies House register in that chapter.

Names come across the right way round. The register writes them surname first in block capitals; a name with no comma in it is left exactly as given, because that is how a corporate director is held.

Nobody arrives already signing the accounts. Which director signs the balance sheet is a decision the board makes, and it is set on **Directors & advisers** inside the year-end accounts.

CAREFUL

An officer is never removed. Somebody held here that the register does not have is listed separately and left alone, because a set of accounts names the board as it was at its own balance sheet date. A director who resigned two years ago is still the person who signed the 2024 accounts. Where the list appears, either an appointment has not been filed yet or the name here is spelt differently from the register's.

The **year end** the refresh offers is the register's accounting reference date, and accepting it changes the date your books use. Declining leaves the books where they are. That is why the two are held apart: the accounts are prepared to the date the ledger recognises, not to the register's copy of it.

The legal name can be edited by anybody. For a company or an LLP the next Companies House refresh will offer the register's version back, and the screen says so where that applies. For a sole trader or an unincorporated charity there is no register to correct it from, so type it carefully.

When something on the form is wrong, the Save button names the box and scrolls to it rather than sitting disabled beside a vague sentence.

The GoCardless tick is a setting rather than a button on the toolbar, because otherwise a third party's brand name would sit on the screen a bookkeeper uses most. What it turns on is described in Connections to other services, and it is worth reading before you rely on it: nothing is fetched from GoCardless, and the payout figures are copied in by hand.

Opening balances

Opening balances, under Year end, is where the closing trial balance from whatever the client used before is brought in. It is the one place in Murgese allowed to put figures straight into bank, debtors and creditors. A manual journal refuses those accounts, because their balances are meant to be the sum of the documents behind them, and on day one there are no documents behind them: there is only the old system's closing position.

12.1 BEFORE YOU START

The chart of accounts has to hold every account the trial balance names. Anything it does not is reported back to you rather than posted somewhere convenient, so it is worth adding the missing accounts first. Posting needs the `period_end` capability, which an Administrator, a Manager or an Accountant has.

Opening balances
The closing position brought over from your previous system.

1. The closing trial balance from the old system
One balance per account at the changeover date. This is how a practice normally moves a client: at a year end, with a trial balance, and it is the way in for any package whose exports are not worth reading document by document, which includes Zoho Books and VT Transaction+. Bring the file in below, check what was read, and post.
If this client is on Xero or QuickBooks, the fuller route brings the invoices, bills, contacts and the whole general ledger across instead of a single balance per account, and proves it landed. [Import your books](#).

Balances as at
31/03/2026 The day before the first transaction you will enter here, normally the last day of the old system. Download template Import a file... Paste...

Opening balances have already been posted for this company. Saving again replaces them; it does not add to them.

☐ Only accounts with a figure on them

CODE	ACCOUNT	DEBIT £	CREDIT £
0010	Freehold Land & Buildings		
0011	Freehold Land & Buildings - Accumulated Depreciation		
0020	Leasehold Improvements		
0021	Leasehold Improvements - Accumulated Depreciation		
0100	Plant & Machinery		
0110	Plant & Machinery - Accumulated Depreciation		
0150	Tools & Site Equipment		
0160	Tools & Site Equipment - Accumulated Depreciation		
0200	Fixtures & Fittings		
0210	Fixtures & Fittings - Accumulated Depreciation		

3. Post 5 accounts with a balance Debits £4,200.00 Credits £4,200.00 In balance Replace opening balances

Figure 8 Every account in the chart, with a debit and a credit column, and the running totals pinned to the foot of the screen. The figures shown are invented.

12.2 THE SCREEN

Balances as at sits at the top: the day before the first transaction you will enter here, normally the last day on the old system.

The table below it lists every account in the chart, with its code, its name and a **Debit £** and a **Credit £** box. Typing in one side clears the other, because a line is a debit or a credit and never both.

A bar stays pinned to the foot of the screen with the number of accounts carrying a balance, the total debits, the total credits, and either **In balance** in green or **Out by** an

amount in amber. The button reads Post opening balances, or Replace opening balances where a set has already been posted.

Three buttons sit above the table: Download template, Import a file, and Paste.

12.3 ENTERING THE BALANCES

1. Set **Balances as at**.
2. Type each figure into the debit or the credit column, or bring the whole trial balance in with one of the three buttons below.
3. Check the totals in the bar at the foot.
4. Press Post opening balances.

Murgese refuses to post a trial balance that does not balance. Where the two sides differ you can tick **Post the difference to a suspense account**, and the difference goes to account 9999, Suspense, which is created for the purpose. The message afterwards names the amount that went there and tells you to clear it before the first year end. A conversion carried over by hand almost never balances first time, and blocking the whole job over £3.40 helps nobody, but the £3.40 has to be visible rather than quietly absorbed.

12.4 BRINGING A TRIAL BALANCE IN FROM A FILE

Download template gives you a CSV in this company's own codes and names, one row per account, with the debit and credit columns blank. Handing somebody an empty template and asking them to invent the codes is how an import half matches, so the codes are already right.

Import a file reads a CSV, TXT or TSV. Paste takes the same thing through a box, one account per line starting with the account code, separated by tabs or commas, so you can copy straight out of a spreadsheet.

Neither posts anything. Both fill in the boxes on the screen and then tell you what happened: how many accounts were filled in, how many matched on the name rather than the code, and, where lines could not be matched at all, the first few of them by code and name, with the instruction to add those accounts to the chart and import again.

The reading is deliberately forgiving about shape and strict about money:

- The header row is found by looking at the words in it, not by its position, so a title, a company name and a date above the columns are all fine.
- A file with no header row at all is read too, because selecting three columns in a spreadsheet and pasting them is how most people actually move a trial balance.
- Debit and credit columns are used where they exist. Where there is only one signed **Balance** column, a positive figure is read as a debit and a negative one as a credit, which is what every package that exports one column means by it.
- A credit written as a negative in the debit column is moved to the right side.
- An account code and a name in one cell are separated.

- Totals rows are left out rather than reported as unmatched, because "Total" appearing in the unmatched list every single time trains people to ignore that list.
- Amounts are parsed exactly and the totals are reported. A conversion that silently rounds is worse than one that refuses.

12.5 WHAT THE DATE MEANS FOR THE INCOME AND EXPENSES

A trial balance carries the profit and loss accounts for the year up to its date, and the date decides which year's accounts they land in.

BALANCES AS AT	WHAT HAPPENS
The last day of a year, 31 August 2024 for an August year end	The year's own closing trial balance. Its income and expenses are that year's trading, so the accounts for the year to 31 August 2024 can be prepared and approved from it, and it gives the comparatives for the year after. This is the usual way to close the last year on the old system in Murgese before starting the next.
The first day of a year, 1 September 2024	Almost always a mistake. A trial balance on the first day of a year has nothing in its profit and loss accounts, so income and expenses there are last year's, and they would be counted in this year's profit and tax. The year-end accounts say so in one finding and name the date to use instead.
Part way through a year	A changeover mid-year. The income and expenses are counted as this year's, which is right if the trial balance was taken on that date. The year-end accounts ask the question once.

12.6 DOING IT AGAIN

Posting a second time **replaces** the first set rather than adding to it, and a note on the screen says so before you press anything. Getting a conversion right usually takes two or three goes, and a conversion posted three times must not treble the opening bank balance. The alternative is a pile of correcting journals in the client's first week.

CAREFUL

Replace is the right button for a conversion that was wrong. It is not a way of moving figures once trading has started: the balances go in as one journal dated **as at**, and anything you have entered since sits on top of them.

12.7 WORTH KNOWING

Opening balances have their own route into the ledger, with their own audit entry, rather than a tick box on the journal screen. A flag on the journal screen that let somebody touch the bank control account would sooner or later be used for something else.

Matching is on the account **code** first and the exact **name** second. Where a line matched on the name, the screen says so and names the code from the file that was not in this chart, because a match made on a name is a match worth a second look.

The paste box does not close when you click beside it. Of everything in the product that used to, this held the most work: a conversion balance is somebody transcribing a hundred lines of the old system's closing position.

Importing your books from another system

Import your books, under Year end, brings a company's whole transaction history across from another package: every posting, not a closing trial balance. It then proves the result by comparing the trial balance in these books against the trial balance implied by the file it read, account by account. That last step is the one usually skipped, and it is the only one that separates an import that finished from an import that is correct.

Murgese reads Xero and QuickBooks exports. You are never asked which you have: every file is identified by its own contents, so neither the order nor the filename matters, and a whole workbook can be dropped in as it comes, each sheet looked at separately. One migration reads one set of books, and a file from the other package is refused.

13.1 BEFORE YOU START

Import into a company with **no bookkeeping recorded in it**. A company that has been used cannot be imported into, because a second run would double every figure: create a new one and import into that, so the old books and the new are never mixed. Running the import needs the `period_end` capability.

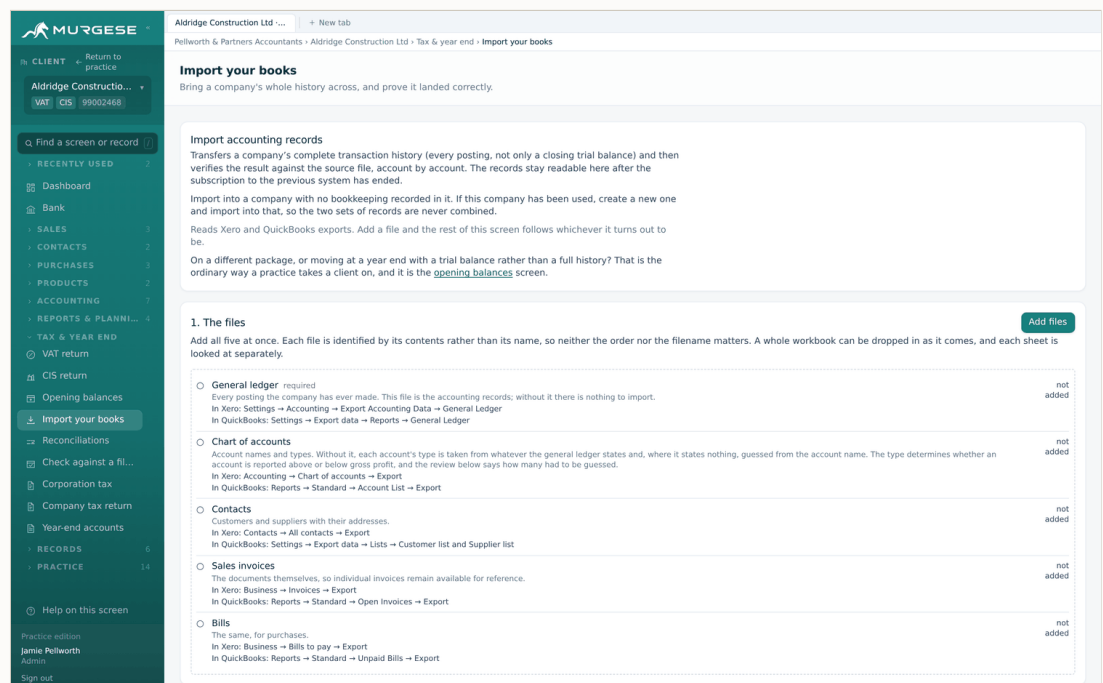


Figure 9 The three steps: the files, the plan, and the box that asks you to type IMPORT. The figures shown are invented.

13.2 THE FILES

The panel lists five files, ticked as they arrive, with the menu path in your old package under each one that is still missing.

FILE	WHY IT MATTERS
General ledger	Required. Every posting the company has ever made. This file is the accounting records: without it there is nothing to import.
Chart of accounts	Account names and types. Strongly recommended. Without it every type has to be worked out from the ledger and the account names, and the type is what decides whether an account is reported above or below gross profit. See Where each account's type comes from below.
Contacts	Customers and suppliers with their addresses.
Sales invoices	The documents themselves, so individual invoices can still be looked up.
Bills	The same, for purchases.

From Xero the general ledger is Settings, Accounting, Export Accounting Data, General Ledger. It must be the `.txt` export: the Journal report carries neither the account codes nor the tracking column. From QuickBooks it is Settings, Export data, Reports, General Ledger, with the date range covering everything and every account left in, because a range that cuts a transaction in half makes it unbalanced.

From QuickBooks, name the report rather than hunting for an export button.

QuickBooks offers several reports that look like a list of invoices or bills and only some of them can be used. The ones to take are:

WHAT YOU WANT	THE REPORT
Chart of accounts	Account List
Customers and suppliers	Customer list and Supplier list, both of them
Sales invoices	Open Invoices , or Customer Balance Detail
Bills	Unpaid Bills , or Supplier Balance Detail

The test is one column. **The invoice or bill report must carry an Open balance column.** Murgese needs to know what is still owed, and a report of documents that have been settled cannot tell it: every row in one reads as wholly unpaid, which is the correct reading of the file and completely the wrong answer.

So do not use Paid Bills or Paid Invoices, which list only what has been settled and carry no outstanding column at all. Do not use Bills and Applied Payments or Invoices and Received Payments either: those carry the right figures in the wrong shape, with a document and its payments interleaved and the contact named only in a section heading. Murgese refuses all four by name and says which to use instead, but it is quicker to take the right one first.

Add all five at once. Sheets in a workbook that Murgese has no use for, products or attachments for instance, are skipped and reported quietly rather than as an error.

13.3 CHECKING WHAT IT WOULD DO

First, **Currency of the old books**: the currency every figure in the old package's general ledger is in, its home currency there. It starts empty, and nothing is imported until you choose. Murgese does not assume sterling, because books kept in dollars look exactly like books kept in pounds: every journal balances either way, and taken as pounds every figure would be wrong by the exchange rate. Where the account list says which currency the books are in, it is offered beside the box as a suggestion, with a button to use it; if you choose a different one, the import is refused until the two agree. For a sterling company, choose GBP, and the review says that nothing is converted.

Then three options:

- **Bring the tracking column across**, and what to call it in these books.
- **Bring invoices and bills across**. They are kept as records so they can still be looked up. They do not post: their postings come from the ledger.
- **Stop at a date**. Leave it blank to bring everything.

Press Check the files. Nothing is written. What comes back is the plan, and it is worth reading in full:

- **What is in the files**: postings, journals, accounts, contacts, invoices and credit notes, bills, the dates covered, and how many tracking values were found.
- **Whether it balances**. Either every journal balances and the file sums to nil, which is a complete ledger, or the number that do not. Double entry is not a convention a file might happen to follow: if it does not balance, either the export is partial or a column has been misread, and both are reasons to stop.
- **VAT treatments found**: each tax code in the old system, what it has been read as, and how many lines carry it.
- **Worth reading before you import**, the warnings.
- **Accounts**, showing first the ones worth checking, with the type and the reporting class in pickers you can change, and a short line on each saying where its type came from. Other income and Revenue post identically, but only one belongs in turnover. See the next section.
- **Bank accounts**: each one, the currency it is held in, its balance in the ledger in pounds and its balance on its statement in its own currency. Where the files do not say which currency an account is held in, choose it here; the import does not run while one is left unchosen.
- **The documents against the control accounts**: what the invoices and bills say is outstanding, beside what the ledger says the control accounts hold.
- **Not imported as documents**: prepayments and overpayments, which are money movements reported alongside invoices rather than documents in their own right. Their effect is already in the ledger.

Anything you change on the review screen, a type, a currency, a rate or an option, is checked again straight away. The plan on the screen is the one that gets imported: the import sends its fingerprint, and if a file, a rate, a currency, an account or an option has changed since it was checked, nothing is written and you are asked to check again.

Where no contacts export was added, a card says what that costs: a contact created from a name on a document has no email address, no telephone number, no address and no account number, so statements cannot be emailed to them, their invoices print with no address, and a debt cannot be chased. Take that export now, while the old subscription is still live. A week later it cannot be exported at all.

13.4 WHERE EACH ACCOUNT'S TYPE COMES FROM

An account's type decides where it is reported: above or below gross profit, or on the balance sheet rather than in the profit and loss at all. Murgese works it out from three places, in this order, and every row on the review screen says which one it used.

1. **The chart of accounts file**, where the old package states the type outright. Nothing to check.
2. **The general ledger's own type column**, where the export carries one.
Nothing to check, unless the word is one Murgese does not read, in which case it falls through to the next step.
3. **The account's name**. "HSBC Current A/C" is a bank account, "Creditors" is the creditors control, "Buildings" is a fixed asset, "Bank interest received" is income rather than a bank. The row says what it read, for example Named as a bank account, so you can see the reasoning rather than only the answer.

A name that says nothing, or that says two things at once, is not guessed at. "Cash - Loans" names an asset and a liability in four words and there is no honest answer, so the account is left with **no type**, its row is marked, and the import will not run until you set it. You clear it with the two pickers on that row, and the red card at the top of the screen disappears as the last one is set.

That refusal is deliberate. An account nobody could place used to be filed in overheads, which looks like an answer, so nobody checked it and a property or a bank account could end up in the profit and loss with every screen afterwards looking perfectly normal.

The shortest way past all of this is the chart of accounts export. With it, every type is stated and there is nothing to check at all.

13.5 BOOKS KEPT IN ANOTHER CURRENCY

A QuickBooks company can keep its books in another currency: its home currency there might be US dollars, with bank accounts in pounds, dollars and rupees. Choose that currency under **Currency of the old books**. The account list helps: its **Currency** column gives every account's currency, and income and expense accounts are always in the home currency, so it suggests the answer and refuses a different one. Take it from Reports,

Standard, Account List, and export it with the Currency column showing. For books kept in another currency the account list is required, because it is the only file that says which accounts are held in which currency.

Murgese keeps a company's ledger in sterling, so such a ledger is **converted to pounds on the way in**. A card on the review screen says which currency the books are in, shows a worked example of the rate's direction (rates are units of the currency to £1: at 1.25, \$1,250.00 becomes £1,000.00), and lists every month with the rate it will use:

1. Where a month has no rate, press **Get HMRC's rates for the months**, which fetches HMRC's monthly rate for each one, or type your own rates on the Currencies screen. A rate somebody typed is used and never overwritten. A month with an invoice or bill in it needs a rate as much as one with a journal.
2. A rate that looks wrong is held: one upside down (0.80 dollars to the pound is what a dollar costs in pounds), one far outside the currency's usual range, or one far from the months either side of it. Correct it, or tick that it is right.
3. Press **Check the files** again. The import is refused while any month has no rate or a rate that looks wrong is unconfirmed, and the red card says which.
4. Open **Every account in dollars and in sterling** to see each account's figure in the file beside its converted figure, and the two totals, which must both be nil.

Every converted transaction still balances: its lines are rounded to the penny and the odd penny goes to the lines nearest the next one.

What the accounting standards ask

Where the company's functional currency is sterling, the books kept in dollars were only kept in dollars; each transaction is a sterling transaction, or a foreign-currency one recorded in sterling. FRS 102 (30.7 to 30.10), FRS 105 for micro-entities and HMRC's guidance (BIM39510) all ask the same three things:

1. Each foreign-currency transaction at the rate on its date, or at an average rate for a week or a month where the rate does not move much within it. HMRC's monthly rates are that kind of rate. A transaction that was really in sterling is its sterling figure, which is why the Foreign Amount column matters.
2. At each reporting date, every balance held in a foreign currency (a dollar bank account, a dollar debt) at the **closing rate** on that date, the difference to profit and loss. Converting transaction by transaction leaves it at the rates of its transactions, so after the import the result names each year end inside the history, with a button that opens the retranslation on the Currencies screen at that date. Enter the closing rate dated the year end first: HMRC's monthly rate is set in the month before, so it is not a closing rate.
3. Anything not held in a foreign currency (fixed assets, share capital, a loan owed in sterling) stays at the rate it was first recorded at.

A balance the old package kept in its home currency but which is really owed in sterling, a UK director's loan for instance, cannot be told from a dollar one by the file. The matching step below is for those.

One rate up to a date, as the filed accounts were

Accounts filed in sterling from books kept in dollars are often translated at **one rate** for the whole period. Converting the same books at twelve monthly rates then moves every figure, and the imported books will not match what was filed. Under **Translate up to a date at one rate**, give the last date those accounts covered and the rate they used.

Everything up to that date is translated at that rate, the sterling bank accounts' lines included, as the filed accounts translated them, and no monthly rate is needed for those months. Add a second stretch for a second filed year at its own rate.

Each line is still rounded on its own, so an account's total can land a penny or so from the file's total at that rate. One journal dated the last day of the stretch squares each account to the file's total at the rate, which is how the filed figures were worked out, and the odd pennies go to an account of their own, Rounding on translation to sterling. Bank accounts are left out of that journal, because their statements have to stay as they are.

After that, what separates the imported books from the filed accounts is the adjustments made when the accounts were prepared: an accrual, costs capitalised, expenses the director paid. Post those as journals to their own accounts, dated the year end.

One rate for a whole period is not the method the standards set where the rate moved significantly during it (the dollar moved between about 1.22 and 1.37 to the pound in 2025). It is offered so that books for a period already filed that way agree with what was filed, and the next period starts from the filed position. For a period not yet filed, use the monthly rates and the retranslation at the year end. No retranslation is offered at a year end inside a stretch, because there the books are the accounts as filed.

Bank accounts in another currency

A bank account's statement is in the currency it is held in, and the file has to say what each line was in it. For an account held in the books' own currency (a dollar account in dollar books), the ledger's own figures are the statement. For any other account, the general ledger must carry the figure in the account's currency, which is QuickBooks' **Foreign Amount** column: run the General Ledger report with that column added. Where a line on such an account has no figure in its currency, the import stops and names the account and its first lines, because a statement cannot be made from figures in another currency and leaving the lines off would leave the account's balance in its own currency wrong. A stated nought is a figure: an exchange adjustment moves no currency, and makes no statement line.

With the Foreign Amount column, a line on a sterling bank account keeps the exact pounds the bank moved, and the rest of that transaction is converted at the rate those pounds imply, so the account agrees with its bank statement to the penny. Inside a one-rate stretch the sterling lines are translated at the stretch's rate instead, as the filed accounts translated them, and the account is brought to its statement balance by the matching below.

Bank accounts come in held in their currencies, and those currencies are switched on for the company.

Matching the converted balances to the filed accounts

The converted balances are a fair translation but not necessarily the figures the company's accounts were filed with. So after a converted import the screen asks you to match them, and keeps asking for as long as the books are converted ones. It is for differences of translation: post the adjustments made when the accounts were prepared as journals to their own accounts first, then match what is left.

1. Under **Match the converted balances to the filed accounts**, choose a year end whose accounts were filed in sterling and press **Show the balances**.
2. Type the filed figure beside each balance that differs. A sterling bank account's figure is its bank statement balance. Assets are positive, and so are liabilities and capital, as the balance sheet prints them. A box left empty leaves that account as it is.
3. Choose where the differences go, if not to exchange differences (the company's own exchange account where it brought one across).
4. Press **Post the differences**. Each account is made its filed figure, and the differences go to that account in one journal dated that day. A sterling bank account's difference goes onto its statement too, so the bank screen agrees with the ledger.

Then check the whole year against the filed accounts under Period check.

13.6 IMPORTING

1. Read the plan. If there is a red card headed This cannot be imported yet, fix what it names first.
2. Type **IMPORT** in the box.
3. Press Import everything. A large ledger takes a minute or so, and the screen has to stay open.

13.7 THE PROOF THAT IT LANDED CORRECTLY

The result is a comparison, account by account, at the last date in the file (or the date you stopped at). **The trial balance agrees with the source file** means every account here matches the same account in the source file to the penny. For books kept in another currency it shows three figures: the file's own, in its currency; that figure converted exactly as the import converted it; and what is in Murgese. The last two agreeing proves the import wrote what it converted. Whether the conversion matches the accounts as filed is the matching step above.

The comparison is also made before the import is kept. Every journal is checked to balance, every account against the file converted, each bank account's ledger and statement against the review, and the control accounts against the documents; if anything written differs from what was reviewed, the whole import is undone and nothing is kept. The currency confirmed, who confirmed it, the rates used month by month and the fingerprint of the plan are kept on the company as the record of its import.

Beside it are the counts of what was written, and three notes that appear where they apply:

- Bank lines taken from the ledger onto the Bank screen, already coded to the accounts the ledger posted them to. They are the statement the trial balance was built from, so nothing has been posted twice and none of them can be coded again.
- Account codes that were in the ledger but not in the chart of accounts. Their postings go to 9998, Unmapped on import, and should be reallocated before the records are used.
- Contacts created from a name alone, because they were not in a contacts export.

The control account comparison is shown again afterwards, and it answers a different question from the trial balance: not whether the ledger came across, but whether the aged debtors list will agree with the balance sheet. Where the two differ, **believe the ledger**: it came from the postings, and the trial balance comparison proves it. The usual causes are documents the export did not contain, an export that carried no paid or outstanding column, and payments on account, which sit in the control account and are deliberately not imported as documents.

13.8 WHAT MURGESE REFUSES TO IMPORT

- A ledger that does not balance. The screen names the first journal and how much it is out by.
- A file with no journals in it.
- Anything at all without the general ledger export.
- A company that already has postings.
- A second package's files alongside the first. Half a Xero ledger and half a QuickBooks one is not a set of books.
- An account whose type nothing could work out. The card names up to five of them. Set the type on those rows and the import runs.
- Documents that do not agree with the control accounts, unless you accept the difference deliberately, which is recorded on the migration.
- Books whose currency has not been confirmed under **Currency of the old books**, or confirmed as one the account list contradicts.
- Books kept in another currency without the QuickBooks account list, or while any month of the ledger or of the documents has no exchange rate on file, or a rate that looks wrong has not been confirmed. The card names the months.
- A bank account whose currency nothing states and nobody has chosen.
- A bank account held in a currency other than the books' whose lines the file gives no figure in that currency for.
- A plan that has changed since it was checked.

13.9 REPAIRING A MIGRATION

For the case where the ledger came across correctly and was proved account by account, but the documents on top of it did not: invoices settled years ago showing as outstanding, or contacts that arrived as a name and nothing else.

Add a fresh export under **The files**, then open Repair this migration, choose invoices and bills, contacts, or both, type **REPAIR**, and press the button. The accounting records are not touched. In a company whose books were converted, the documents are converted too, at the rates the import used. A company imported before version 2.9.32 kept no record of its books' currency, so the repair asks for it.

A migrated document is left as it is, and named afterwards, where it has a payment recorded against it, a credit note allocated to it, a file attached, or a place in a VAT return that has been filed. Anything raised in Murgese since the migration is left alone as well. For contacts, blank fields are filled in and nothing already recorded is overwritten, so an email address corrected here keeps the correction, and a contact not on the list is added.

13.10 STARTING THE COMPANY AGAIN

Clear the books and start again is for a migration set up wrongly: the wrong year end, the wrong VAT scheme, the wrong files. It is offered for **60 days** after an import, and the panel says which day that runs out.

Everything the books contain is removed and a fresh default chart put in its place, because the accounts are what the postings hang off. The company stays with its name, company number and statutory references, and so does the work recorded against it: jobs, deadlines, time entries, charge-out rates and audit trail. A tick decides whether the settings go back to their defaults too, which is usually right, since the wrong setup is normally what is being corrected. You confirm by typing **PURGE**, and a copy of the whole database is taken first, at a path shown afterwards.

CAREFUL

Clearing the books is refused outright, whatever you type, once a VAT return has been filed for the company, once accounts have gone to Companies House, or once a period has been closed. The filing stands and the figures behind it have to stand with it. It is also refused past the 60 days, and for a company that was never imported at all: correct that one by journal, or archive it and start a new one.

13.11 WORTH KNOWING

The panels for repairing and for starting again are always on the screen, even when they cannot be used, and they say why not. A company set up here by hand has no migration to undo, and somebody hunting for that button needs telling rather than leaving to look for a panel that was never going to appear.

A migrated company holds the same fact twice on purpose: the control account comes from the ledger replay, and the aged debtors and creditors lists come from the documents. Both are right only if the documents came across completely and with their settlement

intact. When they did not, the books stay correct while the reports go wrong, which is the most confusing failure available, so the comparison is shown before the import as well as after.

The records stay readable here after the subscription to the old system has ended, which is most of the point of bringing the whole history rather than a closing balance.

Day-to-day bookkeeping

Contacts, sales, purchases, the bank and the ledger itself: the work that fills the year between one set of accounts and the next.

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The client dashboard

Dashboard is the screen a client opens on, at the top of the sidebar above Sales. It answers three questions, in the order people actually ask them: what needs doing, what is owed in both directions, and what shape the year has been.

14.1 BEFORE YOU START

Nothing has to be set up, but the screen has nothing to say until there are postings. **Cash at bank** appears once the chart of accounts holds bank control accounts numbered below 1100. **Owed to you** and **You owe** appear once invoices and bills have been approved: only documents awaiting payment count, so a draft invoice is not yet money owed and is not treated as such.

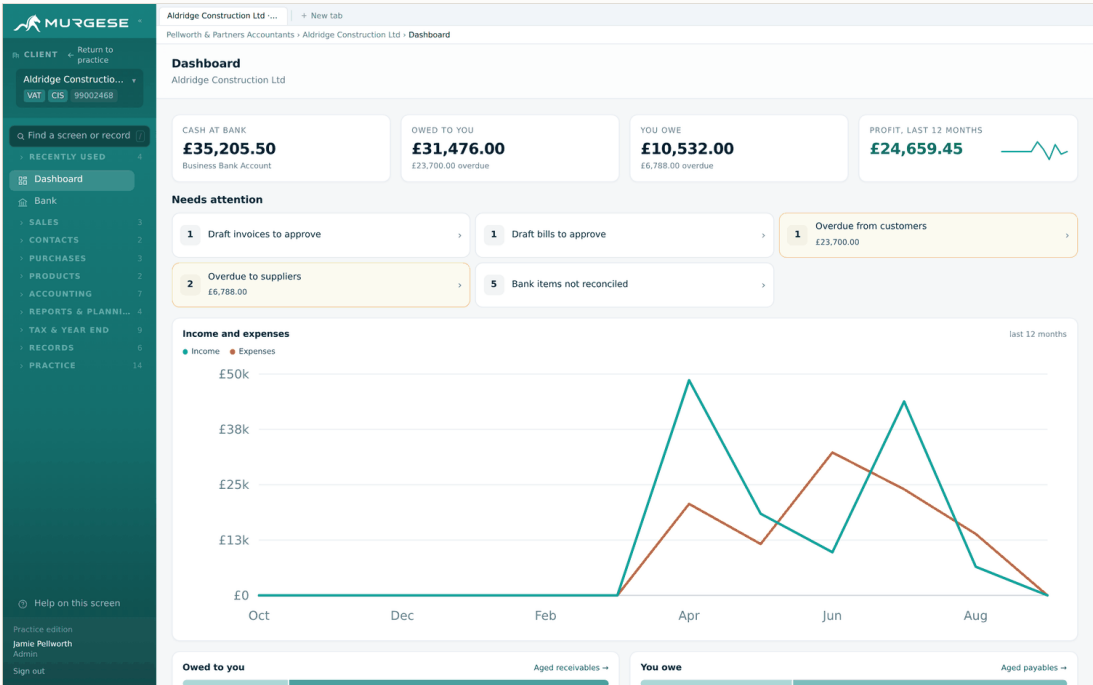


Figure 10 The four headline figures, the attention tiles beneath them, and the twelve-month chart. The figures shown are invented.

14.2 THE SCREEN

Four figures run across the top.

FIGURE	WHAT IT IS
Cash at bank	The total of every asset account marked as a control account whose code sorts below 1100. The note underneath names the account, or says how many accounts the figure is spread across.
Owed to you	What is still outstanding on invoices awaiting payment. Outstanding on one document is its total, less any CIS deduction, less what has been paid. The note says how much of that is overdue, or "nothing overdue".

FIGURE	WHAT IT IS
You owe	The same calculation over bills.
Profit, last 12 months	Income less expenses over the last twelve calendar months, coloured for a profit or a loss, with a sparkline of the monthly figure behind it.

Needs attention

Below the figures is a row of tiles, each showing a count, an amount, or both, and each a link to the screen that clears it: Draft invoices to approve, Draft bills to approve, Overdue from customers, Overdue to suppliers, Bank items not reconciled, and Suspense account still has a balance. The last is drawn in red and takes you to [Opening balances](#), because a balance on account 9999 is almost always a conversion difference nobody has cleared. Where there is nothing to do, the section is not drawn at all.

Income and expenses

A twelve-month bar chart of income against expenses.

Owed to you, and You owe

Two panels, each with an ageing bar across five buckets: current, 1 to 30 days, 31 to 60, 61 to 90, and over 90. The age is counted in whole days from the **due date** to today, which is why the payment terms on a contact matter. Where more than one contact has a balance, the panel also lists the five worst. Each panel links to the aged receivables or aged payables report.

14.3 WORKING THE SCREEN

1. Read the four figures.
2. Work the attention tiles from left to right. Each one is a link to the screen that clears it, so the list should be empty by the time you have finished.
3. Use the ageing panels to decide who to chase and who to pay.
4. Use the chart last. It is the only part of the screen that tells you nothing you have to act on today.

Where the firm has turned on analysis and drafting under Practice settings, **Analyse with AI** sits at the top right. It sends the twelve months of income and expenses, cash and the ageing as the screen shows them, and comes back with the trend, anything worth checking and the questions to ask, every amount checked against what was sent.

14.4 WORTH KNOWING

The order of the screen is deliberate. A dashboard that opens with a chart looks impressive and is closed within five seconds, because nobody opens an accounting package to admire a graph. The figures you can act on come first, and the picture of the year comes last.

The attention list is restricted, on purpose, to things somebody can clear today. A list that includes conditions nobody can do anything about becomes wallpaper within a week, and then the one line that mattered gets skimmed past with the rest.

A suspense balance is surfaced here from the first day the books exist. It is the classic thing that gets forgotten until a year end, by which time nobody remembers what the conversion difference was.

Month names on the chart come from a fixed table inside the product rather than from the machine's own settings. Recent versions of that data spell September as "Sept", and a month on a chart that disagrees with the same month elsewhere reads as two different months.

CAREFUL

The test for **Cash at bank** compares the account code as text, not as a number. Codes in the 1000 to 1099 range, which is where the product puts bank accounts, behave as you would expect. A bank account you have numbered outside that range, 950 for instance, does not sort below 1100 as text and is left out of the figure, even though it appears correctly everywhere else.

Customers and suppliers

Contacts is the address book, and rather more than an address book. What is recorded against a contact decides when their invoices fall due, what rate of CIS is deducted from their payments, whether a reverse charge invoice to them is valid, and whether a donation from them can carry Gift Aid. It is worth filling in properly once.

The sidebar has four ways in under the Contacts heading: Customers, Suppliers, Both, and All contacts. They are the same screen with the filter already set.

15.1 BEFORE YOU START

Nothing. The Companies House lookup needs a working connection and a key entered in settings. The CIS block appears only where the client is itself in the scheme, and the Gift Aid block only on a charity.

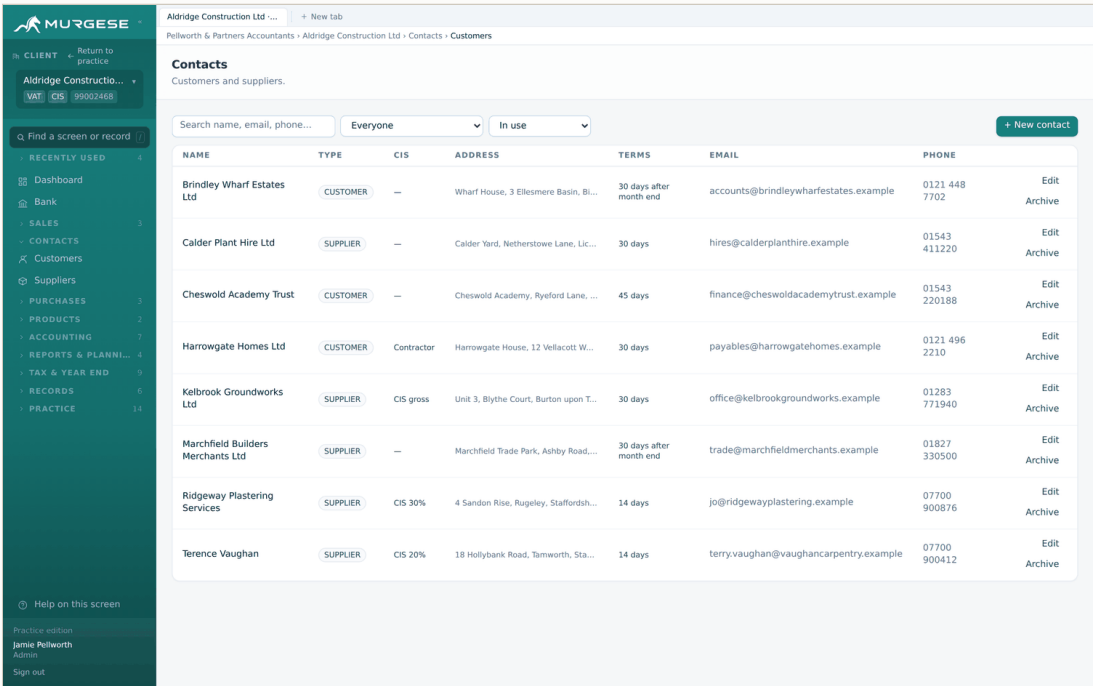


Figure 11 The contact list with the type and CIS columns, and the filter that the sidebar links set. The figures shown are invented.

15.2 THE SCREEN

The list carries Name, a type badge, Address, Terms, Email and Phone. Where the client is in the CIS scheme there is a **CIS** column as well, reading something like "CIS 20% · Contractor". The search box covers name, email, phone, mobile, UTR, account number, first and last name, and the one-line address.

The form is in six parts.

PART	WHAT IT HOLDS
Find on Companies House	Search by name or number. Picking a result fills in the name, the company number and the billing address.
Contact	Name, account number, type (Customer, Supplier, or Both), first and last name, email, website, phone, mobile, company number, UTR and VAT number. The last three are checked as you type.
Financial details	Payment terms and the number that goes with them, credit limit, Trades from, Usually coded to , and for a customer the Invoice layout its invoices, credit notes and quotes are printed in.
Addresses	A billing address always, and a delivery address if you open one.
Construction Industry Scheme	Only where the client is in the scheme. Covered below.
Gift Aid	Only on a charity: the declaration, the date signed, and the date cancelled.

There is a **Notes** box at the foot.

15.3 ADDING A CONTACT

1. Press + New contact.
2. For a limited company, search Companies House first. It fills in the name, the registered number and the registered office.
3. Set the **Type**. This decides which statement they appear on and which documents offer them.
4. Set the **Payment terms**. The due date these produce is what the aged debtors report buckets from.
5. Where the client is in the CIS scheme and this is a subcontractor, fill the whole CIS block: the status, the second identifier, the verification number and the date.
6. For a charity donor, record the Gift Aid declaration and a full billing address.

15.4 PAYMENT TERMS

Five choices are offered: use the default of 30 days, due on receipt, a number of days after the invoice date, a number of days after the end of the invoice month, or a day of the following month. The box beside the choice relabels itself Days or Day of month to match, and a sentence underneath describes what you have chosen.

The terms are a **default, not a rule**. They fill in the due date on a new invoice and then stop: once somebody has typed a due date, the terms leave it alone. Editing an existing document counts as a date already set, because the date on it was agreed with the customer and must not move because the terms changed afterwards.

An empty terms box means no terms of their own, which is not the same as terms of nought days. Those contacts follow the house default of 30 days.

15.5 THE CONSTRUCTION INDUSTRY SCHEME BLOCK

For a supplier, **Subcontractor status** has four settings: not a CIS subcontractor, verified and deducted at 20%, not verified and deducted at 30%, and gross payment status with nothing deducted. For a customer there is one tick, saying that this customer is a contractor who deducts CIS from your invoices.

What HMRC verifies them as decides which second identifier is asked for, and only that one is shown:

KIND	THE SECOND IDENTIFIER
Sole trader	National Insurance number
Partner in a partnership	The partnership name and the partnership's own UTR, which is a different number from the partner's
Limited company	The company registration number
Trust	The UTR alone

Below them are the **Verification number** and **Verified on**.

CAREFUL

A verification number ending in a letter, such as **V1234567890/A**, means HMRC could not match the subcontractor and the rate is **30%**. Leaving the status at 20% after a result like that under-deducts on every payment made to them, and it is the contractor HMRC comes to for the difference.

15.6 WORTH KNOWING

The customer list includes contacts marked as **Both**. Filtering those out is the mistake this avoids, and it is the sort of mistake that loses an invoice rather than announcing itself.

The due-date arithmetic runs on the server and nowhere else: a second copy in the browser would be the copy that forgets February. Dates are handled as UTC, because a date read as local time shifts by a day either side of a British Summer Time boundary, which is what puts an invoice in the wrong ageing bucket at the end of March. "On a day of the following month" is clamped, so the 31st in February lands on a real date.

Verification does not stand for ever. It holds while the subcontractor has appeared on a return in the current tax year or the previous two, which is why **Verified on** is recorded at all.

HMRC match a subcontractor on the UTR plus one other thing, and which other thing depends on the kind. Sending the wrong set produces an unmatched result at 30%, which reads on screen as the subcontractor's problem when it is yours. Only the fields the chosen kind uses are sent, and the others are cleared rather than left alone, so a stale identifier cannot be carried to HMRC on the next verification. It also means a limited company is never asked for a National Insurance number, which only invites somebody to type the director's.

The VAT number is validated by its check digit as you type. A wrong customer VAT number is what makes a reverse charge invoice invalid, and the check digit catches the transposition that a length test never would.

An enduring Gift Aid declaration also covers donations made in the four years before it was signed, which is the best reason to ask an existing donor for one. HMRC want the donor's house name or number and postcode on the claim, so the billing address matters. None on file is the default and is not a gap to fill in optimistically: claiming without a declaration is repaid with interest.

Changes are recorded on the audit trail with the values they replaced. Moving a subcontractor from 20% to gross status stops a fifth being deducted from every bill after it, and that is worth being able to date and attribute.

A registered office picked up from Companies House becomes the **billing** address and never the delivery address, because where goods actually go is nothing Companies House knows about. Closing the delivery address section clears it, which is what closing it is meant to mean.

Invoice layout is left on the company's layout for almost every customer. Set it for the one that wants something different, such as a council that asks for a plain document or the customer still sent paper on headed stationery. Only the layout changes: the colours, the logo, the columns and everything the document says stay the company's.

Control accounts are kept out of **Usually coded to**, because coding a bill straight to trade creditors or to a bank account is never what is meant. **Trades from** is where the goods move from or to, which is not always where the post goes: a supplier can invoice from London and ship from Rotterdam.

Items and stock

An item is a saved document line: a code, a price and an account, so that "Day rate" is not retyped forty times with three spellings and coded to two different accounts. For the things a business actually counts, an item also carries stock, valued at weighted average cost.

The screen is **Items & stock**, under Products in the sidebar.

16.1 BEFORE YOU START

Income and expense accounts must exist, which they do in every chart the product creates. A **tracked** item needs somewhere for the stock and the cost of sales to go: accounts 1300 Stock and 5100 Cost of Goods Sold, or an explicit choice of both. Creating a tracked item without them is refused rather than guessed at.

Creating and editing items needs the `manage_accounts` capability. Adjusting stock and posting a count need `post_to_ledger`.

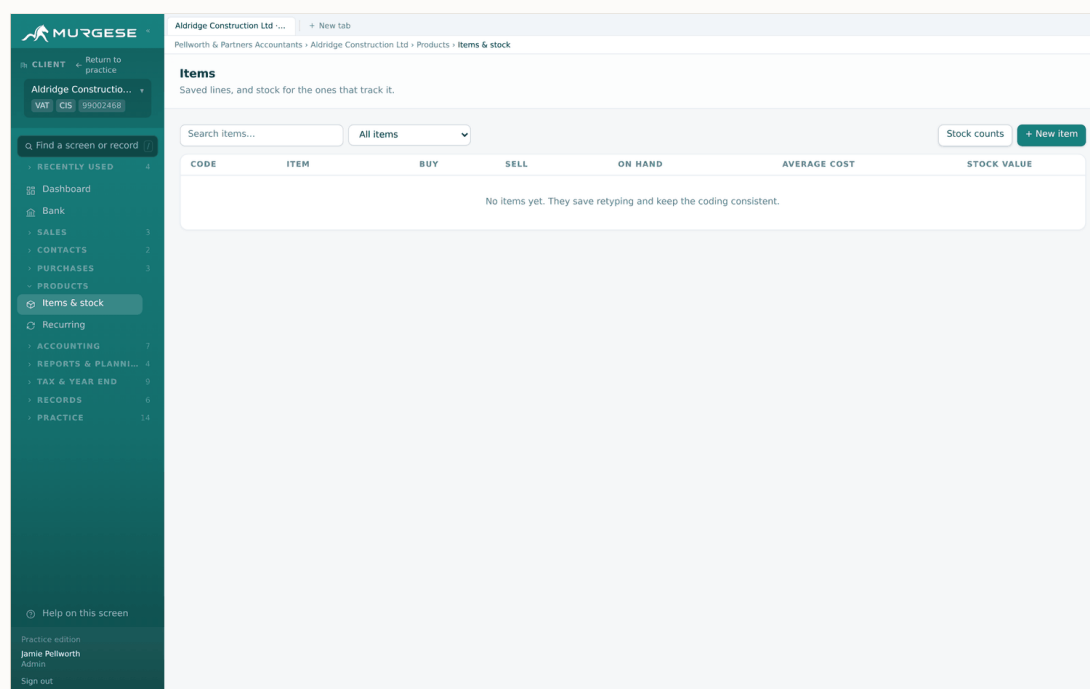


Figure 12 The item list, with what is on hand, the average cost and the stock value, and the total that appears on the balance sheet. The figures shown are invented.

16.2 THE SCREEN

The filter offers all items, stock tracked, not tracked, and **negative stock**. The search box covers the code, the name and the description. Two buttons sit beside it: Stock counts and + New item.

The columns are Code, Item, Buy, Sell, **On hand** (red when negative, or a "not tracked" badge), **Average cost**, and **Stock value**, which is the quantity multiplied by the average

cost. The footer gives "Stock on the balance sheet": the total of every tracked item's value. Tracked items carry two extra row actions, Stock take and Movements.

The form has three parts:

- **Code**, which must be unique, **Name**, and the description used on documents.
- **Selling**: price, income account, VAT treatment, and whether the item is goods or services.
- **Buying**: cost, expense account, and VAT treatment.

Underneath is the tick for **Track stock for this item**, with a note saying what it does: buying the item debits stock rather than an expense, and selling it moves the cost into cost of goods sold at the weighted average. Leave it off for services and for anything bought straight to expense. Tracked items also get a **reorder level** and a **how many to order**, both of which can be left blank.

16.3 CREATING AN ITEM

1. Press + New item and give it a code and a name.
2. Fill in the Selling and Buying panels, so that a line coded to this item codes itself.
3. Tick **Track stock** only for things you actually count.
4. Set a reorder level if you want the item to appear on the reorder report.
5. Save.

16.4 COUNTING STOCK

For one item, press **Stock take** on its row. The dialogue shows what the books say and the average cost, then asks for the date counted, the quantity counted, and a note. Where nothing is on hand it also asks the cost per unit, because there is no average to work from. It previews the shortage or the surplus and what it is worth before anything is posted.

For a periodic count, press **Stock counts**:

1. Press Start a count and set **Counted on**.
2. Tick "Only items the books say we have some of" if you are counting what should be there rather than everything.
3. Walk round with the sheet and enter the counts. The sheet shows Item, **Books said**, **Counted**, **Difference** and **Value**, with tiles above for the number counted, the number of differences, what you are short by, and the net.
4. Post the adjustments.

A shortage is written off to cost of sales at the current average, because a shortage is a cost of sales: the goods left without being invoiced. A surplus relieves cost of sales by the same reasoning.

16.5 WORTH KNOWING

Stock is valued at **weighted average**, not FIFO. Both are permitted, and both FRS 102 section 13 and FRS 105 section 10 allow the average. FIFO needs a cost layer for every purchase to produce an answer that differs by pennies at the volumes a small business trades at.

The rule in one line is that **buying moves the average and selling does not**. The trap is recomputing the average on a sale, which slowly drifts the remaining value away from the cash actually spent.

Negative stock is allowed on purpose. A bookkeeper catching up a month often enters the sales before the purchases, and refusing the sale stops them working. Instead there is a warning where it happens, saying that the stock can go negative and this will still post, but that the purchase behind it is probably not entered yet. Where the holding is negative, the next receipt resets the basis to what was actually paid rather than averaging against a negative quantity. A document is checked per item across the whole of it, not line by line: checking line by line would pass two lines of six against a holding of ten.

A blank reorder level is not a level of nought. It is an item nobody has decided about, so it stays off the reorder report rather than appearing the moment it sells out.

CAREFUL

A line nobody counted has no count, and an item counted and found empty has a count of nought. These are different answers and Murgese treats them differently: uncounted lines are skipped, and the number skipped is reported on the sheet and again in the confirmation. Posting them as nought would write off every item the counter did not reach, which on a large warehouse is the most expensive possible way to get this wrong.

The expected quantity on a count sheet is frozen when the sheet is made. If it moved with the books, the variance would be partly the count and partly three days of trading, which is not a variance but arithmetic on two different days. A posted count sheet is then sealed and cannot be edited, because a sheet that disagreed with the postings it produced would be worse than no sheet at all.

Goods or services is answered once, on the item, rather than on every line of every invoice. A thing is goods or a service by what it is, not by who bought it this time, and a tax question in the middle of a sales document is how it comes to be answered wrongly forty times a day. It is used only for boxes 8 and 9 of the VAT return.

The income and expense pickers are restricted lists rather than the whole chart. An item sells to income, and the picker is there to make that list quicker to get through, not wider.

Quotes

A quote is a priced estimate you can print and send, track through the customer's answer, and turn into a draft invoice when the work is won. Nothing on this screen reaches the ledger. **Quotes** sits under Sales in the sidebar, above Invoices.

17.1 BEFORE YOU START

At least one customer contact and at least one income account. Items are optional: the Item column on the line grid appears only where items exist, and the tracking and project controls only where categories or projects have been set up.

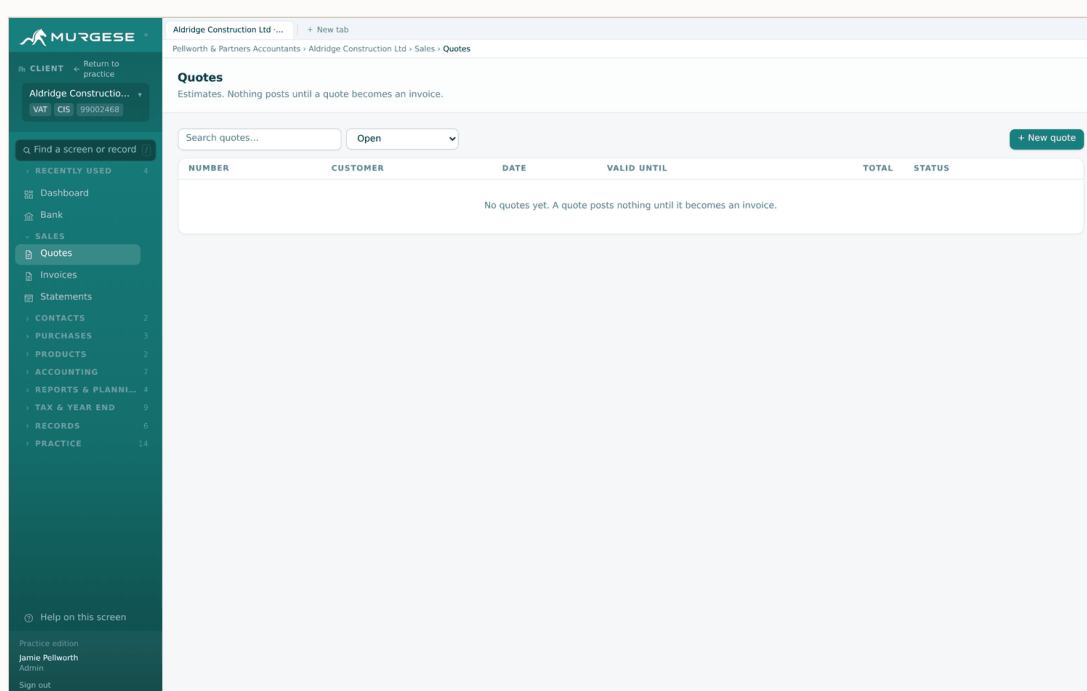


Figure 13 The quote list, with the valid-until date and the status of each one. The figures shown are invented.

17.2 THE SCREEN

The filter offers Open, which covers draft, sent and accepted, then Accepted, Invoiced, Declined and All quotes. Beside it is a free-text search over the number and the customer.

The columns are Number, Customer, Date, **Valid until**, Total and **Status**. A valid-until date in the past turns amber and is suffixed ".lapsed". The statuses are DRAFT, SENT, ACCEPTED, DECLINED, INVOICED and EXPIRED.

Which row actions you get depends on where the quote has reached. View / print is always there. Edit is there until the quote has been invoiced. Mark sent is on drafts. Accepted and Declined are on drafts and sent quotes. **Make invoice** is on sent and accepted quotes.

The form asks for the customer, the quote number, the date and the **valid until** date, then two things a quote lives or dies by:

- **What the job is**, a multi-line narrative printed above the priced lines, with the line breaks kept. This is the substance of the document. The customer reads "strip and re-felt the flat roof, make good the fascia" and then glances at the number.
- **Terms shown on the quote**, for wording such as "Valid 30 days. 50% on acceptance, balance on completion."

The line grid takes an item, a description, a quantity, a unit price, a discount as a percentage, a VAT rate, an account and any tracking. A discount is taken off the line before VAT, the quote prints it in its own column beside the price before it, and it carries onto the invoice when the quote is converted. There are no CIS ticks and no per-line schedule. **Amounts are** switches between keying VAT exclusive and VAT inclusive figures, and the help text says plainly that the choice carries across when the quote becomes an invoice.

17.3 QUOTING FOR A JOB

1. Press + New quote and choose the customer.
2. Write **What the job is**. This is what the customer actually reads.
3. Price the lines. Set **Amounts are** to inclusive for a domestic customer who is being told a gross figure.
4. Save, then View / print to send it.
5. Mark it **sent**, then **Accepted** or **Declined** when the customer replies.
6. On an accepted quote, press **Make invoice**. A green notice names the draft invoice that has been created.
7. Approve that invoice on the [Invoices](#) screen.

17.4 WORTH KNOWING

A quote line may have a minus price, such as a deposit already paid or a discount, but a quote that comes to less than nothing is refused, as an invoice is: what is owed back to a customer is a credit note.

A quote is not a transaction. It never posts, never appears in a report and never reaches a VAT return, which is why it lives in its own table rather than as another status on invoices. Otherwise every query that reads invoices would have to remember to exclude it, and one day one of them would not.

Accepting a quote still posts nothing. Converting it creates a **draft** invoice, deliberately, because converting is not the same as deciding to bill, and the normal approval step is where the ledger gets involved.

The quote is then marked INVOICED and keeps a link to the invoice, so the same job cannot quietly be billed twice. An invoiced quote cannot have its status changed by hand, cannot be edited and cannot be deleted.

Expiry is worked out from the date rather than stored as a status, so a quote that lapses does not depend on anything running overnight to notice.

WORTH KNOWING

Converting runs the same duplicate check on the sales number as the invoice form, and there is no override. "inv-2001" and "INV-2001" are two rows to the database and one reference to a customer and to HMRC, and converting a quote used to be a way of creating the second without ever being told.

The tracking and project tags come across with each line. This is where a tag is most likely to be dropped: the quote is tagged, the invoice it becomes is not, and the job the work was priced against shows the cost and none of the income.

The choice under **Amounts are** carries across too, and no figure moves. The lines are copied exactly as they stand. Carrying the choice only means the invoice reopens showing the prices the way they were quoted, which is how the customer read them and what they will query if they change.

There is no CIS on a quote. The scheme is about a payment under a construction contract, and a quote is not a payment.

The account picker is a search box rather than a dropdown, because a quote is usually drafted while the customer is on the telephone, which is the worst possible moment to be scrolling past a hundred and twenty codes. Picking an item fills in the description only where the line is still blank: overwriting text somebody has typed reads as the field refusing to hold text.

A line stores the VAT percentage as well as the treatment, so it keeps both even if the rate is later edited or withdrawn from the company's list.

Invoices

Invoices, under Sales, holds the sales invoices and sales credit notes the client has raised. It is where a document is drafted, approved, chased and settled. Approving one here is the only thing on the screen that touches the general ledger.

18.1 BEFORE YOU START

At least one contact must exist. Every "new" button is disabled until one does, with the message "Add a contact first (Contacts tab) before creating an invoice."

A receivables control account must exist or approval is refused, a VAT control account where the client charges VAT, and a CIS-suffered control account where the client is a subcontractor invoicing a contractor. Approving needs `post_to_ledger`; raising a document needs only `enter_transactions`.

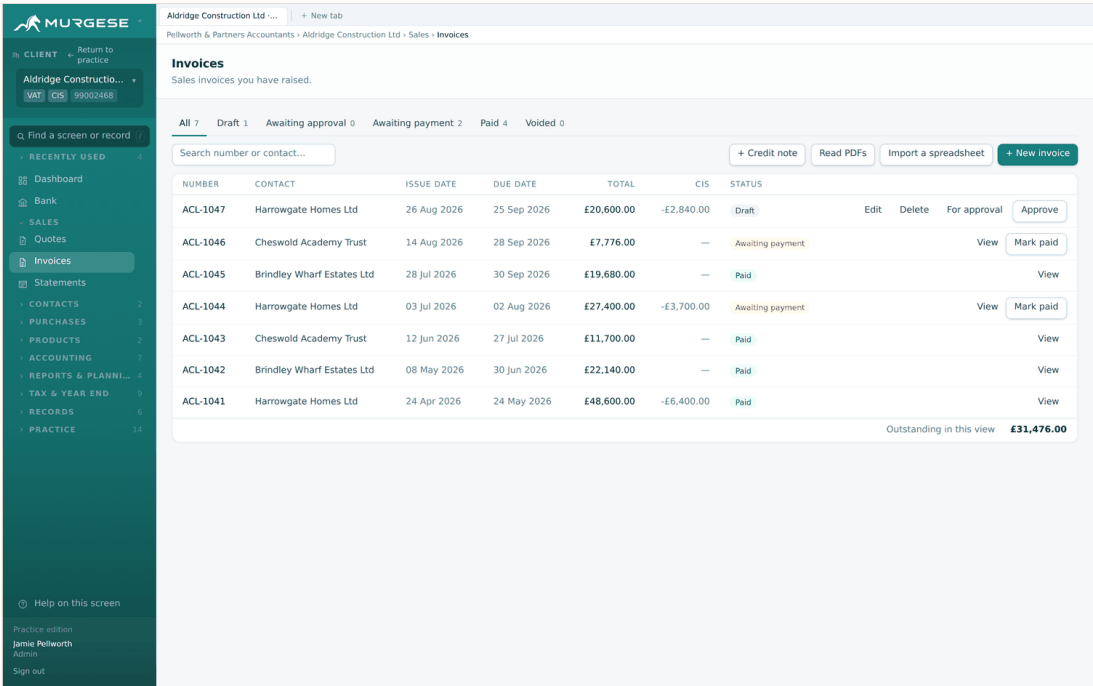


Figure 14 The status tabs with their counts, the sortable list, and the outstanding total in the footer. The figures shown are invented.

18.2 THE SCREEN

Status tabs run across the top with counts: All, Draft, **Awaiting approval**, Awaiting payment, Paid and Voided. The counts come from the searched list, so a search for one customer says how many of their documents are waiting.

The columns are Number, Contact, Issue date, Due date, **Total**, **CIS** and Status, and all of them sort. A foreign-currency document prints its own currency above the sterling. The footer gives the outstanding total for whatever is in view: the invoices awaiting payment less any credit notes not yet applied, which is what debtors in the ledger read. Where

credit not yet applied is in view, the invoices and the credit are each shown on their own line above that total. A credit note is marked Credit note beside its number. Above the list are + Credit note, Read PDFs, Import a spreadsheet and + New invoice.

Row actions follow the status. A draft offers Edit, Delete, **For approval** and **Approve**; a document awaiting approval offers View, **Send back** and **Approve**; anything else offers View, and one awaiting payment also offers **Mark paid**. A credit note never offers **Mark paid**: it is set against an invoice or refunded, from the credit note itself.

The form asks for the customer, the invoice number (prefilled with the next in the sequence, which fetching does not consume), the issue date, and the due date, which follows the contact's terms. A VAT-registered company also gets **Amounts are**, switching between VAT exclusive and VAT inclusive.

The line grid takes an item, a description, a quantity, a unit price, a **discount** as a percentage, a VAT rate, an account, tracking, a project, the CIS ticks and a per-line schedule, which lets a property manager list fifty flats against a charge that stays one line in the ledger. Around it are **custom fields**, up to twelve label and value pairs printed above the lines, which a new invoice starts with already labelled where the company has set header fields on its settings (a field left empty is not printed); **Deliver to**, where the goods go when that is not the invoice address, printed beside it, with a link to fill in the customer's own delivery address; **extra charges**, up to eight rows in the totals block; **footer text** such as retention of title; and a currency. A credit note has no delivery address.

A discount is taken off the line before anything else. The discounted figure is the price: VAT is charged on it, it is what posts to sales, and it is what CIS is worked on. The printed document shows the price before the discount, the discount in its own column and the amount after it, and the column appears only where a line carries a discount. A draft reopens at the price as it was typed, so saving it again does not discount it twice. A bill has no discount column. A recurring invoice takes one on its lines and carries it onto every invoice it raises; a recurring bill does not.

18.3 RAISING AN INVOICE

1. Press + New invoice.
2. Choose the customer. The number and the due date fill themselves in.
3. Set **Amounts are** to inclusive if you are keying gross figures.
4. Enter the lines: description, quantity, unit price, VAT rate, account, and any tags.
5. Add extra charges or custom fields if the document needs them. An extra charge must be given an account, or the total would include the charge and the journal would not.
6. Save. The document is a **draft** and nothing has posted.
7. Either press **Approve**, or press **For approval** to put it in front of somebody else.

18.4 APPROVING, AND WHAT IT POSTS

Approving is the accounting event. It posts, per line: debit receivables, credit the income account on the line, credit VAT payable. Nothing about an invoice reaches the ledger before that.

Approval requires `post_to_ledger` rather than `enter_transactions`, a deliberate tightening: a bookkeeper raises and submits a document, and somebody else approves it. You may not approve what you submitted where somebody else could have. In a one-person practice there is nobody else, so it is allowed, and the audit trail says plainly that the same person did both.

An approved document can no longer be edited. It is in the ledger and, in most cases, in the customer's records, so changing it is not an edit, it is a credit note. A document only awaiting approval gives a different message, telling you to send it back first, because sending back and crediting are hours apart in effort.

18.5 RECORDING PAYMENT

Press **Mark paid** on the row and a window opens with the balance still owed, today's date and the bank account it goes into. Bring the amount down for a part payment, which says what stays outstanding; move the date to the day the money arrived; choose the bank; and press **Record**. Nothing is posted until then, and an amount above the balance is refused in the window before it is sent. The payments panel on the document itself takes the same amount, date and bank account. Payments already recorded are listed with a Remove beside each, so a receipt keyed against the wrong invoice can be taken off again.

A foreign-currency document is recorded from the document, which **Mark paid** opens for it. It asks for the amount in **its own currency**, plus the rate on the day the money moved: what the customer sent is a euro figure, and the sterling is whatever the bank made of it. Murgese offers the latest rate on or before that date and names the date it came from.

Most receipts are better settled from the `Bank` screen by matching the statement line to the invoice.

18.6 PRINTING

Print opens the Windows print dialogue, which offers no preview from Murgese. **Print preview** opens the document as it will print in a window of its own, page breaks and all, with its own Print button. Quotes, reports and CIS statements carry the same button.

18.7 CREDIT NOTES AND VOIDING

A line may carry a minus price: a discount, a deposit already paid, a part-exchange allowance, printed as its own line on the invoice that carries it. The invoice as a whole may not come to less than nothing. An invoice below nil is a credit note, with its own number and its own place on the VAT return, so Murgese refuses it and says to raise the credit note instead. The same holds for a bill and a supplier credit note.

A credit note is the same form and the same posting with every side reversed. Amounts stay positive throughout, which is why every total on screen reads as a positive number. Open the credit note to set it against an outstanding invoice, or to record a refund, which takes money back out of the bank rather than moving it about within the customer's account. Only the unallocated part of a credit can be refunded.

Voiding never deletes. It posts a mirror-image journal dated **today**, not back on the original date, so VAT on an invoice from a filed quarter does not vanish out of that quarter. The correction turns up in the next return as an adjustment, which is how HMRC expect an error to be adjusted. Voiding is refused where a payment has been recorded, and where a credit note settled the document the message says that rather than talking about a payment.

Deleting a draft is allowed, and it is logged, because "where did that invoice go" is a question somebody will ask.

18.8 CIS ON A SALES INVOICE

Where the client is a subcontractor and the customer is flagged as a contractor, the contractor withholds tax from the labour. Tick **labour** on the lines it applies to, or mark a line as outside the scheme.

The rate comes from the client's own verification status, not the customer's. Turnover is the full invoice: the deduction becomes a **debtor against HMRC**, not a reduction in sales. It is worked out on the **net** of each line, never the gross, and always in sterling, because CIS is paid to HMRC in pounds and is never taken off the foreign face of a document.

CAREFUL

A line cannot be both CIS labour and outside the scheme. These are contradictory claims about the same money, either reading changes what a contractor withholds, and Murgese refuses the document rather than deciding for you.

18.9 THE DOMESTIC REVERSE CHARGE

For construction services between VAT-registered contractors, choose **Domestic reverse charge (CIS)** as the VAT rate on the line. No VAT is charged: the customer accounts for it on both sides of their own return. The rate is still held as 20% for the return, nothing is added to the invoice total, and the net goes into box 6 and nowhere else.

18.10 WORTH KNOWING

A sales invoice number is issued by the client, so a repeat is always a mistake and there is no way round it. The check runs on every route that creates a document, including converting a quote, which used to be the hole in it. Voided numbers still count, because the number is printed on something in somebody else's records. Purchase references work the other way round, and the reasoning is in Bills.

Rounding happens once per line, and the total is the sum of already-rounded line figures, so that when each line posts the journal balances to the penny. **Amounts are** changes only how a keyed figure is read, never what is stored: switching it re-reads the prices on the lines, so the totals move and the figures you typed stay.

Tracking and project tags are copied onto the journal line when the document posts. Until a recent release the tag was written on the document line and never copied, so every tracking report read empty.

Purchase orders

A purchase order is an instruction to a supplier: what you want, where to deliver it, and when you want it by. It posts nothing. When the supplier's invoice arrives, the order becomes a draft bill. **Purchase orders** sits under Purchases in the sidebar, above Bills.

19.1 BEFORE YOU START

At least one supplier contact, or the screen tells you to add the supplier as a contact first and then raise the order. At least one expense or asset account.

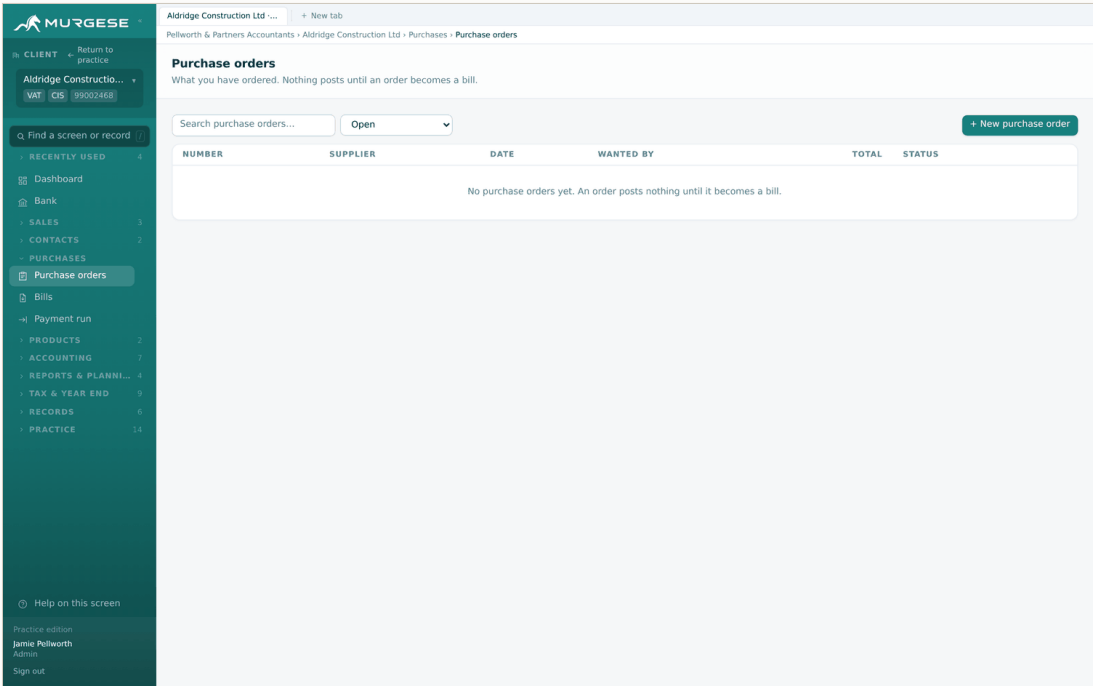


Figure 15 The order list, with the wanted-by date and the status of each order. The figures shown are invented.

19.2 THE SCREEN

The filter offers Open, which covers draft, sent and accepted, then Accepted, Billed, Cancelled and All orders, with a free-text search over the number and the supplier.

The columns are Number, Supplier, Date, **Wanted by**, Total and **Status**. A wanted-by date in the past turns amber and is suffixed ". late", but only where the order has been sent or accepted. The statuses are DRAFT, SENT, ACCEPTED, CANCELLED and BILLED.

The row actions follow the status. A draft offers Edit, Mark sent and Delete. A draft or sent order can be marked **Accepted**. A draft, sent or accepted order can be **Cancelled**. A sent or accepted order offers **Make bill**.

The form asks for the supplier, the order number, the date and the **wanted by** date, then:

- **What you are ordering**, a narrative printed above the priced lines with the line breaks kept. This carries the instructions: deliver to site and not the yard, telephone ahead if the wagon needs a hiab.
- **Deliver to**, free text. Leave it blank to use the address you normally give this supplier.
- **Terms shown on the order**, for wording such as "Quote this order number on the delivery note and the invoice."
- The line grid: item, description, quantity, unit price, VAT rate, account with costs nudged to the top, and tracking. There are no CIS ticks.
- **Amounts are**, with a note that a merchant's price list is usually gross and that the choice carries across to the bill.

19.3 RAISING AN ORDER

1. Press + New purchase order and choose the supplier.
2. Write the instructions in **What you are ordering**, and a delivery address if it is not the usual one.
3. Price the lines from the merchant's list.
4. Save, then print or send it, and mark it **sent**.
5. Mark it **Accepted** when the supplier confirms.

19.4 TURNING AN ORDER INTO A BILL

1. When the supplier's invoice arrives, press **Make bill** on the order.
2. Open the draft bill on the **Bills** screen and check it against the invoice the supplier actually sent.
3. Correct anything that differs, then approve it.

The bill takes the order number as its reference unless you give it one. At the moment of conversion the supplier's own document has not been seen, and the order number is the one thing both sides can match on.

19.5 WORTH KNOWING

An order line may have a minus price, such as a trade discount, but an order that comes to less than nothing is refused: money a supplier owes back is a supplier credit note.

An order is an instruction, not a liability. It posts nothing, appears in no report and never reaches a VAT return, because nothing is owed until the supplier delivers and invoices.

Converting creates a **draft** bill on purpose. The order said what was asked for; the supplier's invoice is what is actually owed. Somebody has to check that the two agree before the ledger hears about it. The order is then marked **BILLED** and keeps a link to the bill, so the same delivery cannot quietly be entered twice, and **BILLED** cannot be set by hand: that would leave a **BILLED** order with no bill behind it.

Editing is refused once an order has been sent. Changing it behind the supplier's back means the paper they are working from and the paper you hold no longer agree. A change after that is a new order, or a telephone call.

CAREFUL

Converting runs the same duplicate reference check as the bill form, and it is presented as a dialogue with an Enter it anyway button rather than a bare refusal. The hole it closes is a real one: the supplier's invoice typed in on Monday, the order converted under the same reference on Tuesday, and the VAT on it reclaimed twice.

CIS is worked out at conversion rather than left at nought, because approving the bill posts whatever deduction is stored on it. A converted order for subcontractor labour has to arrive at the approval step carrying the same deduction a hand-entered bill would. The ticks themselves stay on the bill: the scheme bites on the payment, not on the instruction to the supplier.

The tracking and project tags come across with each line. The order says which site the materials were for, and if the bill it becomes does not, the cost lands on no job and the job costing is wrong by the price of the materials.

Picking an item on an order uses the **purchase** price and the purchase VAT treatment, not the selling ones. Lateness is worked out from the date rather than stored, so a missed order does not depend on anything running overnight to notice.

Bills

Bills, under Purchases, holds supplier invoices and supplier credit notes. It is the same form as the sales side with the direction reversed, and most of the differences are the ones that matter in construction: the supplier's own reference, gross-priced receipts, CIS on subcontractor labour, and the domestic reverse charge.

20.1 BEFORE YOU START

At least one contact, or the screen says "Add a contact first (Contacts tab) before creating a bill." A payables control account must exist or approval is refused, a VAT control account where VAT applies, and a CIS-payable control account where the client is a contractor. Items must exist before a line can be coded to stock. Approving needs the `post_to_ledger` capability.

MURGESE

CLIENT

Aldridge Construction Ltd

VAT CIS 99002468

RECENTLY USED

Bank

SALES

CONTACTS

PURCHASES

Purchase orders

Bills

Payment run

PRODUCTS

ACCOUNTING

REPORTS & PLANNING

TAX & YEAR END

RECORDS

PRACTICE

Help on this screen

Practice edition

Jamie Peilworth

Admin

Sign out

Aldridge Construction Ltd

Pellworth & Partners Accountants

Aldridge Construction Ltd

Purchases

Bills

Purchase invoices from your suppliers.

All 15 Draft 1 Awaiting approval 0 Awaiting payment 3 Paid 11 Voided 0

Search number or contact...

+ Credit note Read PDFs Import a spreadsheet + New bill

NUMBER	CONTACT	ISSUE DATE	DUE DATE	TOTAL	CIS	STATUS					
MBM-91120	Marchfield Builders Merchants Ltd	27 Aug 2026	30 Sep 2026	£1,896.00	—	Draft	Edit	Delete	For approval	Approve	
PB-0509	Terence Vaughan	18 Aug 2026	01 Sep 2026	£5,520.00	—£940.00	Awaiting payment			View	Mark paid	
CPH-4590	Calder Plant Hire Ltd	11 Aug 2026	10 Sep 2026	£2,208.00	—	Awaiting payment			View	Mark paid	
MBM-90336	Marchfield Builders Merchants Ltd	04 Aug 2026	30 Sep 2026	£3,744.00	—	Awaiting payment			View	Mark paid	
PB-0508	Terence Vaughan	15 Jul 2026	29 Jul 2026	£4,530.00	—£770.00	Paid				View	
PB-0507	Kelbrook Groundworks Ltd	10 Jul 2026	09 Aug 2026	£12,050.00	—	Paid				View	
PB-0506	Ridgeway Plastering Services	06 Jul 2026	20 Jul 2026	£2,300.00	—£588.00	Paid				View	
CPH-4471	Calder Plant Hire Ltd	22 Jun 2026	22 Jul 2026	£3,552.00	—	Paid				View	
PB-0505	Terence Vaughan	08 Jun 2026	22 Jun 2026	£6,840.00	—£1,120.00	Paid				View	
MBM-89007	Marchfield Builders Merchants Ltd	05 Jun 2026	31 Jul 2026	£5,136.00	—	Paid				View	
PB-0504	Kelbrook Groundworks Ltd	01 Jun 2026	01 Jul 2026	£15,050.00	—	Paid				View	
PB-0503	Ridgeway Plastering Services	12 May 2026	26 May 2026	£3,150.00	—£804.00	Paid				View	
PB-0502	Terence Vaughan	05 May 2026	19 May 2026	£5,160.00	—£840.00	Paid				View	
PB-0501	Kelbrook Groundworks Ltd	30 Apr 2026	30 May 2026	£11,600.00	—	Paid				View	
MBM-88214	Marchfield Builders Merchants Ltd	28 Apr 2026	31 May 2026	£7,680.00	—	Paid				View	

Outstanding in this view £10,532.00

Figure 16 The bill list, with the supplier's own reference in the Number column and the CIS deduction beside the total. The figures shown are invented.

20.2 THE SCREEN

The list is the same shape as **Invoices**: status tabs with counts for All, Draft, **Awaiting approval**, Awaiting payment, Paid and Voided; sortable columns; a search over the number and the contact; and an outstanding total in the footer, which is the bills awaiting payment less any supplier credit notes not yet applied, so it reads what creditors in the ledger read. A £77.77 bill and a £77.77 credit note for it, both approved and not yet set against each other, come to £0.00, with the bills and the credit each on their own line above it. Row actions follow the status in the same way, and a supplier credit note is marked Credit note and offers no Mark paid. Opened, it is headed Supplier credit note

and prints as a CREDIT NOTE, and the audit trail calls it one. Above the list are + Credit note, Read PDFs, Import a spreadsheet and + New bill.

The form differs from a sales invoice in three places:

- The number is labelled **Supplier's invoice number**, with the placeholder "As printed on their invoice" and the note "Use the supplier's own reference so the entry matches their paperwork."
- The account picker offers **expenses and assets**, because purchases are not always expenses: buying a van is a fixed asset.
- On a partly exempt company only, each line carries a **VAT attribution**: taxable, exempt, residual or blocked. On every other company the field never appears. A box that means nothing on ninety-nine documents in a hundred is a box that gets filled in wrongly on the hundredth. Left undefined it is reported as unattributed rather than assumed into a pot.

20.3 ENTERING A BILL

1. Press + New bill.
2. Choose the supplier and key the supplier's own reference.
3. Set **Amounts are** to **VAT inclusive** if you are keying from a gross-priced receipt.
4. Enter the lines, ticking **labour** where the supplier is a subcontractor.
5. Save as a draft, then press **Approve**, or **For approval** to put it in front of somebody else.
6. Pay it: singly with Mark paid, which opens a window with the amount, the date paid and the bank it is paid from and posts nothing until **Record** is pressed; in a batch on the **Payment run** screen; or by matching the bank line.

Approving posts the bill. Only drafts can be edited; an approved bill is corrected with a further posting, and voiding posts a mirror image dated today while the document and the original posting stay where they are.

CAREFUL

Amounts are matters more here than anywhere else in the product. A builders' merchant receipt is priced gross. Keying a gross figure into a net box overstates both the cost and the VAT reclaimed, and nothing on the screen will look wrong.

20.4 READING A BILL FROM A PDF OR A PHOTOGRAPH

The month's purchase invoices usually arrive as thirty PDFs in a mail folder. Read PDFs is meant to turn an afternoon of typing into twenty minutes of checking.

1. Press **Read PDFs** and drop the files in, or click to choose them. PDFs, scans and photographs are all accepted. A document with no text in it is read as a picture, which takes a few seconds a page, and its card is badged Read as a picture.

2. Read the line under the drop area. It says whether the reader works on this machine or sends each document away, and it comes from the reader itself rather than being asserted by the screen. Where the firm has chosen an AI reader under Practice settings (Claude, OpenAI or Azure OpenAI), each file is sent to that provider in turn and the line says which company it goes to and which file it is reading.
3. Work down the cards. The reference, the supplier, the account, the invoice date, the net and the VAT are all editable there, and Show the document text prints what was actually read, so a figure can be checked without opening the PDF again.
4. Untick anything you do not want. Documents that look like ones already entered are unticked for you and counted as "already entered".
5. Decide whether to leave the results as drafts or submit them for approval, using the tick at the foot.
6. Press **Create**. Each document is created through the ordinary route, so every refusal that applies to a typed bill applies here too.

What the reader looks at

The reader works from where things sit on the page as well as from the words, which is what lets it read a marketplace invoice, a Xero or QuickBooks invoice, a utility bill, a till receipt and a sole trader's own template alike.

- **Who it is from.** The page names the issuer: Marketplace operator, Sold by, Supplier, a sentence saying who is raising the invoice, or the name above the supplier's VAT number. The block under Bill to, Invoice to or Shipping address is who the invoice is addressed to and is never offered as the supplier, and your own company's name is never offered as the other party. On a sales invoice it is the other way round: the customer is the addressee.
- **The figures.** The total is the one that equals the net plus the VAT. A VAT summary at the foot whose last row is called Total carries the net and the VAT, not the bill, and a paid invoice showing 0.00 still to pay is read at its total. Where an invoice is charged in one currency and states its amounts in sterling as well, as marketplace invoices do, the sterling figures are used and the card says so.
- **Dates and numbers.** A label with its value underneath, as Xero and QuickBooks print them, is read as well as one with its value beside it. A due date is not taken as the invoice date.
- **The description.** It comes from the description column of the item table, every line of a wrapped description included. A line at nil, such as a shipping fee of 0.00, is left out.
- **Suppliers abroad.** A supplier outside the UK whose invoice says the reverse charge applies is entered as a reverse charge on services from abroad rather than the domestic one. A customer VAT number printed on the invoice is not offered as the supplier's. Figures written with a decimal comma (1.200,00) are read that way, and the card says so.

Each of these is a suggestion on the card, and the card is checked before anything is created. That describes Murgese's own reader. An AI reader, where the firm has chosen one, reads the document as a person would, and its reading is checked here the same way, plus one check more: a total it returns that is not printed on the document is held for a

person. The card says which provider read it, how long it took and what it cost at list price. If you change a figure, a date or the reference on a card an AI read, that is counted (once per card) in the table of what the AI features have cost under Practice settings, so the firm can see how often the reader is right.

The file itself is kept and attached to the bill it was read from. A file that cannot be kept, because of its type or its size, says so on its card before anything is created, and the bill is still created afterwards with the reason recorded. Nothing is attached twice: a second run over the same pile leaves one copy.

No reader chooses a nominal account, and nothing is entered without a person looking at it. Reading a document and posting it are two decisions, and this screen only makes the first.

20.5 CIS ON A SUBCONTRACTOR'S BILL

Tick **labour** on the lines that are labour, and leave the materials lines alone. That split is the whole of it: CIS is deducted from labour and not from materials.

A CIS deduction does not reduce the cost. The subcontractor still earned the full amount and it is still an expense. The deduction splits the credit: part of it is owed to the subcontractor and part is owed to HMRC on their behalf. The rate comes from the supplier's verified status on their contact record, so an unverified subcontractor is deducted at **30%** until they are verified.

The deduction is worked out on the **net**, never the gross. Working it on the gross would under-pay the subcontractor by 20% of the VAT.

20.6 THE DOMESTIC REVERSE CHARGE

Under the domestic reverse charge the supplier charges no VAT at all: the customer accounts for it on both sides of their own return. Choose **Domestic reverse charge (CIS)** as the VAT rate on the line. The rate is still 20% for the purposes of the return, it is not on the document, which also means that an inclusive figure on such a line **is** the net. This is the ordinary case for construction subcontractors.

A separate treatment, **Reverse charge on services from abroad**, covers software, advertising and professional fees bought from an overseas supplier. It behaves differently on the return: the net goes into box 6 as well as box 7.

20.7 WORTH KNOWING

A purchase reference is issued by the supplier, so its scope is the **supplier**, not the client. Two suppliers using "1001" in the same month is ordinary and is not questioned. A repeat within one supplier is refused, but the refusal **can be overridden deliberately**, because a supplier genuinely can reissue a reference, which is common in construction. The override is recorded on the audit trail and names the document it clashed with.

The duplicate check refuses to answer at all without a supplier. Replying "nothing found" would be worse than refusing, because the caller would read a clean result and believe the number had been checked.

A tracked item bought does not go to an expense account. The line's account is overridden at approval to the stock account, and the value stays on the balance sheet until the item is sold, so the bookkeeper still sees a sensible default on the form. There is a consequence worth knowing: a tracked-stock line carries its tracking tag but will not appear in a job cost until the stock is consumed on a sale, because material in the yard is not yet a cost of any contract. Stock comes in at what was actually paid, which is what moves the weighted average.

Approving requires `post_to_ledger`, and the same rule applies as on invoices: you may not approve what you submitted where somebody else could have, and where nobody could, the audit trail records that the same person did both.

On a charity, one fund covers the whole document: the VAT, the CIS and the creditor as well as the cost. Half a document in one fund is a fund that does not balance.

The payment run

Payment run, under Purchases, is where you decide what to pay suppliers this week, post it as one payment per supplier, and produce a remittance for each of them saying what the payment covers.

Nothing here moves money. The run tells you what to pay whom; your banking is still the only thing that pays it.

21.1 BEFORE YOU START

Bills have to be **approved** before they can be paid: a draft is not yet a liability. A payables control account must exist, and at least one bank ledger account in the 1000 range to pay from. Completing a run needs the **post_to_ledger** capability; putting a draft together and amending it needs only **enter_transactions**. Emailing remittances needs mail set up and an email address on the contact.

MURGESE

Aldridge Construction Ltd ... + New tab

Pellworth & Partners Accountants > Aldridge Construction Ltd > Purchases > Payment run

Payment run

What is due to your suppliers, what to pay, and a remittance for each of them.

Payment run

What is due to your suppliers, what to pay, and a remittance for each of them saying what the payment covers.

OUTSTANDING **OF WHICH OVERDUE**

£10,532.00 **£6,788.00**

Payment date: 27/09/2026 Paid from: 1000 Business Bank Acc

3 bills awaiting payment Tick everything overdue

DUE	SUPPLIER	BILL	OUTSTANDING	PAYING
☐ 01 Sep 2026 26d	Terence Vaughan	PB-0509	£4,580.00	—
☐ 10 Sep 2026 17d	Calder Plant Hire Ltd	CPH-4590	£2,208.00	—
☐ 30 Sep 2026	Marchfield Builders Merchant...	MBM-90336	£3,744.00	—

Practice edition
Jamie Pellworth
Admin
Sign out

Figure 17 The bills due, the amounts being paid, and the run grouped by supplier as the bank will see it. The figures shown are invented.

21.2 THE SCREEN

Two figures come before the list: **Outstanding** and **Of which overdue**. Somebody opening this screen wants to know what is owed and how much of it is late.

Underneath are **Payment date** and **Paid from**, which lists the asset accounts in the 1000 range by name. A toolbar gives the number of bills awaiting payment, Tick everything overdue and Clear the selection.

The table has a tick box, **Due** (red, with a day count, where overdue), Supplier, **Bill**, **Outstanding**, and **Paying**, which defaults to the whole outstanding amount and can be edited down for a part payment. A figure that is nil, below nil or more than is outstanding is marked in red on its own row with the reason, and the run cannot be paid or saved until it is put right. A bill already in a draft run carries a badge saying so. A bill that cannot go into a run is still listed, with the reason printed on its own row. A supplier credit note is listed as money coming back and cannot be ticked, because the supplier owes it to you: open it to set it against one of their bills, or to record the refund they send. A bill from a supplier who holds credit not yet applied says so, with the amount, so the credit is set against the bill before the bill is paid in full.

Beside the table is "**This run, as the bank will see it**": the payment date and the account it is paid from, then the selection grouped by supplier, with the name, the number of bills, the bill references the payment covers and the amount, then the number of payments and the total. This is the list to key into your banking. Below it are Pay this run and Save as a draft, and a note that a draft pays nobody and that the bills are checked again when it is paid.

The **Runs** list at the foot shows the date, the status, the number of bills, the total, and either remittances for a paid run or Open and Discard for a draft.

21.3 MAKING A PAYMENT RUN

1. Set the payment date and the account to pay from.
2. Press **Tick everything overdue**, then add or remove bills by hand.
3. Adjust any figure in the **Paying** column for a part payment.
4. Check the "as the bank will see it" panel.
5. Either **Save as a draft** to come back to it, or **Pay this run**.
6. Make the payments in your actual banking.
7. Email or print the remittances.

The confirmation before paying says it plainly: nothing is sent to a bank, so make the payments in your banking, and the statement lines will match these postings when they arrive.

21.4 REMITTANCES

The remittance panel has a card per supplier: the name, the email address or "No email on this contact", a **Sent** badge, the total, the sentence the supplier reads, and the bill numbers with their amounts. Above them are Email them all, Print, and a line saying how many suppliers have no email address.

One message goes to one supplier. A remittance is addressed to a supplier, and nobody should be able to see what another supplier was paid. A supplier with no email address is not an error and does not stop the others going out.

21.5 WORTH KNOWING

There are no sort codes and no account numbers on this screen, and therefore no payment file. Murgese has never stored a bank account number for anybody, and a payment run is where that discipline is worth most: invoice redirection fraud works by changing exactly those details.

The run posts **one journal per supplier and one payment row per bill**. Both halves do work. The journal is what the bank statement will be reconciled against, and the payment rows are what the CIS monthly return and cash-basis VAT are built on. Thirty separate postings for what the bank shows as four movements would leave a statement line that matches none of them cleanly.

CAREFUL

A subcontractor's bill is paid **net of the CIS deduction**. A payment run that pays construction subcontractors their gross is not a rounding error, it is paying out money that belongs to HMRC.

Bills that cannot be paid are listed anyway, each carrying its reason. A supplier missing from a run with no explanation is the sort of thing found a month later by the supplier; a line that says "in a foreign currency, pay this one on its own" is found now. A foreign-currency bill is refused from a run, because the realised exchange difference on several bills at several rates settled by one payment is arithmetic worth getting right on its own. A run dated inside an approved year end is refused by name: paying into a year the board has signed would change figures that have been reported.

Amending a draft **replaces** its contents rather than merging them. The screen holds the whole selection and sends the whole selection, and a partial update over a selection is how you come to pay a bill somebody thought they had taken off. Paying an edited draft amends and then pays that same run, so the original does not stay in the list, and the bills are re-checked at the moment it is paid in case anything has moved.

A draft is worth having because a run is not decided in one sitting. It is put together on Tuesday from what is due, a partner looks at it, one supplier comes off because there is a query on their invoice and another goes on because they telephoned.

A bill with no supplier on it forms its own group and says so, because paying "No supplier" is a question rather than a payment.

Statements of account

Statements, under Sales, produces a statement of account for one customer or one supplier. There are two forms of it, and they answer different questions: what is still unpaid, which is what you send when you want to be paid, and everything in a period, which is what an accounts department reconciles against.

22.1 BEFORE YOU START

The contact must have a balance. The picker only lists contacts whose balance at the date is not nil, and says "Nobody has a balance" where none has. The logo, address and VAT number printed in the header come from the company's own settings.

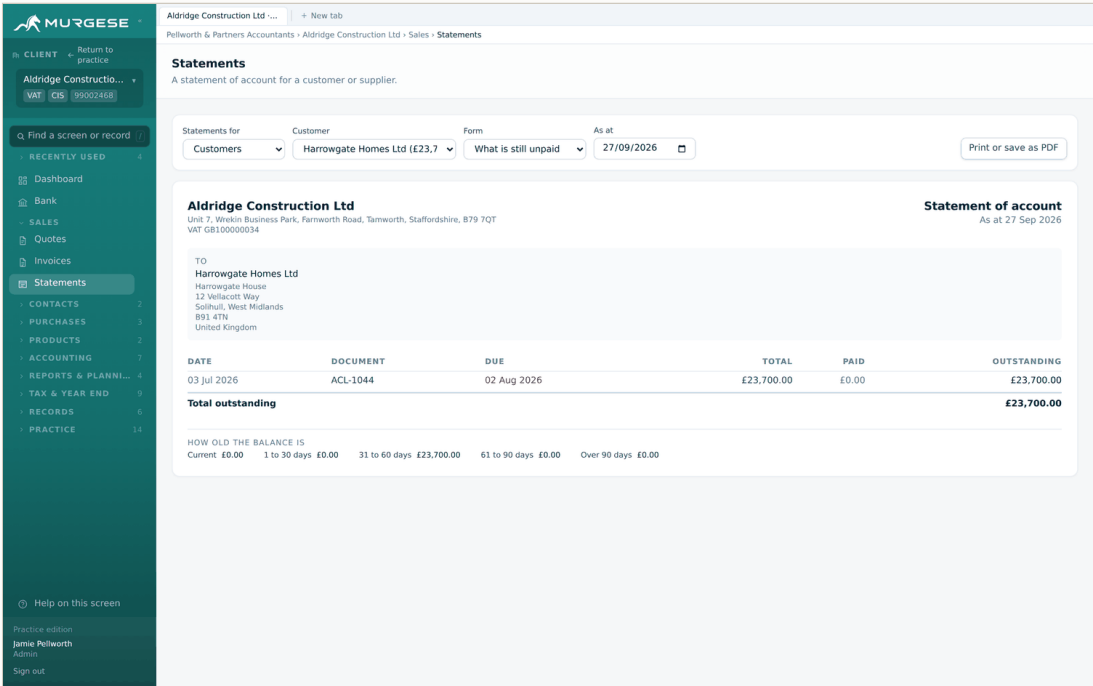


Figure 18 A statement of account, with the running balance and the ageing summary at the foot. The figures shown are invented.

22.2 THE SCREEN

Statements for switches between Customers and Suppliers. The picker below it shows each contact's balance in brackets, largest first.

Form offers **What is still unpaid** or **Everything in a period**. The first asks for an **As at** date, the second for a **From** and a **To**, defaulting to the last 90 days. Then press Print or save as PDF.

The statement itself carries the logo or company name, the company address and VAT number, the heading "Statement of account" with either the date range or the as-at date, and a "To" block with the contact's name and address.

Everything in a period has columns for Date, What, Reference, Amount and a running Balance. It opens with "Balance brought forward" and closes with "Balance at" the date. The What column names the event: an invoice, a bill, a credit note, a payment received or made, a credit applied, a payment received on account, a refund paid to a customer, money applied from an account, money received or paid direct, or an adjustment.

What is still unpaid has columns for Date, Document, Due, Total, Paid and Outstanding, with a total at the foot. A credit note carries a "credit" badge, and unallocated money on account is listed first with an "unallocated" badge. A due date past the statement date prints in red.

Both forms end with **How old the balance is**: current, 1 to 30 days, 31 to 60, 61 to 90, and over 90.

22.3 PRODUCING A STATEMENT

1. Choose Customers or Suppliers.
2. Pick the contact.
3. Choose the form: **What is still unpaid** to get paid, **Everything in a period** for an accounts department to agree against.
4. Set the date or the date range.
5. Press Print or save as PDF.

22.4 WORTH KNOWING

The statement names the invoice rather than quoting a control account balance. "You owe £4,200" is arguable. "Invoice 2104 for £4,200, raised 12 April, unpaid" is not.

Money reaches a customer's account by four routes, and a statement that knows about only some of them overstates what is owed: a payment recorded against the invoice, a credit note raised and applied, money received before there was an invoice, and that money later applied to an invoice. All four are dated, and the statement is rebuilt from those dates rather than read off the document's state today. An invoice raised in February and settled in June was outstanding at 31 March, and a March statement showing it as paid is short by the invoice.

Nothing is filtered out when the events are gathered. The opening balance is the sum of everything before the From date, because a statement whose brought-forward figure leaves out last year's unpaid invoice is the same fault in a different place.

Money on account is listed. A customer sitting on a £5,000 credit who is sent a demand for £5,000 will, quite reasonably, stop trusting the statements. Unallocated money is not aged: it goes in the current bucket rather than distorting the overdue analysis. A credit note allocation and an on-account allocation both appear at nil, because the money already reduced the balance when the credit note was raised or the payment arrived. Applying it moves it; it does not reduce anything again.

Refunds are signed by direction rather than by the side of the ledger. A supplier refunding an overpayment sends money in from a supplier, and a customer refund goes out to a customer.

Money coded straight off the bank appears at nil, as Received direct or Paid direct. A payment coded on the **Bank** screen to an expense account never touched trade creditors, so it cannot move the running balance: it is not the settlement of a debt, it is the purchase itself. It still has to appear, because somebody looking at a supplier's account and seeing nothing for a month in which the company paid them four times by card has a statement that is arithmetically right and useless, and the usual next move is to raise a bill that was never raised in the first place. Only money in shows on a customer statement, and only money out on a supplier's.

Manual journals against the control account appear, matched by the contact named on the journal **line**. A journal is how a bad debt is written off and how a balance is corrected, and a statement that cannot show either disagrees with the ledger for a reason the reader cannot see. A journal line with no contact on it still cannot be attributed to anybody.

WORTH KNOWING

The two forms must agree, and Murgese says so out loud rather than hoping. Where they do not, an amber panel appears saying that the activity closes at one figure while the documents outstanding come to another, and that something has moved this account which is not an invoice, a receipt, a credit note or money on account. Most often that is a manual journal posted straight to the control account with no contact on the line.

The contact list is built exactly the way one statement is built, so the list and the statement it opens can never show different figures.

Draft documents are left out. A voided one is left out only if it was voided on or before the cut-off, so a statement at a past date still shows a document that was live at the time.

Recurring invoices and bills

Recurring, under Products, holds templates that raise the same sales invoice or supplier bill on a schedule: rent, retainers, subscriptions, standing service charges. A template is an instruction, not a document. It generates drafts when you ask it to, and you approve those drafts in the ordinary way.

23.1 BEFORE YOU START

At least one contact and an account to code the lines to. The VAT columns appear only on a VAT-registered company, and the tracking and project controls only where categories or projects exist.

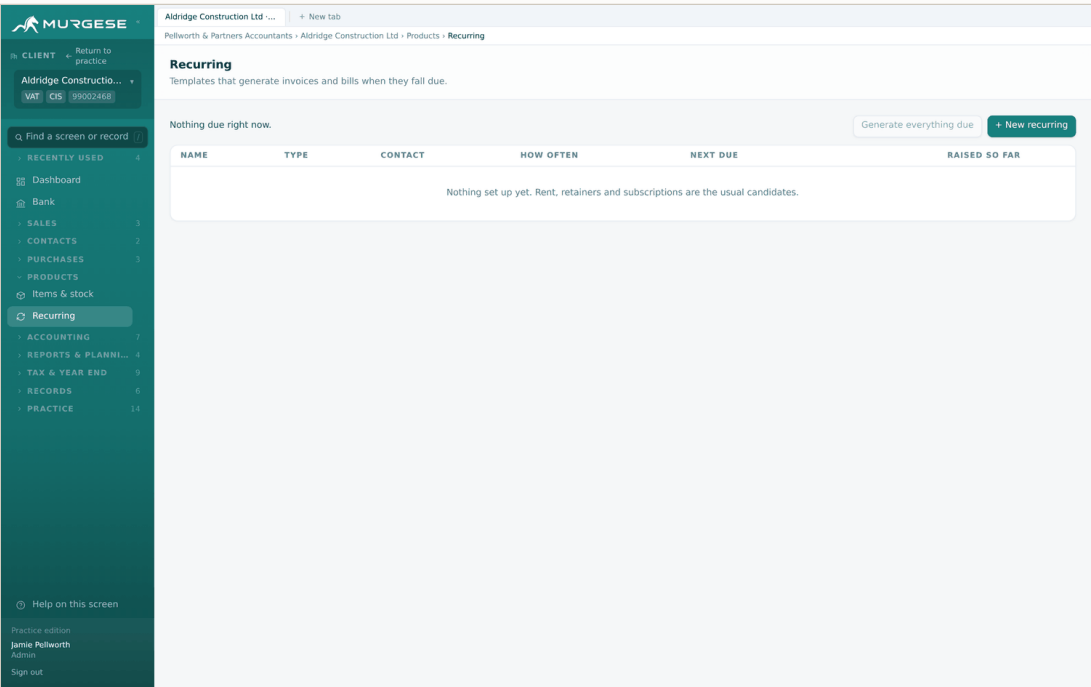


Figure 19 The template list, showing how often each one runs, when it is next due, and how many documents it has raised. The figures shown are invented.

23.2 THE SCREEN

The header says either how many templates are due or "Nothing due right now", with **Generate everything due** beside it and + New recurring.

The list gives the Name, with a **paused** badge where the template is not active; the Type, invoice or bill; the Contact; How often, printed as something like "Every 2 · Monthly"; **Next due**, in bold and coloured with "· due" when it is; and **Raised so far**. The actions are **Generate**, when something is due, Edit and Remove.

The form asks for:

FIELD	NOTES
Type	Sales invoice or supplier bill. Locked once the template exists.

FIELD	NOTES
Name	For your reference, such as "Monthly retainer".
Customer or Supplier	Whichever the type calls for.
Every and the frequency	Weekly, monthly, quarterly or yearly.
Next one due, Stop after	The schedule, and where it ends.
Payable in (days)	What the due date on each document is worked out from.
Amounts are	VAT exclusive or inclusive, stored on the template and applied to every document it makes.
Line grid	Description, quantity, unit price, a discount as a percentage on a recurring invoice (carried onto every invoice it raises; a recurring bill has none), VAT rate, account, tracking and project. There is no item picker and no CIS tick.
Active	Untick to pause the template without deleting it.

Under the grid, "Each one will be for" gives the total, worked out with the same pricing the server uses.

23.3 SETTING UP A TEMPLATE

1. Press + New recurring.
2. Choose the **Type** and the contact, and give the template a name.
3. Set the frequency, the next due date, any end date, and the payment days.
4. Enter the lines.
5. Save.

23.4 GENERATING THE DOCUMENTS

1. Open the screen. What is due is worked out as you look at it.
2. Press **Generate** on a row, or **Generate everything due** to run them all.
3. Approve the resulting drafts on the [Invoices](#) or [Bills](#) screen.

23.5 WORTH KNOWING

A template line may have a minus price, such as a standing discount, but a template that comes to less than nothing is refused, because it would raise a document below nil every time it ran. One saved like that before this check is passed over when documents are generated, and named with the reason.

Nothing runs on a timer. A desktop application spends most of its life closed, and a scheduler that only fires while the window is open is worse than no scheduler at all: it would generate March's rent invoice in June, on whatever day the application happened to be opened, and quietly skip anything that fell due while the machine was off. The schedule is a date, and what is due is worked out whenever the screen is looked at.

Each occurrence is generated on **its own date**, not today's. Three months of missed rent invoices come out dated the 1st of each month, which is what the customer expects to see and what puts them in the right VAT period. The catch-up is capped at 24 occurrences per run, because a template whose next date is years in the past should not produce five hundred documents in one click.

CAREFUL

Generated documents are always **drafts**. A recurring amount is a guess about the future: the rent goes up, the retainer changes and the job finishes. Posting one to the ledger unseen is how a wrong figure reaches a VAT return.

Month arithmetic clamps to the end of a short month. A template due on the 31st runs on the 28th of February and then goes back to the 31st, rather than drifting forward to the 3rd of March and staying there.

The number generator steps over references already in use. The counter only advances when a document keeps the number it was offered, so a one-off invoice typed further up the sequence leaves the counter pointing at a number that is taken. Stepping past it leaves a gap in the sequence, and a gap is the honest answer, because that number is in use. After a thousand consecutive numbers in use the run stops and tells you to reset the counter in settings, and leaves the other templates to run.

Generated documents are stamped as having come from a template, so they arrive in the approval queue labelled as such. A document somebody typed deserves a different kind of look from one a template produced.

Removing a template deletes only the instruction. Documents already generated from it are unaffected: they stay exactly where they are, on the [Invoices](#) or [Bills](#) screen and in the ledger.

There is no item picker and no CIS tick on a template, because a template is the instruction that makes a document rather than a document, and both of those belong to the document. Removing a line from a template matters more than removing one from a document: a line added to a document by accident is wrong once, and a line added to a template by accident is wrong every month until somebody notices, on documents that have already gone to the customer.

The bank

Bank, under Banking, is where a statement becomes bookkeeping. Lines arrive by import or by feed, and then you say what each one was: coded to an account, matched to the invoices or bills it settles, recorded as a transfer between the client's own accounts, or deleted as a duplicate.

24.1 BEFORE YOU START

A bank account must exist. Adding one creates both halves at once: a ledger account in the 1000 to 1099 range, flagged as a control account, and the bank record behind the screen. Where the company was migrated the chart may already hold the account, and the question **Is it already in the chart of accounts?** lets you adopt the existing one rather than making a second.

Matching needs approved invoices or bills, tagging needs tracking categories or projects, and the VAT column appears only on a VAT-registered company. A live feed needs Plaid credentials entered in settings.

An account in another currency

The add-account form has a **Held in** box, here and on the chart of accounts when the kind of account is a bank account. Choose the currency the bank statement arrives in. Every currency is offered, and one not yet switched on for the company is switched on as the account is saved. Every line imported or typed against that account is then a figure in that currency, shown as one on the screen, and each line is converted to sterling at the rate for its own date as it is coded; a line whose date has no rate on file is refused rather than posted at par. The currency cannot be changed once lines are on the account, because those lines would silently become the wrong currency: add a new account instead. A statement file that shows euro signs, or a Currency column, is refused on a sterling account and vice versa.

MURGESE

h. CLIENT

Return to practice

Aldridge Construction...

VAT CIS 99002468

Q. Find a screen or record

RECENTLY USED

Dashboard

Bank

SALES

CONTACTS

PURCHASES

PRODUCTS

ACCOUNTING

REPORTS & PLANNING

TAX & YEAR END

RECORDS

PRACTICE

Help on this screen

Practice editor
Jamie Pellworth
Admin

Sign out

Aldridge Construction Ltd ...

+ New tab

Pellworth & Partners Accountants • Aldridge Construction Ltd • Bank

Bank

Accounts and transactions.

1000 Business Bank Account

+ Add bank account

+ Add transaction

Rules...

Import statement...

A statement can also be imported by hand: download the CSV from your bank and import it here. An imported or fed line does not affect your accounts until it is coded to an account.

£33,777.40 on the statement to 29 Aug 2026 £35,205.50 in the books -£1,428.10 difference

Coding from the keyboard: type a code or a name. Enter to choose it. Enter again to post the line and move to the next one. Alt with the up and down arrows moves between lines without posting, and Alt with Space ticks one into the selection. Once a payee has been coded, its other lines are offered the same account, the same VAT rate, the same contact and the same Site.

Search the description, contact c

Coded and not

In and out

dd/mm/yyyy

dd/mm/yyyy

☐	Date ↓	Description	Amount	Who	Account	VAT RATE	SITE	
☐	29 Aug 2026	SITE SUPPLIES TAMWORTH CARD	-£74.50 £33,777.40	No contact	Choose an account...	20% sta	(no site)	Match Code
☐	28 Aug 2026	TELECOM DD BUSINESS MOBILE	-£99.60 £33,851.90	No contact	Choose an account...	20% sta	(no site)	Match Code
☐	28 Aug 2026	MERIDIAN ASSET FINANCE DD	-£1,320.00 £33,951.50	No contact	Choose an account...	20% sta	(no site)	Match Code
	27 Aug 2026	BRINDLEY WHARF ESTATES BACS	£19,680.00 £35,271.50	Brindley Wharf Estates Ltd	Payment received for ACL-1045	—	—	posted
☐	25 Aug 2026	CALDER PLANT HIRE LTD REFUND	£450.00 £15,591.50	No contact	Choose an account...	20% sta	(no site)	Match Code
☐	24 Aug 2026	BUILDBASE TAMWORTH CARD	-£384.00 £15,141.50	No contact	Choose an account...	20% sta	(no site)	Match Code
☐	20 Aug 2026	TAMWORTH WASTE SERVICES	-£624.00 £15,525.50	5380 Site Costs & Waste Removal	20% standard	Calder Park Phase 2	Remove and redo Make a rule	
☐	18 Aug 2026	HMRC VAT REPAYMENT	£6,128.00 £16,149.50	2200 VAT Payable	No VAT	—	Remove and redo Make a rule	
☐	14 Aug 2026	PAYROLL BACS AUGUST	-£1,910.00 £10,021.50	5300 Salaries & Wages	No VAT	—	Remove and redo Make a rule	

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Figure 20 Statement lines waiting to be coded, with the balance strip showing whether the account agrees. The figures shown are invented.

24.2 THE SCREEN

The balance strip

Top right, and the thing to read first. **Statement balance** is the sum of every live statement line, with the date of the latest one, and **Ledger balance** is what the books say the account holds. Underneath, the strip either says **Agrees** or splits the difference into exactly two parts: the lines still to code, and the amount in the books with no statement line behind it, which is an opening balance, a migrated journal, or a payment recorded against an invoice before the statement arrived. The two add back to the difference exactly.

On an account held in another currency the statement balance is in that currency and the ledger balance is in sterling, and the strip does not subtract one from the other. The lines still to code are given in the account's currency, and the sterling value of the balance is set by the retranslation under Currencies. The bank reconciliation report does the proper test on such an account, in its own currency.

Filters

A search box covering the description, the reference, the contact name and the account code and name. Typing a number matches the amount to the penny and is **anchored at the start**, so 84 finds 84.00 and does not find 184.00. Beside it are a coded-or-not filter offering "Still to code", "With a match waiting", "Already coded" and "Deleted lines"; a money in or out filter; and a date range.

The table

Columns are absent rather than empty where the company does not use them. A tick box comes first, and its select-all ticks every uncoded line the filter finds across every page.

- **Date.**
- **Description**, the bank's narrative, with a "Matches INV-1043" hint underneath where a likely document was found, and a note saying whether the line came in on the feed or was imported.
- **Amount**, one signed and coloured column. Positive is money in, negative is money out.
- **Who**, the contact, with a + [New contact](#) entry that opens a two-field dialogue without making you leave the line.
- **Account**, a searchable picker. Control accounts are deliberately not in it. A + [New account...](#) entry at the foot of the list adds an account to the chart and puts it straight on the line, and **Split this line across accounts...** beside it is for a payment or receipt that was more than one thing.
- **VAT rate**, on a VAT-registered company, from the company's own list.
- One column per tracking category, headed with the company's own name for it, and **Project** where projects exist.
- **Actions**: Match or Review match, and Code. A coded row reads "posted" and offers Remove and redo.

Ticking lines brings up a selection bar offering one account, one VAT rate, one contact and one set of tags for the whole batch, plus Delete, Un-code and Bring back. Deleted lines are drawn struck through, carrying who deleted them, when and why, with a Bring it back button and no coding controls.

24.3 SPLITTING A LINE ACROSS ACCOUNTS

One payment is sometimes several things: a card payment at a builders' merchant that was materials for a job and a drill for the van, a direct debit that insured two properties, a receipt that was a sale and a deposit. Choose **Split this line across accounts...** at the foot of the line's account list.

Each part has its own account, amount, VAT rate, tracking, project and note, and, for a partly exempt business, which partial exemption pot its input tax goes in. That can also be given after the line is coded, from the Partial exemption panel on the VAT return. The line's contact applies to all of them. The first part starts at the whole of the line, and + **Add a part** starts each new part at whatever is left. The figure still to allocate is shown the whole time, and **Code the split** stays unavailable until the parts make up the line exactly.

It posts one journal: the bank for the whole amount, each part on its own account net of its VAT with its own tags, and the VAT to the VAT control account. On the VAT return each part is read at its own rate, so a line that was 20% materials and an exempt premium is two figures in box 7 and one in box 4. A receipt that was partly takings and partly a refund from a supplier goes to boxes 1 and 6 for the takings and reduces boxes 4 and 7 for the refund.

The coded line reads **Split across** the number of accounts, and lists each account and amount. Remove and redo takes the whole of it back in one reversal. A split line does not offer Make a rule, because a rule codes a line to one account.

24.4 IMPORTING A STATEMENT

1. Press the import button and choose the file.
2. Read the preview: the number of rows, the dates covered, the money in and out, and every line it would bring in, all before anything is written.
3. **Untick anything you do not want.** Every row has a tick beside it and they all start ticked. There are good reasons to leave a line out that the software cannot work out for itself: a payment already entered by hand, a transfer that will arrive on the other account's statement as well, a charge belonging to a period already closed. The alternative is importing it and deleting it afterwards, which leaves a deleted line on the record for ever.
4. Commit it. The button says how many are coming in, not how many the file holds.

A CSV. Seven UK layouts are recognised with no setup: Barclays, HSBC Kinetic, Metro Bank, Monzo, Revolut, Tide and Virgin Money, the last of which has no header row. Anything else is read from the heading row. Where the bank prints a running balance it is checked against the movements read out of the file, which is the only evidence a statement carries about whether it has been read correctly.

A PDF, which is the statement as the bank printed it. Choose the PDF the same way. It is read in the window rather than sent anywhere: a scanned statement with no text in it is read from the picture instead, which takes about a minute a page and says so while it works. Where the firm has chosen an AI reader under Practice settings (Claude, OpenAI or Azure OpenAI), the file is sent to that provider and read there instead, the import screen says which company it goes to, and the reading then goes through every check below, plus two more: each figure the reader returns has to be printed on the statement, and each date has to fall inside its period. If the provider cannot be reached, the statement is read on this computer and the preview says so. The preview's note also says how long the reading took and what it cost at list price; the import that follows uses the same reading and costs nothing more.

How a PDF is read, because it is not what you would expect. There are hundreds of banks and no two lay a statement out the same way. Some print money in before money out, some the other way round, some print the balance against every row and some once a day, some print no year against the dates at all, and some print the whole statement newest first. A reader that had to recognise each layout would be wrong about the next bank and about the next redesign.

So it does not read the layout. It reads the **running balance**, which every UK statement prints, and which is the bank's own arithmetic: the difference between one balance and the next IS what that row moved, sign included. The amount and its direction are therefore taken from the bank rather than worked out from which column a figure sits under, and the columns become a cross-check instead of the source. A statement printed newest first is simply a chain that ties in the other direction, so it is recognised rather than

configured, and anything that is not part of the table, a letterhead, a side panel, a footer, never forms a chain and falls out on its own.

The two balance columns. Each row shows what the bank printed and what the import adds up to at that row. Where they agree the read is proved; where they part company, the first row in red is where it went wrong and everything below it inherits the break. That tells you at a glance which dates are sound.

CAREFUL

A PDF is only brought in if it reconciles, and there is no way past it. Three things have to agree: the column totals against the statement's own summary box where it prints one, the opening balance plus receipts less payments against the closing balance, and every running balance the bank printed against the movements up to that row. They were all printed by the bank at the same moment, so they cannot disagree with each other unless the file has been read wrongly.

A figure that could not be read. Statement text is sometimes damaged: a comma where the decimal point should be, a letter l in place of a 1, a pound sign that comes through as an E. Rather than repair a digit, which would be inventing a figure, the software works the amount out from the balances either side of the row and asks you to confirm it against the paper. Tick to confirm, or untick the row to leave it out. Nothing is imported while a question is open.

The year. Many statements print only a day and a month against each row, so the year comes from the period printed at the top, however the bank writes it: 1 to 31 January 2025, 01-31 Jan 2025, or 13 Aug - 11 Sep 2026 with the year once at the end (a period such as 15 Dec - 14 Jan 2026 began the year before). Where no period is printed, the last statement date and this statement's date are the period. Failing those, the date the statement was issued settles the year: a statement covers the time before it was issued, so January rows on a statement issued in February are that same January. Where the year cannot be established from the page at all the statement is refused rather than filed under a guessed year, because a January 2025 statement imported as 2026 looks entirely ordinary on the screen and then sits in the wrong VAT quarter and the wrong year end, where nobody finds it.

Where a statement prints no opening balance at all, as Lloyds does, it is worked out from the balance beside the first transaction. Everything after that row is then proved by the bank's own running balance and that one row is not, so the screen names it and asks you to check that one line is the right way round.

Importing changes nothing in the ledger. An imported statement is a list of things that happened, not a set of postings.

24.5 CODING A LINE

1. Filter to **Still to code**.
2. Choose the account, the VAT rate, the contact and any tags.
3. Press **Code**, or the Enter key.

Coding is where a journal reaches the ledger. Money in posts debit bank, credit the account chosen; money out posts debit the account, credit bank. Coding a line also marks it reconciled, because that is what reconciling a bank line means once it has actually been posted. For several lines at once, tick them, set the account and rate on the selection bar, and code the batch. The bar totals what you have ticked (paid in, paid out and the net), so a batch can be checked against a payment run or a day's takings before it is posted. To correct a coded line, press **Remove and redo**.

Coding offers the account, contact, VAT rate and tags the same payee was last coded to, read off the statement rather than remembered in the browser, and it never overwrites a box somebody has already filled in. **Alt** with the arrow keys moves between lines, and **Alt** with the space bar ticks one.

24.6 BANK RULES

Three hundred statement lines are usually twenty payees repeated. A rule says what a line means when you have seen it before.

1. Press **Rules...** on the bank screen, then **New rule**.
2. Say what to match on: the description, the reference or either; contains, starts with or is exactly. Narrow it further by direction and by amount if you need to.
3. Choose the account it should be coded to, and the contact if the payee is one. + **New account...** and **New contact** add either without leaving the rule, and a new contact is named from the text the rule matches on. A contact with a default account of its own fills the account in.
4. On a VAT-registered company, choose the VAT rate, or leave **The company's default rate**. Where the company tracks by site, department or property, or by project, choose those too. The line is filled in with all of it.
5. Save it, and press **Apply them now**.

Quicker still: code one line by hand, then press **Make a rule** on it. The rule arrives filled in from that line, with the parts that never repeat taken out: "SAINSBURYS S/MKTS 4411 ON 12 NOV" becomes "SAINSBURYS S MKTS", so it catches next month's as well.

Rules run whenever a statement is imported, as well as when you press the button.

A rule suggests; it posts only if you say so

A new rule fills the line in on the screen and waits for you. The line says which rule offered it, and one keystroke accepts it.

Tick **Post it without asking** and the rule posts to the ledger by itself. That is off by default on purpose. A payee that has always been one thing is one unusual payment away from being another, and a wrong posting made without anybody looking is a great deal harder to find than a wrong suggestion you correct in a second. Turn it on for the ones you are certain of: the rent, the insurance, the accountancy fee.

The import and the Apply button always report the two numbers separately: how many lines were **coded** and how many were **offered**.

The order matters

The first rule that matches is the one that applies, so put the particular ones above the general ones. A rule for "AMAZON WEB SERVICES" has to sit above one for "AMAZON", or the general one takes both. Use the arrows beside each rule to move it.

WORTH KNOWING

Deleting a rule does not touch the lines it has already coded. They keep their coding and lose only the note saying which rule did it.

24.7 MATCHING TO INVOICES AND BILLS

1. Press **Match** on a line that settles documents.
2. Tick the invoices or bills it covers.
3. Put any remainder on account.

The button stays disabled until the parts add up to the line exactly.

Nothing is pre-ticked except a document the row itself named, and even that is re-checked against fresh suggestions, because somebody may have settled the invoice since. A suggestion that is right nine times in ten is worse than none at all if the tenth is accepted unread.

Matching across currencies is refused rather than guessed. A £4,000 receipt against a €5,000 invoice depends on a rate, so you are sent to the document's own payment screen, which asks for the rate and posts the exchange difference. A GoCardless payout is its own action for a related reason: its parts only add up once the fees and the failed collections are taken into account.

24.8 TRANSFERS BETWEEN ACCOUNTS

Moving money between the client's own accounts, such as paying the credit card from the current account or putting money into savings, is its own action, not a coding. A bank line cannot be coded to another bank account, and a manual journal cannot touch one, because a bank balance has to come from the statement. So a transfer is recorded from **Match**.

Both banks report the same movement, so one transfer has two statement lines, one on each account. Murgese posts it once: the first side posts the transfer, and the line on the other account joins that posting rather than making a second one. Nothing is counted twice, and a transfer appears in no box of a VAT return.

Recording a transfer

1. On the line that moved the money, press **Match**.
2. **If the other account's statement is already in**, the line on it is listed under **Transfer between your own accounts**, with its date and how many days apart the two are. Press **It is a transfer**. Both lines are cleared on one posting.

3. If the other statement is not in yet, choose the other account under "Or this was your own money moving to another account" and press **Money went there**, or **Money came from there** for money coming in. This side is posted now, and the other side joins it later.

When the other side arrives

The line on the other account says so on the statement itself, under its description, without anything being opened:

The screenshot shows the MURGESE software interface. On the left is a sidebar with a teal background containing navigation links: CLIENT, RECENTLY USED, Dashboard, Bank, SALES, CONTACTS, PURCHASES, PRODUCTS, ACCOUNTING, REPORTS & PLANNING, TAX & YEAR END, RECORDS, and PRACTICE. The main window is titled 'Aldridge Construction Ltd' and shows a 'Bank' section with 'Accounts and transactions'. A dropdown menu is set to '1030 Business Savings'. Below this, a table lists transactions:

Date	Description	Amount	Who	Account	VAT RATE	SITE	Match	Code
04 Sep 2026	INTEREST PAID	£3.18 £2,503.18	No contact	Choose an account	20% stand	(no site)	Match	Code
02 Sep 2026	TFR FROM CURRENT ACCOUNT Transfer from Business Bank Account, 01 Sep 2026, already posted there. join it	£2,500.00 £2,500.00	No contact	Choose an account	20% stand	(no site)	Match	Code

Figure 21 The savings statement, with its first line named as the other half of a transfer already recorded from the current account. The figures shown are invented.

- **"Transfer from Business Bank Account, 12 May 2026, already posted there. Join it"** means the other side has been recorded as a transfer to this account. Press **Join it**. Nothing is posted again: the line joins the posting already made, and the screen says so.
- **"Transfer to Business Savings, 1 Jun 2026?"** means a line on another account fits, but nothing has been posted from either side. Press **Check it in Match** to see the two lines side by side, and record it from there.
- **"Could be a transfer: 2 lines on your other accounts fit"** means more than one line would do. Press **Choose in Match** and pick the right one.

A line fits when it is on another of the client's bank accounts, in the same currency, for exactly the same amount the other way, and within five days either side. These lines also count under "With a match waiting" in the filter.

What a transfer will not do

- **Two currencies.** A transfer between a sterling account and a euro account needs the rate that was actually used, which is on neither statement. Record it as a payment out and a receipt in instead, and code the difference to the account it belongs to.

- **Two different amounts.** Where the bank has taken a fee out of the transfer, record the two lines separately and code the fee to bank charges.
- **One posting for three lines.** Each transfer is one line out of one account and one line into another. Once a line has joined a transfer, that transfer is not offered to a second line of the same amount on the same account.

Remove and redo on either line takes the transfer back, and both lines become uncoded together.

Money often leaves on a Monday and arrives on the Tuesday. The posting takes the date of the side recorded first, so the other account can show a one-day timing difference on its reconciliation, which is what a reconciliation is for.

24.9 RECONCILING

Read the balance strip until it says **Agrees**. Where it does not, the two figures underneath say which half of the work is left.

Where the books began with an opening balance on the account, from a trial balance or the opening balances screen, the statement figure starts from it, and the strip says so: "statement includes £17.25 brought forward at 18 Apr 2026". The imported lines are the movement since then, so the two together are the bank's closing balance. Check the brought-forward figure against the balance brought forward on the bank's own statement for that date. The running balance under each line, and the bank reconciliation report, start from the same figure.

This applies to an opening balance dated before the first imported statement line. One dated on or after it is left showing as a difference, because it is either inside the statement already or posted into the middle of it, and either way it needs a look.

For an account in another currency, open the bank reconciliation report instead. It reconciles in the account's currency: balance per statement, less the lines not yet coded, gives the coded statement balance; that figure at the closing rate is set beside the sterling ledger balance, with any retranslation not yet posted between them; and any posting to the account that no statement line or retranslation explains is listed as the difference. The account agrees when that list is empty.

24.10 PUTTING THE LIST IN THE ORDER YOU WANT

The headings **Date**, **Description**, **Amount**, **Who** and **Account** are buttons. Press one to order the statement by it and press it again to turn it round; the heading being sorted by carries an arrow and the others do not. Dates and amounts start biggest-first, words start A to Z.

Lines with nobody against them, or no account on them, sort to the **end whichever way the column is turned**. A blank is not an early letter but a line nobody has done yet, so reversing the sort cannot become a way of hiding the gaps.

The tick box at the top of the first column ticks every line the filter is showing that can be ticked at all. With the filter on **Already coded** that is the coded lines, and the bar that

appears offers to take them back out; with it on **Still to code** it is the uncoded ones, and the bar offers to code them. A selection holding both offers both bars, and each acts only on its own half.

24.11 WORTH KNOWING

Un-coding posts a reversal dated **on the bank line's own date**, not today, which is the opposite of the rule for voiding an invoice. A £100 receipt on 15 May reversed today would leave the bank holding £200 of that receipt until August, so a 30 June reconciliation would be out by £100 against a statement that is not wrong. Dating it back is only safe because the closed-period refusals are absolute.

Five refusals stop a line being un-coded, each naming its reason and its remedy: a filed VAT quarter or CIS month, a year closed by a posted tax computation, a bank reconciliation somebody has agreed or reviewed, a figure claimed late onto a filed return, and a Gift Aid claim already sent to HMRC.

Bulk coding is all or nothing. Every line is planned before any is posted, and one bad line refuses the batch with nothing written, because a half-applied selection is worse than a refused one. There is no override on un-coding, where the refusal is the closed period itself.

A batch that holds a line which could not be taken back off afterwards is stopped first and says so, naming the line by its date and giving the reason in full. The reason matters: a filed quarter is dealt with on the VAT screen and an agreed reconciliation on the reconciliations screen, and they are not the same problem. **Code them anyway** goes ahead knowing the postings will stick where they are.

CAREFUL

A deleted line is out of the balance, the coding list, the reconciliation and every report, which makes it indistinguishable from a line that never arrived. Somebody picking up the books and finding the bank short by £2,400 cannot tell a deletion from a missing statement, and the two have opposite remedies. So the count of deleted lines is always on screen, and a deleted line is also what stops a re-import bringing the duplicate back.

Leaving the VAT rate blank does not mean nil. The company's own default is applied and named back to you. Treating silence as outside the scope is how a card payment for materials came to be an expense of the whole gross with no input tax reclaimed.

On a feed, the bank's own sign-in page opens in your browser and never inside the application. Several UK banks refuse to render in an embedded view, and drawing one in the application's frame teaches a director that it is normal to type their online banking password into their accountant's software. There is a button to press when you come back, because an on-premise product has no internet address for a webhook. The connect dialogue also asks where the books begin before it opens the bank: the first real connection fetched 2,500 transactions, most of them already inside the opening balance. Where Murgese cannot work out a suggestion honestly it leaves the box **empty** rather than guessing.

One limitation is stated in the code: at the 940 pixel minimum window, a company running two tracking categories, projects and VAT cannot fit all eleven columns, and the table scrolls sideways. A column chooser is the next thing to be built.

The chart of accounts

Chart of accounts, under Accounting, lists every ledger account and its balance. A set of books is created with a full chart already in it, so most of the work here is renaming an account to what the business actually calls it, adding the one or two accounts the default chart did not anticipate, and, on books that came from another package, telling Murgese which account plays which role.

25.1 BEFORE YOU START

Nothing. Creating and editing accounts needs the `manage_accounts` capability.

Chart of accounts
Every ledger account and its balance.

Which account does what The accounts the app posts to on its own: VAT, CIS, corporation tax and the rest.

Search code, name or description All accounts + New account

CODE	NAME	TYPE	BALANCE	
0010	Freehold Land & Buildings	Fixed asset	£0.00	Edit
0011	Freehold Land & Buildings - Accumulated Depreciation	Fixed asset	£0.00	Edit
0020	Leasehold Improvements	Fixed asset	£0.00	Edit
0021	Leasehold Improvements - Accumulated Depreciation	Fixed asset	£0.00	Edit
0100	Plant & Machinery	Fixed asset	£21,700.00	Edit
0110	Plant & Machinery - Accumulated Depreciation	Fixed asset	-£1,331.67	Edit
0150	Tools & Site Equipment	Fixed asset	£0.00	Edit
0160	Tools & Site Equipment - Accumulated Depreciation	Fixed asset	£0.00	Edit
0200	Fixtures & Fittings	Fixed asset	£0.00	Edit
0210	Fixtures & Fittings - Accumulated Depreciation	Fixed asset	£0.00	Edit
0250	Office Equipment	Fixed asset	£0.00	Edit
0260	Office Equipment - Accumulated Depreciation	Fixed asset	£0.00	Edit
0300	Computer Equipment	Fixed asset	£0.00	Edit
0310	Computer Equipment - Accumulated Depreciation	Fixed asset	£0.00	Edit
0400	Motor Vehicles	Fixed asset	£21,400.00	Edit

Figure 22 The chart, with each account's kind and its balance, and the panel that says which account does what. The figures shown are invented.

25.2 THE SCREEN

A filter offers all accounts, assets, liabilities, equity, income, expenses, and control accounts. The search box covers the code, the name and the description. The table gives the **Code**, the **Name** with its description underneath, the **Type**, and the **Balance**, which is drillable through to the postings behind it.

The Type column shows the account's **class**, not the bare ledger type. "Other income" and "Revenue" are both income and post identically, and the difference between them is the one the reports act on.

Above the list sits a collapsed panel, **Which account does what**, covered below.

25.3 WHAT KIND OF ACCOUNT THIS IS

The one question worth asking when you add an account is what kind it is, because that single choice answers three things at once: the double-entry type, the section it prints in on the management reports, and the line it rolls into in the year-end accounts.

The picker is grouped as Assets, Liabilities, Equity, Income and Expenses. Choosing a kind shows a plain-English note and a line saying where it will print, such as "Profit & loss → Other income, below gross profit and outside turnover". That note comes from the same table the reports group on, so the explanation cannot drift away from the behaviour.

Some of the kinds and what they mean:

KIND	WHERE IT LIVES
Bank account	Codes 1000 to 1099. Appears on the Bank screen and is closed to manual journals.
Trade debtors, Trade creditors	Control accounts. They move when a document is raised or settled, not by hand.
Stock	Codes 1300 to 1349. Tracked items post here when bought and out of here when sold.
Revenue	Codes 4000 to 4499. Counted in turnover and in gross profit.
Other income	Codes 4900 to 4999. Below gross profit and outside turnover.
Cost of sales	Codes 5000 to 5299. Deducted before gross profit.
Overhead	Codes 7000 to 7999. Deducted after gross profit.
Drawings	A reduction of capital, never an expense, and never deducted in arriving at profit.

25.4 ADDING AN ACCOUNT

1. Press + New account.
2. Choose the kind. Read the note and the line saying where it will print.
3. Take the suggested **code** or type your own. The suggestion is the first free number in that kind's range, trying round tens first, so a chart that goes 7100, 7110, 7120 leaves room to insert something later.
4. Give it a **name**, and a description saying what belongs in it.
5. For a bank account, fill in the sort code and account number if you want them recorded, and choose the currency it is **held in**: the currency its bank statement arrives in. Sterling unless you choose another; a currency not yet switched on for the company is switched on as the account is saved.
6. Save.

Adding a bank account creates the ledger account, marks it as a control account, and creates the record that puts it on the [Bank](#) screen, all at once.

25.5 EDITING AN ACCOUNT

Renaming and describing accounts matters more than it looks. The default chart is generic, and a bookkeeper who can call an account what the business calls it makes fewer coding mistakes.

The class can be changed within the same ledger type, which is what "this should be other income, not sales" needs. Changing the ledger type is refused: turning an expense into an asset would leave every journal already posted to it on the wrong side of the balance sheet, and there is no sound way to reinterpret history. The message tells you to create a new account and journal the balance across.

The **code** of a built-in account cannot be changed, because invoice and bill posting finds those accounts by code. The name is always free to change.

Shows in year-end accounts as follows the kind unless you open the override and set it by hand. There is also a tick marking the account as a control account, which closes it to manual journals. Tick it for any extra bank account you add.

For a bank account, **Held in** is the currency its statement is in, and it can be corrected while the account has no statement lines on it: a bank account made in the wrong currency does not have to be deleted and made again. Once lines have been imported the change is refused, because each line is a figure in the account's currency, and the message says to add a new account in the right currency instead.

25.6 WHICH ACCOUNT DOES WHAT

Every posting Murgese makes on its own behalf has to find an account: the VAT control, the two CIS accounts, the corporation tax charge, suspense, disposals. On a chart that started here they are all found by the code the product ships. On a chart that came from Xero or QuickBooks, where debtors might be numbered 610, they are not.

So each is a **role**. Open the panel, and each role has a searchable picker and a line saying whether the account was chosen here or worked out. Leave a row on (work it out) and Murgese finds the account by its class, then by its name, then by the shipped code, in that order.

Roles marked with a red asterisk are required: trade debtors, trade creditors, VAT control, CIS deductions suffered and CIS deductions payable. Where one cannot be found, a red banner names it and says that postings needing it will be refused until an account is chosen.

25.7 WORTH KNOWING

The account picker used everywhere else in the product shows the chart under headings before anything is typed, each heading once and in the order of a profit and loss account and then a balance sheet: Income, Cost of sales, Overheads, Assets, Liabilities, Capital. Where the chart's codes interleave cost of sales and overheads, the accounts are still gathered under their own heading. Within each heading, the accounts this company actually posts to come first. Typing replaces the headings with the best matches. A

standard chart is about a hundred and twenty lines and a firm uses fifteen of them. Which fifteen is read off the ledger, and it is "has ever been posted to" rather than "has a balance", because an expense account that nets to nil over the year is still one of the fifteen.

CAREFUL

The kind decides where an account is reported, and two accounts that post identically can belong in different places. "Other income" and "Revenue" are both income, but only one of them belongs in turnover. This is worth checking on any chart that was imported, where the type had to be inferred from the ledger.

A control account is not a label. Marking an account as one closes it to manual journals, because its balance is meant to be the sum of the documents behind it. The difference between a control account and its own ledger is one of the hardest things to find at a year end, since nothing looks wrong until somebody reconciles.

There is no button on this screen to delete an account. An account carries the postings made to it, and the way to retire one is to stop coding to it.

Journals

Journals, under Accounting, is the general ledger in full: every posting in the books, whatever made it, including the ones invoices, bills and payments made on their own. It is also where you type a manual journal, set up a journal that repeats, void one, and record that one has been reviewed.

26.1 BEFORE YOU START

A chart of accounts. Posting a journal needs the `post_to_ledger` capability. On a charity, every line needs a fund.

Control accounts are refused outright: bank, trade debtors and trade creditors cannot be touched by a manual journal, because their balances are meant to **be** the sum of the documents behind them. The refusal names the accounts. Use `Opening balances` for a conversion, or post the document that caused the change.

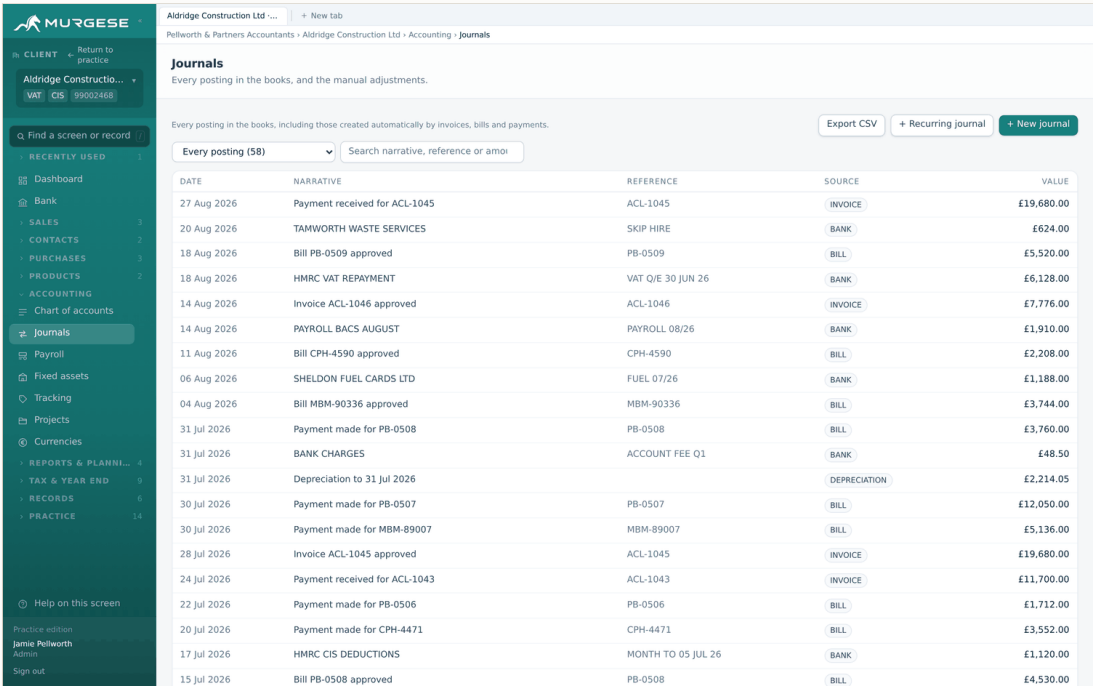


Figure 23 The ledger, with a journal expanded to show its lines and the actions available on it. The figures shown are invented.

26.2 THE SCREEN

Above the list are Export CSV, + Recurring journal and + New journal, and under them the filter and the search.

Show journals from separates what was typed from what Murgese posted for itself. Posted by hand is every journal typed on this screen, with its reversals and corrections and the ones a recurring template posted; Posted by Murgese is everything else; and under it each source on its own, such as sales invoices, bills, bank lines, payroll, depreciation, opening balances or an import from another system. Each choice shows how

many postings it holds. The line above the list says how many of the whole it is showing, the search looks only within what the filter shows, and Export CSV exports what is on the screen.

The search finds a posting by its narrative, its reference, what posted it, any line's account or description, its date written either way, and its figure typed with or without the commas, the pound sign and the pence.

The ledger table gives the Date, Narrative, Reference, Source and Value, which is the sum of the debits. Badges on the narrative say **Reversed**, **Reversal**, **Reverses** a date, **Auto-reversal** of a date, and the name of the recurring template that made it. Clicking a row opens it to show each line, with the account code and name, the description, the debit and the credit.

An expanded **manual** journal offers Void this journal and Mark as reviewed. Anything else says which kind of document posted it and tells you to void that document instead.

The manual journal form takes a Date, a Narrative, which is required, an optional Reference, and the line grid: account, description, **Debit £**, **Credit £**. A strip runs the totals as you type and says **Balanced** or **Out by** an amount. Below it is the auto-reversal block: **Reverse this automatically**, and a **Reverses on** date.

26.3 POSTING A JOURNAL

1. Press + New journal.
2. Set the date and write a narrative. It is the widest column on the list and is read by everybody who opens the ledger.
3. Enter the lines until the strip says **Balanced**.
4. For an accrual or a prepayment, tick **Reverse this automatically** and check the reversal date.
5. Post.
6. Later, have somebody press Mark as reviewed and say what they checked.

A line cannot carry both a debit and a credit: that is meaningless in double entry and would net out silently in the balance check. A journal cannot have fewer than two lines, so the last two are emptied in place rather than removed.

A journal line can name a **contact**, which is what lets a manual journal appear on that contact's statement. A bad debt write-off names the customer; a rent accrual names nobody.

26.4 REVERSING AN ACCRUAL

Tick **Reverse this automatically** and both journals are posted at once, the second dated forward. Nothing in Murgese runs on a timer, so a reversal that waits for somebody to be at their desk is a reversal that gets missed, and a missed accrual reversal overstates costs in the following month with nothing on screen to show why.

Because both exist from the moment you press the button, June's profit is already right whether or not anybody opens the application in June, and the pair is visible as a pair. The price is a ledger entry dated in the future, which is visible, explicable and self-cancelling, and every report is bounded by its dates, so a May trial balance does not see a June reversal. The default reversal date is the first of the month after the journal's own date, so 31 January gives 1 February and a December date rolls the year.

CAREFUL

A reversal dated inside a filed VAT quarter, a filed CIS month or a closed year is refused outright and by name. So is a reversal dated on or before the journal it reverses, which would cancel the entry in the same period it was raised in and leave nothing accrued. The refusal appears under the date box rather than at the foot of the form, because a bare error at the bottom reads as "the journal failed" and people retype the whole thing.

26.5 VOIDING

Expand the journal and press Void this journal. It posts the mirror image, dated today by default, so tidying up does not reopen a period already reported on. The date can be changed for a correction that belongs in the same period, and only manual journals can be voided here.

Where the entry has a forward-dated auto-reversal, Murgese cancels that half too, on its own date. Neither half is left standing alone, and a reversal cannot be voided by itself, because that would leave the accrual standing with nothing to take it out again.

26.6 JOURNALS THAT REPEAT

Templates appear as a card on the screen itself rather than behind a button. Each shows its name, a mode badge reading **Posts automatically** or **Reminds you to post**, a badge where it reverses on the 1st of the following month, a **paused** badge, the frequency, and the **Next due** date. The actions are Check and post or Post now, Edit and Remove, with Post everything due in the card header.

The form takes a name, the narrative each posting carries, the frequency, the next due date, an end, a reference, the two mode buttons, the tick for reversing each one on the first of the following month, the line grid, and an **Active** tick. There is no reversal date box, because on a journal that repeats one fixed date could only ever be right for one occurrence.

Reminds you to post is the default. A reminder nobody acts on leaves an accrual unposted, and that is visible. Posting last month's figure automatically because nobody looked puts a wrong figure into the accounts and into a VAT return, approved by nobody, with nothing suggesting it should be questioned. A missing entry gets found; a plausible wrong one does not. A reminder is not advanced until a person actually posts it.

A template must balance before it can be saved, because a recurring journal that does not balance is not a posting that fails once, it is a reminder that fails every month it comes due. Its accounts are checked again when it posts, since an account can be renamed or made a control account long after the template was set up.

An automatic occurrence is posted on its own date, so three months away from the desk produces three postings dated the 1st of each month. The catch-up is capped at 24 occurrences, and the screen says when it has stopped part of the way and needs running again.

Removing a template deletes only the instruction. The dialogue says so, because "Remove" beside a template that has posted eleven journals reads as though those eleven are about to go with it.

26.7 WORTH KNOWING

A journal into an approved year is asked about rather than forbidden. Refusing outright is right for unfiled accounts and wrong for the case that matters most: revised accounts. Once accounts are filed, the original approval is a fact about a document at Companies House and cannot be withdrawn, and a revision under the Revision of Defective Accounts Regulations begins with exactly this journal. So the message names the year, offers an acknowledgement, and records it on the audit trail.

Review is recorded **after** posting, not as a gate in front of it. A journal is usually the correction that makes the ledger right, and holding it means the trial balance stays wrong until somebody is free. That is how a control gets worked around: the entry goes into a spreadsheet, the spreadsheet becomes the real ledger, and the gate has made the books less trustworthy rather than more. The same segregation rule applies as elsewhere: you may not review your own journal where somebody else could have, and where nobody could, the record says it was self-reviewed.

Export CSV writes one row per journal line: date, reference, narrative, source, account code, account, description, debit and credit.

Payroll

Murgese has no payroll engine. It does not calculate PAYE, National Insurance, student loan deductions or pension contributions, it holds no tax rates and no thresholds, and it keeps no employee records. The payroll is run somewhere else: Moneysoft, BrightPay, Sage, or a spreadsheet somebody maintains by hand.

What **Payroll** does, under Accounting, is post the month's wages as one journal from the totals on the payroll summary you already have. It is the same journal every month, and it is one of the most reliably wrong entries in small-practice bookkeeping.

27.1 BEFORE YOU START

The chart of accounts needs somewhere for each figure to go. Murgese finds these by code first and then by name, so a chart that started here needs nothing done. Four are required: **salaries and wages, employer's National Insurance, PAYE and NIC payable, and net wages payable.** Directors' remuneration, employer's pension, pensions payable and a home for other deductions are only wanted where the corresponding figure is entered. Where a required one cannot be found, the preview says so by name and refuses to post until an account is chosen.

Posting needs the `post_to_ledger` capability; changing where payroll posts needs `manage_settings`.

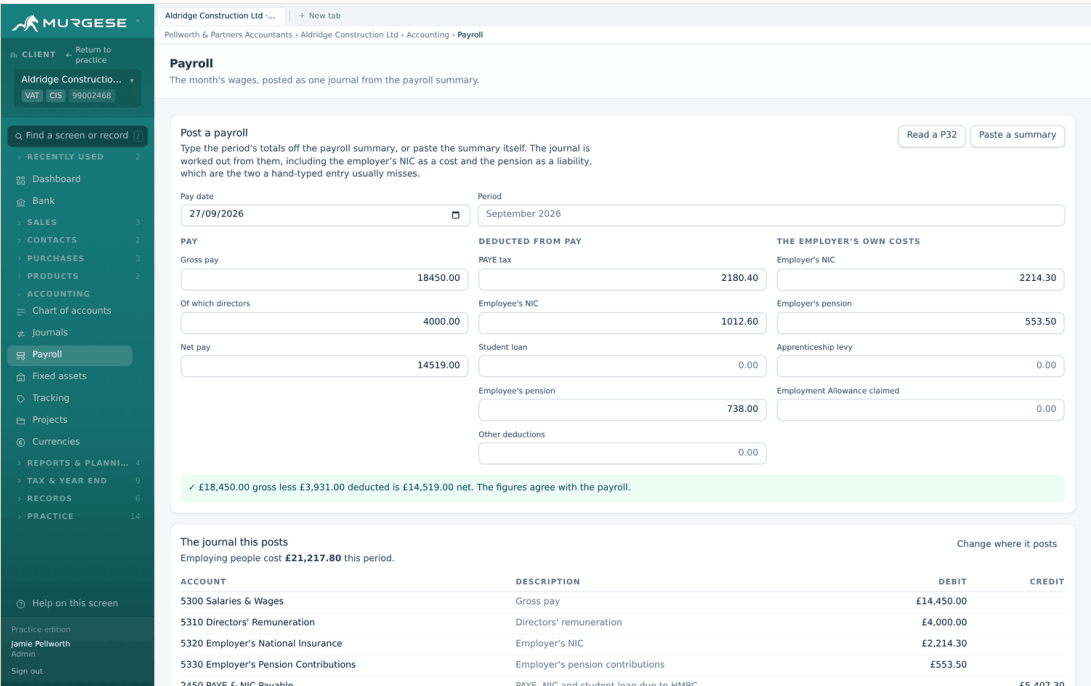


Figure 24 The payslip totals on the left, the running check underneath them, and the journal they produce. The figures shown are invented.

27.2 READING A P32

Most payroll software prints a **P32 Employer's Payments** report: a grid with a row for each tax month and a Year Total at the foot, showing what is owed to HMRC. It is the one page a bureau reliably produces, and **Read a P32** takes it.

Choose the PDF. The file is read in this window and never leaves the machine; only the text goes to the part of the program that places it in columns. The months are listed with their PAYE tax, National Insurance and the amount due, and **Use this month** puts that month's figures into the boxes below for you to check. Nothing is posted by an import.

A P32 answers six boxes and cannot answer the rest. It is a statement of what is owed to HMRC, so it has never carried gross pay, net pay or pensions, and the screen names the ones still to be typed off the payroll summary. Student and postgraduate loan repayments are two columns on a P32 and one box here, so they are added together and the screen says so.

Each row is checked before it is offered. The components of a month have to come to the amount the report itself prints as due; a row that does not is marked **does not add up** and cannot be used, because a figure read into the wrong column would be a wrong PAYE liability that still looks plausible.

CAREFUL

Do not paste a P32 into the summary box. A P32 has a row for each month rather than one set of totals, and read as a summary it would take the year's figures into a single month. Murgese recognises one and refuses it, pointing at this button instead.

27.3 THE SCREEN

The boxes are the payslip's own totals in the payslip's own order, in three columns:

COLUMN	THE BOXES
Pay	Gross pay, of which directors, and net pay.
Deducted from pay	PAYE tax, employee's NIC, student loan, employee's pension, other deductions.
The employer's own costs	Employer's NIC, employer's pension, apprenticeship levy, and Employment Allowance claimed.

Above them are the **pay date**, which decides the period the cost falls in, and a **period** label such as "September 2026", which becomes the journal narrative.

Below them is the running check, which appears as soon as there is something to check. It reads either that gross less deductions is net and the figures agree with the payroll, or that they are out by an amount, and whether a deduction is missing or too large.

When the figures agree, the journal appears underneath, with a line saying what employing people cost this period, the debits and credits in full, and tiles saying what is now owed and by when: to staff on the pay date, and to HMRC and the pension provider

on the 22nd, the electronic deadline for the tax month the pay date falls in. A tax month runs from the 6th to the 5th, so a payroll paid on the 3rd belongs to the month that ended on the 5th and its PAYE is due a month earlier than the calendar would suggest.

27.4 POSTING A MONTH'S PAYROLL

1. Set the pay date and the period label.
2. Either type the totals off the payroll summary, or press **Paste a summary** and paste the summary itself, then press Read it. Murgese reads both shapes payroll software produces: a header row with the totals underneath, and a printed summary with a label on each line and the figure at the end. Headings it does not recognise are listed and ignored, and those figures are typed.
3. Read the running check. Nothing is previewed until gross less deductions equals net.
4. Read the journal. If it is not what you expected, the figures above it are where to look.
5. Press **Post the payroll**.

The three payments that follow, net pay, HMRC and the pension provider, are coded to those same accounts when they turn up on the bank.

27.5 WHERE EACH FIGURE POSTS

Press Change where it posts on the preview to open the account chooser. It is hidden until asked for, because on the standard chart it is already right; it exists for the company whose chart came out of Xero and has no account at 2470. The choice is remembered, and a control account cannot be chosen.

The journal debits gross pay to wages, with directors' remuneration split out where there is an account for it, and debits the employer's NIC and pension as costs. It credits the PAYE account with the tax, both NICs, the student loan and the levy; the pensions account with both pension contributions; the other-deductions account with anything withheld; and net wages payable with what leaves the bank to staff.

27.6 PAID OVER TO HMRC AND THE PENSION PROVIDER

A panel at the foot compares the PAYE and pension control accounts against what the payroll runs put on them: what payroll put on, what the account actually moved, what it is standing at, and how many months of liability that represents. Postings on those accounts that did not come from a payroll run are listed individually, because payments to HMRC belong there and anything else is worth a look.

Murgese does not calculate payroll, so this cannot check the payroll. What it checks is that what was posted has been paid over, which is the thing that actually goes wrong.

27.7 WORTH KNOWING

The check that makes this safe is an identity on the payslip: net pay is gross less PAYE, employee's NIC, student loan, pension and other deductions. If the figures satisfy it, the

journal balances. If they do not, the journal cannot balance either, and by exactly the same amount. So one check on the **figures** catches every mistyped figure before a line is posted, and the message can say what is wrong with the payroll rather than that the debits do not equal the credits.

Three mistakes recur in hand-typed payroll journals, and the form is shaped to prevent all three. The employer's NIC left out of the cost, so staff costs are understated and the profit is wrong all year. The pension netted off gross and never shown as a liability, so the pension control account is short by what is owed to the provider. And Employment Allowance ignored, so the full employer's NIC is credited to the PAYE account, a smaller amount is actually paid, and the control account carries a growing balance nobody can explain.

Employment Allowance is what was set against this period's NIC, not the annual amount. It comes off both sides, the cost of employing people and the amount owed to HMRC, and claiming more than the period's employer's NIC is refused.

CAREFUL

A payroll journal for a pay date that has already been posted is flagged before you post, saying that posting again would double the staff costs and the PAYE owed. You may go ahead if you meant to. A reversed payroll does not count as already posted, so a corrected re-run is not refused for the wrong reason.

Some things are said rather than refused, because each is legitimate and each is also what a mistyped figure looks like: no employer's NIC, which is right below the secondary threshold; no PAYE and no employee's NIC, which is right for a director on a small salary; and an employer's NIC larger than the gross pay, which is almost certainly two figures the wrong way round.

The whole payroll can be tagged to one tracking option, so each site's wage cost lands against its own trading. It is not per employee: Murgese has no employee record to hang that on.

The figures you typed are recorded on the audit trail with the journal, so a year-end reviewer can see what was entered without going back to the payroll package.

Tracking, assets and projects

The parts of the ledger that answer questions an account code on its own cannot.

01	Fixed assets	130
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05	Projects and contracts	148
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Fixed assets

Fixed assets, in the sidebar, is the register: what the client owns, what each thing cost, what has been written off it so far, and what happened when it went. It exists so that three figures agree with one another. The depreciation charge in the profit and loss, the fixed asset note in the statutory accounts and the capital allowances in the tax computation are all read off the same register. Kept in a spreadsheet they drift. Kept here they cannot.

28.1 BEFORE YOU START

Fixed asset accounts must exist on the chart. Where they do not, the screen says so and sends you to the chart of accounts to add them, because an asset with nowhere to sit can neither be depreciated nor appear in the note. Contacts are optional, and only for recording who the asset was bought from.

NO.	ASSET	CLASS	ACQUIRED	METHOD	COST	DEPRECIATION	NET BOOK VALUE		
FA-0001	Kestrel K35 tracked mini excavator K35-26-4471 3.5 tonne tracked excavator with breaker attachment.	Plant & Machinery	20 Apr 2026	Straight line 20%	£14,800.00	£986.67	£13,813.33	Edit	Dispose
FA-0002	Towable site welfare unit (12 person) WU12-8842 Mobile welfare unit with generator, canteen and drying room.	Plant & Machinery	06 May 2026	Straight line 20%	£6,900.00	£345.00	£6,555.00	Edit	Dispose
FA-0003	Brackwold T350 flatbed van VM-88K350266104 3.5 tonne flatbed with crane, used across all three sites.	Motor Vehicles	10 Jun 2026	Reducing balance 25%	£21,400.00	£882.38	£20,517.62	Edit	Dispose
						Totals	£43,100.00	£2,214.05	£40,885.95

Figure 25 The register with cost, depreciation to date and net book value, and the totals at the foot. The figures shown are invented.

28.2 THE SCREEN

The search box covers the asset name, the description, the class, the asset number, the serial number, the location, the custodian and the supplier, so an asset can be found by whatever anybody happens to remember about it. Beside it a filter offers **Still held**, **Disposed of** and **All assets**, and there are two buttons: **Run depreciation** and **+ Add asset**.

The table gives the asset number, the asset itself with its serial number, its supplier and a marker where a document is attached, then the class, the date acquired, the depreciation

method, the cost, the depreciation to date and the net book value, with totals at the foot. A disposed asset carries a "Disposed" badge with the date and the proceeds. Each row offers **Edit**, **Dispose** and **Remove**, or **Undo disposal** where the asset has gone.

28.3 ADDING AN ASSET

1. Press + **Add asset**.
2. Enter the asset name, the purchase date and the purchase price, and a residual value where there is one.
3. Choose an **asset type**. That fills in the three accounts, the method and the rate in one go.
4. Change any of them where this asset is not like the rest of its class.
5. Attach the purchase invoice.
6. Press **Add to the register**.

FIELD	WHAT IT IS FOR
Asset number	Suggested as FA-0001 and upwards, and yours to overwrite.
Purchase price and Residual value	The cost, and what the asset is expected to be worth at the end. Nothing is ever written below the residual.
Asset type	A shortcut that sets the three accounts, the method and the rate together. There is also Custom , where you choose the accounts yourself.
Cost account, Accumulated depreciation, Charge depreciation to	The three accounts the asset posts against. All three are required.
Method	Straight line, reducing balance, or not depreciated.
Rate % a year and Start depreciating	The rate, and the date the charge begins.
Depreciation already charged and Charged up to	For an asset the client already owned when these books were opened. See below.
Supplier, Their invoice number, Serial or registration number, Location, Held by, Warranty expires, Notes	Where it came from and where it is now. None of it affects a figure, and all of it is what somebody asks about three years later.
New and unused when bought	Every first year allowance is for new and unused plant only. Not said withholds the claim and the tax screen names the asset; it is not the same as No .
Bought to lease out	Full expensing and the 50% allowance exclude plant bought to lease out. The 40% allowance does not, unless the plant is leased for use overseas.

FIELD	WHAT IT IS FOR
Leased for use overseas	Asked only where the asset is bought to lease out. Until it is answered the 40% allowance on it is withheld.
Is it a car	A car gets no annual investment allowance and, unless it is a new zero-emission car, no first year allowance.
100% allowance	Zero-emission car (0 g/km) or Electric vehicle charge-point , bought new up to 31 March 2027 (5 April 2027 for a sole trader). Either gets 100% of its cost in the year it was bought.

28.4 AN ASSET THE COMPANY ALREADY OWNED

Almost no company starts from nothing. An asset that came in with the opening balances already has depreciation charged against it, and that depreciation is already in the ledger: it arrived with the opening balance entry.

So the asset goes on the register at its **full cost**, with the depreciation already charged entered under **Depreciation already charged** and the balance sheet date it was charged up to beside it.

Nothing is posted for it. The depreciation is in the ledger already; posting it a second time would double it. The figure is there so that the register agrees with the balance sheet it supports, and so that the next depreciation run carries on from the right month instead of charging the asset as though it were new.

Entering the asset at its net book value instead balances, and is wrong: the cost and depreciation split is what the fixed asset note in the accounts is made of, and entering one figure destroys it.

The date is required whenever there is an amount. Without it the next run has nowhere to carry on from and charges the asset from its purchase date again, capped by what is left, so the result is not an obvious error but a plausible number.

An amount larger than the asset is being written down by (its cost less its residual value) is refused, because one of the three figures is then wrong and all three are worth stopping for.

CAREFUL

Where the register and the ledger disagree, a panel at the top of the register says so and names the accounts and the difference. A register that has drifted looks exactly like one that has not: the fixed asset note is built from the register and the balance sheet from the ledger, so a difference here is a set of accounts that disagrees with itself. The usual causes are an asset on the register that was never posted, a journal put straight to a fixed asset account, and depreciation brought forward typed in wrongly.

28.5 RUNNING DEPRECIATION

1. Press **Run depreciation**.
2. Set **Depreciate up to**, normally a month end or the year end.
3. Read the preview: each asset, its method, its cost, what has been depreciated so far and the charge about to be posted, with a total.
4. Post it.

Depreciation is charged **monthly and pro-rated**, not a full year in the year of purchase. A van bought on 20 March and depreciated for a whole year at a 31 March year end overstates the charge by eleven twelfths, and that is a real difference in both the accounts and the tax computation. An asset is never taken below its residual value or below nought, which is the floor that stops reducing balance generating pennies of depreciation for ever.

The preview exists because a run touches every asset at once. The moment to catch a rate somebody typed wrongly is before that, not after.

28.6 DISPOSING OF AN ASSET

1. Press **Dispose** on the row.
2. Read the cost, the depreciation to date and the net book value it shows you.
3. Enter the **date of disposal** and the **proceeds**. The profit or loss on disposal is worked out as you type.
4. Post it.

Disposal does not touch the bank. The cost and the accumulated depreciation come off the balance sheet and the proceeds post to the disposal account, 0900. Coding the money the client actually received to that same account clears it to nil, and that is the check that the disposal was recorded properly.

28.7 UNDOING A DISPOSAL

Undo disposal asks for a date to reverse it on and an optional reason, and the panel says exactly what is about to happen before anything is written. It reverses, it never deletes: a mirror image of the original journal is posted on a new date, and both stay on the ledger.

It is dated today rather than back on the date of the disposal, because back-dating it would change a period that may already have been reported. Where either date falls in a filed VAT quarter or a filed CIS month the reversal is refused outright, and the message names which of the two dates is the problem.

28.8 WORTH KNOWING

The asset type list deliberately does not pre-select its first entry. That entry is freehold land and buildings, and pre-selecting it turns "I forgot to pick a type" into a van capitalised as a building.

Changing an asset's purchase date also moves its depreciation start date, but only while the two still match. Otherwise the depreciation quietly goes on starting from the old date.

The form refuses to save without all three accounts rather than letting the server refuse afterwards. An asset with no cost account cannot be depreciated and cannot appear in the fixed asset note, so it is a gap that hides until the year end.

A disposed asset is greyed rather than hidden, because the reason anybody comes looking for one is either to check it or to put it back.

Asset numbers are worked out from the highest number already on the register rather than from a counter kept beside it, so they survive an import.

CAREFUL

Remove appears only where no depreciation has been posted against an asset. The confirmation says why: the register feeds the depreciation charge, the fixed asset note and the capital allowances, so all three change with it. An asset that has been depreciated cannot be removed at all. Dispose of it instead, and the history stays.

Leases

Leases, in the sidebar, is the lease register. From an accounting period beginning on or after 1 January 2026, FRS 102 puts almost every lease a client holds as lessee on its balance sheet: a **right-of-use asset**, depreciated, and a **lease liability**, which interest increases and the rent pays off. Short-term leases and leases of low-value assets may be left off, if the company chooses. Everything the register says about a lease, the monthly interest and depreciation, the split between amounts due within and after a year, and the corporation tax treatment, is read from one schedule per lease, worked in pence, so the figures in the profit and loss account, the balance sheet and the tax computation cannot disagree.

FRS 105 was not changed. A micro-entity's leases stay off its balance sheet, and the register says so rather than opening.

29.1 BEFORE YOU START

The register needs to know two things about the company, and asks rather than assumes.

- **The first period on the amended section.** For a company with a 31 December year end, that is the year beginning 1 January 2026, and 1 January 2026 is the **date of initial application**. For a 31 March year end it is 1 April 2026: the amendments are effective for accounting periods beginning on or after 1 January 2026, and the year ending 31 March 2026 began on 1 April 2025, so it stays on Section 20 as it was. The top of the Leases screen gives both dates, the standard's and the company's. Nothing is ever posted before the date of initial application, and no figure in an earlier period moves.
- **The framework for that period.** Until it has been chosen, the top of the Leases screen asks which framework the accounts for that year end are prepared under, with a button for each: **FRS 102 Section 1A (small)** and **FRS 105 (micro-entity)**. Nothing is chosen for you, because the two treat leases differently. The answer is saved on the accounts for that year end, the same place the Year-end accounts screen keeps it, so either screen can set it and both read the same answer. Under FRS 102 the register opens and **Add a lease** appears. Under FRS 105 it explains that nothing changes; if that was the wrong answer, change the framework on the Year-end accounts screen.

A charity is not asked. Its accounts follow the Charities SORP, which the register does not cover yet, and the screen says so.

29.2 THE SCREEN

Leases
Right-of-use assets and lease liabilities under FRS 102 as amended, and the journals behind them.

FRS 102 as amended applies to leases from **01 Apr 2026**, the first day of the year ending 31 Mar 2027. Nothing is posted before it, and no figure in an earlier period moves.

The register at
31/08/2026

ON THE BALANCE SHEET AT 31 AUG 2026

LEASE	ENDS	RATE	DUE WITHIN A YEAR	AFTER A YEAR	ASSET COST	DEPRECIATION	CARRYING AMOUNT
Ford Ranger double cab	30 Apr 2029	7.90%	£5,026.08	£9,308.37	£15,923.77	£1,769.31	£14,154.46
JCB 8026 mini excavator	31 May 2028	8.00%	£9,205.37	£7,401.99	£18,796.30	£2,349.54	£16,446.76
Yard and offices, Canal Street	31 Mar 2033	6.50%	£16,347.36	£111,433.47	£136,294.10	£8,112.74	£128,181.36
Total			£30,578.81	£128,143.83	£171,014.17	£12,231.59	£158,782.58

EXEMPT, AND NOT YET RECOGNISED
Site office printer Low-value, exempt
Tower scaffold, Cheswold job Short-term, exempt

THE TIES
☒ Agrees Right-of-use cost less accumulated depreciation is the carrying amount, lease by lease and in total. £171,014.17 less £12,231.59 is £158,782.58; the leases carry £158,782.58.
☒ Agrees The register agrees with the ledger on every lease account. Every lease account agrees to the penny.

WHEN THE PAYMENTS FALL DUE, AFTER 31 AUG 2026
The payments still to be made, before discounting and before VAT.

LEASE	WITHIN ONE YEAR	ONE TO FIVE YEARS	AFTER FIVE YEARS	TOTAL
Ford Ranger double cab	£5,940.00	£9,900.00	£0.00	£15,840.00
JCB 8026 mini excavator	£10,200.00	£7,650.00	£0.00	£17,850.00
Yard and offices, Canal Street	£24,000.00	£96,000.00	£36,000.00	£156,000.00
Total	£40,140.00	£113,550.00	£36,000.00	£189,690.00

VARIABLE LEASE PAYMENTS
A lease on the register has payments that depend on use or sales. They are charged as they fall due and left out of the liability, and the note shows what they came to in the year. Nil is an answer.

Year ending
31 Mar 2027

Figure 26 The lease register at the end of August: three leases on the balance sheet with their split and their assets, two exempt, the ties agreeing, and the payments still to come. The figures shown are invented.

The top of the screen says when the amended section applies, and has a date: the register is shown as at that date. Below it:

- **On the balance sheet:** each lease with its end date, the rate it is discounted at, the liability due within a year and after a year, and the right-of-use asset at cost, depreciation to date and carrying amount, with totals at the foot. A hire purchase contract shows its asset as held in fixed assets, because it is.
- **Exempt, and not yet recognised:** the leases the company has claimed an exemption for, and any lease still being set up, with the number of questions it has left.
- **The ties:** what has to agree before anything is reported from the register. See below.
- **When the payments fall due:** the payments still to be made on each lease on the balance sheet, before discounting, within one year, in one to five years and after five years.
- **Variable lease payments:** shown where a lease has payments that depend on use or sales, for the figure the note needs.
- **Rent still coded as rent:** bills, bank lines and bank rules that treat a registered lease's rent as an expense.
- **Post the lease journals:** the month-end run.

29.3 ADDING A LEASE

Press **Add a lease**. Nothing is defaulted that is a conclusion: whether an exemption is claimed, what the discount rate is and where it came from, whether the rent is reviewed and how, whether any payments depend on use or sales. Each starts as **Not answered yet**,

and a lease with a question unanswered cannot be recognised. Nil and unasked are different facts.

FIELD	WHAT IT IS FOR
Name, Lessor	What the lease is called on the register and in the journals. The lessor's name is how its rent is recognised on bank lines and bills.
What is leased	Land and buildings, plant and machinery, motor vehicles, office and computer equipment, or other. Decides which right-of-use account the asset sits in.
Kind of agreement	A lease or hire, or hire purchase, where ownership passes.
When it began	New (from the date of initial application), or running at that date and previously an operating lease, or previously a finance lease or hire purchase.
Commencement date, Lease term, months	The term includes any extension the company is reasonably certain to take. Say what the options are and why in the box beside it.
Exemption claimed	On the balance sheet, a short-term lease (12 months or less at commencement), a lease of a low-value asset, or, for a lease running at the date of initial application, one that ends within 12 months of it (FRS 102 1.53(c)). Every exemption needs its reason.
The payments	Monthly, quarterly or annually, in advance or in arrears, the amount before VAT and how many. Rent-free months at the start move the first payment; an initial rental, a hire purchase deposit and a final payment or option fee each have a box.
Rent reviews	None, to CPI or RPI, to market, fixed increases, or another basis, with the dates in the lease.
The discount rate	An annual rate, and what it is: the rate implicit in the lease, the incremental borrowing rate or the obtainable borrowing rate. Say where it came from.

A lease that cannot be an exempt one is refused as such: a lease of more than 12 months is not short-term, and vehicles, machinery and property are not low-value assets however small the rent.

The discount rate

The rate is an annual rate charged at each payment, as a loan's would be: 6% a year is 0.5% a month on a monthly lease, and 1.5% a quarter on a quarterly one. Most small companies will use the obtainable borrowing rate, the rate the company would pay to borrow a similar amount over a similar term; a quote from the company's bank or the lessor's finance arm is good evidence of it.

A new lease

The right-of-use asset starts at the liability, plus initial direct costs (legal fees, stamp duty land tax) and the cost of restoring the premises at the end, less any incentive received

from the lessor. Say which account the costs and the incentive were posted to and they move into the asset. Where there are costs or a restoration cost, say how much is capital for corporation tax; nil is an answer. Include the capital part of any payment to leave at a break the term runs to.

A lease running at the date of initial application

For a lease that was an operating lease, the liability is the present value of the payments left at the date of initial application, at the incremental or obtainable borrowing rate at that date (FRS 102 1.51(a)). The asset is the liability adjusted by any rent prepaid or accrued on the books the day before (1.51(b)); a rent-free period spread over the lease under the old section is an accrual, so give its balance and the account it is on. An impairment at that date goes to retained earnings (1.51(c)). Comparatives are not restated (1.47).

A finance lease or hire purchase contract already on the books

It comes over at its carrying amounts (FRS 102 1.55): give the liability on the books the day before the date of initial application, how much of it is on the account for amounts due after a year, the two accounts it is held on, and the asset in the fixed asset register. The asset's cost and net book value are shown beside it when it is chosen. It must still be the company's at the date of initial application, and one asset is under one live agreement: an asset disposed of before that date, or one already under an agreement that is still running, is refused. Nothing is posted to bring it over. The rate is found rather than chosen: the one at which the payments left discount to the liability. The asset stays in the fixed asset register and is depreciated there, as before.

Because nothing is posted, the register relies on those answers for the rest of the lease's life, so each is checked before the lease is recognised. The part due after more than one year cannot be more than the whole. The two accounts must be two different liability accounts, the first reported with creditors due within one year and the second with creditors due after more than one year, and neither may be a control account such as trade creditors. The asset must be chosen, and must be on the company's fixed asset register. If the account you use for the part due after a year is not offered, set its line in the chart of accounts to creditors due after more than one year.

A new hire purchase contract

Add the asset to the fixed asset register at its cash price first, then add the agreement here and choose the asset. Recognising it posts the cash price to the asset's account against the liability, so do not post the purchase any other way. The rate is the one implicit in the agreement.

29.4 RECOGNISING A LEASE

Open the lease and press **Recognise the lease**, or **Record as exempt** for an exempt one. Recognition posts one journal on the day the lease is first recognised: the asset against the liability, with the costs, incentives, prepaid or accrued rent moved into the asset. The register makes the accounts it needs the first time, a right-of-use account and its

depreciation account for each kind of asset, one liability account for each lease named after it, one for the part of all of them due after more than one year, and accounts for the interest and the depreciation. The asset, depreciation and after-one-year accounts are protected: only the register posts to them.

Once recognised, a lease's figures are not edited. Its terms change through **Something changed**, which is dated and posts its own journal.

29.5 PAYING THE RENT

Code the rent to the lease's own liability account, **Lease liability**; and its name, with the VAT as usual. The rent pays off the liability rather than being charged as an expense; the expense is the depreciation and the interest. Where the lessor is a contact with only this lease, their bills start on that account.

The register looks for rent still coded as rent after the lease was recognised, by the lessor's contact and by their name on bank lines, and lists it by name. A bank rule that codes the lessor's payments to an expense can be pointed at the lease's account from the list.

29.6 VARIABLE LEASE PAYMENTS

Where a lease has payments that depend on use or sales, such as excess mileage on a contract hire vehicle or a turnover rent, they are charged as they fall due and left out of the liability. The note shows what they came to in the year, and the register cannot work that out, so it asks: choose the year end and enter the figure, nil included. The note waits for it.

29.7 THE MONTH-END JOURNALS

Choose a date under **Post the lease journals**, press **Show what it would post** to see each lease's interest, depreciation and move to the after-one-year account, and **Post**. One journal for the run. It posts the difference between the schedule to that date and what earlier runs posted, so a second run to the same date has nothing to post and a review recorded after a run is caught up by the next one. **Take back the last run** reverses it.

When a lease reaches the end of its term, the run takes its fully depreciated asset off the register.

29.8 THE TIES

Three things have to agree, and the register says which do not:

- The liability over any period: what was owed at the start, plus leases recognised, plus interest, less payments, plus or minus re-measurements, is what is owed at the end.
- The right-of-use cost less accumulated depreciation is the carrying amount, lease by lease and in total.
- The register agrees with the ledger on every lease account. This is compared once the journals have been posted to the date shown, or once there is nothing left to post to it:

a hire purchase settled early is posted to its settlement date by the settlement itself, and the register does not ask for a posting that would have nothing in it. A rent payment missing, dated late, or coded to an expense shows as a difference on that lease's account, and the lease says how much the schedule expected paid and how much has been coded.

The year-end accounts' pre-signature checks raise any tie that does not hold, and any rent still coded as rent, for a period on the amended section.

29.9 SOMETHING CHANGED

Open the lease and press **Something changed**.

EVENT	WHAT HAPPENS
Rent review to an index	The new rent from the review date. The liability is re-measured at the same rate, and the change goes to the asset.
Lease term reassessed	An option is now reasonably certain to be taken, or no longer is. The liability is re-measured at a revised rate at that date, and the asset is depreciated over the new term. A break the company now means to use is recorded this way, with what is paid to leave.
Lease modified	The terms were changed by agreement. Re-measured at a revised rate; where the scope was reduced, give the part given up, and that part of the asset and liability comes off with any difference to profit or loss.
Ended early	Ended now, by agreement with the lessor rather than under a break in the lease. The asset and the liability come off. What is paid to end it is the last payment; code the payment itself to the lease's account. The difference is a gain or a loss.

Where a re-measurement reduces the liability by more than is left of the asset, the asset goes to nil and the rest goes to profit or loss.

A break, and a payment to leave

Which way it goes depends on what was expected when the lease went on the register.

- **The break was always expected.** Where the company was reasonably certain from the start to use a break, the term runs to the break and the payment to leave is the final payment on the lease itself. Nothing changes when the day comes: the liability and the asset run down to it, and the payment clears the liability.
- **The break is used when it was not expected.** When the company decides to use it, in practice when it serves notice, record **Lease term reassessed** from that date. Give the term to the break, the number of payments left in it, the revised rate, and what is paid to leave, which falls on the last day of the revised term. The payment is one of the lease payments, so it goes into the re-measured liability, and the change goes to the asset. The asset is then written off by the break, and the payment clears the liability on the day. It replaces any final payment the lease had.

- **There is no break, and the lessor agrees to let the company go.** Record **Ended early** on the day it ends, with what is paid.

Where something is paid to leave or to end a lease, say how much of it is capital for corporation tax. A lump sum paid to be released from a lease is generally capital (*Mallett v Staveley Coal & Iron Co Ltd* (1928) 13 TC 772). Nil is an answer. A hire purchase agreement settled early is not asked, because its asset and its allowances are in the fixed asset register.

Dilapidations are separate. The restoration provision is settled when the amount is agreed, and any difference goes to profit or loss.

29.10 CORPORATION TAX

The depreciation of a right-of-use asset and the interest on the liability are allowed, because the relief for rent follows the accounts. The computation leaves them in the profit, and adds back only the part of the depreciation that writes off a capital cost carried in the asset, in the proportion that cost bears to the asset. A hire purchase asset is depreciated in the fixed asset register, where its depreciation is added back as ever and capital allowances are claimed on it; its interest, posted by the register, is allowed.

A capital amount paid to leave follows the asset. The capital part of a payment to leave at a break is written off as the asset is depreciated to the break, and is added back with the rest of the capital part of the depreciation. When a lease ends early, the capital part of what was paid to end it, and any capital cost still in the asset, reach profit or loss on the day, through the gains and losses on lease changes. The computation adds them back on a line of their own. Over a lease's life, what is added back is exactly the capital amounts you gave, no more.

What is taken to retained earnings when the amended section is first applied is brought into the computation over a spreading period, under Schedule 14 to Finance Act 2019: each lease's share of the adjustment applied to its unexpired term, the results added together, and each period taking its days' share, to the pound, with the last period taking what is left. It has a line of its own in the computation. For most companies it is nil, because on transition the asset is the liability adjusted by rent prepaid or accrued, and nothing reaches retained earnings unless an asset was impaired at the date of initial application.

The part of the adjustment not yet brought into tax is a deductible timing difference, and the deferred tax working on the Corporation tax screen includes it. The tax on it goes to retained earnings in the first year, as the adjustment did (FRS 102 29.22).

29.11 IN THE ACCOUNTS

Right-of-use assets sit in tangible fixed assets and appear in the fixed asset note in columns of their own; lease liabilities sit in creditors, due within one year and after more than one year.

For a period on the amended section, a Section 1A set gives:

- **A leases policy**, written from the register where the company has none of its own: the exemptions it actually claims, the rates it actually uses, and hire purchase where there is some. A policy you have written is never replaced.
- **A leases note**, from the register: a general description of the significant leasing arrangements (FRS 102 1AC.31A); the expense relating to short-term leases, to leases of low-value assets and to variable lease payments left out of the liabilities (1AC.32A); and the commitments under the exempt leases, which are not on the balance sheet (1AC.28). Write your own description in a note headed **Leases** and it replaces the register's, with the figures kept beside it.
- **In the first period**, the transition (1.50): the date of initial application, that comparatives were not restated, how leases previously classified as operating and as finance leases were brought over, and the effect on the profit for the year of applying the amended section (1.44(a)).

The note is refused rather than printed while the register does not agree with the ledger at the year end, while a lease is still a draft, or while a figure it needs has not been given. The reason shows where the note would be, and the filing check refuses the filing with it: a set of accounts with lease liabilities on the balance sheet and no leases note is not the set to file.

In the iXBRL file, lease liabilities are tagged as lease liabilities, within one year and after more than one year, and the right-of-use columns of the fixed asset note are tagged as right-of-use assets of their class. Where an owned asset of the same class sits beside them, its column is tagged as owned, so the two are never read as one. The three expense lines of the note carry the elements the FRC's taxonomy gives FRS 102 20.80(b), (c) and (d). The description of the leases is tagged as the company's significant leasing arrangements, and in the first year the transition, with its effect on the profit, as the change in accounting policies. The commitments sentence is printed without a tag: the taxonomy analyses those commitments by exemption and by when they fall due, and the Section 1A note gives one total. The check lists it, and it can be tagged by hand.

29.12 HANDING THE BOOKS OVER

The lease register travels in a handover file: the leases, what happened to them, the month-end runs and the variable payments entered for each year, with their journals. The framework for the year does not, because it belongs to the accounts, so set it on the receiving side before posting anything there.

A refresh replaces the register whole, because a lease is one thing with a life of its own rather than a row per month. It is refused where this copy holds a lease, a change to a lease, a run or a year's variable payments that the client's file does not, and the refusal names the lease. Where part of the year has been filed, the journals in the filed period stay as they are, and the register comes back under the same leases, so those journals still name the lease they were posted for.

Tracking

Tracking, in the sidebar, puts a second label on a posting beside the account: which property, which site, which department. It answers the question a code on its own cannot, which is how each one of them is doing, and it answers it without putting sixty versions of "Repairs" in the chart of accounts.

30.1 BEFORE YOU START

Nothing has to be set up before a category can be created. For the report underneath to show anything, postings have to be tagged to options as they are entered: on a bill line, an invoice line, a bank line or a journal. Adding and archiving categories and options needs the manage settings permission.

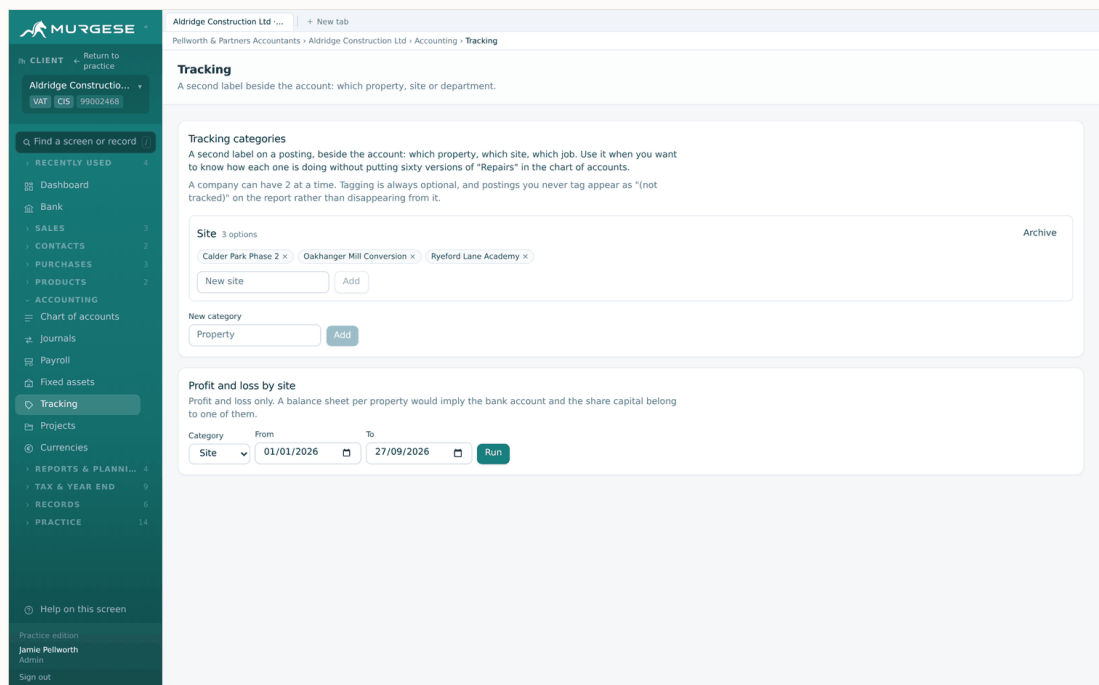


Figure 27 Two categories with their options, and the profit and loss for one of them below. The figures shown are invented.

30.2 THE SCREEN

The top panel lists the tracking categories, with a line saying how many a company may have active at a time, which is **two**. Each category gets a panel of its own showing its name, how many options it has and an **Archive** button.

Underneath sit the option chips, each with an **x** to remove it, or to archive it where it has already been used. Only the first twelve are drawn, followed by "and N more", because a property company brought over from another package can have five hundred of them. Below the chips is a box to add another option, and below the categories a box to add another category, which appears only while fewer than two are active.

The lower panel is **Profit and loss by category**: a category picker, a **From** and a **To** date, and **Run**.

30.3 SETTING UP A CATEGORY

1. Type the name of the category, such as Property, Site or Department, and press **Add**.
2. Add an option for each property, site or department.
3. Tag postings to options as you enter them.

Duplicate names are refused by name, so the message reads "There is already a category called Property" rather than something about a constraint.

30.4 READING THE REPORT

1. Choose the category.
2. Set **From** and **To**.
3. Press **Run**.

The report gives one row per option with its income, its costs and its result, and each row opens to show the accounts behind it. Below the options sit an italic (**not tracked**) row and a total.

That total is the whole profit and loss for the period, tagged and untagged together, so it agrees with the profit and loss report line for line. The untracked residual is shown and never hidden: a report that quietly drops what nobody labelled is a report that stops adding up, and nobody notices which of the two happened.

30.5 WORTH KNOWING

Tracking is profit and loss only. There is no balance sheet by category, and that is deliberate rather than unfinished. The bank account and the share capital belong to the company, not to a flat, so splitting them between properties would be an invention. What tracking gives you is income, cost and result per option, and nothing else.

Tracking is also not double entry. Nothing has to net to nought across the options: a bank payment tagged to one flat has an untagged other side, and that is correct rather than a defect.

The limit of two active categories is copied from Xero rather than invented. A company migrating in cannot bring more than two, and a third here would have nowhere to go if the client ever moved back.

An option that has been used is archived rather than deleted. The tag sits on historical journal lines for ever, so deleting it would leave postings pointing at nothing and would change last year's reports. The remove button says so, and the refusal comes from the server so the screen cannot offer something the ledger will not do.

The full statement, with a column per option rather than a row, is a separate report in the report library. It shares this computation, and it lives there because that is where somebody goes looking for a statement to put in a file.

Find and recode

Find and recode, under Accounting in the sidebar, finds transaction lines that match a set of conditions and changes their account, their VAT or their tracking together. It is the screen for the year-end tidy: every line posted to general expenses that should have been repairs, every bank payment to one supplier coded at the wrong VAT, every bill for one property that was never tagged.

31.1 BEFORE YOU START

Finding needs nothing more than the right to see the books. Recoding moves figures in the ledger, so it needs the post to ledger permission, the same one that un-codes a bank line or corrects a journal.

31.2 FINDING LINES

1. Press **Add a condition** and choose what to find by: type, status, account (is or is not), bank account, date, transaction total, VAT rate, entered by, contact, invoice number or reference, description, or a tracking tag.
2. Fill it in. Add as many as you need.
3. Choose whether a line has to match **All** of the conditions or **Any** of them.
4. Press **Search**. It stays greyed out until a condition says something.

The lines found are the lines of sales invoices and credit notes, bills and supplier credit notes, coded bank payments and receipts, and manual journals. A voided document, a deleted bank line and a journal that has since been corrected are not lines of the books and are not found.

Entered by means who approved an invoice or bill, or who posted a journal. A bank line does not record who coded it, so it is never found by that condition.

31.3 LOCKED LINES

Everything on or before the lock date is locked, because the period it is in has been reported: a VAT or CIS return has been filed, corporation tax has been posted, or the accounts have been approved. The line above the **Search** button says which date and why.

Locked lines are left out of the results and counted. Tick **Show locked transactions** to see them; they are marked with the reason and cannot be ticked.

31.4 RECODING

1. Tick the lines to change, or tick the box in the heading for every line that can be changed.

2. Under **Recode**, choose the new account, the new VAT or a tracking tag for each category. Anything left as it is stays as it is. **Take the tag off** removes a category's tag.
3. Press **Show what will happen**. Each line then says how it would be changed, or why it cannot be.
4. Press **Recode**. Each line says what was done, and the run goes on the history below.

A posted line is never rewritten. The ledger shows what was there and what it became:

THE LINE	WHAT RECODING DOES
An approved invoice, credit note or bill	A recode entry on the document's own date moves the line's figure from the old account to the new one, and the line on the document changes to match. A void later takes the recode out with everything else.
A draft invoice or bill	The line changes. Nothing has been posted.
A coded bank line	The coding is reversed on the line's own date and the line coded again, with the VAT worked out again from the amount paid where you changed it.
A manual journal	The journal is reversed on its own date and posted again with the change.

Changing only a tag on an approved invoice or bill changes the tag on the line and on its posting, exactly as the document screen does. No figure moves.

31.5 WHAT IS NOT CHANGED HERE

- **The VAT on an approved invoice or bill.** A VAT invoice sent to a customer is corrected by a credit note and a new invoice, and a bill records what the supplier charged. Where a bill was keyed wrongly, void it and enter it again. On a draft, change the VAT by opening it, where the totals are worked out again.
- **A bank line split across accounts, a transfer between the company's own accounts, and a payment or receipt matched to an invoice or bill.** Change these on the bank screen.
- **A control account as the new account**, and a bank account. Their balances are the sum of the documents behind them.
- **A line brought in by a migration**, whose figures are in the opening balances rather than posted line by line.

31.6 THE HISTORY

Recode history lists every recode, newest first, with when, who, what was changed and how many lines were recoded. Open one to see each line and what happened to it. Every recode is also on the audit trail against the document, bank line or journal it changed.

Projects and contracts

Projects, in the sidebar, is job costing for contractors. A project holds a price, a cost budget, the variations that moved the price, the retention the customer is holding and what the job is forecast to make. Tag an invoice line or a bill line to a project and it appears here.

32.1 BEFORE YOU START

Projects is part of every licence, the free trial included; there is nothing to buy or switch on. If a subscription has lapsed, creating or changing a project waits for the renewal like any other new entry, and projects already on file stay readable, printable and exportable.

You also need contacts, so a project can carry the customer it is for, and income and expense accounts, so a cost budget can be built out of them.

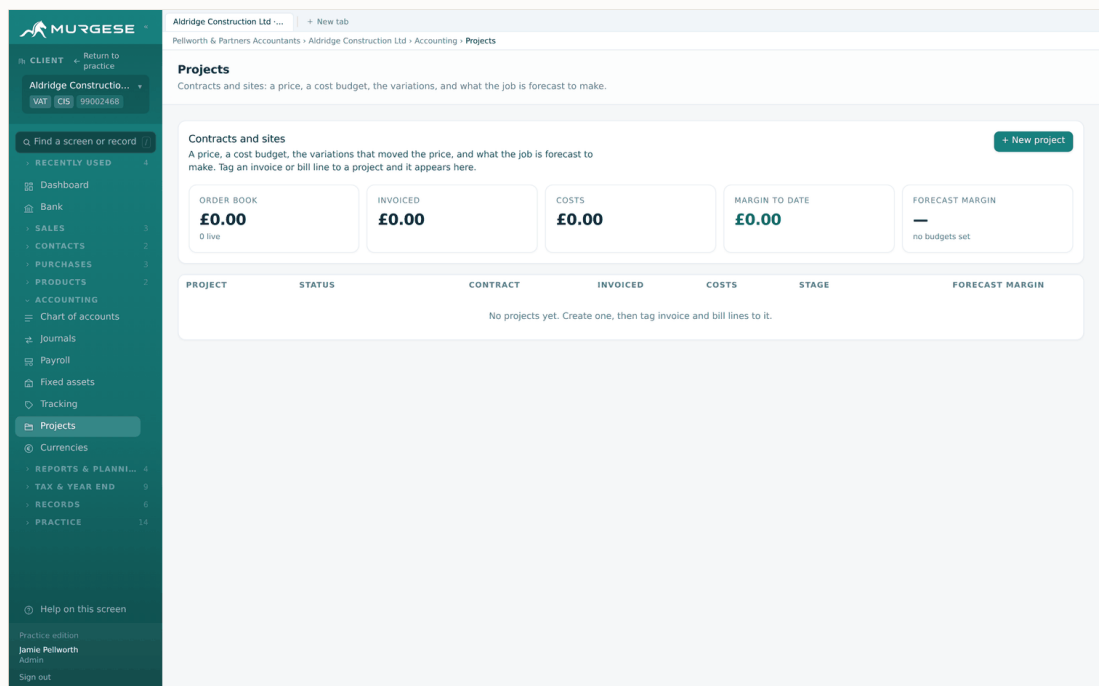


Figure 28 The portfolio with the order book, margin to date and forecast margin, and the caveats that travel with them. The figures shown are invented.

32.2 THE SCREEN

The portfolio opens on five tiles: **Order book** with a count of live jobs, **Invoiced**, **Costs**, **Margin to date** and **Forecast margin**. Where no job has a budget the last of those reads as a rule rather than a figure, with "no budgets set" beside it.

A line of extras appears where it applies: retention held by customers, work done and not yet billed or billed ahead of the work, and "N jobs are over budget" in red. Below that sits the caveat list, and then the table: the project with your own job number, its status, the contract value, invoiced, costs, the stage as a percentage, the forecast margin and a link to open it. Rows over budget are shaded.

32.3 SETTING A PROJECT UP

1. Press + **New project**.
2. Enter the name, your job number, the customer and the contract value, excluding VAT.
3. Set the status: Quoted (not won yet), Active, On hold, Completed or Cancelled.
4. Enter the start date, the target completion and, once it happens, the practical completion, which is what retention is released by reference to.
5. Enter the retention percentage and the defects period in days.
6. Open the project, add a cost budget account by account, and press **Save budget**.

Clearing a budget figure removes that account from the budget. Tag invoice and bill lines to the project as you enter them.

32.4 THE PROJECT ITSELF

Above the detail are four tiles: contract, invoiced, costs and forecast margin. Below them a grid gives the original value, approved variations, proposed variations that are not counted, the budgeted cost, what is committed on purchase orders, the cost to complete, the stage of completion, work not yet billed or billed in advance, the retention expected and the retention due. The caveats sit under it in amber.

Budget against actual takes a searchable account picker to add a row, and then shows the budget, which you type, the actual and the variance for each account.

Variations takes a reference, a description, a value and any added cost, with **Approve** and **Reject** buttons on each. A proposed variation is never added to the contract value. It is not income until somebody has agreed it.

At the foot is **Archive project** where the project has postings against it, or **Delete project** where it has none.

32.5 WORTH KNOWING

Actuals come from the journal and from nowhere else. Income and cost are summed from journal lines rather than from the documents, because adding both is the classic way a job costing report doubles every figure on it.

Everything on this screen excludes VAT. Letting it into a margin makes every margin wrong by a fifth.

No figure is invented to fill a gap. A project with no budget has no stage of completion and no forecast margin, and those come back as a rule with the reason stated rather than as nought or as a hundred per cent. A £0.00 variance would read as a job exactly on budget, which is a different thing from a job nobody has budgeted.

An overrun is shown rather than capped. Costs past the budget give a stage of completion over 100%, and that is the number reported. Revenue recognition is capped at the contract value, because the customer has not agreed to pay more than that.

Quoted and cancelled projects are listed but kept out of the order book. A quote is not work, and including either would overstate the one figure on this screen somebody might take to a bank.

Committed costs are matched to purchase orders by project rather than line by line, because nothing in the product links a bill line back to the order line it came from. They are a floor rather than an exact figure, and a caveat on the screen says so.

Retention is the contract percentage applied to what has been invoiced, so it is a forecast of what the customer is holding rather than a posted balance.

WORTH KNOWING

A project is not a third tracking category. A contract has an agreed price, a cost budget, variations, retention and a stage of completion, and none of those can be carried by a label on a posting. Where all you want is income and cost per site, use tracking instead.

Foreign currency

Currencies, in the sidebar, holds three things: which foreign currencies this client deals in, the exchange rates it uses, and the retranslation of foreign balances at a period end.

The books are always in sterling. A euro invoice is a euro document and a sterling debtor: the foreign amount and the rate are held on the document, and the ledger holds the sterling. The alternative, a currency column on every journal line, is how a small accounting product acquires a class of defect it can never fully clear, from a trial balance that balances in one currency and not another to a VAT return quietly filed at the wrong rate.

33.1 BEFORE YOU START

Multi-currency is part of every licence, the free trial included; there is nothing to buy or switch on. If a subscription has lapsed, switching a new currency on or entering a new rate waits for the renewal like any other new entry, while everything already recorded stays readable, printable and exportable and existing foreign documents can still be settled. Switching a currency **off** never needs an active licence, because a company whose subscription has lapsed must still be able to tidy up.

Rates and retranslation only appear once at least one currency is switched on.

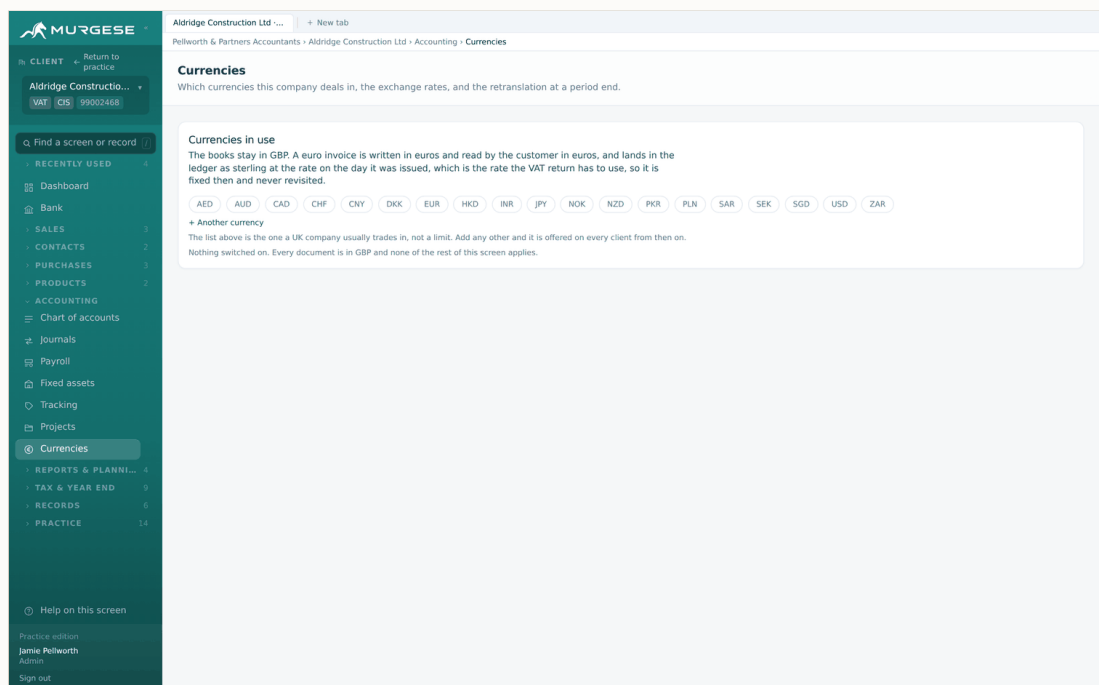


Figure 29 The currencies in use, the rate table with the reciprocal beside each rate, and the retranslation at a period end. The figures shown are invented.

33.2 THE SCREEN

Currencies in use is a chip per currency in the catalogue, ticked where it is on. + **Another currency** takes a three-letter ISO code, an optional symbol, a name and the number of decimal places it is written with. Currencies the firm has added itself are listed underneath with a Remove link.

Exchange rates has a **Get this month's rates** button, which asks HMRC, and boxes to type one by hand: the currency, the date it applies from, and how many units make one pound. The table beneath gives the currency, the date it runs from, the rate to £1, what £1 buys, the source as either an HMRC badge or "Entered here", and a Remove link.

Retranslation at a period end takes a date, and lists each debtor, creditor and bank balance in a foreign currency: what is outstanding in its own currency, what is in the books, what it comes to at the closing rate, and the difference, with a net line at the foot. **Review and post** restates the journal before anything is written, and an "Already posted" history sits below.

33.3 SETTING THE CURRENCIES UP

1. Click the chip for each currency this client trades in. Where one is missing, press + **Another currency** and type its three-letter code.
2. Press **Get this month's rates**, or type a rate: the currency, the date it applies from, and the units per pound.
3. Check the reciprocal printed beside the rate.
4. A bank account held in another currency is added from the Bank screen or the chart of accounts, choosing the currency in the **Held in** box. Every currency is offered there, and choosing one that is not yet switched on switches it on as the account is saved. See the Bank chapter.

A rate is **how many units make one pound**. EUR 1.17 means £1 buys €1.17, so sterling is the foreign amount divided by the rate. That is HMRC's own direction, chosen so a rate copied straight off their table goes in without anybody having to invert it. Inverting a rate in your head at half past four on the day a return is due is how a return goes out by a factor of 1.37. The reciprocal is printed beside every rate because that is how most people hold a rate in their head, and seeing both is what catches one entered upside down.

On an invoice or bill in another currency every amount is in that currency, the unit prices included, and the unit price column is headed with its symbol: **Unit €**, **Unit \$**. The panel at the foot says what the document will land in the books as, in pounds.

A document uses the latest rate on or before its own date, fixed at the issue date and never revisited afterwards, because that is the rate at the tax point and the rate the VAT return has to use.

33.4 RETRANSLATING AT A PERIOD END

1. Set the date under **Retranslation at a period end**.

2. Read the table: what each balance is in its own currency, what the books say, and what it is at the closing rate.
3. Press **Review and post**, check the journal in the confirmation, and post it.

Nothing is posted until the report has been read. "£757.58 gain" on its own is not something anybody can check.

The retranslation is reversed the next day, on purpose. Its job is to make one date right, the balance sheet date, where FRS 102 requires monetary items to be stated at the closing rate. It is not there to restate the invoice. Left in place, every later settlement would have to unwind the unrealised part, and the answer looks plausible whatever it is. Both journals appear on the general ledger, linked to each other, and in the audit trail.

A retranslation cannot be posted twice at the same date. The refusal says why: the difference would be counted twice.

33.5 WORTH KNOWING

There is no rate feed, deliberately. The application does not need the internet to work, and a background download that fails quietly is worse than a box somebody fills in. HMRC is asked once on the way in where there is nothing on file for the month, and where they cannot be reached nothing is said, because an on-premise application with no internet connection is a normal state rather than a fault. Fetching a month's table stores only the currencies this client uses, and never overwrites a rate somebody typed.

A rate that looks upside down is saved and then questioned, never refused, because a currency really can be worth more than a pound. The warning shows the reciprocal and leaves the decision to you.

Overriding a published rate is written to the audit trail with what it replaced and whether that came from HMRC. "Changed the June euro rate from HMRC's 1.1719 to 1.1800" is a sentence somebody can be asked about three years later.

The screen only warns about a missing or stale rate for a currency there is actually a balance in. A warning nobody needs is a warning nobody reads.

The three-letter code is checked against ISO 4217 in the browser and again on the server. The name and the decimal places are read from the standard rather than asked for, because they are facts, and holding them in two places is how the euro comes to be written with three decimal places on one screen and two on the next.

CAREFUL

Adding a currency adds it for the whole installation, and removing one removes it everywhere. In the Practice edition that means every client on the list, which is why removal is a dialogue that says so on a screen that otherwise belongs to one client. The server refuses to remove a currency anything is still counted in, and names what. Switching one off that is in use is refused for the same reason: a euro invoice with no euro rate is a document nobody can settle, revalue or explain.

Budgets

Budgets, in the sidebar, holds what you expect each account to do, month by month, for one financial year. The management accounts and the cash forecast both read the budget marked as the one in use, so this is the screen that makes their variance and their trading lines mean anything.

34.1 BEFORE YOU START

Nothing has to exist first, though last year's figures make the "spread it in the shape of last year" option worth having. Creating, editing and deleting a budget needs the manage settings permission, and exporting needs the export permission.

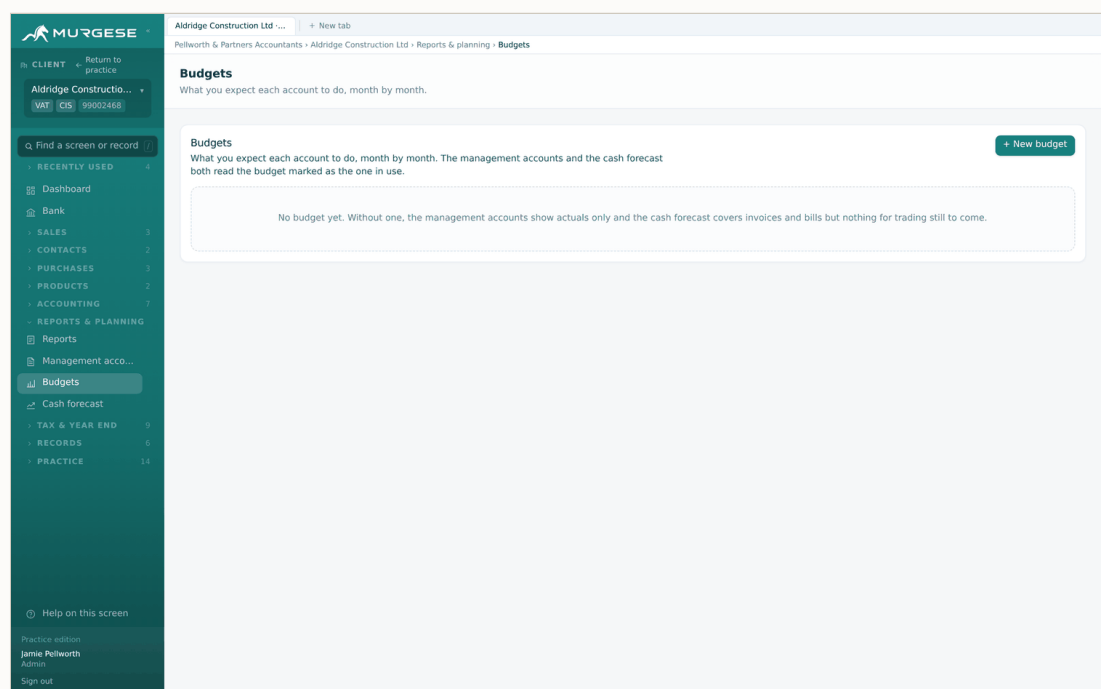


Figure 30 A budget grid with the twelve months, the year total and last year's actual beside each account. The figures shown are invented.

34.2 THE SCREEN

Import..., beside **+ New budget**, brings a budget in from a spreadsheet. A row of chips across the top gives each budget for this client, showing the year end it runs to and "in use" against the active one. Clicking a chip opens its grid.

The grid has one row per account and twelve month columns, labelled backwards from the year end, so a 31 March year end starts in April. After the months come **Year**, which is the row total, and **Last year**, which is the same account's actual for the year before. At the end of each row is a **Spread** link.

Each month cell takes pounds. A blank cell is nil. Figures go in the way you would say them out loud: income positive, costs positive. The ledger itself is debit positive, so actuals are flipped once on the way out and never again.

Below the grid are **Export to Excel**, **Save as PDF**, **Use this one** and **Delete**. The PDF is landscape, because fourteen money columns will not go on a portrait page.

34.3 BUILDING A BUDGET

1. Press + **New budget**, give it a name, set the year end and press **Create**.
2. For each account either type the twelve months, or press **Spread**, enter the annual figure, choose **In the shape of last year** or **Evenly across the twelve months**, and press **Spread**.
3. Press **Use this one** if it is not already the one in use.
4. Export to Excel or save the PDF where the client needs a copy.

34.4 IMPORTING A BUDGET FROM A SPREADSHEET

The file has the accounts down the side and the months across the top, which is how **Export to Excel** writes a budget, so the simplest way is to export a budget for the year (an empty one is a template in this client's own codes), fill it in and bring the same file back. A sheet from other software in the same shape reads too. Excel workbooks and CSV files are both taken; a workbook with more than one sheet asks which.

1. Press **Import...** and choose the file.
2. Choose where the figures go: into the budget that is open, replacing its figures, or into a new budget, which becomes the one in use for its year. A new budget takes its year from the file's own months where they run twelve in a row, and the year end can be changed.
3. Read what was found: each row of the file against the account it was matched to, with its year total. A row matched by the account's name rather than its code says **by name**.
4. Press **Replace the figures in...** or **Make the new budget**.

Nothing is written until step 4, and nothing at all is written while anything is wrong with the file. What stops it, each said with the row it is on: an account this client does not have; an account that is not income or expenditure; the same account twice; a code that names one account and a name that names another; a cell that is not a figure; a month column outside the budget's year, a month twice or a month missing; and months that do not add up to the row's own Year or Total column. Total rows, such as Total Turnover or Net profit, are passed over and said to be, because they are worked out from the accounts. Replacing a budget's figures leaves any account the file does not mention at nil, and the window says how many that is first. The import is one line on the audit trail.

Spreading evenly puts the rounding remainder in the last month, so the twelve months add to the year exactly. Spreading in the shape of last year falls back to even where the account had no activity last year, rather than putting the whole year into whichever month happens to come first.

34.5 WORTH KNOWING

The budget is per month rather than per year on purpose. A straight twelfth makes a seasonal business £40,000 behind budget every February and £90,000 ahead every June, and a client who is shown that learns to ignore the report.

Only one budget per year is the one the reports read. A second budget for the same year is a revision, and which of them counts has to be somebody's decision rather than whichever was saved last, so creating a budget for a year deactivates the others for that year.

The empty state says what you lose by having no budget at all: the management accounts show actuals only, and the cash forecast covers invoices, bills and tax but nothing for trading still to come.

The Excel workbook and the PDF are built on the server from the same grid the screen reads, so the spreadsheet and the screen cannot become two opinions about the budget.

A cell commits when you click away from it, and only where the figure actually changed. Tabbing across a row used to fire sixty round trips.

WORTH KNOWING

A second budget for the year is also what the Scenario Comparison report reads. It puts two budgets side by side against the actual, and where only one exists for the year it says so rather than drawing half a table.

The cash forecast

Cash forecast, in the sidebar, says where the bank balance goes over the next thirteen weeks or the next twelve months. It is built entirely from things already in the books. Nothing is typed into it, which is why it is never out of date.

35.1 BEFORE YOU START

Bank accounts must exist, because they supply the opening balance. Everything after that is a layer: unpaid invoices and bills, recurring documents, VAT and PAYE registration, and a budget. With no budget the forecast covers documents and tax but nothing for trading still to come, and it says so in its own assumptions rather than leaving you to notice.

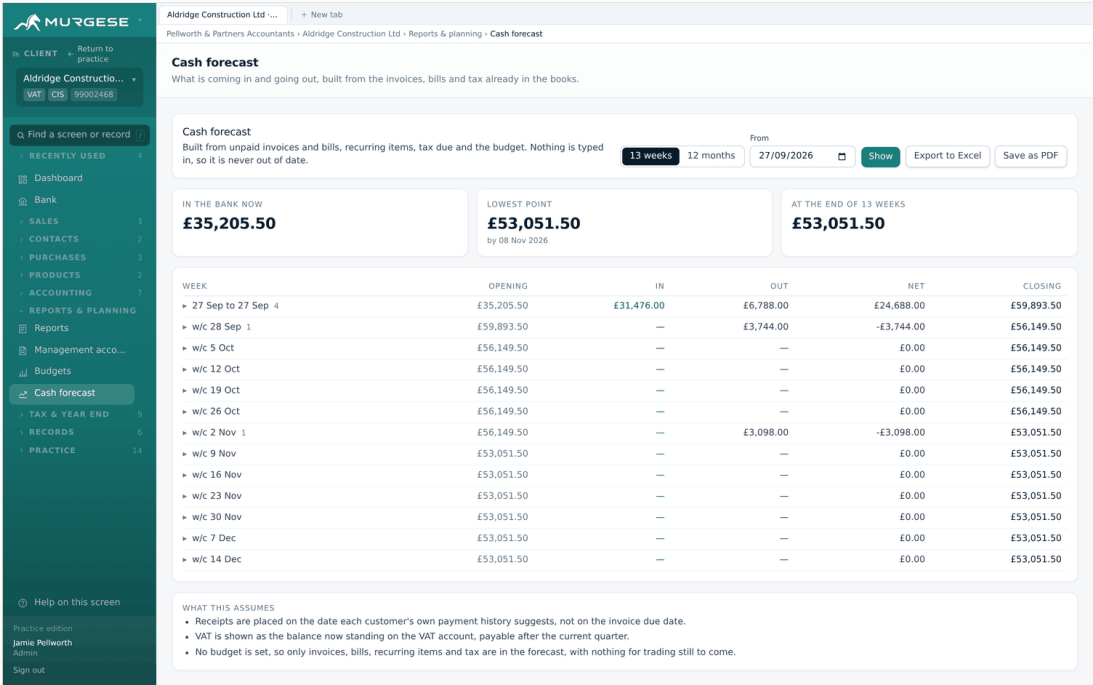


Figure 31 Thirteen weeks of opening, in, out and closing balances, with the lowest point named above them. The figures shown are invented.

35.2 THE SCREEN

A toggle chooses **13 weeks** or **12 months**. Thirteen weeks is for managing the next quarter. Twelve months is for a lender, who wants a year and does not care which Tuesday. Beside it are a **From** date, **Show**, **Export to Excel** and **Save as PDF**, the last of which is landscape.

Three tiles sit above the table: **In the bank now**, **Lowest point** with the date it falls on, printed red where it is negative, and the closing figure at the end of the period. Where the balance goes below nought a red banner names the amount and roughly when.

The table gives the week or the month, then **Opening**, **In**, **Out**, **Net** and **Closing**. Rows that close negative are shaded red. Clicking a row opens the individual items behind it.

Each item carries its date, its label, its detail and a coloured **basis** badge saying why it is there: an invoice or bill, an invoice timed on how that customer usually pays, a recurring document, tax, or the budget. Under the table sits **What this assumes**, which is the assumption list the server built the figures from.

35.3 READING A FORECAST

1. Choose 13 weeks or 12 months.
2. Set the **From** date and press **Show**.
3. Read the **Lowest point** tile first. It is the only figure on the screen that decides anything.
4. Click any tight week to see the lines driving it.
5. Export to Excel or save the PDF for the bank.

35.4 WHERE THE FIGURES COME FROM

Four sources, in descending order of how much weight they carry.

SOURCE	WHAT IT CONTRIBUTES
Unpaid invoices and bills	The most reliable layer: documents already raised, placed on the date they are expected to settle.
Recurring documents	Invoices and bills that will be generated because a template says so.
VAT and PAYE	The two things most often forgotten in a hand-built forecast. A VAT quarter landing in week six is exactly what this screen is for.
Budgeted overheads	Trading still to come. A plan rather than a fact, and labelled as one on every line.

The question the forecast answers is **when**, not whether. A receipt is placed on the date that customer's own payment history says it will arrive, being their average lateness across recent settled invoices, capped so that one ancient bad debt does not push everything off the end of the period. Where there is no history the due date stands, which is optimistic but at least honest about being an assumption.

The budget is added only where it exceeds what has already been invoiced in a month, so budgeted trading and real documents are not counted twice. That sentence appears in the assumptions, on the screen, rather than only here.

35.5 WORTH KNOWING

Every line says on what basis it is in the forecast. A forecast whose numbers cannot be traced back is a spreadsheet with a nicer font, and the argument about whether a figure belongs there cannot be had unless the screen says where it came from.

The Excel and PDF exports are fetched from the server with the same query the screen sent, so the export cannot cover a different period from the one you were looking at. A pack built for a previous period is cleared before a reload rather than being left on screen.

CAREFUL

The forecast is built from what is in the books today. A month of purchase invoices still sitting in an email folder is a month of payments the forecast does not know about, and the lowest point will be flattering by exactly that much. Bring the records in first, then run it.

VAT and CIS

The two returns a UK contractor files most often, prepared from the ledger and checked before they go.

01	The VAT return	161
02	Filing under Making Tax Digital	167
03	Checking a return before and after	170
04	Setting up for CIS	174
05	The CIS monthly return	178
06	Payment and deduction statements	182

The VAT return

VAT return, in the sidebar, builds the nine boxes for one period out of the ledger, lists every transaction behind each box, reconciles the return to the VAT account, and records it as filed so the period closes. The figures come from the invoices, bills and coded bank lines already in the books, so the work is reading them, questioning the ones that look odd, and deciding what to do about what a ledger cannot know.

36.1 BEFORE YOU START

The client must be ticked **This company is registered for VAT** on Settings. Until it is, the screen says only that it is not registered. The rest of that panel decides what this screen produces.

SETTING	WHAT IT DECIDES
VAT registration number	The number the return is filed under.
How often returns are filed	Quarterly, monthly, or annually.
Registered from	The effective date on the certificate. The period is clamped to it, and the narrowing is reported rather than silent.
Deregistered on	Blank while the registration stands. Setting it produces a final return to that date and stops later ones.
Quarters end in	The stagger HMRC gave you. Until it is set, the period list assumes the quarters follow the year end and says so.
VAT scheme	Standard, cash accounting, or flat rate.
Northern Ireland Protocol	Off for nearly every business. With it off, boxes 8 and 9 are nil.

A client brought across from another package also needs **Returns prepared here from**. Migrated documents dated before it are held back and the number is stated, so a page of noughts never sits above a document list plainly carrying VAT. A flat rate client needs the sector, the percentage and the limited cost business tick.

VAT return

The nine boxes for a period, and what is behind each one.

Period: 01 Jul 2026 to 30 Sep 2026 (not ended) Different dates

Standard (invoice) basis - Quarterly **Mark as filed...**

Export to Excel Save as PDF

For the client to approve before the return is filed. The workbook has three sheets: the return, the transactions under each box, and the same transactions by tax rate. The PDF is the first two.

The return Transactions by VAT box Transactions by tax rate

WORTH CHECKING BEFORE YOU FILE

- £22100.00 of purchases are under the domestic reverse charge, so £4420.00 appears in box 1 and the same figure in box 4.

RATIO CHECKS

VAT on sales against total sales: 9.1% (usually about 20%)
Below the standard rate, which is normal where there are zero rated, exempt or outside-scope sales. Worth confirming the split is what you expect. The reverse charge has been taken out of this comparison, because it puts VAT in the box with no net of its own.

VAT reclaimed against total purchases: 4.6% (usually about 20%)
Below the standard rate, which is normal where there are zero rated or exempt purchases, or purchases from suppliers who are not registered. The reverse charge has been taken out of this comparison, because it puts VAT in the box with no net of its own.

UNUSUAL CODING, AND WHAT IS NOT ON THE RETURN

	Adjust	
1 VAT due in this period on sales and other outputs	Adjust	£8,996.00
2 VAT due in this period on acquisitions of goods made in Northern Ireland from EU member states	Adjust	
3 Total VAT due (boxes 1 and 2 added together)		£8,996.00
4 VAT reclaimed in this period on purchases and other inputs (including acquisitions in Northern Ireland from EU member states)	Adjust	£5,898.00
5 Net VAT to pay to HMRC or reclaim (difference between boxes 3 and 4)		£3,098.00
6 Total value of sales and all other outputs excluding any VAT	Adjust	£50,280.00
7 Total value of purchases and all other inputs excluding any VAT	Adjust	£31,838.00 £31,838.50 to the penny, filed in whole

Figure 32 The nine boxes for one quarter, with the period picker, the ratio checks and the review points above them. The figures shown are invented.

36.2 THE SCREEN

Period is a dropdown of this company's own VAT periods, worked out from its scheme and its stagger, each marked "(filed)", "(to do)" or "(not ended)". The list is derived rather than typed: a company whose quarters end in February, May, August and November would otherwise be offered 1 April to 30 June, and somebody would have to notice every time. **Different dates** gives two date boxes.

Beside the picker, a caption states the basis and the frequency, a badge counts any late claims, and there is **Mark as filed** or a **Filed** date. The nine boxes below carry HMRC's own wording and order.

BOX WHAT IT HOLDS

- 1 VAT due on sales and other outputs
- 2 VAT due on acquisitions of goods made in Northern Ireland from EU member states
- 3 Total VAT due, being box 1 plus box 2
- 4 VAT reclaimed on purchases and other inputs
- 5 Net VAT to pay or reclaim, being box 3 less box 4
- 6 Total value of sales and all other outputs excluding VAT
- 7 Total value of purchases and all other inputs excluding VAT
- 8 Total value of dispatches of goods from Northern Ireland to the EU
- 9 Total value of acquisitions of goods into Northern Ireland from the EU

Boxes 3 and 5 are derived and cannot be adjusted: adjusting either would file a return whose own arithmetic does not hold. Boxes 2, 8 and 9 can be typed over, and 8 and 9 carry a sub-caption saying which they are: nil because the company is not under the Protocol, the figure from the books, or a figure overriding it.

Boxes 6 to 9 are shown in **whole pounds, truncated**, because that is how they are filed. Where pence were dropped the row says so, in the form "£16,702.81 to the penny, filed in whole pounds", and where an adjustment moved a box the row says what it was. Below them, **To pay HMRC** or **To reclaim from HMRC** gives box 5 as a positive figure with the direction in words.

36.3 PREPARING A RETURN

1. Choose the period from the dropdown. Do not type dates unless you have a reason to.
2. Read what sits above the boxes: reference issues, partial exemption, unclassified EU trade, migrated documents.
3. Type boxes 2, 8 and 9 if they need overriding, and add any adjustments, each with a reason.
4. Check the reconciliation and the ratio checks against the transaction lists.
5. Export the pack, send it to the client, and record the approval when it comes back.
6. Submit under Making Tax Digital, or file elsewhere and press **Mark as filed**.

MURGESE

Aldridge Construction Ltd ... + New tab

Pellworth & Partners Accountants > Aldridge Construction Ltd > Tax & year end > VAT return

VAT return

The nine boxes for a period, and what is behind each one.

Period: 01 Apr 2026 to 30 Jun 2026 (filed) Different dates

Standard (invoice) basis - Quarterly Filed 30 Aug 2026

Export to Excel Save as PDF

For the client to approve before the return is filed. The workbook has three sheets: the return, the transactions under each box, and the same transactions by tax rate. The PDF is the first two.

This period is filed and closed. The figures below are the ones HMRC holds. Anything that needs correcting goes on the next return, or unfile this one, below, if it genuinely has to be redone.

The return Transactions by VAT box Transactions by tax rate

WORTH CHECKING BEFORE YOU FILE

- £38650.00 of purchases are under the domestic reverse charge, so £7730.00 appears in box 1 and the same figure in box 4.
- This is a repayment return, with £6128.00 reclaimed. HMRC looks more closely at repayment returns, so it is worth checking box 4 before filing.

BOX	WHAT IT IS	ON THE RETURN	ROWS
1	VAT due in this period on sales and other outputs	£13,370.00	12 +
2	VAT due in this period on acquisitions of goods made in Northern Ireland from EU member states	£0.00	none
3	Total VAT due (boxes 1 and 2 added together) Boxes 1 and 2 added together	£13,370.00	—
4	VAT reclaimed in this period on purchases and other inputs (including acquisitions in Northern Ireland from EU member states)	£19,498.00	17 +
5	Net VAT to pay to HMRC or reclaim (difference between boxes 3 and 4) Box 3 less box 4	-£6,128.00	—
6	Total value of sales and all other outputs excluding any VAT	£76,800.00	6 +
7	Total value of purchases and all other inputs excluding any VAT	£102,068.00	20 +
8	Total value of dispatches of goods and related costs (excluding VAT) from Northern Ireland to EU member states	£0.00	none
9	Total value of acquisitions of goods and related costs (excluding VAT) made in Northern Ireland from EU member states	£0.00	none

FILED RETURNS

Period	Basis	Transactions	Net VAT	View	Unfile
01 Apr 2026 to 30 Jun 2026	Standard	24 transactions	-£6,128.00	View	Unfile

Figure 33 Every transaction behind each box, with reverse charge and late claim badges on the rows that carry them. The figures shown are invented.

36.4 THE CHECKS THE SCREEN RUNS

Four things sit between the boxes and the filing, and none of them says the return is wrong.

The ratio checks. Box 1 against box 6 and box 4 against box 7, being the effective rate of tax on sales and on purchases. Each gives the percentage, the range you would expect, and a level of OK, LOOK or CHECK. A rate below the standard rate is ordinary where there are zero rated, exempt or outside-scope supplies. A rate above it should almost never happen, and the usual causes are a VAT-inclusive figure entered as net, a credit note posted the wrong way round, or a line on the wrong treatment. Reverse charge VAT comes out of both tests first: it sits in boxes 1 and 4 with no net of its own, and would fire every quarter on a construction client.

The review points, headed as things worth checking before the return is filed: late claims, zero rated sales, exempt sales and the restriction those bring, purchases under the domestic reverse charge, a repayment return, and a nil return. They carry onto the Making Tax Digital confirmation, so the last thing read before the declaration is the same list.

Unusual coding, and what is not on the return. Collapsed until pressed, because opening it sweeps every document the company has raised. It gives the account, how it was coded, the lines, the net, and how that compares with the account's own history: "new to this account", or a percentage of it. Beneath are the three things not on the return at all: drafts, coded bank lines with no VAT treatment, and income outside the scope.

The reconciliation. Box 5 against the movement on the VAT account, the difference, how much of it is adjustments not posted, and what is left unexplained. Underneath, **What this return does not account for** lists the postings themselves. A VAT payment settling an earlier quarter is the common one, and the screen will not guess at it.

A late claim is on this return and its posting is dated in the earlier quarter it happened in. Where a return carries one, the panel shows the movement on the VAT account in this period, the late claims posted in an earlier period, and the two together as the figure compared with box 5, so a late claim carried correctly is not reported as a difference. The late claims' figures are read from the ledger as they were posted.

CAREFUL

Do not post a journal to make the reconciliation agree. The difference is evidence about the books, and a journal written to remove it takes away the evidence and leaves the cause behind.

36.5 ADJUSTMENTS

Adjust appears on boxes 1, 2, 4, 6, 7, 8 and 9. The dialogue asks for the box, the amount, where a negative figure reduces the box, and a **reason of between three and two hundred characters**, which is required. On a tax box there is a tick to post it to the ledger as well, with a picker for the other side. An unposted adjustment on a tax box is marked as such in the adjustments table, so the reconciliation and the return stay honest about each other.

Postponed import VAT has its own dialogue: the VAT postponed, the net value of the goods for box 7, and a reclaimable figure where **not all of it is recoverable**. It shows the box effects before saving.

Partial exemption is **reported, and applied by you**. The panel gives the directly taxable, directly exempt and residual input tax, the recoverable figure, the de minimis tests, numbered workings and the unattributed input tax. All of the input tax is counted: bills, coded bank lines part by part, and the input tax declared on both reverse charges.

Each piece of input tax needs a pot: taxable, exempt, residual or blocked. A bill line carries it, a bank line or a part of a split line carries it once coded, and an account's default fills a blank. Input tax with no pot is listed on the panel, and a bank line can be given its pot there with **Set. Adjust box 4 by** puts the restriction on the return as a posted adjustment.

A partly exempt return cannot be marked as filed or submitted while any input tax has no pot, or while box 4 does not carry the restriction. A reason given for filing without the client's approval does not get past either: they are not the client's decision but the arithmetic of the return.

36.6 THE DOMESTIC REVERSE CHARGE

Construction services between VAT-registered contractors are coded **Domestic reverse charge (CIS)**. The supplier raises the invoice net and charges no VAT. The customer accounts for the tax on both sides: the VAT into box 1 and the same figure into box 4, so it is cash-neutral but visible, and the net into **box 7 only**.

The reverse charge on services bought from abroad is a separate treatment because it behaves differently: the net goes into **box 6 as well as box 7**. Treating the two alike would understate box 6 on every return of a business buying software or advertising from overseas. Rows on either treatment are badged in the transaction lists.

36.7 CASH ACCOUNTING AND THE FLAT RATE SCHEME

The basis and the scheme are two questions. The basis is when a supply is recognised: the invoice date, or when the money moves. The scheme is how the boxes are built from it. Cash accounting changes the basis and leaves the arithmetic alone, the flat rate scheme changes the arithmetic and leaves the basis alone, and they can run together. On cash accounting the tax point is each payment, and a part payment carries a proportionate share of the VAT.

The flat rate panel gives the rate applied, the sector rate, whether the limited cost business rate is in use, whether the first year discount is running, the VAT-inclusive flat rate turnover, and any capital assets reclaimed in box 4. The turnover limit and the Capital Goods Scheme are watched and reported, and both warn without acting: the date a client leaves the scheme is a decision with a date on it, and changing it underneath a filed quarter would rewrite returns already sent.

Capital assets of £2,000 or more **including VAT** survive the scheme, and are found from fixed-asset coding rather than typed: on bills, and on bank lines coded to a fixed asset account, a split line included. The threshold is per purchase: two £1,200 assets on one bill, or two parts of one bank payment, make one £2,400 purchase and a claim, and a service in the same payment is left out of it. Each purchase is listed on the panel, with where it

came from. Reverse charge supplies sit outside the scheme, worked out separately and then combined.

36.8 THE APPROVAL PACK

Export to Excel produces a workbook of three sheets: the return, the transactions under each box, and the transactions by tax rate. **Save as PDF** produces the first two. Both come from the server in one request, so the export is the return rather than a second opinion built in the browser, and the figures stay to the penny there.

Where the firm has turned on analysis and drafting under Practice settings, **Analyse with AI** sits beside **Save as PDF**. It sends the nine boxes of this return and of the returns before it, and comes back with the boxes that moved unusually and anything worth checking before the return is filed. It does not give a view on whether to file, and every amount it writes is checked against the boxes it was sent.

36.9 MARKING A RETURN AS FILED

The dialogue states the period and box 5 with its direction, reads the approval position, and offers a note. Where the client's approval of these figures is not recorded, or the figures have changed since it was, it asks **why** the return is filed anyway, and the reason is kept with the return on the audit trail. Without a reason, it is not filed. A Making Tax Digital submission asks the same question.

Mark as filed sends nothing to HMRC. What it does is close the period. The figures are kept as filed, and anything entered against the quarter afterwards appears on the next return as a late claim rather than quietly changing a figure already submitted. A filed period is locked to adjustment: the correction belongs on the next return, or the period is unfiled first. A Making Tax Digital submission closes a period the same way.

Unfile sits on the filed returns table beside **View**, and it is audited: a return marked as filed in error would otherwise lock a period for ever. It withdraws nothing from HMRC.

36.10 WORTH KNOWING

The late claim test asks whether the period a date falls in has been closed off, not whether the document sits on a filed return. The earlier test could not tell those apart, and put two card payments on two returns at once: the period they belonged to was not filed, so they sat in an open return and were swept onto the next one as well.

Boxes 6 to 9 are truncated on screen because they are truncated in the submission. Before that the screen showed pence while the submission dropped them, so the person responsible for the declaration was reading a different number from the one being declared, which made every check against it a check of the wrong thing.

Filing under Making Tax Digital

Nothing can be filed to HMRC from this build. The Making Tax Digital panel is built and works, but filing runs on Murgese's own vendor registration with HMRC, and this build carries none: the file that holds the registrations with an empty client ID and client secret and is set to HMRC's sandbox. The panel says so where you would otherwise press submit, and it tells you to prepare the return here and file it through HMRC's website in the meantime. A firm holding its own developer hub credentials can enter them under Practice settings and file under those, and where they are present they are the ones used.

The panel sits inside the VAT return screen, below the boxes. What it does, once credentials are in place, is four things in a fixed order: it authorises HMRC for one client, it asks HMRC which VAT periods are open, it shows what HMRC says is owed and paid, and it submits the nine boxes against one of the period keys HMRC gave back.

37.1 BEFORE YOU START

1. **Credentials.** Either the publisher's vendor registration, which this build does not have, or the firm's own from HMRC's developer hub at `developer.service.hmrc.gov.uk`, obtained as the software vendor. The redirect address `urn:ietf:wg:oauth:2.0:oob` has to be registered on the application. The sandbox works as soon as the application exists. Production needs HMRC to approve the application, which needs a demonstration and correct fraud prevention headers.
2. **The client's own authorisation.** The business signs in at HMRC with its Government Gateway user ID and grants access. It lasts about eighteen months. It cannot be given on their behalf.
3. **A nine-digit VAT number.**
4. **Nine boxes worked out on the VAT screen for the same period you are filing.**

37.2 THE SCREEN

The VAT number box takes exactly nine digits and the button beside it stays off until it has them. **Open HMRC to authorise** opens HMRC in your browser, never inside the application, and **Code from HMRC** is where the code is pasted back. **Connect** stores the result and **Disconnect** removes it. Once connected, the panel states the date authorisation was given and roughly when it lapses.

Periods from and **Periods to** are a date pair, standing at the year ending today. **Ask HMRC which periods are open** fetches the obligations.

The three figures above the table are **Outstanding with HMRC**, **Next due** and **Paid in this range**, all read from HMRC rather than from the ledger.

The obligations table gives the period with its **period key** in a monospace font, the due date, the status of Open or Filed with a date, and a badge counting the days left, amber at fourteen days and red once it is late. Open obligations sort first. Each open one carries **Review and submit**.

Below the table, **Submitted from here** lists what this installation has sent: the period key, the date, the form bundle number and whether it was accepted.

37.3 SUBMITTING A RETURN

1. Enter the VAT number and press **Open HMRC to authorise**. Sign in at HMRC, then paste the code back and press **Connect**.
2. Set the date range and press **Ask HMRC which periods are open**.
3. Find the open obligation you mean to file.
4. Press **Review and submit**. Read the nine boxes and the review points under **Worth checking first**.
5. Tick the declaration and press **Submit to HMRC**.
6. Keep the receipt.

The confirmation dialogue shows the period, the nine boxes with short labels, box 5 as an absolute amount with the direction in words, and the declaration: "The information given on this return is correct and complete to the best of my knowledge and belief." That tick is deliberate and separate, and the server refuses the submission unless it is literally true. HMRC treats submission as the business declaring the figures correct and complete, so the declaration has to be made explicitly rather than implied by pressing a button.

The receipt carries the processing date, the form bundle number and the charge reference. Keep it. HMRC does not provide a way to retrieve it again.

CAREFUL

A submission cannot be withdrawn. HMRC will not accept the same period twice, and a mistake is corrected on the next return. Murgese also refuses a second submission of a period key it has already submitted successfully.

37.4 FILING THE WRONG PERIOD

Where the figures on screen are for different dates from the obligation, the button is replaced by a sentence saying so, naming both, with a link that works out the figures for the obligation's own period in one press.

That check is enforced twice, on the screen and again at the endpoint, because a screen is not a control and the endpoint is reachable without one. Filing June's figures under March's period key would be accepted, because HMRC has no way to know what the figures were meant to cover. It would be silently wrong, accepted, and found months later by an inspector rather than by anybody in the firm.

37.5 FRAUD PREVENTION HEADERS

HMRC requires a set of headers describing the machine the submission comes from, and they are sent on every call. What the browser can see, being the device identifier, the timezone, the screen and the window size, is read from the browser. Everything else is read off the machine. Anything genuinely unknown is left **empty rather than invented**, because HMRC uses these headers to identify compromised installations, and a plausible-looking constant defeats that while appearing to comply.

The connection method sent is the one for a desktop application talking straight to HMRC. The device identifier is generated on the machine, identifies the machine rather than the person, and is kept in local storage. Where the installation is running under a licence, the licence is sent as a digest and the key itself never leaves the machine.

37.6 WORTH KNOWING

A period key cannot be constructed. It has to come back from HMRC's obligations call, and guessing one is the commonest cause of a rejected submission. That is why the order is fixed: authorise, ask, then submit against a key HMRC gave you.

HMRC's obligations endpoint refuses any range longer than a year. Murgese refuses it first, on screen, with the reason, because HMRC's own error does not say what the limit is or which way to move.

The attempt is written to the database before the response is returned, so a crash between HMRC accepting the return and the application recording it cannot lead to a second submission of the same period.

A successful submission also writes the filed return on the VAT screen, closing the period there. Remembering to go back and mark it afterwards is exactly what does not happen at half past six on the 7th.

Box 5 is held with a sign and sent without one. HMRC's field carries no sign, and the direction is read off boxes 3 and 4.

The Government Gateway password is never typed into Murgese and never stored by it. What is stored is an OAuth token. The redirect address is fixed in the code and is not taken from the request.

WORTH KNOWING

HMRC's sandbox answers with a fixed set of test periods, usually 2017 ones, whatever dates you ask for, and filing one does not make the next appear. That is HMRC's test service behaving as designed, not a fault here.

Checking a return before and after

Two screens sit either side of a filing. **Client approval** records that the client agreed a specific quarter's nine boxes, with evidence, and reports whether the return has moved since. **Check against a filed period** points the software at a year already filed and closed, works the figures out again, and names every difference against what was actually submitted.

They answer different questions. The first is about whether somebody with authority agreed the figures. The second is about whether the software gets the same answer as the person who filed.

38.1 RECORDING THE APPROVAL

The approval panel is on the VAT return screen, below the boxes. It needs nothing except a prepared return on screen for the period.

A badge states the position in one of four ways: **Approved**, **Changed since approval**, **Cannot be checked**, or **Not approved**, each with a sentence from the server. Where the return has changed, a table follows giving the box, what it was approved as, and what it is now.

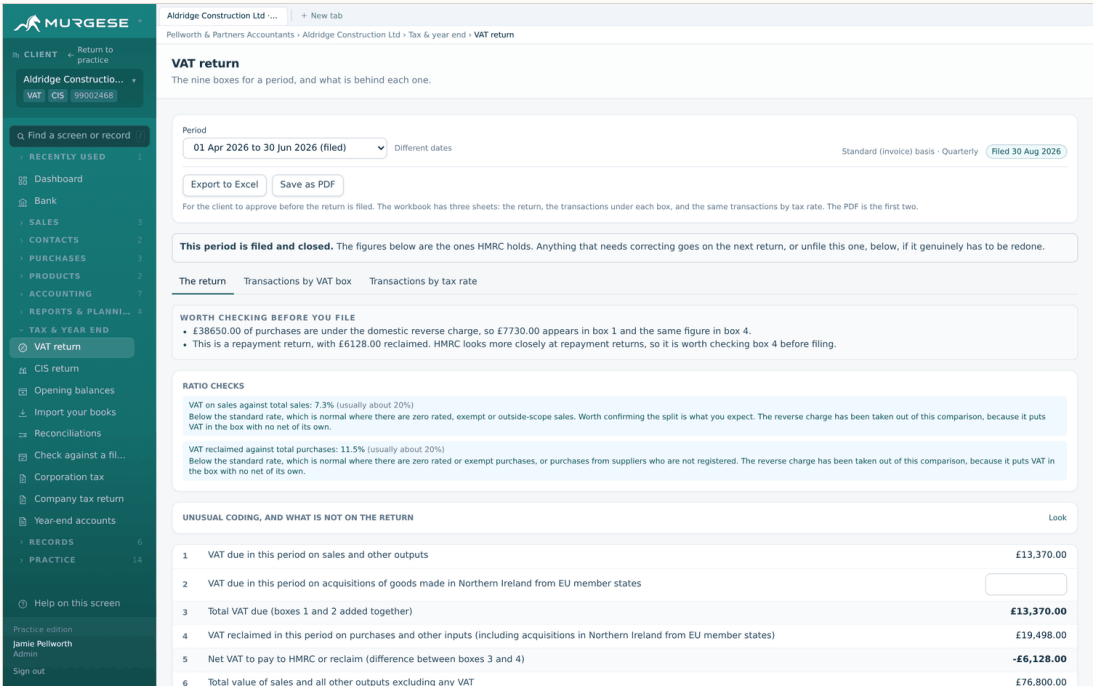


Figure 34 The filed returns for a company, with the approval position recorded against the quarter. The figures shown are invented.

1. Export the Excel or PDF pack from the VAT screen and send it to the client.
2. When they reply, enter **Approved on**, being the date they approved it and not the date you are typing.

3. Enter **Approved by**, their name, and **In what capacity**: Director, Trustee, Member, Partner, Proprietor or Company secretary.
4. Set **How the approval came**: by email, a signed copy returned, in person, or by letter.
5. Attach the reply or the signed page under **Evidence**. One file, up to about 3MB, as a PDF, PNG, JPG, TXT, EML or MSG.
6. Press **Record this approval**.

The button turns on once a date and a name are present. The date box is deliberately blank when the form opens, because a date that fills itself in is a date nobody corrects.

Re-approve after any revision. Nothing is ever updated in place: a second approval is a second record, the first stays on the file, and superseded records are listed under **Earlier approvals of this return**. A return approved, revised and approved again is something a reviewer needs to be able to see.

How the check works

The approval carries a SHA-256 fingerprint taken over the nine boxes, the period, the basis and the company's identity, computed on the server from the ledger. A digest the browser calculated would be a digest of whatever the browser felt like saying.

Boxes 2, 8 and 9 travel with every request, because they are typed on the VAT screen and are stored nowhere until the return is filed. Without them the fingerprint would be taken over a return three boxes emptier than the one the client was shown.

The fingerprint deliberately does **not** cover the transactions behind the boxes. Two invoices swapping accounts leave every box exactly where it was, and a warning that fires constantly is one nobody reads. Because a VAT return is nine figures rather than one, the panel names which boxes moved and by how much, which is the difference between a warning and an instruction.

Once a period is filed, the comparison is made against the **filed** figures. A quarter approved before filing and then filed at a different figure comes back as changed.

WORTH KNOWING

The **Mark as filed** dialogue reads the approval position and, where the return is not approved as it stands, asks for the reason it is filed anyway. It does not refuse outright, because a return filed through bridging software has been filed whether or not the approval email has been found yet, but the decision is written down by whoever makes it.

Evidence opens in place rather than in a new window. The panel mirrors the year-end accounts approval screen, with the same four methods, the same six capacities and the same evidence rules, so the two records read the same way in the audit trail.

38.2 CHECK AGAINST A FILED PERIOD

Check against a filed period in the sidebar takes a year that has already been filed, works out the VAT returns, the CIS returns, the key accounts figures and the CT600 for it again, and lists every difference against what went in.

The reason it exists is stated on the screen. Nothing this application reports has yet been confirmed against a real filing. This is the cheap substitute for that: the right answer is known before the check starts, because it is whatever was filed.

The screen changes nothing. It is read-only.

Figure 35 A closed year checked figure by figure, with the differences and the agreements both counted. The figures shown are invented.

Running a check

1. Choose a closed year from the dropdown. The check runs on its own.
2. Open **Enter what was filed** on each section, with the actual return in front of you, and copy the figures off it.
3. Leave a box empty where you do not have the figure.
4. Press **Save what was filed**. The check runs again.
5. Read the differences, and use **Save as PDF** if you want a record.

The dialogue lays the boxes out in the order they appear on the return, and asks which software the return was filed on, with a note. For CIS there is also a block for a **subcontractor this software did not find**, taking the name as it appears on the return, the payments, the materials and the amount deducted. **Remove these figures** takes an entry back off.

Reading the result

Along the top: figures compared, and of how many looked at; how many agreed with what was filed; how many differed; and how many were not checked. Below that, a sentence saying how many returns had anything to compare against and how many of those were against figures prepared outside this software.

Each section is a card, for VAT, CIS, Accounts and CT600, giving its title, what it was compared against, any observations, and a table with the figure, what was filed, what Murgese makes it, the difference, and an outcome in words: "Agrees", "£340.00 higher than filed", "2 fewer than filed", or "Not checked". A toggle offers only the differences, and it defaults to showing everything.

A difference is not a defect in this software. It is one of three things: a fault here; an error in the original filing, which is worth as much to find and is not rare, because the original was prepared by a person; or a defensible difference in treatment, such as a late claim, an adjustment posted after the return went in, or a prior-year correction. That framing is supplied by the engine rather than written on the screen, so the printed copy and the screen cannot drift apart.

38.3 WORTH KNOWING

A blank box is not a nought. Writing a nought for a field nobody filled in would turn an untouched figure into one that agrees, which is the single way this screen could lie about its own coverage.

The boxes start empty unless a person typed them before. Pre-filling them with the software's own answers would hand you those answers and ask you to confirm them. Anybody in a hurry would press save, and the check would then report agreement with itself while looking exactly like an independent confirmation.

Not checked is a first-class outcome and is never folded in with the agreements. A check that quietly skips half the balance sheet and reports that everything agreed is worse than no check at all. For the same reason every agreeing figure is listed and counted rather than hidden: coverage is the thing being judged.

Where the comparison is against Murgese's own record of its own figures, the card is marked as circular. It shows whether anything has moved since filing. It does not confirm the software.

Boxes 6 to 9 are compared in whole pounds. Otherwise an exact books figure of £340.60 against a filed £340 would report a sixty pence difference on every return, on each of four boxes, for ever.

A period that cannot be checked, because there are no postings, or the company is not VAT registered, or it is not a contractor, says so in place. An empty panel of noughts beside a real return reads as the software being badly wrong.

The **Enter what was filed** button is hidden only where a section has no figures at all, because a button opening an empty dialogue would be a dead end offered in place of the sentence that already explains the position.

Setting up for CIS

Murgese cannot send a verification request to HMRC. Verify each subcontractor through HMRC's CIS online service or on 0300 200 3210, then record HMRC's answer here. The reason is that contractor verification does not run on HMRC's modern developer hub at all: the "CIS Deductions" API there is a different thing, being how a subcontractor reports deductions already suffered. Verification runs on HMRC's older CIS Online channel, a GovTalk XML envelope through the Transaction Engine, which needs its own separate vendor recognition. The whole path is built in the product, and the transport returns a refusal with the specific reason rather than inventing a success.

What the product does do is hold the answer. Once HMRC's verification number, treatment and date are recorded against a subcontractor, every unposted bill is worked out again at the right rate, the lapse date is tracked, and the monthly return and the statements are built from it.

39.1 BEFORE YOU START

Turn the scheme on for the client under **Construction Industry Scheme** on Settings, and set **This company's role**:

ROLE	WHAT IT MEANS
Not in the scheme	The default. No CIS on any document.
Contractor	The client pays subcontractors and deducts from them.
Subcontractor	The client is paid by contractors and is deducted from.
Both	Both, which is ordinary in construction.

Where the role is Subcontractor or Both, set **Our own CIS status**: registered, with 20% deducted; not registered, with 30% deducted; or gross payment status, with nothing deducted. That is the client's own standing with HMRC, and it fixes what contractors take off the client's own invoices.

Where the role is Contractor or Both, each subcontractor's status is set on their contact record. An unverified subcontractor is deducted at 30% until HMRC verifies them.

A contractor also needs its own **UTR**, **employer PAYE reference** and **Accounts Office reference**, which live on References and identity. They are needed before a verification can be recorded, and the PAYE reference is printed on every payment and deduction statement.

Bills from subcontractors need their labour, materials and outside-the-scheme split, because the deduction is taken from the labour element only, never from materials.

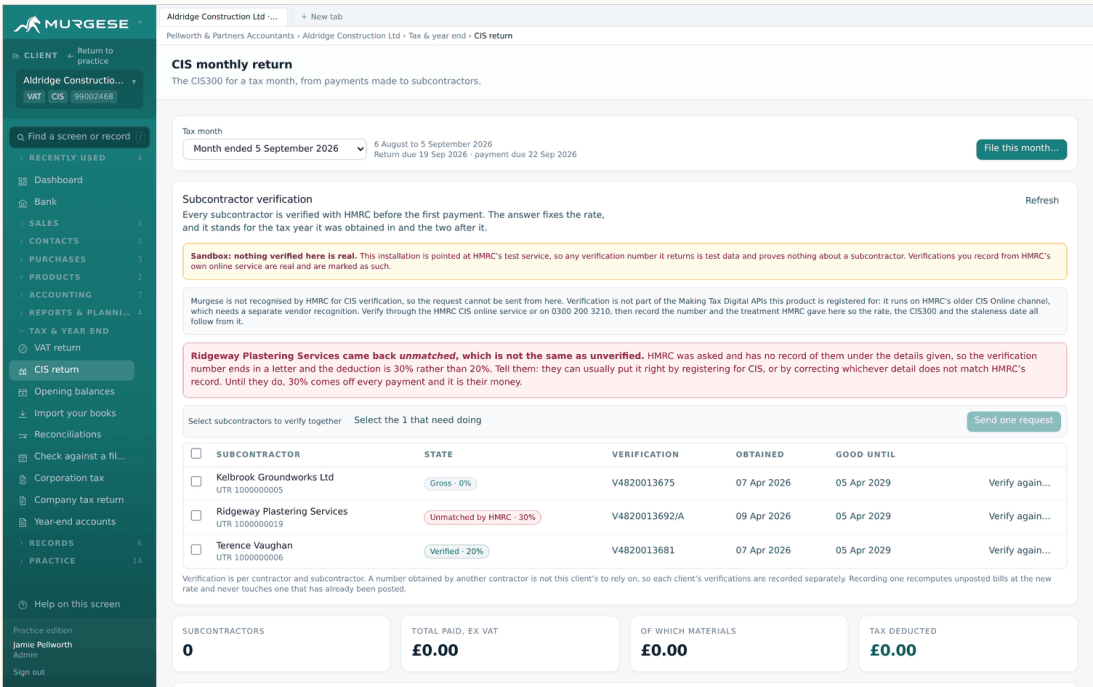


Figure 36 The subcontractors on a contractor's books, with each one's state, verification number and lapse date. The figures shown are invented.

39.2 THE VERIFICATION PANEL

The panel sits above the CIS monthly return. Banners across the top say what needs doing, in order of what it costs to ignore: **unmatched by HMRC** in red, **verification stale** in amber, **never verified** in grey, and, where the installation points at HMRC's test service, a sandbox banner.

The table gives the subcontractor with their UTR, or "no UTR on file"; their state; the verification number; when it was obtained, marked "(sandbox)" where it was; **Good until**; and a **Verify** or **Verify again** button.

STATE	RATE
Verified	20%
Gross	0%
Unmatched by HMRC	30%
Verification stale	The rate is a fact about the past rather than about today
Never verified	30%

Above the table is a batch bar: how many are selected, **Select the ones that need doing**, **Clear**, and a button to send one request for the selection. HMRC takes at most 100 subcontractors in a request.

39.3 RECORDING A VERIFICATION

1. Verify through HMRC's CIS online service, or by telephone on 0300 200 3210.

2. Press **Verify** on the subcontractor and set **What HMRC verifies them as**: sole trader, needing their UTR and National Insurance number; partner in a partnership, needing their UTR and the firm's name and UTR; limited company, needing the UTR and company registration number, which is read from the contact record; or trust, needing the UTR.
3. Under **Record what HMRC gave you**, type the **verification number** exactly as HMRC gave it, including any suffix letter.
4. Set the **treatment HMRC gave**: registered standard rate at 20%, gross payment status at 0%, or not matched at 30%.
5. Set the date it was obtained and how, being the HMRC CIS online service or by telephone, and add a note if it helps.
6. Press **Record this verification** and read what changed.

The result panel gives the number, the treatment and the rate, what to tell the subcontractor, the **Good until** date, what changed, and a table of the bills worked out again showing what each was and what it now is. Below that, in amber and on its own, is **Already posted, and deliberately not changed**.

The dialogue also carries **Try sending it to HMRC anyway**. It is a real button, and it refuses with the real reason. The refusal is checked before the credentials and the token, so a contractor with no PAYE reference is told that, rather than being sent off to complete an authorisation that would not have helped.

39.4 WORTH KNOWING

Unmatched is not unverified. Unverified means nobody has asked HMRC. Unmatched means HMRC was asked and has no record of the subcontractor under the details given. Both deduct at 30%. Only one of them is something the subcontractor can put right, and they cannot put it right if nobody tells them.

CAREFUL

A verification number ending in a suffix letter, such as V1234567890/A, means HMRC could not match the subcontractor, and the deduction is 30% whatever the treatment box says. Typing that number with the treatment left on standard rate is the most expensive mistake available on this screen. The form warns before saving and the server enforces it. A rate ten points light is recoverable from the **contractor**, with interest, not from the subcontractor.

Nothing already posted moves. Posted bills are listed with the figures they would have had, and are left alone. What was withheld is what was withheld. Correct an underdeduction with a further posting and, where the month has already gone in, an amended return.

A verification **stands for the tax year it was obtained in and the two after it**. The lapse date is worked out from the day it is recorded and shown in the table, so a stale verification is visible before it matters rather than after.

Verification is per contractor and per subcontractor. A number obtained by another contractor is not this client's to rely on.

Send a batch **as a batch**. HMRC answers 100 subcontractors with **one** verification number, suffixed against whoever it could not match. Sending them one at a time would produce a different number for each, and none of those numbers would be the one HMRC issued. The batch dialogue lists everybody with their kind, UTR and state, and names anybody whose details are incomplete, because the whole batch would be refused.

Verifying a limited company as a sole trader comes back unmatched, and the unmatched result then looks like the subcontractor's fault rather than the wrong form. Choose the kind from what HMRC holds, not from how the invoice is headed.

Every attempt is written down, including refused ones, and a batch is written as one record per subcontractor rather than as one failed attempt recorded against nobody in particular.

A verification number obtained from HMRC's sandbox is test data and proves nothing about a subcontractor. Records obtained that way are marked in the table so they are not mistaken for the real answer.

Murgese also watches for a business whose rolling twelve-month spend on construction passes **£3 million**, which is the deemed contractor threshold since 6 April 2021, the older test having been £1 million a year over three years. It warns and never acts. Turning CIS on for a client on the strength of that inference would start deducting 20% from suppliers.

The CIS monthly return

CIS monthly return builds the CIS300 for one tax month out of the payments made to subcontractors, and records it as filed together with the declarations that went with it.

Nothing is submitted to HMRC from here. Submit through the Government Gateway or your filing software. What recording it here does is fix the figures and the declarations as they went in, so the month closes and the payment and deduction statements can be produced from the same figures.

40.1 BEFORE YOU START

The client's CIS role must be Contractor or Both on Settings. Otherwise the screen says only that the company is not set up as a CIS contractor.

Each subcontractor needs a UTR and a verification number. Bills need their labour, materials and outside-the-scheme split. And the payments must be recorded, because CIS follows the money rather than the invoice.

40.2 THE SCREEN

Tax month is a dropdown of the last fifteen months, each identified by the 5th it ends on. "Month ended 5 May 2026" means 6 April to 5 May. Beside it are the two dates that matter: the return is due on the 19th, and the money is due on the 22nd where it is paid electronically.

A red banner headed **Verify before you file** names any subcontractor missing a UTR or a verification number. Clear it before anything else. An unmatched or stale verification makes every deduction on the return wrong, and the return is the document HMRC checks the deduction against.

Four tiles give the shape of the month: the number of subcontractors, the total paid excluding VAT, how much of that was materials, and the tax deducted.

The table is one row per subcontractor.

COLUMN	WHAT IT HOLDS
Subcontractor	The name, with the status that fixes the rate: Gross at 0%, Verified at 20%, Unverified at 30%, or Not in CIS.
UTR	The reference, or "missing" in amber.
Verification	The number HMRC gave.
Total paid	Excluding VAT.
Materials	The materials element.

COLUMN	WHAT IT HOLDS
Non-CIS	Shown only in a month that has some.
Labour	What is left, and what the deduction is taken from.
Deducted	The tax withheld.

Press a row to expand the bills behind it, each with its number, the payment date and the same columns. Where a month has payments outside the scheme, a note above the table names the amount and says why it is off the return.

40.3 PREPARING THE RETURN

1. Choose the tax month.
2. Clear the verification banner. An unverified subcontractor is deducted at 30%, and a verification recorded after the payment does not change what was already posted.
3. Expand each row and check the labour, materials and outside-the-scheme split against the bills.
4. Read the total deducted against what has actually been withheld from the payments.
5. Press **File this month**, make the declarations, and press **Mark as filed**.
6. Issue the payment and deduction statements, which are a separate obligation with a deadline of their own.

40.4 THE THREE RATES

The subcontractor's status fixes the rate, and it comes from HMRC's answer rather than from anything decided here.

- **Gross payment status.** Nothing is deducted. The subcontractor is registered with HMRC to be paid in full, so they are still in the scheme and still on the return, at a rate of nil.
- **Registered, standard rate.** 20% of the labour element.
- **Unverified, or unmatched by HMRC.** 30% of the labour element. Both deduct at the same rate, and only one of them is something the subcontractor can put right.

The deduction is taken from the **labour element only, and net of VAT**. This is the part most software gets wrong, and getting it wrong takes real money off a subcontractor that was never HMRC's to have.

40.5 LABOUR, MATERIALS AND OUTSIDE THE SCHEME

Three categories, not two.

Materials are the subcontractor's own cost of materials, and they come out of the figure before the rate is applied.

Outside the scheme is a separate category and not a kind of materials: work carried out wholly outside the UK, a separate non-construction trade, professional fees under a separate engagement, and materials manufactured or delivered off site. It is kept **off the return entirely**. HMRC reads the labour as total payments less materials, and expects the deduction to be the subcontractor's rate applied to what is left. Leaving £2,000 of architecture fees inside the total payments box would overstate the labour by £2,000 and understate the deduction by £400 against HMRC's own arithmetic.

The subcontractor's own statement does the opposite and shows the outside-the-scheme amount on its own row, so their copy still ties back to the invoice they sent.

WORTH KNOWING

CIS follows the money. A March invoice paid in May is on the May return. A part payment carries a proportionate part of the materials and a proportionate part of the deduction, so a job settled in instalments is spread across the months it was paid in.

40.6 FILING

The dialogue states how many subcontractors were paid, and the tax deducted with the date it is payable to HMRC by. Where nobody was paid, **File as a nil return** is ticked for you, and it can be ticked by hand.

Then the declarations, which are the reason the dialogue exists:

- **Employment status.** "The employment status of each individual on this return has been considered, and payments have not been made under contracts of employment."
- **Verification.** "Every subcontractor on this return has been verified with HMRC, or was included on a return in the current or previous two tax years."
- **Inactivity**, which is optional. Tick it only if you will not be paying subcontractors for the next six months.

A note box takes anything worth recording about the submission. On a return with payments on it, both of the first two declarations are required by the server rather than by the screen alone.

Filed returns are listed below, with the label, the subcontractor count or "Nil return", the amount deducted, **View** and **Unfile**.

40.7 WHAT IS DEDUCTED, AND WHEN IT IS PAID OVER

The deduction is withheld from the subcontractor when they are paid. It is not the contractor's money and it is not the subcontractor's tax bill either: it is tax already suffered, which the subcontractor sets against their own liability, and the evidence they have of it is the statement.

The money is paid over with the PAYE for the same tax month: due on the 22nd where it is paid electronically, and the return itself is due on the 19th. Both dates are on the screen for the month you are looking at.

40.8 WORTH KNOWING

The tax month runs from the 6th to the 5th, not the calendar month. Every date on this screen is built from that, which is why the dropdown identifies each month by the 5th it ends on rather than by a month name that would be ambiguous.

Unfile reopens the month. Statements already given to subcontractors are unaffected by it: correcting one of those is a reissue, with a reason, and not a silent second copy.

The VAT domestic reverse charge for building services is not handled in the CIS calculation, deliberately, and is flagged rather than half-implemented. It is a VAT treatment on the bill, covered in The VAT return, and it changes what appears on the VAT return rather than what is deducted here.

A subcontractor whose verification came back after the bill was posted keeps the rate that was actually applied. The verification screen lists what those bills would have been under the new rate and leaves them alone. Correct an underdeduction with a further posting, and where the month has already gone in, an amended return.

Payment and deduction statements

A contractor who deducts from a subcontractor must give that subcontractor a written statement of the payment and the deduction, within 14 days of the end of the tax month. It is a statutory duty with its own penalty, separate from the CIS300 and due on the same 19th. HMRC gets the return and the subcontractor gets the evidence.

That evidence is the only record the subcontractor has of the tax already suffered. A subcontractor chasing statements in January is a subcontractor paying tax twice. The panel at the foot of the CIS monthly return produces the statements, sends or records them, and keeps count of the ones still to go out.

41.1 BEFORE YOU START

A CIS month with payments in it. The contractor's **employer PAYE reference** and address should be on file, or the statement prints "not recorded" where they belong. To email a statement, the subcontractor needs an email address on their contact record.

41.2 THE SCREEN

A banner across the top gives the deadline: the date, the words "being 14 days after the end of the tax month", how many days are left, and a count in three parts, being how many statements are required, how many have been produced, and how many have not yet been given out. It turns red once the date has gone, because a statement not issued is a penalty.

The table is one row per subcontractor, with the rate label, the verification number and a badge where HMRC did not match them, the gross paid excluding VAT, the amount deducted, and the statement's own position. That last column carries one of four badges:

BADGE	WHAT IT MEANS
Statement due	A deduction was made, so a statement is owed.
Nil deduction	In the scheme, but nothing was deducted this month. A statement is offered.
Gross status	Paid gross. No statement is owed in any month.
Not in the scheme	Off the return and off this list.

Under the badge sits the history: produced on a date, or reissued with its issue number, and then the delivery line, which reads "sent to" an address with a date, or "posted" with a date and the name of whoever posted it, or **not yet given to them**.

Rows carry their own warnings where they apply: more than one deduction rate in the month, no UTR recorded, or that the books have moved since the statement was issued.

Where a subcontractor has no email address, the row itself offers a box to type one, which saves to the **contact record** rather than to this screen alone, and a link to their record with the name filled in.

41.3 ISSUING A STATEMENT

1. Open the panel for the tax month.
2. For each subcontractor showing **Statement due**, press **Produce**.
3. Either press **Send**, which emails it, or print it, post it, and press **Given another way**.
4. Where a bill is corrected after the statement went out, press **Reissue** and say why.

Send opens a dialogue with the address, the subject and a message box whose body is the statement, along with any warnings on the row. The obligation is to give the subcontractor a written statement, and an email whose body is the statement satisfies it on its own, reads on a telephone, and cannot be separated from an attachment.

Given another way asks how it reached them, being posted, handed over, or sent some other way, and asks what was actually done, in your own words. Both answers are required. Recording a delivery produces the statement first if it has not been produced, so what is recorded as delivered is always a frozen document.

41.4 WHAT IS ON THE STATEMENT

The contractor's name and address, the tax month it covers, and the employer's PAYE reference. Then the subcontractor's name and address, their unique taxpayer reference, the verification number and the deduction rate, shown as both rates where the month had two.

Then six figures in a chain:

1. **Gross paid, excluding VAT**
2. Less the cost of materials
3. Less non-CIS
4. **Liable to deduction**
5. **Deducted**
6. **Paid**, being the gross less the deduction

Below that, a table of the source invoices with the reference, the payment date and the same columns, totalled, paginated at twelve rows on the first page and twenty-six after it, and footed with the page number. A reissue is headed as a reissue, with its issue number and the reason given for it.

Every figure excludes VAT. Leaving VAT in is the commonest mistake on a hand-prepared statement.

41.5 WHAT MURGESE REFUSES TO PRODUCE

A statement for a gross subcontractor. Gross status is not a nil deduction. A subcontractor paid gross is owed no statement in any month at all, and one under deduction whose payments happened to be entirely materials is offered one. Both figures are nil, and the two are never shown as the same thing.

A nil statement for a month with nobody in it. Where nobody in the scheme was paid, there is nobody to send one to, so there is no nil version of the document.

A statement whose rows do not add up to its totals. The row says so and says not to issue it: that is a defect in the software rather than in the books, and a statement that does not foot cannot be evidence of anything.

A silent second copy. Every statement after the first is a reissue, headed as one and carrying the reason, which is required. Without that the subcontractor would be holding two documents for one month with nothing to say which is current.

41.6 WORTH KNOWING

Produced is not delivered. The deadline falls on giving the subcontractor the statement, not on working it out, so the two counts are kept apart. One is "work it out", the other is "put it in the post".

Posting a statement discharges the duty, so it is recorded as a delivery in its own right. Software that can only record the one delivery method it happens to implement is wrong about the work. The posting record is kept beside the email record rather than merged into it, because a send is witnessed by the mail log and a posting is witnessed by somebody saying they did it.

A statement deducting **30% must carry the verification number**, because that number is the subcontractor's notice that HMRC could not match them and is what they need to put it right.

Issued figures are never quietly refreshed. A statement is evidence of what the subcontractor was told. Where the books have moved since, the screen says so and leaves the document alone, and the remedy is a reissue with a reason.

The amounts liable are worked out by subtraction on each row, and the totals by adding the rows, never by applying a percentage a second time. Rounding a percentage twice, once per row and once per month, is precisely how a statement ends up a penny away from itself.

The deduction rate is read back off the figures rather than from the contact record as it stands today, so a subcontractor verified part-way through a month shows both rates on one statement.

The year end

From the records the client sends to the accounts filed at Companies House and the tax return that follows them.

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Records received

Records received, in the sidebar, answers three questions that otherwise live in somebody's memory and get asked again by email: what has arrived for this period, what is still missing, and whether the work can start. A folder of attachments answers none of them.

Each period carries a checklist. Files dropped onto a line mark that line as arrived, and the state of the period is worked out from the lines rather than typed.

42.1 BEFORE YOU START

Nothing has to be set up. The checklist a new period gets is seeded from what the client settings already say: whether it is registered for VAT, and what its CIS role is. A checklist that asks a plumber for stock sheets is one nobody reads.

MURGESEE

Aldridge Construction Ltd ... + New tab

Pellworth & Partners Accountants > Aldridge Construction Ltd > Records > Records received

Records received

What the client has sent for the period, and what is still missing.

Records

What the client has sent for each period, and what is still missing. The checklist is set from how they trade, and anything you drop on a line marks that line as arrived.

+ Open Dec 2026 to Feb 2027 | Some other period

Sep 2026 to Nov 2026 | Nothing in yet - 5 missing

Jun 2026 to Aug 2026 | Some of it in - 2 missing

Jun 2026 to Aug 2026

01 Jun 2026 to 31 Aug 2026 - wanted by 08 Oct 2026

☒ **Bank statements**

Every account, covering the whole period, with no gaps.

☒ **Sales invoices raised**

Or confirmation that everything is already on the system.

☒ **Purchase invoices and receipts**

Anything with VAT on it needs the invoice, not just the bank line.

☐ **Anything unusual for VAT** optional

Fuel scale charges, entertaining, cars, exports, or anything bought or sold abroad.

☐ **Subcontractor invoices**

With the labour and materials split shown separately.

☐ **New subcontractors to verify** optional

Name, UTR and NI number or company number.

☐ **CIS deduction statements received**

From every contractor who has deducted tax, so the deductions can be reclaimed.

☐ **Credit card and finance statements** optional

Where anything is bought on one.

☐ **Anything else we should know about** optional

New loans, assets bought or sold, staff changes.

Ask for something else

Received | Attach

Received | Attach

Received | Attach

Awaiting | Attach

Awaiting | Attach

Awaiting | Attach

Awaiting | Attach

Awaiting | Attach

Awaiting | Attach

Practice edition

Jamie Pellworth

Admin

Sign out

Figure 37 A period's checklist, with what has arrived ticked and what is still awaited against each line. The figures shown are invented.

42.2 THE SCREEN

Along the top is a chip for each period, showing its label and its state: **Nothing in yet**, **Some of it in**, **Everything in**, **Being worked on** or **Submitted**, with a count of what is still missing beside it. Above the chips are two buttons: one offering to open the next period with its dates already worked out, and **Some other period** for anything else.

The period below gives its own label, the dates it covers and the date the records are wanted by, and two buttons: **Add files**, and **Start work**, which appears only once everything required has arrived.

Then the checklist itself. Each line carries a marker, its title, an "optional" badge where it is not required, a line of detail saying what is actually wanted, and any files attached to it. On the right of each line is a state and an **Attach** link.

STATE	WHAT IT MEANS
Awaited	Asked for, not here.
Received	Here. Set on its own when a file is attached to the line.
Queried	Something arrived and there is a question about it.
Not applicable	Not wanted from this client this period. The line is struck through and stops counting.

Files that arrived without being matched to a line are listed underneath as **Not matched to anything yet**. At the foot is a box to **ask for something else**, which adds a line of your own to this period's list, worded however you like.

Every file name on this screen, wherever it appears, opens the document. Files are held inside the books file itself rather than in a folder on the disk, so they travel with a backup and they are not somewhere a stray tidy-up can reach.

42.3 READING THE RECORDS INTO THE LEDGER

Where a period holds documents the reader can open, a bar appears above the checklist saying how many, with two buttons. They take the whole pile straight into the document reader, so a month of purchase invoices that arrived by email does not have to be downloaded one at a time and dropped back in.

Read as bills treats them as things the client has received. **Read as sales invoices** treats them as things it has issued. There are two buttons because the software cannot tell which: a client emailing "invoices" may mean either, the file names look the same either way, and a guess would put a year of sales into purchases about half the time.

From there it is the ordinary document reader, with everything it is unsure of in front of you, and nothing is entered until you press the button. PDFs, scans and photographs are offered; a spreadsheet or a CSV is a perfectly good record and is not something the reader opens, so it is not counted in the number offered.

WORTH KNOWING

The reader keeps its own drop zone, so a second pile can be added to the first. Reading the same document twice does not create it twice.

42.4 WORKING A PERIOD

1. Press the button at the top to open the period.
2. Read the checklist and mark anything that does not apply this time as **Not applicable**.
3. Add a line of your own for anything unusual, such as the agreement behind a new van bought on hire purchase.

4. Attach each file to the line it answers as it comes in.
5. When the period reads **Everything in**, press **Start work**.

Only required lines decide whether a period is complete. An optional line nobody has ticked is not a reason to write to the client: marking a line optional is what says the period can be started without it.

42.5 WHAT THE CHECKLIST STARTS AS

Every period asks for bank statements, covering the whole period with no gaps. Beyond that the list follows the client:

- Sales invoices raised, and purchase invoices and receipts, on everything except a CIS period. Anything with VAT on it needs the invoice, not the bank line alone.
- Anything unusual for VAT, where the client is registered: fuel scale charges, entertaining, cars, exports, anything bought or sold abroad.
- Subcontractor invoices with the labour and materials split shown separately, and any new subcontractors to verify, where the client is a contractor.
- CIS deduction statements received, where it is a subcontractor, so the deductions can be reclaimed.
- Credit card and finance statements, and anything else worth knowing about: new loans, assets bought or sold, staff changes.
- On a year, a stock count at the year end, loan and hire purchase statements, and confirmation of the amounts owed and owing at that date.

42.6 WHICH PERIOD TO OPEN

The button on the right offers the next period the client would normally be on. Its dates are worked out from the VAT scheme where there is one and from the calendar where there is not, carrying on from wherever the last period of the same kind ended so that periods do not overlap each other. The records are wanted a month and seven days after the period end, which is the VAT deadline and as good a date as any.

Some other period opens a short form for anything that is not that. There are five kinds, and the kind decides what the checklist asks for:

KIND	WHAT IT COVERS	WANTED BY
VAT period	The client's own VAT stagger	A month and seven days after the end
CIS month	The 6th to the 5th, the way HMRC counts a CIS month	The 19th, when the return and the payment are due
Month	A calendar month	A month and seven days after the end
Quarter	Three calendar months	A month and seven days after the end

KIND	WHAT IT COVERS	WANTED BY
Year end	The twelve months to the year end held on the client's own record	A month after the year end

Choosing a kind fills in the dates, the name and the date the records are wanted by, and all four can be changed before the period is opened. The year end used is the one the books use, not the accounting reference date held on the Companies House register: the two are only brought into line when somebody accepts the change, and quietly preparing a year that the books do not recognise would be worse than asking.

The date in **Wanted by** on a year end is a month after the year end. That is not a statutory date (the accounts are due at Companies House nine months later and the return twelve); it is simply a date in the box, and it is meant to be changed to whatever was agreed.

Open the year end period rather than a quarter when the records being asked for are the ones the accounts will be prepared from. It is the only kind that puts the stock count, the loan and hire purchase statements and the confirmation of amounts owed and owing on the list.

42.7 WORTH KNOWING

A file attached to a line is that line arriving, so nothing has to be ticked as well. Asking for both is the sort of double entry that gets skipped, and then the list says something is missing when it is sitting right there.

The state of a period is derived from its lines rather than stored, except for **Being worked on** and **Submitted**, which are decisions somebody made and cannot be worked out from anything.

PDFs, images, CSVs and spreadsheets can be stored, up to about 9MB each, and anything refused is refused with the sentence explaining why rather than a code. Files are held inside the database, the same as document attachments, so a backup and a handover file are each complete on their own with no folder beside them to remember.

Across the practice, the records inbox groups every client's current period into ready to start, being worked on, part way, nothing in yet and submitted, and names what each part-way client is still missing. It is sorted so that the ones that can be started come first, because that is the decision being made on a Monday morning. Records emailed to the firm's records mailbox land against the client's current open period, unmatched to any line, because nothing in a message says which line a receipt answers.

Its second tab, **Arrived by email**, says what the mailbox has done. Anything it could not tie to one client waits to be placed, and what it did place is listed with the reason it went where it went and a count reading "13 filed to their Records". The file names and the client's name are both links to that client's Records screen, which is where the documents now are.

CAREFUL

A period marked **Submitted** is finished, and a record arriving afterwards is stepped over rather than filed into it: dropping a receipt into a submitted period would put a document behind a figure already declared to HMRC. Removing a period that has files in it is refused for the same reason, and the message tells you to download anything worth keeping first.

Balance sheet reconciliations

Balance sheet reconciliations, in the sidebar, proves that each balance sheet balance is what it claims to be. A trial balance states a figure. It cannot say whether the figure is right, and at a year end that is the only question that matters. You work down the list until every difference is nought.

43.1 BEFORE YOU START

Nothing has to be set up. What decides how much this screen can do for you is what other records exist: independent proof only appears where there is something outside the ledger to prove a balance against, being the sales and purchase ledgers, the bank statement, the fixed asset register and the stock records.

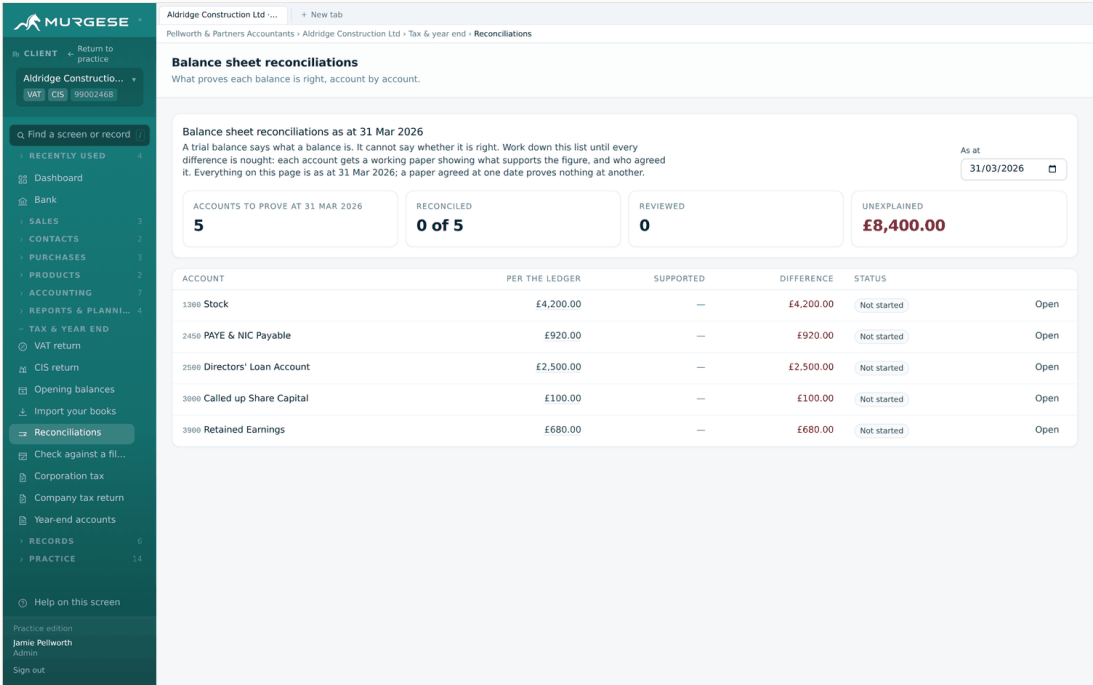


Figure 38 Every balance sheet account at the year end, what supports each one, and the difference still to be explained. The figures shown are invented.

43.2 THE SCREEN

The heading names the date the papers are being done at, with an **As at** date picker beside it and four tiles: accounts to prove at that date, how many of them are reconciled, how many have been reviewed, and how much is **unexplained**, which is green at nil.

An amber line appears where accounts were reconciled and have been posted to since. Under it, a line lists the other dates at which working papers exist, each one clickable.

The table gives the account, the balance per the ledger, which drills through to the postings, what is **supported**, the difference, printed red unless it is nil, and a status.

STATUS	WHAT IT MEANS
Not started	Nothing supports this balance yet.
Agrees, not signed	The support adds up to the balance, and nobody has signed it off.
Reconciled	Signed off by whoever did it.
Reviewed	Signed off by a second person.
Ledger has moved	It was agreed at a figure, and something has been posted since.

43.3 PROVING AN ACCOUNT

1. Set **As at** to the year end.
2. Open the account.
3. Press **Pull the sales ledger**, or the bank, or whichever record supports it, or **Show what the balance is made of** where there is no independent record.
4. Add any reconciling items by hand until the difference is nought.
5. Write the note for the file, press **Reconciled**, and have somebody else press **Reviewed**.

The working paper opens inside the row. It begins with a sentence saying whether the support is independent, then lists the lines with their dates, what each one is and its amount, then the supported total, the ledger balance and the difference. A line typed by hand carries an "entered" marker and an x to take it off again.

Add a reconciling item takes a description and an amount, entered the way you would read it: what increases the balance is positive, what reduces it is negative.

43.4 TWO KINDS OF SUPPORT

Independent support comes from somewhere other than the ledger: the sales ledger, the bank statement, the fixed asset register, the stock records. Agreement means something, because two records built different ways came to the same figure.

Analysis is the ledger cut a different way. It proves nothing at all, because of course the ledger agrees with itself. It is still produced, because it tells you where to look, but the screen says which of the two you are looking at. Presenting them the same way would turn a working paper into decoration.

43.5 WORTH KNOWING

As at, not as of today. Every figure is rebuilt from the dated movements, being the payments, the credit allocations and the allocations of money on account, rather than from the document's status now. An invoice raised in February and settled in June was outstanding at 31 March, and a listing built from today's status would leave the working paper short by exactly that invoice.

The gap is never closed with a balancing figure. A reconciliation that makes itself agree is not a reconciliation. Instead the screen says where to go and look: for a receivables balance nothing put there by a document, that it is usually an opening balance entered as one figure, and to open the journals and filter to the account.

The agreed balance is stored rather than recalculated. A paper signed off at £48,210.55 against a ledger now saying £49,410.55 shows as **Ledger has moved** rather than quietly agreeing with itself at the new figure. Those accounts count as outstanding, but they are reported as their own number, because "nothing supports this balance" and "this was agreed at £4,561.94 and the ledger now says something else" call for different work.

Pulling an analysis on top of lines already typed is refused, because it would count the balance twice. The screen offers **Start again** rather than printing the error.

Figures are shown the way an accountant reads them, so creditors of £2,880 print as £2,880. Underneath, everything is held debit positive in whole pence, so a difference is a subtraction rather than an argument about signs.

An account with no balance and no working paper is left off the list. One that has been started, or has gone to nought from something, stays on it.

WORTH KNOWING

The date travels in the link, so **Year-end accounts** can send you here at the date the accounts are being made up to. Before that, the two screens reported different things about the same client without either naming the date it meant, and a user reasonably concluded the reconciliations had been lost. The "papers also exist at" line is the other half of the same fix.

Management accounts

Management accounts, in the sidebar, builds the pack you send the client each month or each quarter: the period and the year to date, each against budget and against last year, then the position, the cash and a written commentary. Statutory accounts say whether the year was true and lawful. These answer how it is going and what to do about it.

44.1 BEFORE YOU START

Nothing is required, but a budget for the year is what makes the budget and variance columns worth printing. Without one the screen says so in amber and those columns are nil. The year end date decides where "year to date" starts.

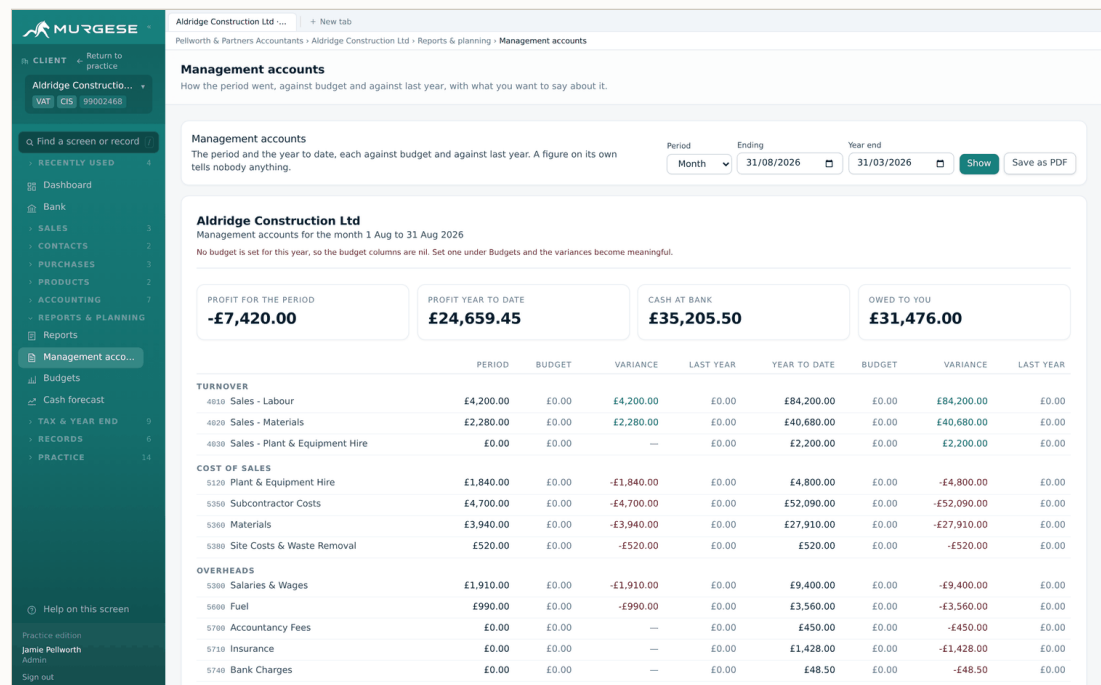


Figure 39 The period and the year to date against budget and last year, with the variance columns picked out. The figures shown are invented.

44.2 THE SCREEN

At the top, **Period** offers Month or Quarter, then **Ending**, being the period end date, then the **Year end**, and **Show** and **Save as PDF**.

Four headline tiles follow: profit for the period, profit year to date, cash at bank and what is owed to you. Most readers take those four figures and stop, so they are the four figures on top.

The main table runs one row per account, grouped under turnover, other income, cost of sales, overheads, staff costs, depreciation, other costs and taxation, with a profit row at the foot. There are eight money columns: the period's actual, budget, variance and last year,

then the same four for the year to date. Favourable variances are green and adverse ones red. A nil variance is left as a rule rather than painted green.

Position gives the balance sheet section totals, now against a year ago. **Cash and working capital** gives cash at bank, the movement in the period, what is owed to you, what is owed by you, and debtor days.

44.3 PRODUCING A PACK

1. Set **Period** to Month or Quarter, and enter the period end and the year end.
2. Press **Show**.
3. Read down the variance columns. Anything red is adverse.
4. Write the commentary.
5. Press **Save as PDF**.

44.4 THE COMMENTARY

Four boxes, each with its own prompt, and they save when you click away from them.

BOX	WHAT BELONGS IN IT
Overview	The two or three things the client should take away.
Trading	What moved the profit, and whether it was volume, price or cost.
Cash and working capital	Where the money went, and what is holding it.
What to do next	Specific, and addressed to them.

Where the firm has turned on analysis and drafting under Practice settings, two buttons sit at the top of the pack. **Analyse with AI** sends the pack as shown, with budget and last year where they are there, and comes back with the variances worth explaining and the questions to ask. **Draft with AI** writes the four boxes from the figures and their prompts. Each drafted box is shown beside what the box holds now, with its own tick; where a reason for a movement is not in the figures, the draft leaves a bracketed prompt for you to fill in rather than supplying one. Nothing in the boxes changes until **Use the ticked wording** is pressed, a box holding an amount that is not in the pack starts unticked, and the acceptance goes on the audit trail.

44.5 WORTH KNOWING

Every figure in the pack is recomputed from the ledger each time it opens. The commentary is the only thing stored, because it is the only part that cannot be recomputed. A pack reopened in March shows March's ledger, and a late adjustment posted after the pack went out will be in it.

Debtor days are measured on turnover for the **year to date** rather than for the period, because one month of a lumpy business gives a figure that swings by fifty days and means nothing. That is printed under the table as well as here.

The start of the year is worked out once and shared with the year-to-date column of the profit and loss report, and budget variances come through the same calculation the report's budget column uses. Two definitions of "year to date" in one product is two figures that disagree in April.

Both Month and Quarter are offered because forcing a monthly pack on a client who reads it four times a year produces eight packs nobody opens.

WORTH KNOWING

The debtor days here and the "How Long Customers Take to Pay" report measure different things, and each says which it is. This one is a ratio off the ledger. That one is measured on documents actually settled, customer by customer.

Year-end accounts

Year-end accounts, in the sidebar, prepares a filing-ready set of statutory accounts for one year end and carries the work through to the register: the company's own details, what goes in the accounts, the words around the figures, the approval, the tagged file, and delivery to Companies House.

The work runs left to right along the tab strip, which is ruled into four stages in the order it is done. Nothing here is computed in the browser: the screen, the PDF and the iXBRL file come from one run on the server, so they cannot disagree with each other or with the ledger.

45.1 BEFORE YOU START

A year end date. The company number, the registered office and the director who signs. Under FRS 102 the chart of accounts also has to be mapped, which is a tab here.

Figure 40 The framework, the four stages of the tab strip, and the prepared accounts below them. The figures shown are invented.

45.2 THE SCREEN

Above the tabs sit the **year end**, the **framework**, and three buttons: **Prepare accounts**, **Save as PDF (draft)** and **Save as PDF (final)**.

Two banners can appear underneath. The first counts the balance sheet accounts unproved **at the date these accounts are made up to**, names the other dates at which reconciliations were done, and links to the reconciliations screen at the year end. It does not block, and it names the date: a preparer who has reconciled four accounts and is still

told they are unreconciled is reading two screens that are right about different dates. The second says the accounts do not balance and says not to file them.

STAGE	TABS
Who they are	Company details, Directors and advisers
What is in it	Sections, Where each account lands (FRS 102 only), Line captions
The words	Accounting policies, Notes, Report wording
Sign and file	Approval, then iXBRL filing

That last pair is order-critical: a set of accounts is approved and then filed.

45.3 CHOOSING THE FRAMEWORK

FRS 105 (micro-entity) prints the micro-entity formats, which have no sub-headings and neither a net assets nor a total equity line, so the cross-check is the format's own. **FRS 102 Section 1A (small)** prints Format 1 in full, which splits fixed assets three ways and reserves five, and requires notes FRS 105 does not. The profit and loss account carries every item Schedule 1 lists and in its order: turnover, cost of sales and gross profit, distribution costs, administrative expenses and other operating income to operating profit, then the four investment income and write-off items, interest payable, profit before taxation, tax, and the profit for the financial year. A line with nothing in it in either year is left off the face, which the Schedule requires rather than permits. **Charities SORP (FRS 102)** is offered on charities only. **Dormant company accounts** is offered on everything else, and is listed last: it is the answer least often wanted and the one that must never be chosen carelessly.

The choice is **saved on the accounts pack for that year end**, so the policies, the document and the filing cannot each carry their own opinion about which standard the accounts were prepared under.

45.4 PREPARING A SET OF ACCOUNTS

1. Set the year end and the framework.
2. Work left to right through the tab strip.
3. Make the audit exemption declaration where the company is entitled to it.
4. Press **Prepare accounts** and read the document below.
5. Send **Save as PDF (draft)** to the board. Final is the deliberate second button.
6. Record the approval on the **Approval** tab.
7. Go to **iXBRL filing**, prepare the file, review every tag, and file at Companies House.

A draft carries a **DRAFT: NOT FOR SIGNATURE** stamp with the moment it was produced, printed on the accounts themselves, because a set that does not say it is a draft is indistinguishable from the final one a fortnight later.

45.5 WHOLE POUNDS

Micro-entity (FRS 105) accounts are presented in whole pounds: the profit and loss account, the balance sheet, the detailed profit and loss account, the statement of changes in equity, the statement of cash flows and the iXBRL filing all carry the same figures. Every total printed is the nearest pound to the true total, and the lines above it are rounded so that they add up to it exactly: each line to the pound below or above its true value, with the odd pound going to the lines nearest the next pound up. A line that is nil stays nil. So every column adds up and the balance sheet balances to the pound.

The profit before tax is held at its nearest pound too, although the micro-entity format does not print it, because it is the figure the corporation tax computation starts from and the company tax return checks the two against each other. The tax charge is then the difference between it and the profit for the year, so it can be a pound away from its own rounding: a charge of £797.34 on a profit before tax of £3,002.55 prints as 798, because 3,003 less the profit of 2,205 is 798.

The check that the accounts balance, the audit exemption test and the approval all still read the ledger to the penny.

Section 1A (FRS 102) accounts follow the same rule, on screen, in the PDF and in the filing. Each subtotal of the profit and loss account is its nearest pound, profit before tax included, so the tax return and the computation agree. Net assets and total equity are one figure. Fixed assets, net current assets and the total beneath them add up to each other, and when three figures each rounded on their own would not, one of them is printed at the pound on its other side, still within a pound of its own figure.

The notes are squared to the face of the accounts. Stocks, debtors, both creditors notes and share capital add up to the line they analyse, in both years. The fixed assets notes add up down each class (cost, depreciation and net book value) and across the classes to the balance sheet at both ends. The statement of changes in equity opens and closes on the share capital, share premium and profit and loss account the balance sheets print, and the statement of cash flows starts and ends on the cash they print.

Charity accounts are covered in the charities chapter.

45.6 THE TAX NOTE

For a period beginning on or after 1 January 2026, a Section 1A set carries a **Tax on profit** note, because the September 2024 edition of FRS 102 asks small companies for it (1AC.32C and 1AC.11A). It has three parts, in whole pounds and squared to the tax line on the face:

- **The charge:** the corporation tax on the profit for the year, any adjustment for earlier years, and the deferred tax.
- **The reconciliation:** the profit before tax at the main rate of corporation tax, and each thing that takes it to the charge: expenses not deductible, depreciation against capital allowances, losses used or carried forward, the small profits rate and marginal relief, earlier years, and deferred tax. It is built from the corporation tax computation posted for the year, so the lines are the computation's own.

- **The deferred tax** at the year end by type of timing difference, as recognised, with any asset left unrecognised and the losses carried forward said in words.

Every figure in the note is tagged in the iXBRL file, the totals included. The earlier years' adjustment and the deferred tax appear in both the charge and the reconciliation, and are the same figure to the pound in both, so each is one fact in the filing.

Where the computation or the deferred tax for the year has not been posted, the part that needs it is left out and the note says why, and the filing check says so too. A note of your own headed **Taxation** or **Tax on profit** takes the place of the generated one. Earlier periods get no tax note from here: the January 2022 edition did not ask small companies for one.

45.7 COMPANY DETAILS, AND THE AUDIT EXEMPTION

This tab holds the company number, the signing director, the registered office, the firm's name, the employee numbers for both years, and what the firm is **signed as**, which is the designation printed under its name. "Chartered Accountants" under an ACCA or IFA firm is a claim they are not entitled to make.

The **exemption from audit** block sets out the section 382 size test as a table, the four things the software cannot know, and a tick confirming the company is entitled to the exemption and that the sections 477 and 476 statements may be printed on the balance sheet. Those statements are not printed automatically: they are a declaration on a filed document, so it is made here, by a person, or not at all. The tick is disabled where the size test rules the exemption out, and the name and date against it are stamped by the server from whoever is signed in.

45.8 WHAT IS IN IT, AND THE WORDS AROUND IT

Sections switches the statements on and off, including the detailed profit and loss, which is a management schedule and is never filed, and the contents page follows the same switches. Leave **Show last year's figures** on unless this is a first period: corresponding amounts are required. A line nil in both years is dropped under the Regulations, while computed subtotals survive.

Where each account lands appears under FRS 102 only. It sets which Format 1 line each account rolls into, and separately which taxonomy element it is tagged with in the notes: the line says where a figure appears, the tag says what it is. Defaults are greyed until a person chooses, because an accountant needs to know which lines were chosen and which guessed.

Accounting policies and **Notes** take a title and a body per item, and the note numbers and the balance sheet's cross-references come from one list, so a note switched off cannot leave the balance sheet pointing at a page that is gone. **Report wording** makes every generated paragraph editable in place, with **Reset to standard** on each, and stores nothing until something is changed.

Draft with AI

Where the firm has turned on analysis and drafting under Practice settings, a bar above the policies and notes offers **Draft policies and notes with AI**, and one above the report wording offers **Draft the directors' report with AI** (for a charity, **Draft notes with AI** and **Draft the trustees' report with AI**). Each sends the statements, the framework, the year end, what the company does, and the wording as it stands, and says beforehand which company it goes to.

Policies and notes come back as proposals: a policy or note the figures call for and that is missing (stocks where there is stock, related parties where a director's loan appears, going concern wording where there are net liabilities), and a replacement only where the present wording does not fit. Wording that already fits is left alone. Each proposal sits beside what it would replace, with its own tick; additions start ticked and replacements start unticked, and anything holding an amount that is not in the accounts starts unticked whatever it is.

The report drafts only the sections that are a judgement about the year: for a company, principal activity and results (under FRS 105, the principal activity and the rest of the report as you wrote it); for a charity, objectives, public benefit, achievements, financial review, reserves, going concern, risk and plans. Names, the small companies statement, responsibilities and approval are never sent to be redrafted. The model is told to keep any statement the wording already makes about an exemption word for word, and a reference the wording already made is not flagged.

Where a fact is needed that the figures do not give, a useful life, a date, a reason, a name, the draft leaves it in square brackets for you, and the brackets left are listed under each proposal. Nothing changes until **Use the ticked wording** is pressed. What was accepted, and which model drafted it, goes on the audit trail.

Reviewing it before approval

Ticking a proposal chooses it; it does not mean anyone has read it where it now sits. So every piece of wording accepted from a draft is recorded against these accounts, with who drafted it, who accepted it and when, and an amber list at the top of the screen shows each one until it has been reviewed. Read it in place, against the company's figures and the standard, change it if it needs changing, and press **I have reviewed this**; your name and the date are recorded, and the review goes on the audit trail. While any is left unreviewed, **Record this approval** on the Approval tab is refused, and the refusal names the wording still to read. Wording drafted again replaces its earlier record and needs reviewing again.

CAREFUL

A drafted policy is yours once it is in the accounts. Read each one against the standard and the company's facts before the accounts go for approval; a reference to a paragraph or a section is flagged because a model can cite one that does not say what it claims.

45.9 APPROVAL

The **Approval** tab records the date the board approved, the name that signs the balance sheet, the capacity it holds, how the approval came, a note, and a file of evidence.

An approved year end closes the period: a bank line inside it cannot be re-coded or deleted, and a journal cannot be posted into it. **Withdraw this approval** is the door out, and it requires a reason. The approval is not deleted: it stays on the record, marked as withdrawn, with who withdrew it and why. A preparer who cannot reopen a year makes the figure right some other way, and every other way is invisible.

The approval supplies the date of authorisation for issue that the iXBRL filing reports, and only where the figures have not moved since. It used to be a free date box, which meant the software made a statutory statement to Companies House on the strength of a keystroke. The check behind it covers the figures for both years, the framework, the period and the company's identity, and deliberately not the policies or the notes: a figure moves on its own, and a note does not.

45.10 IXBRL FILING

This tab produces the accounts as one tagged XHTML file, and shows a review copy with every figure marked, so you can see what carries a tag and what does not.

Filleted: balance sheet only is ticked by default. Section 444 lets a small company deliver the balance sheet alone, and the members still get the full accounts: this is only the copy that goes on the public register.

Press **Prepare the filing**. Red errors say "do not file this", each with where to put it right, and amber warnings are worth reading. The counts strip gives facts tagged and, beside it, **figures not tagged**, because a count of facts alone reads as reassurance where a count of figures that did not become facts is a job of work. Step through each untagged figure with the arrows and either tag it or say it carries no fact: missed and deliberate are counted separately, so answering the question does not put the count up.

An element may be typed rather than picked from the shipped catalogue, which holds about a hundred of several thousand. What you type is shape-checked and recorded **unverified**, and that chip follows the tag wherever it appears.

CAREFUL

The screen never says a filing is valid, only what could be checked here. Validation happens at the receiving service against a taxonomy release that is not on this machine, and a user who believes the software has validated a filing stops checking it. Save the file and put it through a validator before you send it.

45.11 FILING AT COMPANIES HOUSE

The panel under the iXBRL tab delivers accounts, revised accounts and the confirmation statement to Companies House through their XML gateway. Four things are needed, and the panel names whichever is missing.

1. **Presenter ID and presenter authentication**, issued to the firm by Companies House and entered under practice settings.
2. **A tested package**. Companies House will not accept live submissions from software they have not tested, so it goes through their test environment first.

3. **The company's authentication code**, held per company under references and identity.
4. A **company number** on the client record.

Filing also needs a current approval and a prepared iXBRL document, and it sends that document byte for byte rather than regenerating it, because regenerating is how what the client approved and what reaches the register come to differ. A sentence above the button says whether the installation points at the test environment, where nothing reaches the register, or at live.

Press **Send the accounts**, then press **Check** on the row until it moves off "Sent, waiting", and download the envelope and the response.

CAREFUL

Acknowledged is not accepted. The gateway answers a submission with an acknowledgement; whether the document was accepted comes back minutes later from a separate poll. Telling a client their accounts are filed when they have been rejected for a mismatched year end is the failure this is written to avoid.

Filing is refused without a current approval, by the endpoint rather than by hiding a button, and the three positions refused say different things: nothing on record, an approval stale against the figures, and one under a different framework. The confirmation statement is not gated on it, because it is a statement by the company about itself, and carries its own lawful-purpose tick.

Revised accounts are a whole set for the same financial year, approved again, and stating that they replace the original, that they are now the statutory accounts for that year, in what respects the original did not comply, and any significant amendments. That much is law. The panel asks which accepted submission is being revised, and why in at least fifteen characters: Companies House do not ask for that, and the practice will be asked. A set filed by hand or by other software cannot be revised here, because the submission it would be filed against is not on record.

45.12 WORTH KNOWING

A filed set of accounts cannot be recomputed the way a VAT return can. It is a document somebody signed, and the copy delivered to the registrar is the only authoritative one there is, so the envelope, the response and the attachments are kept against each submission and can be downloaded from the row.

Incorporation, changes of officer or registered office, and share filings are not filed here.

Corporation tax

Corporation tax, in the sidebar, works out the computation for an accounting period, posts the charge to the ledger, and keeps a record of every computation posted. The ledger supplies two figures on its own: the profit for the period, and the depreciation charged in arriving at it. Everything else is a judgement, and everything else is asked for. Software that decides for itself what is disallowable, or how much of a van qualifies for capital allowances, produces a number that looks authoritative and is wrong.

Nothing on this screen files anything. Filing a CT600 needs HMRC recognition, which the company tax return chapter deals with.

46.1 BEFORE YOU START

A ledger with a profit for the period. For the pools to be worked out rather than typed, the fixed asset register must hold the additions. Nothing else is mandatory: the screen opens on a default period and recalculates as soon as it does.

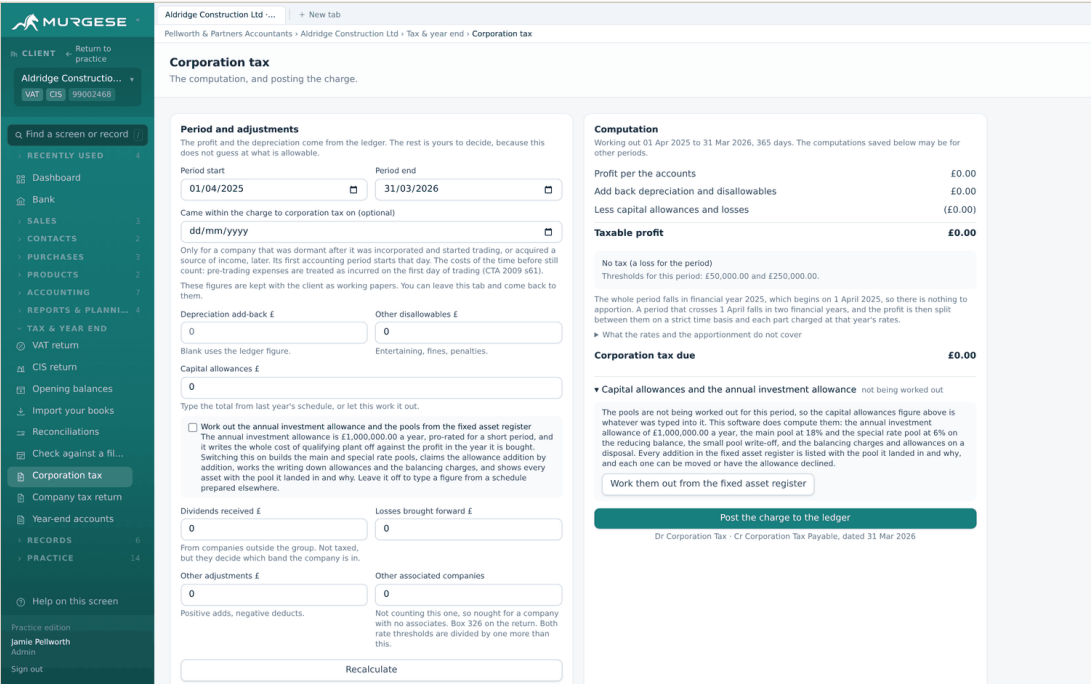


Figure 41 The computation, the band it falls in, and the capital allowances schedule underneath it. The figures shown are invented.

46.2 THE SCREEN

Period and adjustments is where you tell the computation what the ledger cannot.

FIELD	WHAT IT IS FOR
Period start and Period end	The accounting period. These are never loaded from the saved computations below.
Depreciation add-back	Blank uses the ledger's own figure, which is shown as the placeholder.
Other disallowables	Entertaining, fines, penalties.
Capital allowances	Typed, or disabled and worked out where the tick below is on.
Work out the annual investment allowance and the pools from the fixed asset register	Switches on the AIA at £1,000,000 a year, pro-rated for a short period, the first year allowances, the main pool at 14% (18% before 1 April 2026, and a rate between the two for a period that spans it) and the special rate pool at 6% reducing balance, the small pool write-off, and the balancing charges and allowances. The small pool write-off: where the main pool or the special rate pool is £1,000 or less before the allowance, the whole of it is the writing down allowance (CAA 2001 s56A). The £1,000 is for twelve months and is reduced in proportion for a shorter period, so a six month period writes off a pool of up to £500. The schedule says against the pool when it has happened.
Main pool and Special rate pool brought forward	Shown once the tick is on.
Claim the writing down allowance	A company with losses often disclaims, to keep the pool intact for a year when it is worth more.
Dividends received	From companies outside the group. Not taxed, but they decide which band the company is in.
Losses brought forward, Other adjustments	A positive figure adds, a negative one deducts.
Associated companies	Including this one. Divides both rate thresholds.

The **Computation** card names the period it is working out and the number of days in it, and says that the computations saved below may be for other periods. It runs the profit per the accounts, the add-backs, the deductions in brackets and the taxable profit, then the band: no tax on a loss, the small profits rate at 19%, the main rate with marginal relief, the main rate at 25%, or two financial years at different rates. Where the taxable profit and the augmented profits differ it says so, because the augmented figure decides the band and the tax is charged on the other one.

The financial years are always drawn. Over one year it says there is nothing to apportion. Over two it gives a table of the year, the days, the profit, the rate and the tax, with the profit apportioned on a strict time basis in whole pounds, the way HMRC's own check

does it, and each part charged at its own year's rates and limits, and a note of what the rates and the apportionment do not cover.

46.3 WORKING OUT A COMPUTATION

1. Set the period.
2. Enter the disallowables, or accept the ledger's depreciation figure.
3. Either type the capital allowances, or tick the box and enter the pools brought forward, then correct any asset's pool.
4. Enter dividends received, losses brought forward, other adjustments and the number of associated companies.
5. Work through the schedules below.
6. Press **Recalculate**, and read the computation and the financial year split.
7. Press **Post the charge to the ledger**.

Posting is a journal: debit corporation tax, credit corporation tax payable, dated at the period end. Where a charge is already in the period, the screen says so and posting **moves** the liability to the computed figure rather than charging it twice.

46.4 POUNDS AND PENCE

The company tax return states profits in whole pounds and tax in pounds and pence, and HMRC check one against the other: the tax on each rate line must be the whole-pound profit on the form times the rate, to the penny. So that is how the tax is worked out here, and it is never rounded to a pound.

FIGURE	HOW IT IS STATED
Profits	Whole pounds. Every total is its own nearest pound and the lines above it are rounded so that they add up to it, each within a pound of its own figure, so the computation adds up down the page and HMRC's sums between the boxes on the return hold.
Profit the tax is charged on	The taxable profit to the nearest pound, which is box 315. Where the taxable profit has pence, a line under it says what the tax was charged on.
A period in two financial years	The whole-pound profit is split by days and rounded the way HMRC's own check rounds it, so the two years add back to box 315 exactly.
Tax	Pounds and pence, on the computation, on the return and in the ledger, and the same figure on all three. Posting the charge posts the figure the return will state, so paying it clears the liability to nil.

The tagged computation reports the tax to the penny too, and the check that the return and its computation agree compares the tax to the penny. It used to compare whole pounds, which would have let a difference of up to 50p through.

46.5 CAPITAL ALLOWANCES

The schedule is drawn whether or not the tick is on, with a button to work it out from the fixed asset register. The asset table gives each asset with the reason it landed where it did, its cost, its pool, which you can change per asset, the AIA and any first year allowance claimed, and, where an allowance might have been expected and was not given, why. The pool table gives the brought forward figure, additions, disposals, the allowance with any balancing charge in red, and the carried forward figure, plus a row showing how much of the £1,000,000 AIA has been used and a row for each first year allowance.

The first year allowances, all on new and unused assets:

ALLOWANCE	ON	NOTES
Full expensing, 100%	Main rate plant bought from 1 April 2023	Not plant bought to lease out. Selling the asset later charges the proceeds (or the share the allowance covered) to tax in the year of sale.
50%	Special rate plant bought from 1 April 2023	Not plant bought to lease out. Taken on what the AIA did not cover; a sale is charged in the same way.
40%	Main rate plant bought from 1 January 2026	Covers plant bought to lease out, unless it is leased for use overseas. A company's own plant takes full expensing instead. Taken on what the AIA did not cover. A sale goes through the pool in the ordinary way.
Zero-emission cars and electric vehicle charge-points, 100%	Bought up to 31 March 2027	Set on the asset under 100% allowance . A sale goes through the pool.

The tagged computation prints the same working: under **First year allowances**, each asset with a claim, the allowance, the expenditure it was claimed on and the amount, then the total once; a balancing charge on selling an asset that had one is a separate line below.

The AIA goes where it is worth most: special rate plant with no first year allowance first, then main rate plant with none, then 40% plant, then 50% plant. Full expensing and the 100% allowances do not need it.

What is left after the 50% or the 40% allowance does not join the pool in the year it was bought: it goes in from the next period, so no writing down allowance is given on it this year (HMRC CA23110). It is in the carried forward figure, marked **pooled from next period**. Where the asset is sold in the same period it joins the pool now.

A period that spans 1 April 2026 takes a main pool rate between 18% and 14% by days, rounded up to two decimal places as the Finance Act 2026 requires: a calendar year 2026 is 14.99%.

On the return, full expensing goes in box 688, the 50% allowance in 693 with its spending in 773, and the spending on every other first year allowance in 760. The 40% allowance goes in box 725 (other allowances) on a return sent before 6 April 2027 and box 696 after,

because HMRC's return has no box for it until then. Zero-emission cars and charge-points go in 726 and 713, except for a period beginning on or after 1 April 2026 on a return sent before 6 April 2027, where HMRC say to use box 725.

A car put in the special rate pool is flagged rather than left to be assumed correct: which pool a car belongs in turns on its CO2 emissions, and the register does not hold them.

Under the tables sits **What this schedule does not work out**. Read it. A schedule silent about what it left out reads as though it left nothing out.

46.6 THE REST OF THE COMPUTATION

Eight schedules sit outside the adjustment of profit, and every one of them is drawn whether or not it has anything in it, so a preparer can learn from the screen what this software does and does not compute.

SCHEDULE	WHAT IT ASKS FOR, AND WHAT IT SAYS
UK property business	Candidate accounts to tick, or a typed property profit. Letting income is reported at box 190 rather than box 165, and a property loss cannot be set against a trading profit.
Chargeable gains	Per disposal: what was sold, acquired and sold dates, proceeds, cost, costs of buying and selling, and improvement expenditure with its own date, because enhancement expenditure is indexed from the month it was incurred. Indexation runs to December 2017 where it was frozen, and cannot create or increase a loss.
Structures and buildings allowance	3% a year of the qualifying construction cost of a non-residential building, straight line, for thirty-three and a third years. Enter the construction or conversion cost only: land never qualifies, and neither do the legal and planning costs of buying it. There is no balancing charge on sale, so the allowance claimed is carried into the gains schedule instead.
Loans to participators, section 455	A close company tick, then each loan: overdrawn at the start, advanced, repaid, and repayments since the year end. The charge is on anything outstanding nine months and a day after the period end, a loss-making company pays it too, and it comes back when the loan does.
Qualifying charitable donations	Who, when and how much. Deducted from total profits at box 305, only for payments made inside the period, and never able to create or increase a loss. Anything unrelieved is lost rather than carried forward.
Interest outside the trade, and management expenses	Non-trade interest receivable and payable, deficits brought forward, and expenses of managing an investment business under CTA 2009 section 1219.
Group relief	The other company, its tax reference, which losses and how much. Deducted last, after every other relief, and it cannot take the claimant into a loss. Consortium relief is not computed at all: a line marked as one is refused rather than given a plausible figure.

SCHEDULE	WHAT IT ASKS FOR, AND WHAT IT SAYS
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When the tax is payable	The instalment dates and amounts, and a tick saying whether the company was large in the twelve months before this period. No ledger can answer that, and it decides whether a company growing into the rules escapes them for a year.
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A banner appears above them where the period of account runs over twelve months: an accounting period for corporation tax cannot exceed twelve months, so that needs two company tax returns rather than one, and a dropdown chooses which of the two you are working on.

Each schedule carries its own **What this schedule does not work out** list, drawn from the module that computes it.

46.7 A COMPANY'S FIRST YEAR

A company's first period of account runs from the day it was incorporated to its first accounting reference date, and that is usually more than twelve months. A company incorporated on 10 March 2025 with a 31 March year end has a first period of 387 days, and so two returns: 10 March 2025 to 9 March 2026, and 10 March to 31 March 2026. The period offered on this screen starts on the date of incorporation held on the client record, and the statutory accounts for the same period do too, with no comparative year and headed **for the period ended**. The date comes from a Companies House refresh, or is typed beside the company number on [Settings](#); without it the first year is treated as an ordinary twelve months.

WHAT	HOW IT IS DONE
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Dividing the profit	By days, which is the rule in CTA 2009 s52(3). The whole period's profit is read from the ledger and each return takes its share: 365 days of 387 to the first, 22 to the second, rounded so the two add back to the accounts to the penny. The computation shows the whole figure, the days and the share.
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By the transactions instead	Chosen in the banner, and only with a reason, because HMRC accept another basis only where it is more accurate. Each return is then worked from the postings dated in it.
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Adjustments	On the days basis they are typed once, for the whole period of account, and divided the same way. On the transactions basis each return has its own.
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Allowances, losses, loans and donations	Kept for each return separately, so the second return does not inherit the first's. Capital allowances are worked out for each return on its own, and the pools for the second come from the first.
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Came within the charge later	Where the company started trading after it was incorporated, give the date. The first accounting period starts that day, and the costs of the weeks before are treated as incurred on the first day of trading (CTA 2009 s61), so they stay in the return.
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WHAT

HOW IT IS DONE

The calendar

Two returns and two payments. The tax on the first twelve months is due nine months and a day after they end, which is earlier than the second. Both returns are due twelve months after the end of the period of account.

The return

Each return is attached to the same accounts, which cover the whole period of account, and to its own computation. It says that more than one return is being made (box 50) and that the accounts are for a different period (box 85). The check that the two attachments agree compares the accounts with the whole period's profit, and the computation with the return.

46.8 THE COMPUTATION AS A TAGGED ATTACHMENT

A panel below produces the computation as an iXBRL file against HMRC's computational taxonomy, ready to attach to a return. It gives the taxable profit and the tax payable first and at the size a figure is read at, and those are the figures the computation above returned rather than a second calculation.

Under them: facts tagged, lines not tagged, unverified element names, contexts and the taxonomy. Red errors say do not file this and are never put behind a control. Everything else, being what the computation does not cover, what is worth reading before filing and any unverified names, sits behind one **Before you file** disclosure whose summary line still carries the counts. The fault it was written to fix was timing rather than content: all of it used to be said at the moment somebody wanted a number, and none of it at the moment they were about to file. The same list of gaps is printed on the face of the document, so whoever reads the file sees it too.

You can change what a figure is reported as, and a refused tag is shown in full: an element already reported for that period elsewhere, a period the computation does not declare, or a figure no longer printed. A refusal is not a caveat. It means an assertion somebody made is not in the document, and saying nothing would leave them believing it was.

46.9 TAKING A COMPUTATION BACK

The saved computations table gives the period, the band, the taxable profit, the tax, whether it was posted, and what can be done about it. One that posted nothing is **removed**. One that posted a charge is **reversed by a journal**, and the row stays so that the reversal has something explaining it. Neither is possible once the return has gone to HMRC.

CAREFUL

The reason for a withdrawal is required, and it is required because a corporation tax charge taken out of a set of books is the entry an inspector asks about first. The refusal wording comes from the server rather than being written again on the screen, so a button cannot offer something the ledger then declines.

46.10 LEASES

Where the lease register holds leases on the balance sheet, the depreciation the ledger supplies leaves out the depreciation of right-of-use assets, which is allowed, and adds back only the part of it that writes off a capital cost carried in the asset. What was taken to retained earnings when the amended FRS 102 Section 20 was first applied is spread over the period Schedule 14 to Finance Act 2019 sets, on a line of its own. When a lease is ended early, the capital part of what was paid to end it, as you answered it on the lease, is added back on a line of its own too. The chapter on leases has all three.

46.11 DEFERRED TAX

Below the computation, **Deferred tax at** the period end works out the deferred tax for a company preparing its accounts under FRS 102, from the computation posted for that year end. Under FRS 105 it says that a micro-entity does not recognise deferred tax (FRS 105 24.7), and until the framework has been chosen on the accounts for the year it asks for it.

It recognises deferred tax on every timing difference (FRS 102 29.6) and works three of them out itself:

- **Fixed assets.** The net book value of each class of tangible fixed asset that qualifies for capital allowances, against the written down value of the pools the computation carried forward (29.8). Whether a class qualifies is read from its name, as the computation reads its pools, and each can be ticked the other way. Right-of-use assets are left out: a lessee's relief follows the accounts.
- **Trading losses carried forward**, from the computation.
- **The lease transitional adjustment** not yet brought into tax under Schedule 14 to Finance Act 2019.

It asks for the rest, and assumes nothing:

QUESTION	WHY
Taxable profit expected a year	Deferred tax is measured at the average rate expected when the differences reverse (29.13). At £150,000 a year that is £36,000 after marginal relief, 24%, not 19%, 25% or the rate on the top slice. The limits are shared with any associated companies the computation counted, and the rates are the next financial year's.
Other timing differences	Pension contributions accrued and not paid, a general provision added back: positive where the item is taxed later than the accounts recognise it, negative where it is relieved later. There are none is an answer.
Is recovering the net asset probable?	Asked only where the assets exceed the liabilities. An asset is recognised only to the extent that recovery is probable (29.7), and unrelieved losses are themselves strong evidence that it may not be. Yes, part or no, and for yes or part, why.
Tax written down value	Asked only where the computation typed its capital allowances rather than working the pools out.

The working shows each difference and its tax, what is not recognised, the provision or asset at the year end, and what it was at the start. **Post the deferred tax** posts one journal dated the year end: the deferred tax charge on the tax line against the provision in provisions for liabilities, or the asset in debtors, the two set off against each other (29.23, 29.24A). Posting again moves only the difference. Deferred tax on something that went to equity goes to equity: the tax on the lease transitional adjustment is taken to retained earnings in the first year (29.22). **Take it back** puts the accounts back to where they stood at the start of the year, with a reason.

The deferred tax charge is kept out of the profit the computation starts from, so posting it does not move the computation.

CAREFUL

Where nothing was carried at the start of the year and something should have been, the working says roughly how much. Posted as it stands, all of it is charged in this year. If that amount is material it was an error in the earlier accounts, and FRS 102 10.21 corrects a material error by restating the comparatives rather than through this year's profit.

The structures and buildings allowance is not included: how it is treated for deferred tax could not be settled from a published source. Where the computation claimed some, the working says so, and it can be entered as another timing difference.

46.12 WORTH KNOWING

The dates at the top are never loaded from the computations saved below, and the working period is named out loud on the computation card. Otherwise a computation for one period comes to be checked against a figure from another.

The annual investment allowance and the pools were built, correct, and invisible until a checkbox was ticked, so somebody looking for the AIA could read the whole screen and conclude it did not exist. Everything is now named whether or not it is switched on.

Withdrawn computations stay in the pickers, marked as reversed. A period that disappears out of a picker looks exactly like a period nobody ever computed.

The company tax return

Company tax return, in the sidebar, builds a real CT600 with both of its tagged attachments, proves that the return, the accounts and the computation agree, and computes the IRmark. **HMRC have not recognised this software for Corporation Tax Online, so no return you prepare here is filed.** File the return through HMRC's own service or through your filing software, and use what is here as the working papers behind it.

What is built is the whole path up to and including sending: the form, both attachments, the proof that they agree, the envelope, the IRmark, the submission itself and the reply HMRC send back. Where the settings name HMRC's own **External Test Service**, the send button is live and says Send it to the test service. That service takes the entire submission, checks it exactly as the live one would, answers accepted or rejected, and **files nothing**. It is the testing HMRC ask for before they will consider recognising software. Nothing goes on the company's record and nothing reaches HMRC's live systems.

47.1 BEFORE YOU START

A corporation tax computation that has been worked out **and posted**. A withdrawn or reversed computation cannot be used, and the screen says so rather than hiding the period. The company registration number and the company's UTR must be on the client record.

The problems list at the top of the screen names everything standing between here and a submission, in full and first. The first of them, that HMRC have not recognised this software, is one nothing in the product can clear for a real filing. The others, being a Government Gateway sender id and password, a four-digit vendor id and HMRC's submission address, have to be right before anything can be sent even to the test service.

Company tax return

The CT600 and its two tagged attachments, up to the point of sending.

Company tax return, form CT600

The return, both tagged attachments and the checks that hold them to each other. It prepares and checks a real return. It cannot send one, and the reason is below rather than behind a disabled button.

- HMRC have not recognised this software for Corporation Tax Online, so no company tax return can be FILED. Recognition is a separate application from the Making Tax Digital one, it is made through the Software Developers Support Team, and HMRC will not consider it until the product has been tested against their External Test Service. Two things can be done today. A return can be checked against HMRC's validation service, which is what the Check with HMRC button does. And it can be sent to the External Test Service, which files nothing and records nothing against the company, by setting the environment to Test and the submission address to <https://test-transaction-engine.tax.service.gov.uk/submission> under Practice settings.
- No Government Gateway credentials for Corporation Tax Online are on file. Add the sender id and password under Practice settings; they identify whoever is filing and cannot be shipped with the software.

No corporation tax computation has been worked out and posted for this company yet, so there is nothing to make a return from. Work one out under *Corporation Tax* first: the return is built from the computation that was actually posted, not from a screen that has not been saved.

[Prepare the return](#) [Check it with HMRC](#) [Send it to HMRC](#)

Checking asks HMRC what is wrong with the return and files nothing. Sending a return that FILES is off until HMRC recognise this software. Their External Test Service can be used now: set the environment to Test and the submission address to their test engine under Practice settings.

Preparing is off because there is no posted computation for a period yet.

CIS deductions suffered in the period

There is no CT600 box for CIS deducted from a company's own income. Box 595 is Corporation Tax already paid, and the Company Tax Return guide says in terms that box 515 must not include deductions from contract payments under the Construction Industry Scheme. A company recovers CIS suffered through the Employer Payment Summary against its PAYE and National Insurance month by month, and asks HMRC to repay or set off whatever is left after the tax year ends.

Check the figure below against the company's EPS submissions for the year. Where HMRC have already set an amount of it against the Corporation Tax for this period, that amount is tax already paid and belongs in box 595; enter it there deliberately rather than assuming it.

Prepare the return to see the figure for the period.

• Every box, filled or not 61 of 66 filled

Figure 42 The return with the agreement table, the IRmark, and every box shown filled or unfilled. The figures shown are invented.

47.2 THE SCREEN

Period lists every saved computation, including withdrawn ones marked as reversed, and opens on the newest live one.

Four boxes are asked for rather than derived.

BOX	WHAT IT IS
145	Total turnover from trade. Seeded from the ledger's income and editable, because box 145 is trading turnover and anything that is not trade has to come out.
4	Type of company, a code from the CT600 guide. Asked for rather than guessed: the codes separate a close investment holding company, a group member and a charity, and that is a judgement about the company.
595	Corporation tax already paid.
975 and 985	Who makes the declaration, and in what capacity.

Below them, **Do the return and its attachments agree?** puts the same figure from the accounts beside the same figure from the computation and says whether they agree, then reports any disagreements in red as "do not file this" and anything else worth reading in amber. Then the fingerprint of the figures the two attachments share, and the **IRmark**, which is the receipt proving which return was submitted and changes if a single character of it does.

Three lists follow: **Still to answer**, **What this return does not cover**, and the boxes filled under an element name nobody has confirmed. Then every box, filled or not, with what it is, the figure, its state and its element path, and unfilled rows in amber.

47.3 PREPARING A RETURN

1. Post a computation on the corporation tax screen.
2. Choose the period here.
3. Confirm box 145, and fill in boxes 4, 595, 975 and 985.
4. Press **Prepare the return**.
5. Read the agreement table, the "still to answer" list and the "does not cover" list.
6. Note the IRmark and file the return elsewhere. Where the test service is in use, send it there first and read the answer: an acceptance is a check on the return before you key it into HMRC's own service, and a rejection tells you what they would have said.

47.4 SENDING IT TO HMRC'S TEST SERVICE

Only where the settings name the External Test Service. The button says so, and the sentence beside it repeats that nothing is filed and nothing is recorded against the company.

What happens when you press it is the full six-message exchange HMRC specify, not a single post: the submission goes, HMRC acknowledge it, Murgese polls until they have finished with it, and the answer comes back. If HMRC have a response to clear, Murgese clears it afterwards, which is the tidying step they ask for.

Returns sent below the button lists every submission with its date, its outcome and its IRmark:

- **Accepted** means HMRC took the return and found nothing wrong with it.
- **Rejected** lists their errors in their own words, each with the box or the rule it came from. A rejection is information, not a failure of the software: it is exactly what the test service is for.

The **IRmark** is shown in the form a person can read out, in groups of letters and digits, rather than as the base64 string that travels inside the envelope. It is the receipt proving which return was submitted and it changes if a single character of the return changes.

The whole exchange with HMRC saves every message of that conversation to a folder you choose: what was sent, what came back, in order, with a note naming each one. Keep it with the working papers. If a submission is ever queried, the exchange is the only record of what actually passed between the two systems.

47.5 WORTH KNOWING

The CT600 works no tax out. Every figure is read off the computation the corporation tax screen produced. A second implementation of the hardest arithmetic in the product is

a second answer, and the day the two disagree a company signs one figure and files another.

Pounds and pence. Profits go on the return in whole pounds, rounded once so that every sum HMRC make between the boxes holds, and tax goes on in pounds and pence, as the whole-pound profit times the rate. It is the same tax the computation states and the ledger carries, to the penny. The corporation tax chapter has the detail.

A loss, or no tax to pay. The trading boxes cannot be negative, so a loss-making trade files nil at boxes 155 and 165 and its loss at box 780. Where the loss was set against interest, letting profit or a gain of the same period, box 275 says how much. Boxes 315, 440 and 525 say 0.00 rather than being left out, because HMRC's schema requires them, and the tax boxes 326 to 395 are left out, because there is no profit to charge.

Associated companies. Box 326 carries the number of associated companies, 0 included, wherever box 329 is answered, which is every company on the small profits rate or with marginal relief. Left empty there, HMRC answer 9240.

Checked against HMRC's own rules. Every change to the return is tested against HMRC's published schema and business rules for the CT600 before it reaches you, across losses, nil years, the small profits rate, marginal relief, the main rate, periods that fall in two financial years and returns with a director's loan. Both versions are tested: the one HMRC's live service runs now, and the 2027 return (V1.995), which reaches HMRC's test services on 21 December 2026 and the live service on 6 April 2027. The return does not say which version it follows, so HMRC hold it to whichever their service runs on the day it arrives, and Murgese builds it for that day and that service.

Loans to participators (CT600A). Each loan still outstanding at the period end is a line of its own, in whole pounds, and box A20 is their total times the rate, to the penny, which is how HMRC check it. Part 2 carries repayments made within the nine months and on or before the day the return is sent. Part 3 is only for a repayment made later whose relief is already due when the return is sent; box A80 is then reduced by it and box 485 is ticked. A late repayment whose relief is not yet due is not on the return, and the notes say the date it can be claimed from. Box A5 asks whether any of the period's lending was repaid before the period ended.

The 35.75% rate before 6 April 2027. A loan made on or after 6 April 2026 is charged at 35.75%, and HMRC's live service will not accept that rate until 6 April 2027. HMRC's instruction is to file, then amend the return after 6 April 2027. So until then the CT600A carries the charge at 33.75%, and **Before you send this return** says how much short that is and what to pay: the full charge, by the usual date, because the amendment corrects the return and not the payment. The computation shows the full charge throughout. When HMRC accept a live return filed this way, a job to amend it appears on the job board, starting on 6 April 2027 and due by the last day the return can be amended.

Group relief (CT600C). The group relief page does not yet pass HMRC's own schema and rules, so a return that needs it is not sent from Murgese. Check with HMRC still sends it, so you can read what HMRC say.

Every box carries its own state, and the three states mean different things. **Supported** means the element name is corroborated by HMRC's own sample XML or the Company

Tax Return guide. **Unconfirmed** means the box is filled but the name comes from a third-party implementation, because HMRC's own artefacts could not be downloaded: a wrong name there fails schema validation at HMRC, which is a safe failure. **Not filled** carries the reason it is not. A tax return that is quietly incomplete is worse than one that refuses to be produced, because both look finished.

The accounts attachment is fetched **unfilleted**, and that is not a detail. A small company delivers the balance sheet alone to Companies House under section 444, and that filleted set has no profit and loss on the face of it. HMRC want the full accounts, and the computation starts from the profit in them, so attaching the filleted set would send HMRC a document that does not contain the figure the computation is an adjustment of.

CAREFUL

CIS deductions suffered are not box 595. Box 595 is tax already paid and not repaid, meaning corporation tax the company has paid, and box 515 says in terms not to include deductions from contract payments under the Construction Industry Scheme. There is no CT600 box for CIS suffered. A company recovers it month by month through the Employer Payment Summary against its PAYE and NI liability, and claims anything still unrecovered after the tax year ends. The screen has a card saying this, with the figure read off the sales invoices for the period rather than off the cumulative ledger balance.

Everything the return does not cover has to be added by hand before it goes in, and that list is on the screen rather than in a manual. Read it every time: it is written from what the code actually fills.

Dormant accounts

Dormant accounts, in the sidebar, tests the ledger for dormancy under section 1169 of the Companies Act 2006 and, only if it passes, produces dormant company accounts. The same thing is reachable as the **Dormant company accounts** framework on the year-end accounts screen, which is where it belongs when a year end is already being worked on.

The check comes first, and it is not a formality. Dormant accounts are a statement made in the director's name that the company had no significant accounting transaction in the period. A £6 bank charge makes that untrue, and a screen that took the preparer's word for it would eventually file a false statement with the registrar.

48.1 BEFORE YOU START

A year end. Reached through year-end accounts it takes the year end from that screen, and on its own route it keeps its own date box. The company number and the director's name should be on file.

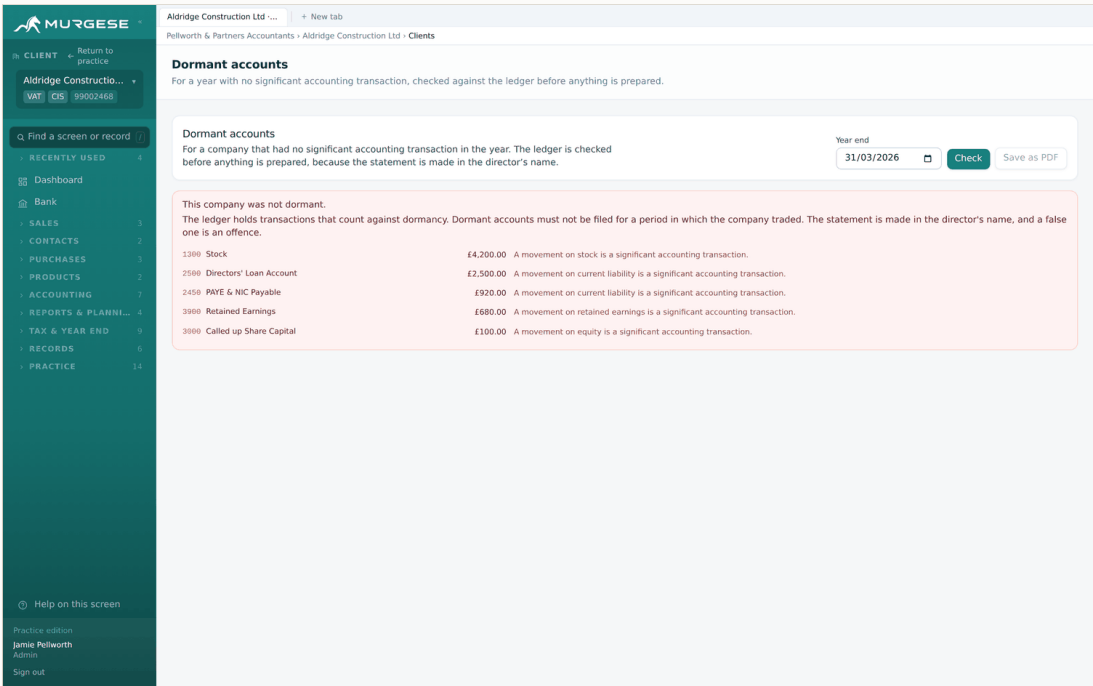


Figure 43 The dormancy check with what breaks it, and the dormant balance sheet underneath. The figures shown are invented.

48.2 THE SCREEN

A **Check** button, and **Save as PDF**, which stays off until the check passes.

The verdict banner is green where the company appears to have been dormant and red where it was not. Underneath, the **breaches** table gives the account code and name, the amount, and why it counts against dormancy. Beside it, the movements **disregarded by**

section 1169(3) are listed by name and amount, so nobody is left wondering whether they were noticed.

Below that sit the accounts themselves: the company name, the registered number, "Dormant company accounts" and the year end, then a balance sheet with two year columns running called up share capital not paid, cash at bank and in hand, debtors, creditors shown negative, net assets, and then called up share capital, profit and loss account and total equity. Then the statutory statements and a signature block with the director's name. Where the accounts do not balance the screen says so and says they must not be filed.

Two things print on screen only. A panel explains why the section 480 audit exemption statement is not on this balance sheet, with the points to confirm under company details, and a footer says that a dormant company still has to file a confirmation statement and still has to tell HMRC it is dormant for corporation tax. A set of accounts going to Companies House must not carry a note explaining why the software would not print a statement, but a preparer looking at a balance sheet with two statements fewer than they expected has to be told why.

48.3 PREPARING DORMANT ACCOUNTS

1. Set the year end, or use the one already on the year-end accounts screen.
2. Press **Check**.
3. Where the check fails, read the breaches. Those are the transactions that make dormancy untrue.
4. Where it passes, confirm the audit exemption points if the statement is missing.
5. **Save as PDF**.

48.4 WORTH KNOWING

The definition is mechanical. Section 1169 disregards shares taken by the subscribers to the memorandum, fees paid to the registrar on a change of name or re-registration, penalties for late filing, and the confirmation statement fee. Everything else breaks dormancy, including the accountant's own fee where the company pays it.

Dormancy is worked out from **journal entries rather than account balances**, and that distinction is the whole of it. A subscriber share is a debit to bank and a credit to share capital, so a version that permits the share capital account while flagging the bank reports the one thing the Act expressly disregards as the thing that breaks dormancy. An entry is disregarded only where every line of it lands on a permitted account or on cash.

Permitted items are identified by account rather than by amount, because a £13 payment could be the confirmation statement fee or a bank charge, and only the coding says which.

No profit and loss account is required, and there would be nothing in one.

CAREFUL

Filing dormant accounts discharges neither the confirmation statement nor the notification to HMRC that the company is dormant for corporation tax. Those are separate obligations with their own deadlines, and the compliance calendar carries them.

Self-employment and the SA103 pages

A sole trader's profit is not taxed on the business. It is the proprietor's income, and it lands on the self-employment pages of their personal return, SA103, so there is no corporation tax computation to do. Three screens cover the year end for an unincorporated business: **Self-employment pages**, which adds the ledger up the way SA103 asks for it; **Self Assessment**, where the SA103 itself is prepared from that analysis with the tax adjustments, the capital allowances, the basis period and the losses; and **Proprietor and capital account**, which records who owns the business and how their stake in it moved.

49.1 BEFORE YOU START

An unincorporated client with postings in the period, a fixed asset register if capital allowances are to be claimed from it, and, for a subcontractor, the CIS role set under Settings so the tax contractors withhold is recorded on the sales invoices.

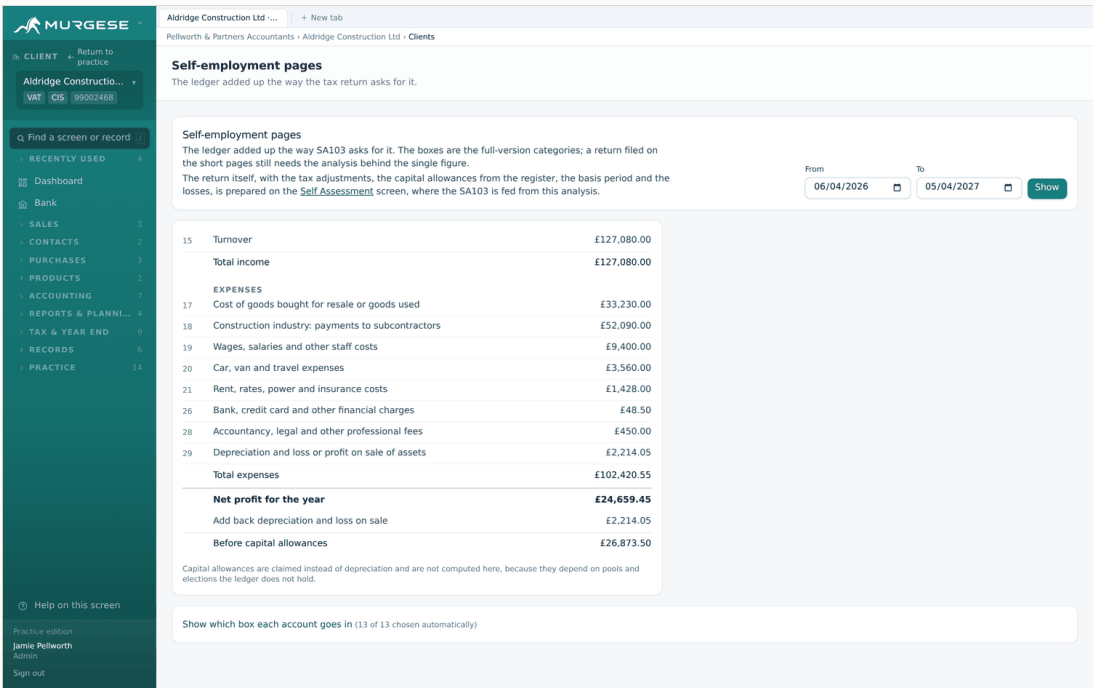


Figure 44 The ledger analysed into the SA103 boxes, with the profit and the depreciation add-back at the foot. The figures shown are invented.

49.2 THE SELF-EMPLOYMENT PAGES

From and **To** default to 6 April and 5 April, and **Show** runs the analysis.

Income runs box 15, turnover, and box 16, any other business income, with a total. Expenses run boxes 17 to 30 in the order the form asks for them, from cost of goods bought for resale through to other business expenses, and then a **Not allocated to a box**

line in amber, and a total. Below that: the net profit for the year, the add-back for depreciation and loss on sale, and the profit before capital allowances.

Show which box each account goes in opens the mapping, with a count of how many boxes were chosen automatically, and a dropdown per account, greyed while it is still the software's own choice. The same mapping feeds the return, so a box corrected here is corrected there.

1. Set the dates. The pages run to 5 April unless the business draws its accounts to another date.
2. Press **Show**.
3. Open the mapping and put every account in a box until **Not allocated** is nil.
4. Go to [Self Assessment](#) and prepare the SA103 from it.

The screen is built around one property: nothing is lost. Every income and expense account lands in a box, including a box for anything nobody has given one, so the analysis can be proved against the profit and loss rather than quietly differing from it by whatever fell through.

49.3 THE SA103 ON THE RETURN

On the [Self Assessment](#) screen, the SA103 page holds one entry per business. Each entry begins with **where the figures come from**: typed here, box by box, or the ledger of a sole trader the practice keeps books for. An individual's return can be fed from any sole trader ledger on the client list, which is how a person whose business is kept as a separate client gets their SA103 from it.

Fed from the ledger, every box is read from the books on every visit. An **override** with a note replaces a box; the ledger's figure stays beside it on the screen and on the printed page, so the return never silently differs from the books. The page then runs through, in the order of the form:

- **Which form.** The short pages (SA103S, boxes 1 to 38) are chosen where the turnover is below the VAT registration threshold (85,000 to 2023-24, 90,000 from 2024-25) and nothing needs the full pages (SA103F, boxes 1 to 103). An apportioned basis period, a transition profit, an averaging or accounting practice adjustment, income not taxable as trading profit, or a balance sheet forces the full pages, and the reason is written out. **Use the full pages whatever the turnover** forces them by choice. Both sets of boxes are filled either way and both can be printed.
- **Cash basis or traditional accounting.** The cash basis is the default from 2024-25 and traditional accounting before it; the choice is kept with the return. A ledger keeps accruals figures, so under the cash basis the year's movements in trade debtors, trade creditors, stock and prepayments are reversed, and each is shown as a line with the box it adjusts: sales invoiced but not received come out of turnover; costs billed but not paid come out of expenses; stock and prepayments paid for go in. Before 2024-25 the cash basis capped interest at 500 (the excess is disallowed in box 40) and a cash basis loss could not be set against other income; both restrictions went from 2024-25 and the page applies each to its year.

- **Income and expenses, boxes 15 to 30**, with a disallowable column. Depreciation is disallowed in full without being asked. Anything else disallowable is entered against its box and lands in boxes 32 to 45.
- **Trading allowance.** Income of 1,000 or less is exempt without a claim. Above it, the page shows income less the allowance beside income less expenses, adjustments and capital allowances, says which is lower, and offers the claim. Claimed, box 16.1 carries the allowance and the expense boxes, the disallowables and the capital allowances are left empty on the return, as HMRC ask.
- **Other tax adjustments.** Goods and services for own use (box 60), income not taxable as business profits (box 62), other business income (box 75), a change of accounting practice (box 71) and averaging (box 72).
- **Capital allowances, boxes 49 to 59.** From the fixed asset register, or typed. From the register, the page computes the annual investment allowance, the main pool at 14% (18% before 6 April 2026, and a rate between the two for a basis period that spans it) and the special rate pool at 6%, the small pool write-off (the whole pool where it is £1,000 or less, reduced in proportion for a basis period shorter than a year), balancing allowances and charges on disposal, and on cessation the closing of every pool. Full expensing and the 50% first year allowance are for companies and are not claimed. The 40% first year allowance is: on new and unused main rate plant bought from 1 January 2026, not cars, on what the annual investment allowance did not cover, in box 55. What is left after it joins the main pool from the next year. An asset with **private use** recorded on the register goes in a single asset pool of its own: the allowance is worked out on the whole cost, the pool is reduced by the whole allowance, and only the business share is claimed; on disposal the balancing adjustment is restricted the same way. The written down value brought forward on such an asset is rolled forward from its cost unless it is given. The 100% first year allowance on a zero-emission car or goods vehicle or a charge-point is a choice per asset, and is taken from the register's **100% allowance** where the asset says so and the return does not say otherwise; so is the pool, and whether to claim the annual investment allowance on a particular addition.
- **Basis period.** From 2024-25 the profits of the tax year itself are taxed. An accounting date of 31 March to 4 April is treated as 5 April and nothing is apportioned. Any other accounting date is apportioned by days across the accounting period ending in the year and the following one, and the apportionment is shown part by part: which days, of how many, of which profit. The following period's profit is taken from the ledger as it stands where the books are kept here, and typed otherwise; where it is not given the page says the figure is provisional, which HMRC accept until the accounts are final. For 2023-24 the page computes the transition year: the standard part, the transition part from the following period, overlap relief brought forward, and the transition profit spread over five years with one fifth taxed in 2023-24 and an election to bring more in early. For 2024-25 to 2027-28 the spread fifth is entered in box 73.3 from the 2023-24 return.
- **Losses.** A loss of the year can be set against other income of the year or the previous year (box 78), carried back (box 79) or carried forward against the same trade (box 80). Losses brought forward are set against this year's profit (box 74) and then against any

spread transition profit (box 73.4). On cessation with a loss, the page names terminal loss relief against the three previous years, claimed in box 79.

- **CIS deductions, box 81.** For a subcontractor fed from the ledger, the tax contractors withheld on the sales invoices of the tax year, from the CIS module. An override with a note replaces it where a statement is missing or disputed; the module's figure stays beside it. Typed otherwise.
- **Class 2 and Class 4.** The voluntary Class 2 tick (box 100) and the Class 4 exemption (box 101). Box 102, an adjustment to the Class 4 profits, is not computed and says so.
- **Balance sheet, boxes 83 to 99.** From the ledger at the end of the accounting period, each box overridable. Box 99 is proved against box 94 and a difference is named rather than hidden; the usual cause is an equity posting that is neither capital introduced, drawings nor profit.

Under the entry: the warnings worth reading before the figures are relied on, the workings one sentence per step, and the boxes the software does not fill with the reason for each. The taxable profit, the loss set sideways, the CIS deductions and the Class 2 and Class 4 flags feed the computation on SA110.

CAREFUL

The figures are recomputed when the return is saved. Change a mapping, an asset's private use or an invoice, and the return follows on the next save; a return marked ready does not change until it is reopened.

Printable SA103F and **Printable SA103S** show the form's boxes in the form's order with the form's wording, the tax year in the header, an overridden box marked with the ledger's figure and the note, and a DRAFT watermark until the return is marked ready. **Save this page as PDF** produces the file, named with the form and the tax year. The box numbers were checked against the published SA103F (2026) and the SA103S notes (2026) on 3 September 2026; boxes the 2026 form says are not in use are listed as such.

CAREFUL

This is a computation and not advice. Whether to claim the trading allowance, which pool a car belongs in, whether a loss is better set sideways or carried forward, and whether to bring the transition profit in early are judgements, and the software makes none of them; it shows what each choice does.

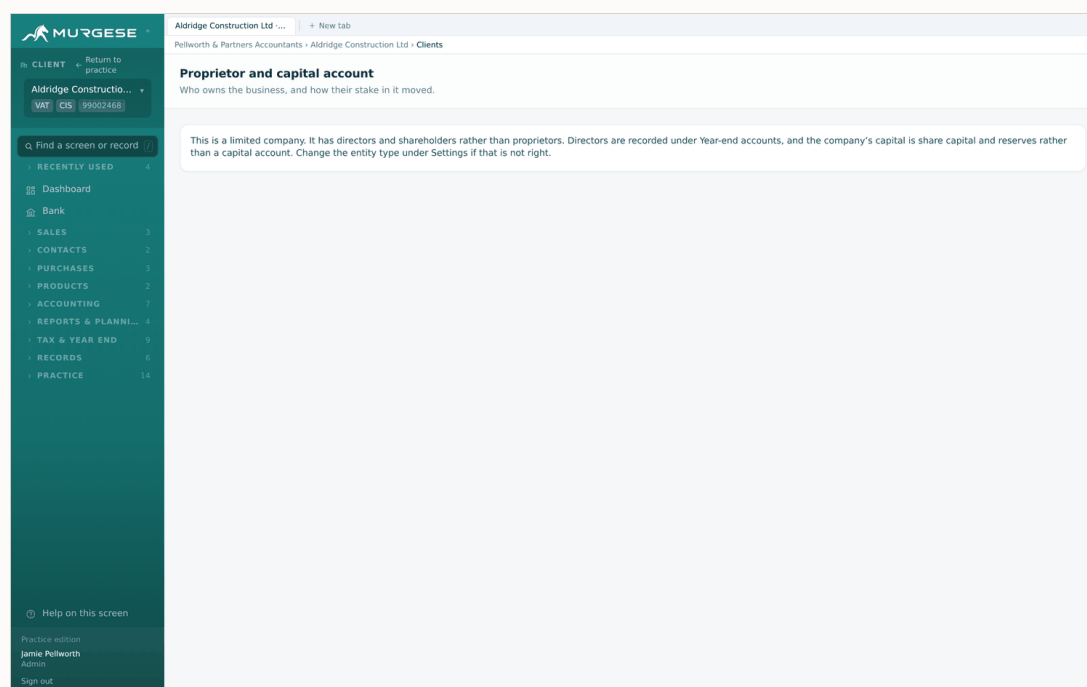


Figure 45 The owners with their profit shares, and each capital account from brought forward to carried forward. The figures shown are invented.

49.4 PROPRIETORS AND THEIR CAPITAL ACCOUNTS

The heading reads Proprietors, Partners or Members according to the entity type.

The table gives each owner's name, their share of profit as an editable percentage on a partnership, their tax reference and a remove link. On a partnership a total row turns red until the shares come to 100%, because the profit cannot be allocated until they do.

Underneath, **From** and **To** dates and **Show** produce the capital account itself: a column per owner, and a total column where there is more than one, running the balance brought forward, capital introduced, the share of profit for the year, less drawings, and the balance carried forward.

1. Add each owner with their name, their share and their tax reference. Their capital, capital introduced, drawings and current accounts are created and linked in the same step.
2. On a partnership, make the shares total 100%.
3. Set the dates and press **Show**.
4. Read the check at the foot.

49.5 WORTH KNOWING

A limited company has directors, who are officers rather than owners, and shareholders, who own it without appearing in the accounts at all. **A sole trader is the business.** That difference is why this is a separate screen rather than a variant of directors and advisers: the questions are different, and the answers post to the ledger.

Drawings are equity and never an expense, so they cannot reach the profit and loss by accident. The balance sheet boxes on the SA103 read drawings and capital introduced from the same equity accounts.

The check at the foot of the capital accounts is the point of the screen. It either agrees with the balance sheet or says how far away it is, and a difference means something has been posted to an equity account that is not linked to anybody.

A partnership's and an LLP's trading figures go on the partnership return (SA800), not on SA103, and the members are taxed on their shares; the analysis screen shows the categories without SA103 box numbers for them. The partnership return is a later release.

Self Assessment

An individual, and a sole trader, has a Self Assessment return for each tax year. The **Self Assessment** screen keeps it: a tax-year picker, a rail of the return's pages from SA100 to SA110, and the computation of income tax, National Insurance, capital gains tax and student loan repayments that the SA110 summarises. A person on the client list finds it under Their tax; a sole trader finds it under Year end, beside the self-employment pages.

CAREFUL

Nothing on this screen is sent to HMRC. Murgese Ltd does not yet hold Making Tax Digital for Income Tax credentials, so the return is prepared and printed here and filed by another route. The banner at the top of the screen says so on every visit, and it will say so until that changes. The **MTD for Income Tax** page at the end of the rail is where the quarterly updates are built from the ledger and locked, and where filing will happen once HMRC recognise the software; it has its own chapter, which is honest about what has and has not been proved.

50.1 WHAT IS BUILT

Every page on the rail is built. Each one edits its part of the return, shows what the computation did with its figures, says in words what it does not fill, and prints as a facsimile with the box numbers checked against the 2026 forms on 4 September 2026 (the SA103 and SA105 on 3 September). The whole return prints in form order behind a cover sheet. What follows is each page, honestly.

50.2 THE TAXPAYER RECORD

An individual's and a sole trader's client record carries the taxpayer's details: the date of birth, the nation of residence and the agent reference under **References**, beside the National Insurance number and the Self Assessment UTR. A UTR or a NINO that fails its check is saved as typed with a warning, because HMRC issue formats the software does not know. A new return defaults its taxpayer section from the record (name, date of birth, NINO, UTR, address, agent reference), and saving the return writes the date of birth, the nation, the NINO and the UTR back, so the two do not disagree for long. The date of birth decides state pension age and the National Insurance exemption that follows; the nation decides which rates apply to non-savings income.

50.3 SA100 MAIN RETURN

The taxpayer (TR 1); the pages enclosed, counted from what is on the return (TR 2); interest and dividends, the state pension and its lump sum, other pensions and benefits, other income with its expenses, the benefit from pre-owned assets (TR 3); pension contributions of every kind, Gift Aid with the one-off, carried back and brought forward

figures, gifts of shares and land, the blind person's allowance with the register and the surplus either way (TR 4); the student loan plan and what PAYE already took, child benefit with the date it stopped, the marriage allowance and the spouse's details (TR 5); the winter fuel payment, tax already refunded, the opt-outs from collection through the tax code, the repayment details and the nominee (TR 6); the adviser and any other information (TR 7); the provisional figures flag and who signs (TR 8). Boxes the software does not fill (the trusts pages, the signature, the address of a person signing for somebody else) say so on the printed page.

What the computation applies from it: every income and relief box; gifts of shares and land as a deduction from total income; maintenance payments at 10% up to the married couple's allowance minimum, only where a party was born before 6 April 1935; the winter fuel payment charge, which from 2025-26 recovers the payment in full where adjusted net income is over £35,000 (the measure of income is marked as a figure to check); the marriage allowance either way; the blind person's allowance. Box 1 of TR 4 prints the relief-at-source contributions grossed up, as the form asks; the screen takes them as paid. Social investment tax relief is kept on the screen for earlier years but has no box on the 2026 form, the relief having ended in April 2023.

50.4 SA101 ADDITIONAL INFORMATION

Add the additional information pages puts them on the return. The groups of the 2026 form:

- **Gilt interest** (Ai 1 boxes 1 to 3): charged as savings income with the tax taken off credited.
- **Life insurance gains** (boxes 4 to 11): each gain with its years and whether tax is treated as paid. Charged as savings income; top slicing relief is worked out on the annual equivalent in the form Finance Act 2020 gave it, the personal allowance recomputed on the sliced gain; the basic rate tax treated as paid on a UK policy is set against the tax and never repaid. Deficiency relief is recorded only.
- **Stock dividends, bonus issues and close company loans written off** (boxes 12 to 13.1): dividend income.
- **Post-cessation receipts** (boxes 14 and 15): other income of the year; a claim to tax them in an earlier year is made on the return.
- **Share schemes and employment lump sums** (Ai 2 boxes 1 to 15): the share scheme amount, the lump sums, the EFRBS benefits and the redundancy over £30,000 are other income with the tax taken off; the disability, foreign service, seafarers' and foreign earnings deductions come off employment income; patent royalties are deducted from total income.
- **Other tax reliefs** (Ai 2): VCT, EIS, SEIS, community investment, qualifying loan interest and maintenance are entered on the SA100 page and printed here; annual payments, post-cessation trade relief, pre-incorporation losses and the trade union death benefit half are deducted from total income.
- **Income tax losses** (Ai 3 boxes 1 to 6): recorded and printed only.

- **Married couple's allowance** (Ai 3 boxes 1 to 11): for a couple where one was born before 6 April 1935. Relieved at 10% of the allowance, which is reduced by half of adjusted net income over the income limit (so far as that excess has not already reduced the personal allowance) and never below the minimum; the spouse's share of the minimum is taken off. The figures for 2023-24 to 2026-27 are held with their source. A surplus received from the spouse is entered on the return.
- **Pension savings tax charges** (Ai 4 boxes 10 to 18): the excess over the annual allowance charged at the marginal rates as the top slice of income, less what the scheme pays; the unauthorised payments charge at 40% and the 15% surcharge; the overseas transfer charge at 25% less the tax the scheme paid; the short service refund at 20% to £20,000 and 50% above. Together they fill SA110 box 6.
- **Tax avoidance schemes** (boxes 19 and 20): recorded and printed as text.

50.5 SA102 EMPLOYMENT

One page per employment. Pay and tax from the P60 or P45, the payrolled benefits that count for the student loan, tips; the directorship with the date it ceased, the close company with its name, number, dividends and shareholding, the off-payroll working flag; the benefits by P11D category; the expenses (business travel, fixed deductions, professional fees, other).

The benefits the software works out: a **company car** from its list price, capital contribution (capped at £5,000), CO2 figure and, for a car of 1 to 50 g/km, its electric range, at the year's percentage, reduced for days unavailable and payments for private use; the **fuel benefit** from the multiplier at the same percentage; **vans** at the flat rate, nil for a zero-emission van, with van fuel; **beneficial loans** at the average balance times the official rate less interest paid, nothing where the loans never exceeded £10,000. A diesel that does not meet RDE2 carries the 4% supplement; nothing goes above 37%. The CO2 table, the multipliers, the van charges and the official rate are held for 2023-24 to 2026-27 with their source; the 2026-27 official rate is marked as a figure to check because HMRC may change it during the year. The P11D cash equivalent can be typed instead of any car's figures. Medical insurance, vouchers, assets, accommodation and other benefits are taken at the P11D figure. Expenses over the income of an employment are lost, not set against other income, and the page says so. The NEDC table for a car registered before 6 April 2020 is not held and such a car in 2023-24 or 2024-25 must be checked.

50.6 SA103 SELF-EMPLOYMENT

One entry per business, typed box by box or fed from a sole trader's ledger, with the full and short pages, the cash basis, the trading allowance, capital allowances from the register, the basis period, losses and CIS deductions. The self-employment chapter describes it.

50.7 SA104 PARTNERSHIP

One page per partnership. The share is **typed**, or **read from a partnership client** of this practice: on the partnership's proprietors screen each partner carries a NINO, date of birth, address and the person on the client list they are, and a person's return offers the

partnerships where a partner is linked to them. Where the partnership's own return for the year has been started on its Partnership return screen (chapter "The partnership return"), a linked partnership carries the partner's column of the partnership statement: the share of profit or loss, the capital allowances, interest, other income, dividends, property, CIS deductions and tax taken off, apportioned by days across any change of share and the partner's own joining or leaving, with a note saying where the figures came from and, until the partnership return is marked ready, that it is still a draft. Where it has not been started, the page carries the trading profit before capital allowances at the static share and says the partnership return has not been prepared. A partner linked to somebody else cannot be pulled into this return.

The trading section (boxes 8 to 27): the basis period, change of practice and averaging adjustments, foreign tax deducted, the transition profit, losses brought forward, other business income, the loss set sideways, carried back and carried forward, the Class 2 and Class 4 boxes. The other shares (boxes 28 to 80): untaxed and foreign interest, UK property with its finance costs, other untaxed and foreign income, dividends, taxed income, and the tax taken off. Each reaches the computation as the kind of income it is. **SA104S** is chosen where the partnership's turnover is below the VAT registration threshold and the share is trading profit and untaxed interest only, on the same rule as the SA103; anything else, or a turnover not known, forces **SA104F**, with the reason shown, and either can be printed. The adjustment to Class 4 profits and a loss carried back are recorded and not applied.

50.8 SA105 UK PROPERTY

Add the UK property pages puts the pages on the return. As with the SA103, the figures are typed or fed from the ledger of a sole trader whose business is a property business, through a property account mapping of its own: rental income to box 20, repairs to box 25, letting agents and legal fees to box 27, mortgage interest to box 44 by default. **Show which box each account goes in** corrects the mapping; an override with a note replaces a box and the ledger's figure stays beside it.

- **Finance costs.** Interest and other finance costs on a residential letting are not deducted from the profit (box 44). They are relieved on the SA110 as a reduction of the tax at the basic rate, limited to the lowest of the costs, the property profits (UK and foreign together) and adjusted total income, and the unused part is carried forward to next year's box 45. Finance costs on a non-residential property (box 26) are deducted in full.
- **The property allowance.** Income of 1,000 or less is exempt without a claim. Above it, the page shows income less the allowance beside income less expenses and allowances, says which is lower, and offers the claim.
- **Rent a room.** Receipts of 7,500 or less (3,750 where the property is let jointly) are exempt; above that, either the ordinary or the alternative method, with the taxable amount under each shown.
- **Jointly owned property.** Box 3 is ticked and the taxpayer's share is applied to every figure.

- **Losses.** A loss of the year is carried forward with any unused losses brought forward, and losses brought forward are set against the first available profits. Box 42, the sideways relief for the capital allowances part of a loss, is not computed and says so.
- **Furnished holiday lettings.** Offered for years to 2024-25 only; the regime was abolished from 6 April 2025 and the page says why.

50.9 SA106 FOREIGN

Income by country and kind (interest, dividends, pension, employment, other) with the foreign tax paid, the UK tax taken off and whether relief is claimed; the foreign property business as one set of figures; the unremittable income flag; the remittance basis flag, which is carried to the SA109.

Foreign tax credit relief is the lower of the foreign tax and the UK tax on that income, item by item: the computation finds the UK tax on an item by working the liability out again without it, and box 2 is the total of the relief given. Where no relief is claimed the foreign tax is deducted from the income instead. The **foreign property business** is one business for every overseas letting: rents and premiums less expenses, private use, balancing charges and capital allowances, or the property allowance instead; residential finance costs relieved at the basic rate with the UK costs; losses carried forward against foreign property profits only. Not computed, and said on the page: relief on capital gains, income of a person abroad, non-resident trusts, offshore funds, the transfer of assets abroad rules, and unrelieved foreign tax carried forward. The remittance basis ended on 5 April 2025; for 2025-26 onward the flag is refused in words and the computation is on the arising basis, and the 2026 form's remitted-income boxes are entered on the return.

50.10 SA108 CAPITAL GAINS SUMMARY

Each disposal with its kind (residential property, other assets, listed shares, unlisted shares, cryptoassets, carried interest), dates, proceeds, cost, incidental costs and improvements; private residence relief typed as an amount and capped at the gain; business asset disposal relief and investors' relief as claims, with the lifetime amounts used in earlier years; a disposal reported through the UK property or real time service with the tax already paid; losses brought forward and of the year; attributed gains; the estimates flag.

The **working sheet** on the screen: the sections of the form totalled (number, proceeds, costs, gains, losses), then the engine's computation: gains less the year's losses, losses brought forward only so far as they bring the gains down to the exempt amount, the exempt amount, the basic rate band left after income, and each gain at its rate, with the rates by disposal date and the 30 October 2024 change for other assets, business asset disposal relief at the year's rate against the lifetime limit (10% to 2024-25, 14% in 2025-26, 18% in 2026-27), investors' relief the same against its own limit, the tax already paid coming off what is due, and the losses carried forward. Losses and the exempt amount go against the highest-rated gains first. Not computed, and said on the page: the fraction of ownership behind private residence relief, share pooling, the ring-fence of attributed gains against personal losses, non-resident capital gains tax with rebasing, and the SEIS and share loss relief claims. The cryptoassets boxes (13.1 to 13.8) and the split of

box 17 are marked unconfirmed, their labels having been transcribed from the box text without a clean reading of the 2026 form's layout.

50.11 SA109 RESIDENCE

Residence status (resident, not resident, split year with the case number and the date), the flags of boxes 4 to 9, the days in the UK with the exceptional and transit days, the ties, the UK and overseas workdays; the personal allowance claim of a non-resident under a double taxation agreement or on another basis, with the country codes and the DTA relief figures; the arrival date; domicile for the record; the remittance basis for years to 2024-25 and the foreign income and gains regime claim from 2025-26; and the statutory residence test recorded as a questionnaire, the automatic overseas tests, the automatic UK tests, the five ties and the split year cases, with the outcome typed.

CAREFUL

The product does not decide residence. The statutory residence test answers are kept on the return so the reasoning is on file, and the outcome is the preparer's. The computation does one thing with it: a non-resident who has claimed the personal allowance in neither box 15 nor box 16 gets none, and the workings say so. Split year treatment keeps the allowance, and the page warns that only the UK part's income belongs on the return. Double taxation agreement relief, the non-resident's liability limit, the remittance basis charge and the foreign income and gains regime are recorded and printed, not applied.

The 2026 form has no domicile boxes, the non-dom regime having ended; for a year before 2025-26 the remittance basis boxes are listed as the 2025 form had them and marked unconfirmed.

50.12 THE COMPUTATION

The SA110 view lays the calculation out in the order HMRC's own calculation takes, numbered:

1. **Total income**, by kind: employment, self-employment, partnerships, property, pensions, benefits, other, interest, dividends, with foreign income in the kind it is and life insurance gains as savings.
2. **Deductions and net income**: trading and partnership losses set against other income, qualifying loan interest, pension contributions paid gross, gifts of shares and land to charity, the SA101's annual payments and other deductions. Adjusted net income is shown here because the allowance taper, the child benefit charge, the winter fuel payment charge and the married couple's allowance are worked out on it.
3. **Allowances**: the personal allowance, its taper, the marriage allowance transferred out, the blind person's allowance, or none for a non-resident who has not claimed it, and how the total is set across the three kinds of income in the order that gives least tax.
4. **Tax by band**: the basic rate limit extended by Gift Aid and pension contributions; the savings starting rate, the personal savings allowance and the dividend allowance at 0%; each slice at its rate; Scottish rates on a Scottish taxpayer's non-savings income.

5. **Reliefs and charges:** the reducers (VCT, EIS, SEIS, social and community investment, the marriage allowance received, the married couple's allowance, maintenance payments, residential finance costs at 20%, foreign tax credit relief limited item by item, top slicing relief, the basic rate tax treated as paid on life insurance gains), the state pension lump sum, the high income child benefit charge, the pension annual allowance charge as the top slice of income, the other pension charges, and the winter fuel payment charge.
6. **National Insurance:** Class 2 and Class 4 on trading and partnership profits, neither charged to somebody who had reached state pension age at the start of the year.
7. **Capital gains,** as the SA108 working sheet describes.
8. **Student and postgraduate loans.**
9. **What is due:** the total, less tax deducted at source (PAYE, tax on interest and gilts, CIS, tax on foreign income) and the pension charge the scheme pays, the figure that goes in box 1 or box 2, less payments on account made and capital gains tax already paid.
10. **Payments on account for next year.**

Under the table the same steps are written out one sentence each.

CAREFUL

This is a computation and not advice. It applies the ordinary rules to the figures it is given. Which figures to give it, whether a loss is better carried forward or set sideways, whether a disposal qualifies for business asset disposal relief, whether somebody is resident, are judgements, and the software makes none of them.

50.13 FIGURES TO CHECK

Every rate, allowance, threshold and limit carries the source it was read from, printed at the foot of the computation. The software holds 2023-24 to 2026-27. A return for a year outside those borrows the nearest year's figures and says so in an amber panel. The same panel names any single figure the software has carried forward rather than read from a published rate, and any rule it has applied on an understanding rather than a reading: the 2026-27 official rate of interest, the measure of income for the winter fuel payment charge, carried interest in 2026-27. Those must be checked before anybody relies on the computation, and a return should not be marked ready while the panel still lists something nobody has checked.

50.14 THE PRINTABLE PAGES

Each page has its **Printable** button: SA100, SA101, one SA102 per employment, SA103F or SA103S, SA104S or SA104F, SA105, SA106, SA108, SA109 and SA110. Each shows the form's boxes with the box numbers and the form's wording, the tax year in the header, the workings underneath, and a **DRAFT** watermark until the return is marked ready, when the page is stamped with the date instead. Boxes the software cannot fill are marked not filled here with the reason; boxes whose label was not confirmed against the form are marked label unconfirmed. **Whole return** prints every page in form order behind a cover

sheet naming the taxpayer, the UTR, the tax year and the status. **Save as PDF** produces the page as a file, named with the form, the tax year and, until the return is marked ready, DRAFT.

50.15 READY, AND REOPEN

1. Enter the pages that apply.
2. Press **Save and compute**. The computation runs on every save.
3. Read the SA110 and the figures to check.
4. Press **Mark ready**. The return locks, the watermark comes off, and every printable page is stamped with the date.

A ready return cannot be edited: a save is refused with a sentence naming the date it was marked ready. **Reopen** asks for a reason, which goes on the audit trail with the person who gave it, and the return is a draft again.

50.16 THE JOB BOARD

A Self Assessment job on the job board carries four steps: **Pages complete, Computation reviewed, Client approval received, Filed**. A job created before this release keeps the steps it had.

50.17 WORTH KNOWING

A tax year runs from 6 April to 5 April and HMRC name it by both calendar years, so the year ending 5 April 2026 is 2025/26. The picker offers the years the software holds rates for and the years either side of today.

Money is kept in pence throughout and rates as decimals, and each line of tax is rounded to the penny. HMRC's own calculation works in whole pounds at several points, so a figure here can differ from HMRC's by pence; the workings show exactly where each penny came from.

A limited company, a partnership and an LLP are refused on this screen, with a sentence saying which return they file instead. A partner's own return is prepared on their own client record, and the SA104 page reads the partnership's allocation as described above.

50.18 MTD FOR INCOME TAX

The last page on the rail is **MTD for Income Tax**: the connection to HMRC, the businesses, the four quarters per source built from the ledger and locked, the annual adjustments, HMRC's calculation beside the SA110's, and the final declaration. A sole trader's SA100 page carries a summary of the four quarters with their status. A locked quarter closes the ledger it draws from to postings dated inside it, and the refusal names the quarter and who locked it. Nothing on that page files until Murgese Ltd holds HMRC's Income Tax credentials, which are separate from the VAT ones. The next chapter sets it out, including the list of calls that rest on a reading rather than a published definition.

The partnership return

A partnership, and an LLP, files a partnership return (SA800) for each tax year. The partnership pays no tax of its own: the return establishes the profit for the accounting period and the partnership statement (SA800(PS)) says how it was shared, and each partner carries their column to the partnership pages (SA104) of their own return. The **Partnership return** screen, under Year end beside the Partnership trading pages, keeps it: a tax-year picker, the trading pages read from the ledger, the other income, the capital allowances, the CIS deductions, the statement with a column per partner, and the share history where the sharing changed during the year.

CAREFUL

Nothing on this screen is sent to HMRC. Murgese Ltd does not yet hold Making Tax Digital for Income Tax credentials, so the return is prepared and printed here and filed by another route. The banner at the top of the screen says so on every visit, and it will say so until that changes.

51.1 THE TRADING PAGES

The trading and professional income pages are the ledger for the accounting period ending in the tax year, added up through the same category mapping the Partnership trading pages screen uses (an account's box is changed there). The accounting period defaults to the twelve months to the client's year end falling in the tax year and can be given on the Partnership details page. The categories are the SA103's; the box numbers are the SA800's, which is why the trading pages screen withholds them: turnover in box 3.29, other income in 3.50, the expenses in 3.46 to 3.63 with their disallowable column in 3.30 to 3.45, total expenses 3.64, net profit 3.65, the tax adjustments 3.66 to 3.73 (disallowable expenses, goods taken for own use, balancing charges, capital allowances, income not taxable as trading), the adjustment on change of basis in 3.82, and the profit or loss from the trade in 3.83 or 3.84.

Where turnover is below the VAT registration threshold the return allows the three-line version, boxes 3.24 to 3.26, and the screen chooses it and says why; the full boxes can be forced. Any ledger figure can be replaced with a note, and the ledger's own figure stays beside it on the screen and the printed page. Depreciation is always disallowed. The balance sheet, boxes 3.99 to 3.115, is read from the ledger's balances and proved against the partners' capital: where the capital carried forward differs from net business assets the screen says by how much.

The cash basis is recorded in box 3.9 but the reversals of debtors, creditors, stock and prepayments that a sole trader's SA103 makes are not applied to a partnership's figures in this release; the screen says so, and an override is the way to adjust where the books are kept on the accruals basis.

51.2 CAPITAL ALLOWANCES

From the fixed asset register, computed as for a sole trader: the annual investment allowance, the writing down allowances at 14% (18% before 6 April 2026) and 6%, private use restricted per asset, the 40% first year allowance on new main rate plant bought from 1 January 2026, and the 100% allowances for a zero-emission vehicle or a charge-point, from the register or by choice per asset. The 40% and the 100% allowances go in box 3.20, as the self-employment notes put the 40% allowance in the matching box 55. Full expensing is for companies and is not offered. The pools brought forward are typed. The figures can be typed instead, or no claim made. The totals go in boxes 3.22 and 3.23 and are deducted in 3.70 (or included in 3.25 on the three-line version).

CAREFUL

The row numbers of the form's capital allowances summary (3.13A to 3.21) could not be confirmed from the 2026 form's text, which the software could only read through an extraction that gave three different readings. They are marked unconfirmed on the screen and on the printed page. Check them against the printed form before transcribing. Boxes 3.22 and 3.23 are confirmed.

51.3 CIS DEDUCTIONS AND TAX TAKEN OFF

Where the partnership is a subcontractor, box 3.97 is what contractors withheld on the partnership's approved sales invoices dated in the tax year, from the CIS module. A figure can be typed instead where a statement has not arrived, with the reason, and the module's figure stays beside it. Other tax taken off trading income goes in 3.98. Both are shared on the statement (boxes 22A and 30).

51.4 OTHER INCOME

A partnership's other income is rarely in the trading ledger, so it is typed. Untaxed bank interest alone goes in box 7.9A of the return itself. Taxed income, dividends and other untaxed income are the totals of the SA804; the partnership's property business is a summary of the SA801 (profit or loss, tax taken off, residential finance costs); foreign income a summary of the SA802 (untaxed savings, other income, foreign tax paid); disposals of chargeable assets the total proceeds of the SA803. The supplementary pages themselves are prepared by hand; the screen shares their totals on the statement and answers the front-page questions and the list of pages enclosed from what has been entered. The gains on a disposal are each partner's own, on their SA108.

51.5 THE PARTNERSHIP STATEMENT

One column per partner, taken from the proprietors screen, with the name and address, the UTR (box 8), the National Insurance number (box 10), and the dates of joining or leaving where they fall in the year or the year before (boxes 7 and 9). A partner linked to a person on the client list borrows the person's UTR, NINO and address where the partner row has none.

Every line is shared: the profit or loss from the trade (boxes 11 and 12), the adjustment on change of basis (11A), untaxed interest (13), foreign savings (14), other untaxed income (15), other foreign income (17), UK property (19), dividends (21), taxed income (22), CIS deductions (22A), income tax taken off (23), residential finance costs (24), foreign tax (25), disposal proceeds (28) and other tax taken off (30). The capital allowances are shown shared as well, though the statement has no box for them, because a partner wants to see what was deducted before their share. Every line adds back to its total exactly, and the screen says so; where it cannot (see share changes below) it says what is unallocated.

51.6 SHARE CHANGES DURING THE YEAR

Each partner's share on the proprietors screen applies from the start of the period. Where the sharing changed during the year, the [Share history](#) page takes, per partner, the share and the date it applied from. The period is cut at every such date, at every partner's date of joining, and at the day after every partner's last day; each part takes its days' worth of every line; each part is shared between the partners of that part in the ratio in force. The pennies at both steps go by largest remainder, the same arithmetic as the capital account statement, so nothing is lost. The statement shows the apportionment part by part with the reason each part starts where it does, and the printed statement carries it.

A partner who joined or left part way is allocated only for their days, from the dates on the proprietors screen. Days on which nobody holds a share, for example before the first partner's date of joining where the ledger has postings, are reported as unallocated with a sentence, and the return cannot be marked ready until somebody is given a share for them. Shares that do not add to 100% are split in their ratio and warned about.

51.7 HOW A PARTNER'S OWN RETURN PICKS UP THE FIGURES

[Show](#) beside a partner's column gives the figures their SA104 needs, with the short or full pages chosen on the SA104's own rule (the partnership's turnover against the VAT registration threshold, and whether the share is trading profit and untaxed interest only). Where a partner's row on the proprietors screen is linked to a person on the client list, that person's Self Assessment return reads the column directly: the SA104 page on their return shows the share of profit or loss, the capital allowances, interest, other income, dividends, property, CIS and tax taken off from the statement, with a note saying where they came from and, until the partnership return is marked ready, that it is still a draft. Where the partnership return has not been started, the person's page falls back to the trading profit before capital allowances at the static share and says the partnership return has not been prepared. The partner's own losses brought forward, Class 2 and Class 4 answers and any basis period adjustment are theirs to add on their own return.

51.8 READY AND REOPEN

Marking the return ready locks it: a save is refused with a sentence naming the date, the DRAFT watermark comes off the printable pages and they are stamped with the date instead, and the partners' returns then read a ready statement without the draft note.

Reopening asks for a reason, which goes on the audit trail. A change to a partner's share history is on the audit trail too.

51.9 PRINTABLE PAGES

The SA800 with its box numbers, the form's wording and the tax year in the header, the workings underneath; the statement with a column per partner and the apportionment; and the whole return, both pages together. Boxes the software cannot fill are marked not filled here with the reason; boxes whose number could not be confirmed are marked as such. Each prints with a DRAFT watermark until the return is marked ready. Save as PDF names the file with the form, the tax year and, until ready, DRAFT.

51.10 THE JOB BOARD

A partnership return job on the job board carries four steps: trading pages complete, partnership statement agreed, partners given their figures, SA800 filed. Jobs generated before this release keep the steps they had.

51.11 WHAT IS NOT SUPPORTED

Listed on the screen with the reason, box by box: partnership charges (box 3.117 and statement box 26), which the ledger does not identify; a European or UK economic interest grouping; the non-resident and corporation tax rules on the statement (a corporate partner's share on corporation tax rules is not computed); offshore fund income and foreign dividends separated from other foreign income; a loss on other untaxed income; the tax avoidance scheme boxes; the relief from completing the detailed boxes (3.10) and a gap between accounting periods (3.11), which are answered by hand; the enhanced structures and buildings allowance for a freeport or investment zone; and the cash basis reversals described above. The supplementary pages SA801 to SA804 are not prepared here, only summarised. The computation is a computation and not advice: whether a share was agreed, and from when, is the partnership's own record.

MTD for Income Tax

Making Tax Digital for Income Tax replaces the once-a-year return with quarterly updates of income and expenses, a set of year-end adjustments and a final declaration, all sent through HMRC's Income Tax APIs. The [MTD for Income Tax](#) page, the last on the Self Assessment rail, is where that happens: the connection to HMRC, the businesses, a grid of four quarters per source, the annual adjustments, HMRC's calculation beside the product's own, the final declaration, and a table of every call the page can make with what is known about each. A sole trader's SA100 page also carries a summary of the four quarters, and an individual's return gains the page when an SA103 or SA105 is fed from a ledger or an SA105 is typed.

CAREFUL

Nothing on this page is sent to HMRC. Murgese Ltd does not yet hold HMRC's production credentials for the Income Tax APIs, and they are granted separately from the VAT ones: a build that files VAT is not thereby able to file Income Tax. Until they are granted, every button that would reach HMRC is refused with a sentence saying so, before any call is made. The banner at the top of the page says which state the build is in: no registration, HMRC's sandbox (a test service where nothing is real), or production.

52.1 WHAT IS PROVED, AND WHAT IS NOT

This is the honest position, and it should be read before anything below is relied on.

The page is built against the API definitions HMRC publish for the Income Tax (MTD) APIs, read on 4 September 2026: Business Details 2.0, Obligations 3.0, Self Employment Business 5.0, Property Business 6.0, Business Source Adjustable Summary 7.0, Individual Calculations 8.0 and Individual Losses 6.0. It is tested against a stand-in that answers every call in the shapes those definitions give, and the tests check what the product sends: the version in each request, the scope the grant asks for, the fraud prevention headers on every call including the ones that only read, the sandbox's scenario header, the cumulative shape of a quarterly update, and the receipts kept whole.

It has not been run against HMRC's sandbox or live service. That needs credentials Murgese Ltd does not yet hold. So the endpoints table at the foot of the page lists every call with a confidence:

- **PUBLISHED:** the path, the version and the request shape were read from HMRC's definition.
- **BEST_READING:** some part is the product's own reading, and the reason says which.

Nothing is guessed silently. As at this release the readings are these:

CALL	WHY IT IS A READING
Self-employment annual submission	HMRC define four request bodies, one per tax year from 2023-24 to 2026-27 onwards. The product sends the 2025-26 fields and omits the structures and buildings allowance, which needs the building's name, number and postcode.
UK property annual submission	The 2025-26 onwards body (a single ukProperty object, the furnished holiday lettings split having gone); the structures and buildings allowance is omitted for the same reason.
Foreign property update and annual submission	The product has no dated ledger for foreign property, so the figures are the SA106 property figures apportioned by days for one country, and the country must be typed as the three-letter code HMRC take.
Business source adjustable summary, all five calls	Version 7.0 is the one in HMRC's source, but its release flag there read "not yet in production" when checked, so the live version may still be 6.0.
Brought forward losses, create and list	Version 6.0 supports tax years to 2025-26 and HMRC say a new version is in development for 2026-27 onwards.
Calendar quarter dates	Taken from HMRC's guidance on the election rather than an API definition: a cumulative update for an elected business is sent from 1 April, with 1 to 5 April treated as part of the tax year that begins on the 6th.
The box to category mapping	The category names are published; which SA103 box feeds which is the product's reading. Box 24 (advertising and entertainment) goes wholly to advertising costs because the ledger does not split entertainment out, and anything unallocated goes to other expenses.
The calculation comparison	The field names are published; which of them answers to which line of the SA110 is the product's reading, and the headline used for the one pound test is HMRC's total income tax, National Insurance and capital gains tax against the product's net liability.

Everything else on the table is PUBLISHED. When the sandbox has been reached, each row is confirmed or corrected and the table changes with it.

52.2 CONNECTION

The taxpayer's National Insurance number is read from the client record ([References](#)); the page refuses to start an authorisation without one. Press [Authorise](#) at HMRC: HMRC's own sign-in page opens, the taxpayer signs in there with their Government Gateway details and grants access for Income Tax, HMRC show a code, and the code is pasted back into the page. The password is never typed into the product. The grant is separate from any VAT grant, asks for the Income Tax scope only, and lasts about eighteen months; the page says when it was given.

52.3 BUSINESSES

Each source the return draws on needs HMRC's business id: a self-employment fed from a ledger, a UK property page fed from a ledger or typed, a foreign property page. `List` from HMRC fetches the businesses HMRC hold for the taxpayer and stores each id against its source where there is one business of a kind; otherwise the id is typed. Two settings are recorded per business and the quarter dates follow from them:

- **Quarters:** standard, from 6 April (to 5 July, 5 October, 5 January and 5 April), or the calendar election (to 30 June, 30 September, 31 December and 31 March). The election can be told to HMRC from the page.
- **Updates:** cumulative, which is HMRC's design from 2025-26 (each update covers the year to the end of the quarter, so a later update corrects an earlier one), or standalone quarters for the years before.

Every update is due on the 7th of the month after the standard quarter end: 7 August, 7 November, 7 February and 7 May.

52.4 THE QUARTERS

Each source has a grid of four quarters, each with a status: **not built**, **built**, **locked**, **submitted**. `Build` reads the figures:

- A self-employment quarter is read from the ledger through the same SA103 box mapping the return uses, for the update period, on the accruals basis as the books record it. Where the return uses the cash basis the adjustment is a year-end matter and is made on the annual adjustments, not in the quarter. The return's disallowable expenses by box are apportioned to the period by days; depreciation is disallowed in full without being asked; CIS deductions suffered on invoices in the period go in as tax taken off trading income.
- A UK property quarter is read from the ledger through the SA105 box mapping where the page is fed from a ledger. Where the SA105 is typed, the year's figures are apportioned to the period by days, and the figures say so: a quarter built that way is an estimate of the year spread evenly, not a reading of what happened in the quarter.
- A foreign property quarter is the SA106 property figures apportioned by days, for one country.

`Figures` shows the update in HMRC's categories, the sentence saying where it came from, and the receipt where there is one. `Lock` records the figures and closes the ledger to the quarter, as below. `Submit` sends the update once the quarter is locked and the declaration is confirmed; the receipt is kept whole and can be read back from the quarter.

52.5 THE QUARTER LOCK

Locking a quarter records its figures, and the ledger the quarter draws from then refuses any posting dated inside that quarter: a bank coding, a manual journal, an invoice approval, a bill approval, or anything else that writes to the ledger. The refusal is a sentence naming the posting's date, the quarter, who locked it and when, what would go

wrong, and the way past it, in the same shape as the refusal a filed VAT quarter gives. A posting dated outside the quarter, or on a ledger no locked quarter draws from, goes through as it always did.

`Unlock` asks for a reason, which goes on the audit trail with the person who gave it, and the ledger is open again; the quarter can then be rebuilt with whatever was posted. A **submitted quarter cannot be unlocked**. It is amended by building and submitting it again, which sends HMRC a new cumulative update; the figures already sent stay on the record.

52.6 ANNUAL ADJUSTMENTS

The year-end figures HMRC take once, read from the SA103 and SA105 pages of the return: disallowable expenses, goods for own use, capital allowances, balancing charges, the trading or property allowance where claimed (HMRC take that or the allowances, not both). The page shows the body as it would be sent and lists in words anything it cannot fill. Losses brought forward from before MTD are told to HMRC separately through the losses call; a loss of the year is what HMRC's own calculation finds from the updates and the adjustments.

52.7 THE CALCULATION, BESIDE THE PRODUCT'S OWN

HMRC work the liability from the updates and adjustments they hold; the product works it from the return on the SA110. `Trigger in-year` asks HMRC for a calculation at any point in the year; `Trigger for final declaration` asks for the one the declaration is made on. `Retrieve` fetches it and shows the two side by side, every line, with the lines that differ marked and the headline liability at the foot. HMRC round to whole pounds at several points and the product keeps pence, so a line can differ by pence without either being wrong. Where the headline differs by more than one pound, the reason is written down on the page before the declaration can be made.

52.8 THE FINAL DECLARATION

The taxpayer's statement that the information is correct and complete. The card lists its preconditions and ticks each as it is met:

1. Murgese Ltd holds ITSA credentials for this build.
2. The taxpayer has authorised HMRC for Income Tax.
3. The return for the year is marked ready.
4. HMRC's calculation has been retrieved.
5. It was triggered as the final declaration calculation.
6. HMRC's headline liability and the product's agree within one pound, or the difference is explained.

The declaration is refused until all six are met, with a sentence saying which is not, and both liabilities shown where they differ. The declaration itself is a tick, deliberately: it is the taxpayer's statement, not a default in somebody's software. On success the return is

marked filed with the calculation reference, and the receipt is kept whole under submissions.

52.9 WORTH KNOWING

The fraud prevention headers go on every call, the reads included, exactly as they do for VAT: HMRC review them before granting production credentials, and an installation sending a plausible constant where the real value belongs is worse than one sending nothing. The page collects what the browser can see (the screen, the window, the timezone, a device id) and the server fills in the rest from the machine.

Money is kept in pence throughout and converted to HMRC's decimal pounds at the edge, once.

Every submission, successful or failed, is on the record with what was sent, what came back, and who sent it, under [Submissions](#) and [receipts](#). HMRC do not reissue a receipt.

Charities

Three screens appear only on a charity: **Funds**, **Gift Aid** and **Charity reporting**. They keep restricted money apart, work out what can be claimed back from HMRC and what cannot, and say what scrutiny this year's accounts need and why.

53.1 BEFORE YOU START

The entity type must be charitable company, CIO or charitable trust. On anything else, Funds says only that funds are how a charity keeps restricted money apart, so this company has none. The charity number should be on file, and fund accounting has to be in use before the statement of financial activities means anything, because its columns are the funds.

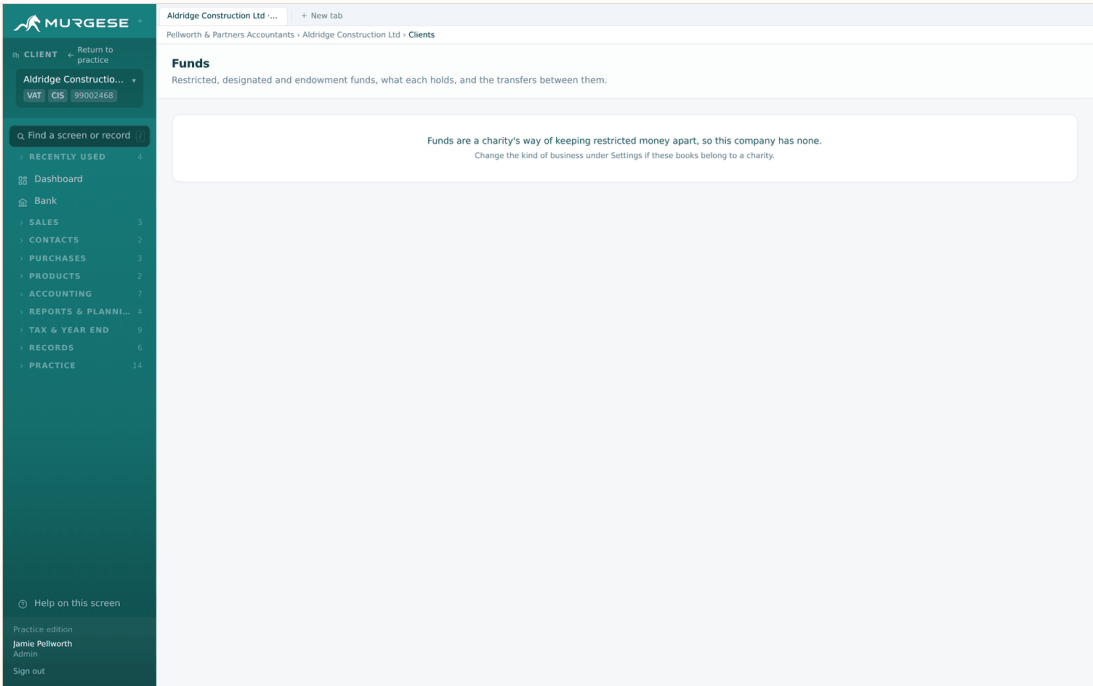


Figure 46 The four fund totals, each fund with what it holds, and the transfers between them. The figures shown are invented.

53.2 FUNDS

Four tiles give unrestricted funds, restricted funds, endowment and the total, being the charity's net assets. The table gives each fund with its purpose, income, spending and balance, red where it is overspent.

1. Create a fund for each restriction, with the purpose in the donor's own terms. That purpose is the evidence the restriction exists, and the first thing an examiner asks for.
2. Code postings to funds as you enter them.
3. Where a purpose is fulfilled or fails, post a **transfer between funds**, saying which. Money leaves a restricted fund on no other ground.

4. Close a fund once its balance is nil.

A fund is a legal boundary, not a label. It looks like a tracking category and is not one: money given for a purpose may only be spent on that purpose, and spending it elsewhere is a breach of trust the trustees answer for personally. The distinction people get wrong is designated against restricted: a designation is the trustees' own earmark and they can undo it, a restriction is the donor's and they cannot.

CAREFUL

Every journal entry must balance **within each fund**, not merely in total. An entry debiting a restricted fund and crediting an unrestricted one balances perfectly and has quietly spent somebody's grant on the electricity bill. A transfer is the one entry allowed across, and the accounts show it on its own line, never as income.

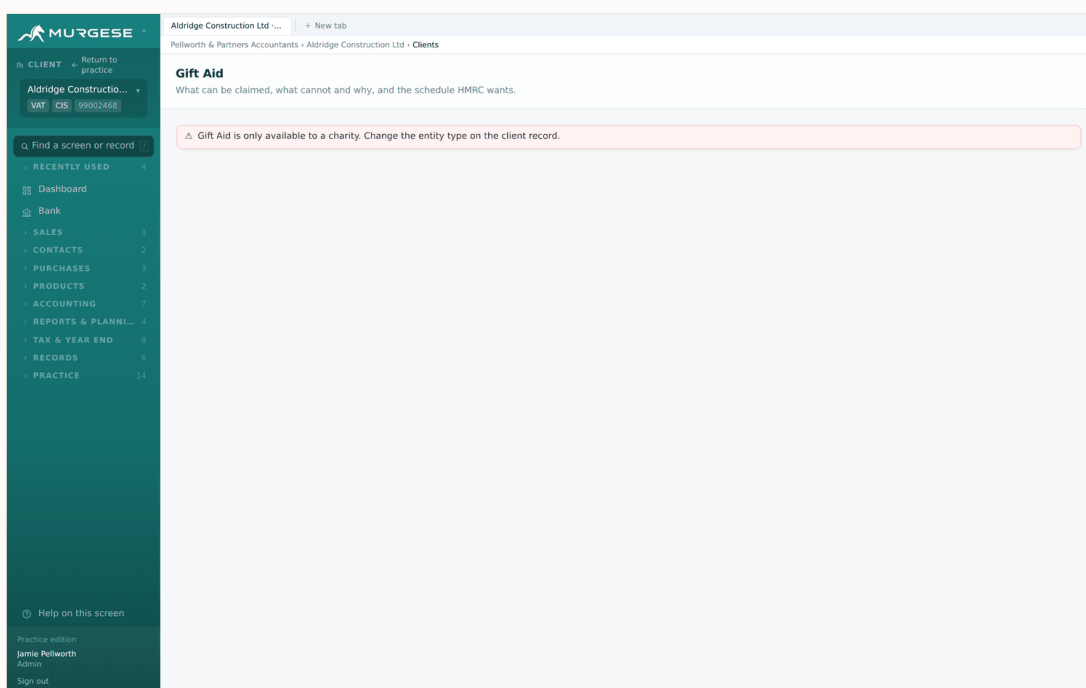


Figure 47 Donations for the period with what is claimable, what is not, and the reason for each. The figures shown are invented.

53.3 GIFT AID

Set the dates and press **Show**: what is claimable, what is not with the reason against each, and what is already on a claim.

1. Mark the right income accounts as Gift Aid claimable, which is done on Charity reporting.
2. Set the period, press **Show**, and work through the "not claimable" reasons. They are a list of people to ring.
3. Press **Build a claim**, add the small donations figure and give it a reference.
4. Correct any lines HMRC would reject and **download the HMRC schedule**.
5. Submit it through HMRC's own service, press **Mark as submitted and post it**, and record the date when HMRC pays.

Nothing here is submitted to HMRC. The schedule is a CSV in HMRC's own column order, and marking a claim as submitted is a record and a posting.

Three things make a donation claimable: it is a **gift**, which is a property of the account and off by default, because the software will never decide that an income stream is a gift, and a raffle ticket or a grant is a payment for something; the donor has a **declaration in force on the day they gave**; and the money was received, because a pledge is not a donation. The top-up is **25%, not 20%**: a donor gave £80 out of income already taxed £20, and Gift Aid returns the £20, which is a quarter of £80 rather than a fifth.

The small donations figure is typed in rather than worked out, because a £20 bank transfer and a £20 note look identical once banked and the transfer does not qualify. The screen checks it against the caps: cash and contactless only, nothing above £30 at a time, £8,000 a tax year, and ten times the Gift Aid claimed. Its deadline is **two years** from the end of that tax year, against four for ordinary Gift Aid.

A claim is income when it is made rather than when HMRC pays, and the credit follows the fund the donation arose on: Gift Aid on a restricted donation is itself restricted.

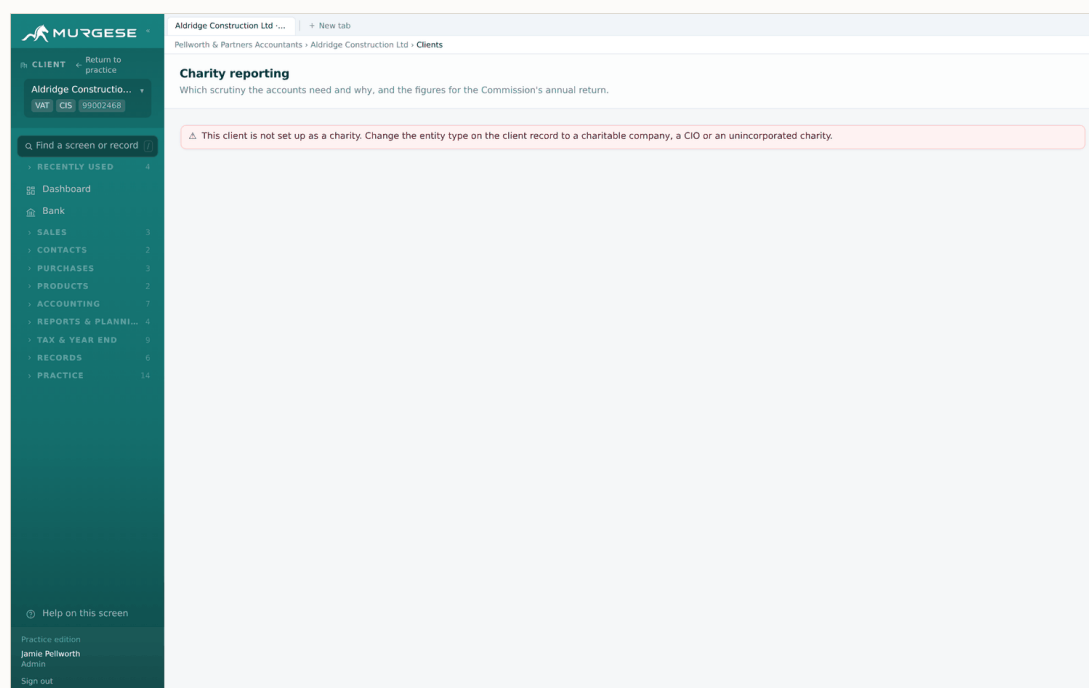


Figure 48 The scrutiny level with the reasons behind it, and the thresholds it was tested against. The figures shown are invented.

53.4 CHARITY REPORTING

Set the year end and press **Show**. Gross income, expenditure, gross assets and net assets come back, then the **scrutiny required** in large type with the accounts basis, its reasons, the income at which the next level up starts, and the thresholds these figures were tested against. Two ticks record an audit required by the governing document or by a funder: either raises the level, and neither can lower it.

Where each account prints sets the statement of financial activities line for every income and expense account, and carries the **Gift Aid claimable** tick. The **annual return** panel gives the due date, the figures in the Commission's own question order and a CSV to

download, and then lists the questions the books cannot answer, from trustee numbers to written policies and serious incidents.

53.5 WORTH KNOWING

Scrutiny is a calculation rather than a setting. Left as a tick box it gets set once, at onboarding, by somebody guessing, and is not revisited in the year the charity wins a large grant, which is the year it matters. The working stays on screen, because "income was £31,400, and the threshold is £25,000" is both justification and warning.

Two sets of thresholds are live at once. The raised figures apply to financial years **ending after 30 September 2026**, which is a year end test rather than a date-of-work test, so a firm preparing accounts in 2027 for a June 2026 year end is on the old figures.

This is England and Wales only. A charity registered with OSCR or CCNI is told plainly that its position is not being computed.

The accounts are presented in whole pounds, like a company's. On the statement of financial activities every figure in every fund column and in the total column is the pound below or above its own, every column adds down, every line adds across the funds, and total funds carried forward are the net assets on the balance sheet. Where total income less total expenditure, each rounded, would not come to the rounded net income, net income takes the pound, because total income and total expenditure are the figures reported everywhere else. The movement in funds note adds up fund by fund, the funds of each kind agree with their column on the statement, and transfers between funds net to nil. The analysis of net assets between funds adds up to each fund column and to the balance sheet's own lines. The scrutiny test still reads income to the penny, because a threshold is a threshold.

The audit trail

Audit trail, in the sidebar, shows who did what, when, on which machine, and to which record, with the before and after of any figure that changed. It is the screen a reviewer opens when a balance is not what it was last week, and the screen a firm exports when somebody outside has to be shown the working.

54.1 BEFORE YOU START

Nothing. Activity is recorded from the moment the software is first used, and there is nothing to switch on.

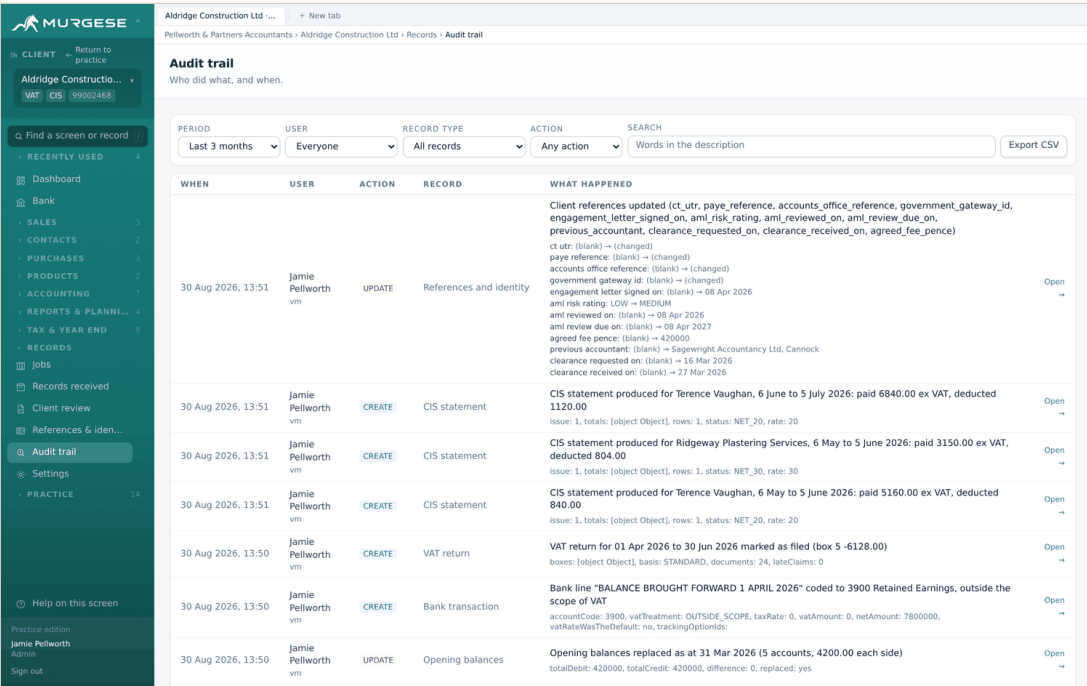


Figure 49 Activity for a period, with each change shown as it was before and as it is now. The figures shown are invented.

54.2 THE SCREEN

Five filters run across the top, and a **Clear** and an **Export CSV** beside them.

FILTER	WHAT IT OFFERS
Period	Last 30 days, last 3 months, which is the default, last 12 months, everything, or between two dates.
User	Everyone, or one named user.
Record type	All records, or one kind: invoice, bill, journal, ledger account, contact, fixed asset, fund, fund transfer, VAT adjustment, VAT return, MTD submission, CIS return, corporation tax, Companies House filing, and the rest.

 FILTER WHAT IT OFFERS

Action Any action, or one of those the trail holds: create, approve, payment, update, void, delete and refused among them.

Search Words in the description.

The table gives **When**, being the date and time; **User**, with the machine on a second line; **Action** as a coloured chip; **Record**, being the thing it was done to; and **What happened**, which is the summary with a list of `field: before to after` beneath it. Where the row is about a record that still exists, the whole row is clickable and there is an **Open** link at the end of it.

54.3 READING THE TRAIL

1. Set the period, and narrow by user, record type or action where you need to.
2. Read the **What happened** column. The changed values are on the row.
3. Click a row to open the record it is about.
4. **Export CSV** to hand it to somebody else.

The CSV carries the same columns plus the machine and the changed values, because an audit trail exported for somebody else to read is exactly when the before and after matters most.

54.4 WORTH KNOWING

The trail is read-only by design. There is no delete button and no server endpoint behind one, because a trail that can be edited is not evidence of anything. Where a posting was wrong, the correction is another posting, and both stay visible. The screen says so itself.

What is recorded is anything that changes the books or the rules around them: posting and approving documents, editing the chart of accounts, changing VAT settings, resetting passwords. Reads are not recorded, because the volume would bury the entries that matter. A change somebody's role does not allow is recorded as well as refused: the entry is **Refused**, with who tried, what they were told and what they tried. The same refusal pressed again within the minute is one entry.

Amounts in the note beside an entry are in pounds, a list of documents is named by their numbers, and the ids the trail keeps for itself are left out. A credit note is called a credit note, a supplier's included.

The before and after was written down from the start and never shown, so for a long time the trail could say that something changed and not what it was. It now takes the two versions of the row and works out the difference, leaving out the columns that always change and anything on the secret list. **Credentials never reach the audit trail.**

Every row that names a record links to it. Without the link, following a row up means going back to the sidebar, finding the screen and searching a list, which in practice nobody

does, so the trail gets read as a list of assertions rather than as a way in. A record with no screen to open gets a label and no link, which is better than a link to the wrong screen.

WORTH KNOWING

The **machine** column is what that PC reported about itself, so it is a lead rather than proof. It earns its place in the ordinary case: a figure that changed on a day somebody was not in the office. It is blank for everything recorded before the column existed, because those rows genuinely have no answer and inventing one would be worse.

An audit write that fails is swallowed on purpose. A missing log line is bad; losing an invoice because the logging failed is worse.

Reports

Every report the product carries, what each one shows, and what has to be in the books before it has anything to say.

01	Using the reports	252
02	The report library	256

Using the reports

Reports, in the sidebar, holds forty-nine reports in seven groups. Every figure is worked out from the ledger when you ask for it: Murgese stores the settings, not the numbers.

55.1 BEFORE YOU START

Postings, mostly. A report reads the ledger, so a company with nothing in it produces a report with nothing on it. The profit and loss prints its structure with noughts rather than a blank page.

Several want more: a budget, tracking categories, projects, stock-tracked items, a credit limit, a filed VAT return. The report library lists what each needs, and where the thing is missing the report says so and names the screen to set it up on. Exporting is a separate permission from reading, and an account without it sees no export buttons.

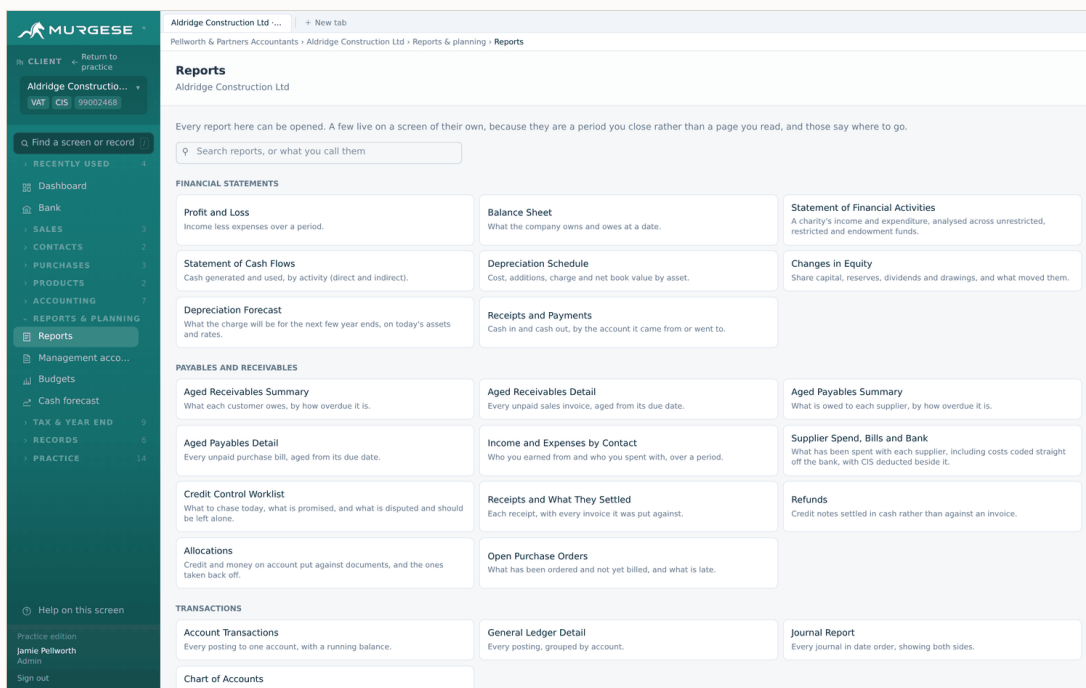


Figure 50 The library, grouped the way an accountant looks for things, with the search box above it. The figures shown are invented.

55.2 THE SCREEN

The library

Each report is a card with its name and a line saying what it shows, under seven headings running from Financial statements to Things to look at. Reports you star are repeated in a group above all seven. Three cards open a screen rather than a report, because that is where the report lives.

The search box

Search reports, or what you call them reads the name, the description, the group and the words people actually use, so **debtors** finds the aged receivables and **nominal** finds the account transactions. Every word typed has to match something, so **aged debtors** narrows the list rather than widening it.

The toolbar

A toolbar takes the place of the search box when a report is open. Each control appears only where it changes something.

CONTROL	WHERE IT APPEARS
Period , or As at , with Custom...	Everywhere
Account , the ledger to print	Account Transactions
Compare , the columns beside this one	The four statements
Age in days , the buckets, 30, 60, 90 by default	The four aged reports
Year to date and Budget , a column each	Profit and loss
Basis , accruals or cash	Profit and loss
Filter , one property, project or fund	Profit and loss, balance sheet, trial balance
Analyse with AI	Profit and loss, balance sheet, trial balance, where the firm has turned analysis on
☆ Star , Save this view , Export , Print preview , Print or PDF	Everywhere

Under the report's title sit the company name, the period, any note about the basis or a filter, and the nil balances held back.

55.3 RUNNING A REPORT

1. Type into the search box, or find the card under its heading, and press it.
2. Set the period. The toolbar opens on **All time to date**.
3. Set whatever else the report offers.
4. Read it, and press a figure to see what makes it up.

55.4 THE PERIOD AND THE COMPARATIVE

The presets are This month, Last month, This quarter, Last quarter, Last 12 months and All time to date. They are calendar periods rather than the company's financial year, because an accounting year needs the year end to have been set and guessing 31 March

would be worse. Eighteen reports refuse all time to date, because they measure what happened between two dates, and say so rather than sitting on a spinner.

Compare is offered on the profit and loss, the balance sheet, the trial balance and the cash flow, the four that state a whole result or position: an aged debtors list has nothing to put in a second column. The choices run from the same period last year to twelve monthly columns, four quarters or three years, and on the balance sheet the columns are dates rather than periods.

55.5 FILTERING TO ONE PROPERTY, PROJECT OR FUND

Filter lists the tracking options, projects and funds the company has, defaults to **Whole company**, and is not drawn at all for a business using none of the three.

CAREFUL

A balance sheet or trial balance filtered this way does not balance, and the amber line saying so is part of the report: a bank balance and a debtor belong to the company rather than to one flat or one contract, so they carry no tag. Murgese allows it anyway: refusing would send people to a spreadsheet, where nothing warns them at all.

55.6 THE CASH BASIS

Basis switches the profit and loss between accruals and cash, and appears on no other report: a cash basis balance sheet would have to lose its debtors and creditors, which makes it a different document rather than a shorter one. The basis is printed on the report itself and not only on the toolbar, so it survives printing and export. A cash basis profit and loss that does not say so reads as an accruals one, and the two are not the same figure.

55.7 DRILLING INTO A FIGURE

Any figure with an account behind it is underlined with a dotted rule. Press it and the postings that make it up open over the report: date, detail, the account on the other side, debit, credit and a running balance. An entry hitting several accounts reads "Split", and where it came from an invoice, a bill, a bank line or the asset register there is a link to it. A subtotal has no account behind it and stays plain text.

The postings are those of the report's own period. A profit and loss for this month opens this month's postings, from the first of the month to the report date, so the list adds up to the figure pressed. A balance is everything up to its date, so the closing columns of the trial balance and every figure on the balance sheet open from the beginning. The **From** and **To** boxes at the top of the window can be changed.

55.8 EXPORTING

Export CSV and **Export Excel** produce the report as rows, **Export Word** an HTML document Word opens and edits, and **Print or PDF** prints the page without the toolbar. **Print preview** opens the pages as they will print in a window of their own, with its own

Print button. Every exported file carries the company name, the report name, the period, the date it was generated and the count of nil balances held back, so nobody reconciles it against a full chart and finds accounts missing.

55.9 ANALYSE WITH AI

Where the firm has turned on analysis and drafting under Practice settings, **Analyse with AI** sits on the toolbar of the profit and loss, the balance sheet and the trial balance. Hovering over it says which company the figures go to. Pressing it sends the report as shown, for the period and filter shown, and nothing else from the books.

The answer opens in a window: a headline, between three and eight points each marked **Note**, **Check** or **Concern**, and the questions worth putting to the client. Every amount in it is checked against the report that was sent. An amount that is neither on the report nor the difference between two figures on one line, allowing for the rounding it is written with, is listed in red at the top and under the point that holds it, and so is a percentage the report's figures do not give; a reference to a standard or an Act is flagged for checking. A point that quotes no figure from the report could have been written about any company, so it is marked **General** and listed last. The foot of the window says how long the analysis took and what it cost at list price. **Copy** puts the analysis on the clipboard to paste into a note or an email. Nothing is saved, and the trail records that the report was sent and to whom.

55.10 REPORTS AND THE SCREENS THAT CLOSE A PERIOD

A report is a page you read. Nothing on it is agreed, signed or sent, and running it again changes nothing.

Three entries in the library are not that, and the card links to the screen rather than apologising. The **UK VAT Return** and the **CIS Monthly Return** are periods you close, with exceptions carried forward from the last one and a mark recording that the period has been filed. The **Tracking Summary** lives on the Tracking screen, where the categories are set up. The management accounts pack, under Planning, recomputes its figures every time it opens and stores only the commentary.

55.11 WORTH KNOWING

Nil-balance accounts are hidden on the profit and loss, the balance sheet and the trial balance: the default chart seeds 119 codes, and printing all of them buries the dozen that moved. The number held back is stated under the title with a link to show them, because a reader cannot otherwise tell an account that is nil from one that does not exist.

Save this view keeps the settings under a name, with the period or without it, to yourself or shared with everybody acting for the client. Loading one sets the controls and then runs the report, rather than fetching with the stored settings behind the toolbar's back: a toolbar that disagrees with the report under it is the fastest way to lose trust in the figures.

The report library

The library holds forty-nine reports. They are listed below in the seven groups the screen prints them in, and in the order the cards appear inside each group. The **Needs** column says what has to be in the books before a report has anything on it.

Financial statements

REPORT	WHAT IT SHOWS	NEEDS
Profit and Loss	Income less expenses over a period, grouped by account class so that turnover is turnover and other income sits below gross profit. Carries gross profit, operating profit and profit before tax	Postings in the period
Balance Sheet	What the company owns and owes at a date, in sections: fixed assets, bank, current assets, current liabilities with net current assets, non-current liabilities and equity. Undistributed profit appears as a computed 3999 Current Year Earnings line	Postings up to the date
Statement of Financial Activities	A charity's income and expenditure across unrestricted, restricted and endowment funds, with a movement in funds table and a prior year. It can be run on any company, and says plainly whether this one is a charity	The entity type set to a charity, and funds set up
Statement of Cash Flows	Cash generated and used by activity, direct and indirect method, with opening and closing cash and a flag saying whether it reconciles	A start date, and bank accounts registered
Depreciation Schedule	Cost brought forward, additions, disposals, cost carried forward, then depreciation brought forward, the charge, depreciation on disposals, depreciation carried forward and net book value, grouped by cost account. Read off the asset register, not the nominal ledger	A start date, and assets on the register with depreciation runs posted
Changes in Equity	Share capital, reserves, dividends and drawings, and what moved them, with a column per class of equity account. It prints whether it agrees with the balance sheet, and the difference where it does not	A start date, and equity accounts
Depreciation Forecast	The charge and the closing net book value for each of the next few year ends, one to ten and five by default, on today's assets and rates, run to the company's own year end. It states its three assumptions	Assets on the register that are not yet fully written down

REPORT	WHAT IT SHOWS	NEEDS
Receipts and Payments	Cash in and cash out over a period, by the account it came from or went to, with opening and closing cash. Transfers between the company's own accounts are dropped, so money already held is not counted twice	A start date, and bank accounts with a nominal account linked

Payables and receivables

REPORT	WHAT IT SHOWS	NEEDS
Aged Receivables Summary	What each customer owes, by bucket. Credit notes age from their due date and reduce the bucket they fall in	Unpaid sales invoices at the date
Aged Receivables Detail	Every unpaid sales invoice with its issue date, due date, total, paid, outstanding and bucket	Unpaid sales invoices at the date
Aged Payables Summary	What is owed to each supplier, by bucket	Unpaid purchase bills at the date
Aged Payables Detail	Every unpaid purchase bill, aged from its due date	Unpaid purchase bills at the date
Income and Expenses by Contact	Income, expenses and the net of the two for each contact over a period, taken from the invoices and bills behind the postings. Anything with no document behind it, a cost coded straight off a bank line included, is shown on its own "(no contact)" line rather than dropped	Postings in the period
Supplier Spend, Bills and Bank	Everything spent with each supplier, including costs coded straight off the bank with no bill behind them, with CIS deducted in a column beside it	Expense postings in the period. The CIS column fills only where contacts carry a CIS subcontractor kind
Credit Control Worklist	What to chase now, what is promised, and what is disputed and should be left alone, with days overdue, the next action in words, an owner and a note. A row never carries two actions: disputed beats overdue	Outstanding sales documents
Receipts and What They Settled	Each receipt with every invoice it was put against, grouped by receipt reference	A start date, and payments recorded in the period
Refunds	Credit notes settled in cash rather than against an invoice	A start date, and refunded credit notes in the period
Allocations	Credit and money on account put against documents in the period, and separately the ones taken back off, with who did it and when	A start date, and allocations in the period

REPORT	WHAT IT SHOWS	NEEDS
Open Purchase Orders	What has been ordered and not yet billed, with the expected date and a late flag	Purchase orders raised and still open

Transactions

REPORT	WHAT IT SHOWS	NEEDS
Account Transactions	Every posting to one account in date order with an opening balance, a running balance, the account on the other side and the customer or supplier where a document names one. An entry hitting several other accounts reads "Split"	An account chosen on the toolbar. It refuses to run without one
General Ledger Detail	Every posting grouped by account, each account with an opening and closing balance and a link through to the source document	Postings in the period
Journal Report	Every journal in date order showing both sides, with who posted it, whether it is a reversal or has been reversed, whether it is recurring, and who reviewed it and when. Only manual journals count towards the unreviewed figure	Postings in the period
Chart of Accounts	Every code with its class, type and balance, whether it is a control or a built-in account, and whether it has ever been posted to, with a count of the accounts never used and safe to remove	Nothing

Taxes and balances

REPORT	WHAT IT SHOWS	NEEDS
Trial Balance	Every account's balance at the date with the movement beside it: opening, debits, credits, movement, closing. Debits and credits come from the postings rather than from a netted balance, and the figures are cumulative to the date so it agrees with the balance sheet	Postings
UK VAT Return	On its own screen. The nine boxes, the detail behind them, and marking a period as filed. The card opens the VAT return screen	Nothing here. What the return itself needs is in The VAT return
CIS Monthly Return (CIS300)	On its own screen. Payments to each subcontractor for a tax month, and marking the month filed. The card opens the CIS return screen	Nothing here. What the return itself needs is in The CIS monthly return

REPORT	WHAT IT SHOWS	NEEDS
Bank Reconciliation	Per bank account: balance per statement, less the statement lines not yet coded, plus the postings with no statement line behind them, the balance the ledger should show, the balance per ledger, and the difference. It says at the top whether they all agree, and prints the difference even when it is nil	Bank accounts set up

Financial performance

REPORT	WHAT IT SHOWS	NEEDS
Executive Summary	Cash received, spent, the surplus and closing bank; turnover, cost of sales, gross profit, other income, running costs and profit; debtors, creditors, working capital and net assets; then gross margin, turnover growth, EBITDA, net margin, debtor days, creditor days, current ratio, quick ratio and cash conversion, each against the previous period	A start date
Tracking Summary	On its own screen. Income, cost and net for each property, site, contract or department. The card opens the Tracking screen, where the categories are set up and the untagged postings are managed	Nothing here. The report itself needs a tracking category with postings tagged to it
Profit and Loss by Tracking Category	The profit and loss with a column for each option of one category, plus a "(not tracked)" column and a total, so it agrees with the profit and loss line for line	At least one active tracking category with postings tagged to it
Project Profitability	Contract value, invoiced, costs and margin for each project, with totals, and the caveats printed beside the figures	Projects set up, and invoice and bill lines tagged to them
Customer Turnover	What each customer bought, its share of the total, the same period before, the growth and the document count, with the concentration of the largest one, three and five. Built from documents, so a sale taken straight to the bank with no invoice is not in it	A start date, and sales invoices in the period
Supplier Spend Against Last Period	What was spent with each supplier on bills, against the equivalent period before, with concentration	A start date, and bills in the period
Sales by Item	Quantity and net by item, with cost, margin and margin percent where the item is stock tracked. Cost and margin print as a dash for untracked items, and the total says how much revenue had no cost against it	A start date, and invoices with item lines
Purchases by Item	Quantity and net value bought, by item	A start date, and bills with item lines

REPORT	WHAT IT SHOWS	NEEDS
How Long Customers Take to Pay	Average days late and days to pay for each customer, weighted by amount, with the worst single document, the amount settled and the amount still owed. A different measure from the debtor days ratio in the management accounts, and each says which it is	A start date, and documents actually settled in the period
Forecast Outturn	The months that have happened at what they were and the rest at what they are expected to be, per account, with actual, forecast, outturn, budget and variance. The as-at date is an argument, so a pack run in April gives the same figures in May	A start and end date, and either a budget or enough elapsed months to run a rate from
Scenario Comparison	Two budgets side by side, with the actual and the difference between them	A start date, and at least two budgets. With one it says so and tells you to copy it on the Budgets tab
Customer Margin	Revenue, cost, margin and margin percent for each customer, with a coverage percentage saying how much of the margin is actually measured	A start date, invoices, and stock-tracked items for the coverage to mean anything
Pipeline and Recurring Income	Open quotes with their expiry, conversion by number and by value, and recurring invoices with frequency, next date, value each and annualised. Conversion is measured on quotes raised in the period, and quotes still open are not counted as lost	Quotes, recurring invoice templates, or both

Stock

REPORT	WHAT IT SHOWS	NEEDS
Stock Analysis	On hand, committed, on order, available to promise, value, days since the last sale, the value split across five age bands and a suggested reorder quantity, filterable to slow moving, never sold, needs reordering or negative. It says on its face that stock is held at weighted average cost, so the age of what is on hand is inferred from the most recent receipts	Stock-tracked items with movements
Stock Movements	Every movement across every item with the reason, the quantity in or out, unit cost, value and the quantity on hand afterwards, with totals in and out	A start date, and stock movements in the period
Cost of Sales Reconciliation	Cost of sales in the ledger against the cost of everything that left stock, the difference, and what the difference is made of	A start date, and stock-tracked items

Things to look at

REPORT	WHAT IT SHOWS	NEEDS
Changes Since Filing	Everything done to the records after a VAT return went in, with how long after, who did it, on which machine, what happened, which quarter it belongs to and when that quarter was filed, plus a separate list of changes the trail could not date. It is not a list of wrongdoing: a late claim, a payment against an old invoice and a void are all correct	A start date, and at least one filed VAT return
Suspense Account	Everything sitting in suspense, oldest first, with what it says, where it came from, and the balance	A suspense account on the chart
Unallocated Cash	Money received and money paid that is not against an invoice or a bill, aged, in two sections	Unallocated payments
Credit Limit Exceptions	Customers at or over the credit they have been allowed, with what they owe, the limit, the percent used, the amount over and the amount overdue. Close is 90 per cent	A credit limit set on at least one contact
Possible Duplicates	Documents already in the ledger sharing a contact, a reference and a total, with their dates and the number of copies	Nothing
Uncoded Bank Lines	Everything still to code across every bank account, aged in days, with a subtotal per account and the oldest named	Bank accounts with imported transactions

56.1 WORTH KNOWING

Things to look at is last on purpose. Nobody opens the reports screen looking for an exception report, they open it looking for a profit and loss. But somebody should be reading that group once a month, and one group with a plain name is easier to remember to check than six exception reports filed away under their subjects.

A greyed card means the report is not built. It is drawn with a dashed border and a **not yet** badge, and carries the reason instead of its description. Nothing is in that state today, and the badge is kept for the day something is: an accountant deciding whether to put a client on this product needs to know what is missing on the first day, and finding the gap three months in is far worse. The reasons are meant to stay true rather than tidy. Several of them once said "coming with the bank importer" long after the bank importer had shipped, which is the fault that makes a whole list untrustworthy.

Three cards open a screen instead. The UK VAT return, the CIS300 and the tracking summary are real reports that live elsewhere, and they are listed here because this is where people look for them. The card carries a link rather than an apology, and is not greyed.

Search by the word you would use. Each report carries a list of synonyms, which is why [debtors](#) finds the aged receivables, [creditors](#) finds the payables, [nominal ledger](#) finds the account transactions and [inventory](#) finds the stock reports. The synonyms are kept

only where the vocabulary genuinely differs, because repeating words already in the name makes the real ones harder to keep true.

The two supplier reports are different questions, and are named apart so that nobody has to open both to find out. Supplier Spend, Bills and Bank reads the journal and picks the supplier up from the bank line as well as from the bill, so a cost coded straight off a statement is counted, and it carries the CIS deducted beside the spend. Supplier Spend Against Last Period reads bills only, and sets them against the equivalent period before. On a construction client the first is most of the answer and the second is not.

Eighteen of the forty-nine refuse to run for all time to date, because they measure what happened between two dates. Each says so on screen and asks for a month, quarter or year.

An empty report says which kind of empty it is. No stock tracked items, no bank accounts set up for this company, no suspense account on the chart, only one budget to compare, no tracking category to split by, and, on the credit limits, that nobody has a limit set. Nobody has a limit set and nobody is over their limit look identical on a blank page and mean opposite things.

Which reports take a comparative, a cash basis or a tracking filter, and what the toolbar does with them, is in Using the reports.

Running the practice

The work a firm does about its clients rather than in their books: what is due, who is doing it, how long it took and what it is worth.

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The practice dashboard

Practice dashboard, at the top of the sidebar, is the screen the firm opens on. It answers two questions: what is the team carrying, and what is late. It does not answer what the firm earned. Those figures belong to a set of books, and this screen stands outside all of them.

57.1 BEFORE YOU START

Nothing has to be set up. The screen draws on an empty practice, and it stays thin until there are clients and until jobs have been generated from the compliance calendar. One thing it will go on asking: until you say which company holds the firm's own books, an amber card sits near the top and cannot be dismissed.

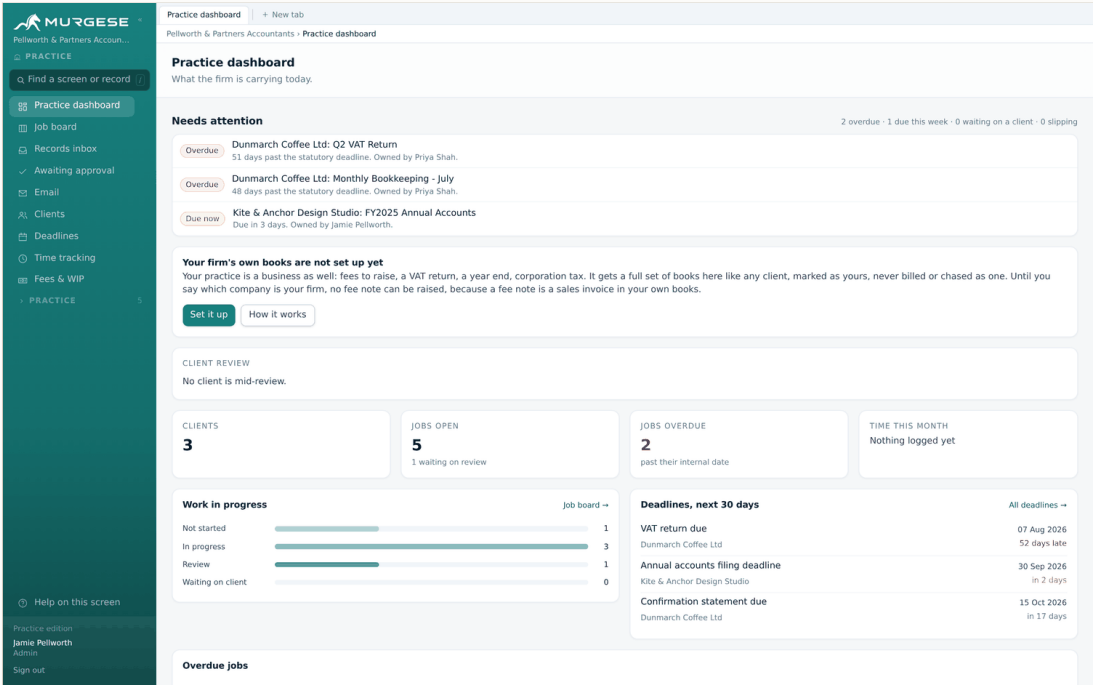


Figure 51 The attention panel above the counts, with the review queue and the next month of deadlines beside it. The figures shown are invented.

57.2 THE SCREEN

Needs attention

The first panel, and the one the whole layout is built around. Up to eight rows, each carrying an urgency badge, the client name, the job title, and a sentence saying why the row is there and who owns it. Where nobody owns it, the sentence says so.

BADGE	WHAT PUTS A JOB THERE
Overdue	Past the statutory deadline, with the number of days said in words.
Due now	Due today, or within the next seven days.

BADGE	WHAT PUTS A JOB THERE
Waiting on client	The job sits in that stage. Nothing moves until somebody chases.
Slipping	Past your own target date, with the statutory date still ahead.
Approaching	Your target date falls within seven days.

Above the rows, a summary line counts them: overdue, due this week, waiting on a client, slipping, and with nobody assigned. A **high risk** or **medium risk** chip appears beside the title where the client's anti-money-laundering risk rating is not Low.

Client review

Counts for Awaiting review, In review and Approved to file, then up to eight named clients with their review badge. Clicking a name opens that client's review screen.

The four tiles

- **Clients**, the number of companies the firm acts for, with a note naming the own-books company that has been left out of it.
- **Jobs open**: not started, in progress, in review and waiting on client added together, noting how many of them are waiting on review.
- **Jobs overdue**, the jobs past their internal date. Red where there are any, and "nothing late" where there are none.
- **Time this month**: the hours logged, and what percentage of them is billable.

Work in progress, deadlines and overdue jobs

Work in progress draws a bar for each stage with its count, and links through to the job board. **Deadlines, next 30 days** carries the title, the client and the date, with "x days late", "today" or "in x days" coloured red, amber or grey, and links to the deadline list. It reads the stored deadlines, the ones under **Added by hand** on the calendar screen together with anything a Companies House sync has written, rather than the whole computed calendar; for those, follow the All deadlines link. **Overdue jobs** is drawn only when there are some, and gives the title, the client, the stage and the due date in red.

57.3 READING IT IN THE MORNING

1. Start at **Needs attention**. Clear or reassign anything overdue, and look hard at the count of jobs with nobody on them.
2. If the amber own-books card is showing, press Set it up. No fee note can be raised until that question is answered.
3. Check the review queue for anyone sitting in Awaiting review.
4. Use the work in progress bars and the deadline list to plan the day, clicking through to the job board or the calendar.

57.4 WORTH KNOWING

The attention panel sits above the counts on purpose. A dashboard that opens with how many clients a firm has is decoration; one that opens with what is late is a morning meeting.

The risk rating changes the order within a band and never across one. A high-risk job due next week does not jump ahead of a low-risk one that is already late, and nothing becomes due sooner because a client is high risk. Moving a date on a risk rating would be inventing it.

The **Clients** tile leaves the firm's own books out, and names the company it left out. Counting them would tell a firm with one client that it had two, and would go on saying so every morning, on the tile a partner reads first.

CAREFUL

The own-books card cannot be waved away while the question is unanswered. A prompt that can be dismissed is a prompt for the thing that does not matter, and this one stops fee notes being raised at all. The case behind it was a firm that had run for weeks, raised a fee note, and could not find it: it had gone into a company record that looked like a client.

Every count on the screen is worked out when it is opened, from the jobs, the time entries, the client records and the stored deadlines, so there is no cached total to go stale and nothing to reconcile against another screen. What the panels do not carry is money: turnover, debtors and cash sit on a company's own dashboard, because they are facts about one set of books rather than about the firm's week.

The job board

Job board, in the practice group of the sidebar, holds every open piece of work in the firm, laid out in five stage columns with a count on each. Most of the cards were not typed by anybody. They were generated from the compliance calendar, which is where a practice's work mostly comes from, and the board is where it is then carried, assigned, checked off and reviewed.

58.1 BEFORE YOU START

Clients must exist. Staff accounts and job templates are optional, and the board is more use with both. Jobs are usually created in bulk from Deadlines rather than raised here one at a time, so it is worth generating them first and adding by hand only what the calendar cannot know about.

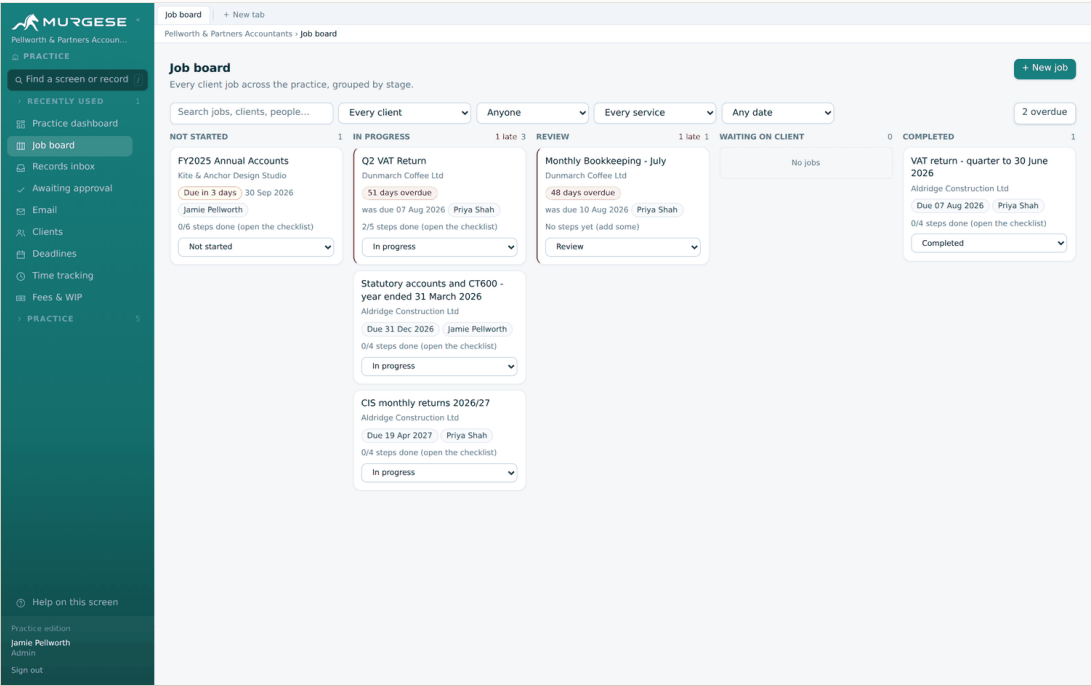


Figure 52 The five stage columns, and a card carrying its client, its owner, its due date and how far down the checklist the work has got. The figures shown are invented.

58.2 THE SCREEN

The columns are **Not started**, **In progress**, **Review**, **Waiting on client** and **Completed**.

ON A CARD WHAT IT IS

Title	A button. Pressing it opens the job panel.
Client	Who the work is for, with an Own books badge where the client is the firm itself.
Due	The date the job is due.
Assignee	Who owns it.

ON A CARD WHAT IT IS

Steps	"3/5 steps done (open the checklist)", or "No steps yet (add some)".
Stage	A dropdown. Choosing a stage moves the job at once.

58.3 RAISING A JOB

1. Press + **New job**.
2. Choose the **client**. The firm's own company appears in the list as "Name (your firm)".
3. Choose a **job template** where one fits. Picking one fills in the title and creates that template's steps.
4. Type the **title**, if the template has not supplied it.
5. Set the **due date** and **assign to** somebody.
6. Name a **reviewer** where the work will be reviewed by a second person.
7. Enter **estimated hours** where somebody has estimated the job, and leave the box empty where nobody has.

The estimate and the reviewer are both optional, and the note under the estimate says what it is for: it is what the job budget report compares the recorded time against. Leaving it blank is a real answer, not a nought. A job with no estimate is counted and named on that report rather than shown as having come in on budget.

58.4 THE CHECKLIST

Click a card and the job panel opens: the stage badge, a link to the client, the due date and the assignee, then **Steps: n of m done**.

Each step is numbered and carries a tick box, a title, a description, an assigned to picker of its own and a cross that removes it. Once ticked, it also carries the name of whoever ticked it and the date. Below the list is a box to add a step, so a job can grow a step the template never thought of.

When every step is done but the job is still open, a link appears saying that every step is done, so mark the job completed. Ticking the last step does not complete the job by itself. A checklist that silently marked a job complete would mark it complete while the review was still outstanding.

Under the steps is a card with **Stage, Assigned to, Due, Reviewer** and **Estimated hours**, each saving as you change it. The same panel opens from the Jobs tab inside a client, so the two screens cannot drift into two different versions of the same checklist.

58.5 ASSIGNING AND REVIEWING

Assign a job from the card's panel, or from the + **New job** form when it is raised. A job generated from the calendar arrives assigned to whoever owns the client, so an unowned client produces unowned work, which is what the dashboard counts and reports.

The reviewer is a separate field from the assignee, and the two are meant to be different people. Naming a reviewer does not move the job into Review or stop the assignee doing anything: it records who is going to look at the work, so that the Review column can be worked through by the person who owns it rather than by whoever notices it first.

Steps can be assigned individually. A year-end job where one person prepares and another reviews is easier to read as a checklist with two names down it than as a job with one.

58.6 JOB TEMPLATES

A template is a recipe: a name, a description and a list of default steps, held by the practice and used on any client. Two arrive with a new installation, VAT Return and Annual Accounts, each with its own steps.

Choosing a template on + **New job** copies its steps into the new job in the order the template lists them, and then leaves them alone. Editing a template later changes nothing on a job already raised, and editing the steps of a job changes nothing on the template.

There is no screen in the product for writing or editing a template. The list is read here and offered when a job is raised, and that is all the board does with it.

Jobs generated from the compliance calendar do not use templates at all. Each kind of obligation brings its own checklist, written for that obligation: the VAT job asks for the records, the reconciliation to the period end, a review for reverse charge, CIS and partial exemption, the client's approval, and the submission. The accounts job runs from records received to filed at Companies House. They are short by design, because a twenty-item list is ignored and five items that each represent a real decision get ticked.

58.7 WORK THAT REPEATS

There is no repeating job. Nothing on this screen sets up work that comes back next quarter, and the job record's repeat field is written and read by nothing in the product.

Repetition lives in the compliance calendar instead, which is a better fit for the work: each VAT quarter, each CIS month and each year end produces its own job, dated from the client's own record, with its own checklist. The generator is safe to run again, so an obligation that already has a job never gets a second one, even after the first has been completed. That is covered in Deadlines and the compliance calendar.

58.8 WORTH KNOWING

Deleting a step is the honest way to deal with a template step that does not apply. A dormant company has no VAT return, and the step for it should go. Ticking it to make the count go away is not the same thing, and a checklist people tick to silence it stops meaning anything.

Every tick records who ticked it and when, and unticking clears both. The record never says somebody signed off something that is currently open.

WORTH KNOWING

The board is a roll-up across clients rather than a screen inside one, so it checks for itself whose books you may see. Before that check existed, a bookkeeper restricted to two companies was shown every company in the practice: their names, the work open on them and what was late.

A job's clock starts when its stage actually changes and not when anything else about it is edited. Touching that date on an unrelated edit would reset the clock on a job that has been stuck for a month, which is the one job the turnaround report exists to find.

The firm's own work sits on the board with everybody else's, badged as its own. Its filing obligations are real, and nobody else is going to chase the firm about them.

Deadlines and the compliance calendar

Deadlines, in the practice group of the sidebar, is every filing date the firm is carrying, worked out from each client's own record rather than typed by anybody. A note at the top of the screen says so, and says how far ahead the window runs. Below the list is the button that turns the next few months of it into jobs.

The reason the dates are computed is that a typed list is fine for ten clients and a lie at forty. The entry nobody got round to typing is invisible, and the one obligation nobody can see is the one that gets missed.

59.1 BEFORE YOU START

The dates come off facts already on the client record, so those facts have to be there. A year end for everybody. A VAT registration date and a stagger for a VAT-registered client. A CIS role for a contractor or subcontractor. A PAYE reference where there is a payroll. Identity checks, with a birth month against a person with significant control, for the identity verification dates.

Saving any of those facts moves the board at once. Turning on a CIS role, registering a client for VAT, entering a PAYE reference, marking a company dormant or correcting a year end all add the work they imply and take back any that no longer applies and nobody has started. You do not have to press the generate button afterwards; it is there for filling the window further ahead, and for a first run.

Your target dates are set on **Practice settings**, under **Target dates**, along with how far ahead the calendar looks, which stands at 120 days. Generating jobs needs the `manage_settings` capability, so an Administrator or a Manager.

Deadlines + New tab

Pellworth & Partners Accountants > Deadlines

Compliance deadlines + Add one by hand

Every filing date across every client, worked out from their own records rather than typed.

What is coming

Worked out from each client's own year end, VAT registration, CIS role and payroll, not typed. To 25 Jan 2027.

Everything ☐ Only what has no job yet **Create 21 jobs**

CHECK THESE DATES YOURSELF: 3 CLIENTS

Dunmarch Coffee Ltd: Companies House has not been synced, so the filing deadline is computed rather than confirmed. No directors or PSCs are recorded, so nothing is listed for Companies House identity verification. Fetch them from the Companies House register, or add them under References & identity.

Kite & Anchor Design Studio: Companies House has not been synced, so the filing deadline is computed rather than confirmed. No directors or PSCs are recorded, so nothing is listed for Companies House identity verification. Fetch them from the Companies House register, or add them under References & identity.

Aldridge Construction Ltd: Companies House has not been synced, so the filing deadline is computed rather than confirmed. No directors or PSCs are recorded, so nothing is listed for Companies House identity verification. Fetch them from the Companies House register, or add them under References & identity.

CLIENT	OBLIGATION	YOUR TARGET	STATUTORY	JOB
Dunmarch Coffee Ltd	Accounts to 31 Dec 2025 ACCOUNTS	19 Aug 2026	30 Sep 2026	—
Kite & Anchor Design Studio	Accounts to 31 Dec 2025 ACCOUNTS	19 Aug 2026	30 Sep 2026	—
Dunmarch Coffee Ltd	Corporation tax payment for the year to 31 Dec 2025 CT PAYMENT	10 Sep 2026	01 Oct 2026	—
Kite & Anchor Design Studio	Corporation tax payment for the year to 31 Dec 2025 CT PAYMENT	10 Sep 2026	01 Oct 2026	—
Aldridge Construction Ltd	CIS300: 6 Sep 2026 to 5 Oct 2026 CIS300	14 Oct 2026	19 Oct 2026	—
Aldridge Construction Ltd	CIS statements to subcontractors: 6 Sep 2026 to 5 Oct 2026 CIS STATEMENTS	16 Oct 2026	19 Oct 2026	—
Aldridge Construction Ltd	PAYE for 6 Sep 2026 to 5 Oct 2026 PAYE	16 Oct 2026	19 Oct 2026	—
Aldridge Construction Ltd	VAT return: Quarter 1 Jul 2026 to 30 Sep 2026 VAT	28 Oct 2026	07 Nov 2026	—
Aldridge Construction Ltd	CIS300: 6 Oct 2026 to 5 Nov 2026 CIS300	14 Nov 2026	19 Nov 2026	—
Aldridge Construction Ltd	CIS statements to subcontractors: 6 Oct 2026 to 5 Nov 2026 CIS STATEMENTS	16 Nov 2026	19 Nov 2026	—
Aldridge Construction Ltd	PAYE for 6 Oct 2026 to 5 Nov 2026 PAYE	16 Nov 2026	19 Nov 2026	—
Aldridge Construction Ltd	CIS300: 6 Nov 2026 to 5 Dec 2026 CIS300	14 Dec 2026	19 Dec 2026	—
Aldridge Construction Ltd	CIS statements to subcontractors: 6 Nov 2026 to 5 Dec 2026 CIS STATEMENTS	16 Dec 2026	19 Dec 2026	—
Aldridge Construction Ltd	PAYE for 6 Nov 2026 to 5 Dec 2026 PAYE	16 Dec 2026	19 Dec 2026	—
Aldridge Construction Ltd	Accounts to 31 Mar 2026 ACCOUNTS	19 Nov 2026	31 Dec 2026	—
Dunmarch Coffee Ltd	CT600 for the year to 31 Dec 2025 CT600	19 Nov 2026	31 Dec 2026	—
Kite & Anchor Design Studio	CT600 for the year to 31 Dec 2025 CT600	19 Nov 2026	31 Dec 2026	—
Aldridge Construction Ltd	Corporation tax payment for the year to 31 Mar 2026 CT PAYMENT	11 Dec 2026	01 Jan 2027	—

Practice edition
Jamie Pellworth
Admin
Sign out

Figure 53 Each obligation with the firm's own target date beside the statutory one, and whether a job exists for it yet. The figures shown are invented.

59.2 THE SCREEN

A **type filter** covering accounts, corporation tax payment, CT600, confirmation statement, VAT, CIS300, CIS statements, PAYE, P60s, P11D, self assessment, partnership return, AML review, identity verification, VAT instalment, charity accounts and the charity annual return. Beside it, a tick for **Only what has no job yet**.

Create n jobs sits at the top. When every obligation already has one it reads "Every obligation has a job".

Check these dates yourself is an amber card of caveats, one group per client. Beneath it, where it applies, a second amber card headed **Nothing listed in this window, and why**. Both are covered below, and neither is small print.

The table carries:

COLUMN	WHAT IT HOLDS
Client	Who owes it.
Obligation	What is due, with a chip naming its type.
Your target	The firm's own date, amber once it is past.
Statutory	The date in law, red once it is past, and marked "(internal)" where the obligation has no statutory date of its own.
Job	A Created badge, or a dash.

Below it, **Added by hand** is a separate table of stored dates: a completion tick, the title, the client, a type badge and the due date, shaded red once overdue. Most of them are the one-off dates somebody entered here, and the computed calendar above never changes or removes those. A Companies House sync also writes accounts and confirmation statement dates into this stored list, and keeps its own rows up to date without touching anything you typed.

+ **Add one by hand** asks for the client, a title, a type (VAT, Corporation Tax, Self Assessment, Payroll, Confirmation Statement, Accounts Filing or Other) and a due date. Use it for the genuinely one-off: a response to an enquiry, an instalment agreed with HMRC.

59.3 TURNING THE CALENDAR INTO JOBS

1. Read both amber cards first, and put right anything missing on the client records they name. The second card is the one to read carefully: those clients have nothing listed at all.
2. Tick **Only what has no job yet**.
3. Press **Create n jobs**. They appear on the job board, dated, with the client's owner on them and a checklist for that kind of work.
4. Add anything genuinely one-off with + **Add one by hand**.

The generator is written to be run again, and it is: it also runs when somebody opens the job board. Each job it creates carries a key built from the client, the obligation type and the period, never from the due date, and it will not create a second job for a key it has already used. That holds even after the job is completed, so a filed March quarter does not reappear the moment somebody refreshes the screen.

Where a date moves, the existing job's dates are corrected and no second job appears. A completed job is left alone even then: somebody filed something, and rewriting the record of when it was due would be a small untruth in the audit trail. Anything a person typed carries no obligation key at all, and the generator neither edits nor removes it.

59.4 THE TWO DATES

Every occurrence carries two.

The **statutory date** comes from HMRC and Companies House and never moves. Miss it and there is a penalty.

The **target date** is the firm's own, a lead time earlier, and it is the date the job board, the deadline list and the attention panel actually work to. A firm that works to the statutory date has no room for a client who takes three weeks to send a bank statement, and is one illness away from a late filing. The lead times are yours to set, obligation by obligation, on [Practice settings](#).

59.5 WHAT THE PRODUCT KNOWS ABOUT STATUTORY DATES

The rules built in are the ordinary ones, taken from the legislation and from gov.uk and cited in the source:

- **Annual accounts** at Companies House, nine months after the year end for a private company, under section 442 of the Companies Act 2006. A first accounting reference period longer than twelve months has its own rule under section 442(3), and it is applied.
- **Corporation tax**, payable nine months and a day after the period end, with the CT600 due twelve months after it. They are two lines, because they are two dates.
- **VAT**, one calendar month and seven days after the period end. A monthly filer gets twelve of them. A client on the annual accounting scheme gets one return due two months after the period end instead, and any payments on account agreed with HMRC appear as instalments of their own.
- **CIS**, the monthly return due on the 19th, and the payment and deduction statements to subcontractors due within fourteen days of the tax month end. Two lines beside each other on the same day: two duties, owed to two different people, each with its own penalty, and a contractor can easily do the first and forget the second.
- **Payroll**, the real-time submission, P60s by 31 May, P11D and P11D(b) by 6 July, and the Class 1A National Insurance by 22 July where it is paid electronically.
- **Confirmation statement**, from the Companies House date where the register has been read, and computed where it has not.
- **Identity verification under ECCTA**, which is per person: a window that opens on the 1st of a person with significant control's birth month and lasts fourteen days, and fourteen days from the confirmation statement date for a director.
- **Charities**, the accounts and trustees' report and the annual return to the Charity Commission, and for a charitable company the earlier Companies House deadline for the same year end.
- **Anti-money-laundering reviews**, the practice's own housekeeping rather than the law's. This is the one line marked "(internal)" in the statutory column, and it appears only where a review date has been recorded against the client.

59.6 THE CAVEATS

The ordinary rules cover the ordinary case. They do not cover a period changed by shortening or extending, a period longer than twelve months other than a first one, or group payment arrangements. Where a client is any of those, the date here is a prompt and not an authority, and the deadline should be entered by hand instead.

The amber card says which client each caveat applies to and what it costs. A client with no VAT registration date gets every period listed, including the ones before the business was registered. A client with no stagger has the periods assumed to line up with the year end. A limited company that has never been synced with Companies House has a filing deadline computed rather than confirmed. A limited company with nobody recorded on [References & identity](#) has no identity verification dates at all. Where there is a

Companies House key, a card above the caveats offers Fetch from Companies House for every such company with a company number: it adds their directors and people with significant control as not yet verified, and their deadlines then appear here. It takes about a second a company. A charitable company has two deadlines for one year end, and the Companies House one is earlier and carries an automatic penalty.

Where more than six clients are named, six are shown and the rest open on request. Nothing is counted rather than named: a client the screen will not name is a client somebody has to go looking for.

A note explaining a **first accounting period** is shown only while that deadline is still ahead of the window on screen. It is the one caveat that is not a gap to close, because it explains how a date was arrived at rather than what is missing, and an explanation of a date that passed years ago is not something to check.

Nothing listed in this window, and why

The second card is the opposite instruction to the first, which is why it is a card of its own. The first is about dates that **are** on the screen and should be read with a caveat attached. This one names clients that have **no** dates in the window at all, and says what is missing: no VAT registration date, no stagger, no Companies House sync, no directors or people with significant control recorded. Each line goes when the gap is filled.

It is the more important of the two. A wrong date on the screen is at least on the screen. A client that is silently absent from a compliance calendar is how a deadline gets missed.

CAREFUL

A date shown without a caveat is a date somebody will work to. Read the amber card before you generate the jobs, because the jobs carry the dates forward and a wrong one then travels to the board, the dashboard and the chase list.

59.7 WORTH KNOWING

The list and the generate button are on one screen deliberately. Keeping them apart would leave a list nobody can act on beside a board nobody knows what to put on.

Nothing on this screen files anything. It works out when a return is due and creates the work; the filing itself happens on the client's own VAT, accounts or tax screens, and what has and has not gone in is reported on the **Not filed** tab of the practice reports.

Where a target date is changed on [Practice settings](#), jobs already created keep the target they were made with. Only the obligations that have not yet become jobs pick the new lead time up.

Recording time

Time tracking, in the practice group of the sidebar, is where hours are recorded against clients and jobs. There are two ways in: type the time afterwards, or let the clock measure it while you work and check what it measured before any of it counts. Both end in the same place, a logged entry that the fee screen can value.

60.1 BEFORE YOU START

Clients must exist. The automatic clock is switched on per person, in the settings panel at the foot of this screen, and nobody else can switch yours on or off. What the time is worth is decided by the charge-out rates under Fees & WIP then Rates: time booked by somebody with no rate is worth nothing at all, and is reported separately rather than valued at a guess.

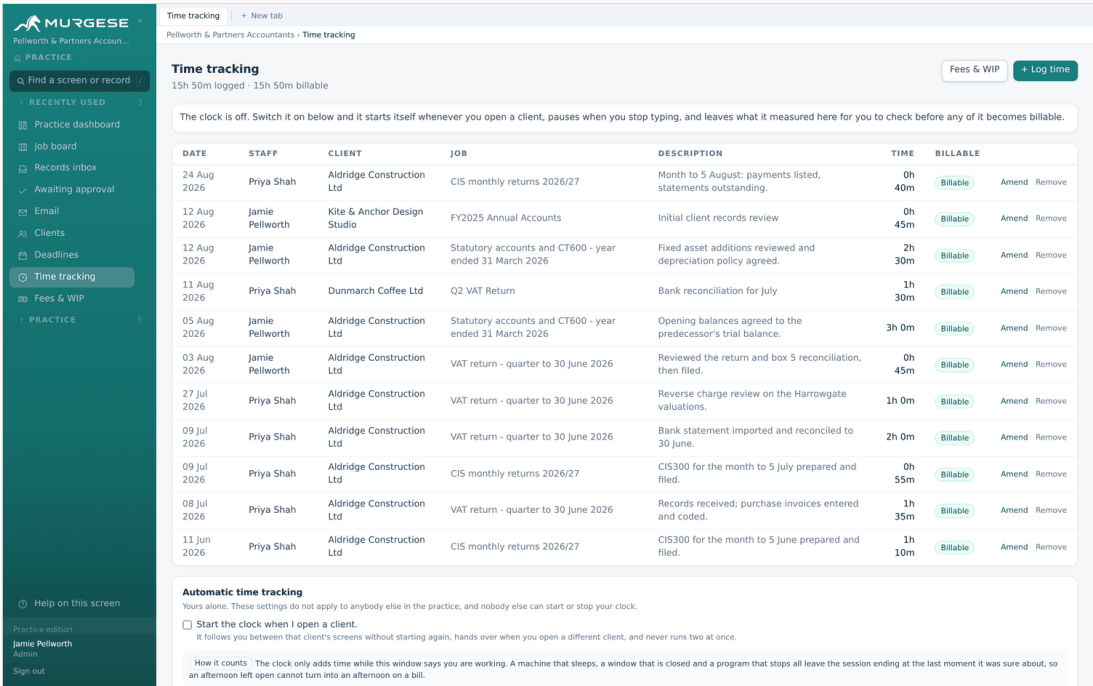


Figure 54 The review queue for measured sessions, above the entries already logged. The figures shown are invented.

60.2 THE SCREEN

The header gives the total hours logged and how many of them are billable, with buttons for Fees & WIP and + Log time.

Tracked, not yet logged is the review queue for anything the clock measured. Its heading line states the rounding unit in use. Each row carries the client with the date and the measured time, What you were doing written from where the time went and editable, a Job picker limited to that client's jobs, the Minutes, a Billable tick, and Log or Discard. **Log all n** writes the lot.

Logged entries below is the record: date, staff, client, job, description, time and a billable badge.

60.3 ENTERING TIME BY HAND

1. Press + **Log time**.
2. Choose the **client**, and the **job** if the work belongs to one. The job list holds that client's jobs only.
3. Set the **date** and the **hours**, which step in quarters.
4. Write a **description**. It is what the client sees quoted back to them when a fee is questioned, so write it for that reader.
5. Leave **Billable** ticked, or clear it.
6. Save.

60.4 USING THE CLOCK

1. In **Automatic time tracking** at the foot of the screen, switch on Start the clock when I open a client.
2. Choose your billing unit under Bill in units of.
3. Work as usual. A timer pill appears in the sidebar showing the elapsed time, whether it is running or paused, which client it is against, and Pause, Resume and Stop.
4. At the end of the day, open this screen, read down **Tracked, not yet logged**, correct the descriptions, set the jobs, adjust the minutes, check the billable ticks, and press **Log all**.
5. Add anything the clock did not catch with + **Log time**.

The clock follows you between one client's screens without starting again, hands over when you open a different client, and never runs two at once. Switching automatic tracking off stops any clock that is running.

The settings, which are yours alone

SETTING	WHAT IT DOES
Start the clock when I open a client	Turns automatic tracking on for you.
Pause after no typing for	30 seconds to 30 minutes. Three minutes unless you change it.
Bill in units of	To the minute, tenths of an hour, quarter hours, half hours or whole hours. Rounded up.
Ignore anything shorter than	Minutes, 0 to 60. Below it, a session is dropped.
Tracked time arrives marked billable	Whether the review queue opens with the tick already set.

SETTING

WHAT IT DOES

Keep counting when this window is behind another Off unless you say otherwise.

After a pause, a **You were away** dialogue offers to count the gap back or to leave it out. It can only return time the clock actually declined to count: it draws down a figure banked when the pause ended, rather than working out the difference between two clock readings.

60.5 CORRECTING AN ENTRY

Every entry on the list carries **Amend** and **Remove** until it has been billed.

Amend opens the same form as logging, with every field on it. The commonest correction of all is moving time to the right client. The clock follows whichever client is open, so an hour that began on one and ended on another lands where it started. Remove takes the entry off the record entirely; the audit trail keeps what was removed and who removed it.

Your own time is yours to correct. Somebody else's needs the permission that manages staff, which is whoever runs the firm.

CAREFUL

Once time is on a billing run or a fee invoice, neither control is offered, and the row says the date it was billed instead. Changing it then would make a fee note disagree with the time it was made from. Credit or amend the fee on the **Fees & WIP** screen instead.

60.6 WHAT THE DESCRIPTION SAYS

The clock writes one from the screens the time was spent on, ordered by how long each took, and it is a starting point rather than a record of what was agreed. It becomes the narrative on the entry and the entry becomes a line on a fee, so the reader to write it for is the client.

Two things are deliberately left out of it. Time counted while nobody was at the screen (the minutes granted when a pause is kept) is not named, because it is not work, and it would otherwise lead the sentence on a document somebody is being asked to pay. The minutes themselves are unaffected. And a screen somebody passed through for a few seconds on the way to another one is left out, unless nothing else clears a minute, in which case everything is named rather than nothing.

60.7 BILLABLE AND NON-BILLABLE

Every entry is billable or it is not, and the tick is on the entry rather than on the client. Non-billable time still belongs on the record: it is included in the fee screen at nil and shown there, because eleven hours on a client and not a penny of it chargeable is exactly the fact a practice needs in front of it.

Time booked against the firm's own books arrives non-billable. That is a default and not a rule, and the box can be ticked, but the firm is never going to invoice itself and marking its own admin as chargeable only makes the figures wrong.

60.8 CHARGE-OUT RATES

Rates live on **Fees & WIP** under Rates, and there are two of them per person: **Charged at, per hour**, and **Costs the firm, per hour**. Below the table, a client picker opens a list of per-client overrides, each showing the standard rate beside the box, so a rate agreed with one client can be entered without disturbing anybody else's. Clearing an override falls back to the standard rate.

An hour is valued at the rate that applies now, and the value is worked out once per entry, so an entry, a client total and a recorded write-off never disagree by a penny.

CAREFUL

No rate means no value. Chargeable hours booked by somebody with no charge-out rate are counted at nothing and reported separately, on this screen and on the fee screen. A made-up rate would produce a work in progress figure that looks authoritative and is fiction, so the gap is shown instead of filled.

60.9 WORTH KNOWING

The measured total is never the difference between the start time and now. It is a sum of small credits, each capped at thirty seconds and each caused by the browser reporting that somebody was there. Under-counting is a rounding error at the end of a session; over-counting is an invoice you cannot defend. A window left open over a weekend cannot produce a fifty-hour entry.

The browser decides whether to send a heartbeat and the server holds the total, because a refresh, a crash or a second window would each lose or double a figure the browser was keeping. A running session that goes quiet is closed at the last moment it was sure about, not at now. A session that was deliberately paused is left alone for the rest of the day, because sweeping it away after two minutes would mean a coffee break loses the morning's work.

Rounding is always up, so a firm billing in tenths that works for seven minutes bills a tenth. Nought stays nought: rounding nothing up to a unit would invent time.

There is a review step at all because the measurement is automatic and the bill is not. The first time an entry went to a client unread and was wrong, the accountant would turn the whole feature off and never turn it back on.

Writing up a session against a job that belongs to a different client is refused, and that one session is skipped rather than the whole batch failing.

Fees and work in progress

Fees & WIP, in the practice group of the sidebar, is where recorded time becomes a fee note. It shows what is unbilled and what it is worth, what has been recovered and what has been given away, and it holds the button that raises the invoice. It is arranged around the question a partner asks on a Friday afternoon: who can I bill, and what have I been giving away.

61.1 BEFORE YOU START

You must say which company holds the firm's own books before any fee note can be raised, because a fee note is a sales invoice in those books. The panel at the top of this screen asks, and the same panel is on Practice settings; answering it in one place answers it in both.

Charge-out rates must be set under Rates, or the work in progress is valued at nil. Raising a fee note needs the enter_transactions capability. Three of the practice reports, Profitability, Lock-up and Turnaround, need manage_settings.

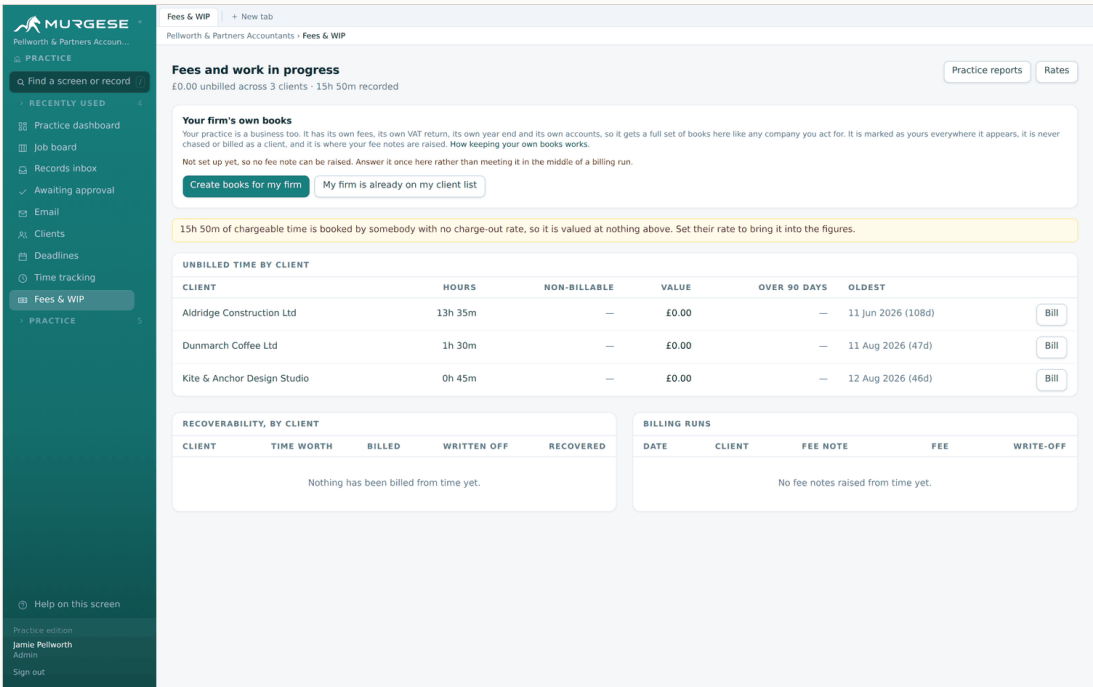


Figure 55 Unbilled time by client with its ageing, above recoverability and the billing runs already raised. The figures shown are invented.

61.2 THE SCREEN

The header gives the total unbilled value, the number of clients it is spread across and the hours recorded, with buttons for Practice reports and Rates.

Your firm's own books comes next: either it names the marked company with a link and a These are not my books button, or it is amber and offers to create books for the firm or to pick the firm off the client list.

An amber strip appears where chargeable hours have been booked by somebody with no charge-out rate, naming the hours that are therefore valued at nothing.

TABLE	COLUMNS
Unbilled time by client	Client, Hours, Non-billable, Value, Over 90 days, Oldest with its date and age, and a Bill button.
Recoverability, by client	Client, Time worth, Billed, Written off in red where there is any, and Recovered %.
Billing runs	Date, Client, Fee note number or "Written off" with a Reversed badge where it applies, Fee, and Write-off with the reason in its tooltip.

61.3 WHAT WORK IN PROGRESS MEANS HERE

Work in progress is time that has been recorded against a client and not yet billed. Nothing else. It is not a valuation of a half-finished job, it is not accrued income, and no journal is posted for it: it is a list of time entries with a rate applied to each.

Three rules follow from that, and they explain most of the figures on the screen.

- An hour is valued at the person's charge-out rate as it stands now, and the calculation is done once per entry, so the entry, the client's total and any write-off recorded later cannot disagree by a penny.
- An hour booked by somebody with no charge-out rate is worth nothing, and is counted and reported separately rather than valued at a default.
- Non-billable hours are in the list at nil. They cannot reach a fee, but they are the fact that changes what a firm does next.

The firm's own books are left out of all of it. That is a different decision with a different reason: nobody is ever going to be invoiced for them, and a row saying the practice owes itself £900 makes the total wrong.

61.4 RAISING A FEE NOTE

1. Answer the own-books question if the amber panel is showing.
2. Set the charge-out rates under Rates.
3. Press **Bill** against a client on the work in progress table.
4. Set **Work up to**, the cut-off date. Everything unbilled to that date is listed and everything is ticked.
5. Check **Fee note raised in**. It defaults to your own books.
6. Untick anything you are not billing. Non-billable entries carry a Non-billable badge and unrated ones a No rate badge.
7. Read the line saying how much was recorded after the cut-off. That time stays in work in progress.
8. Type the **fee to charge, excluding VAT**. It opens at what the selected time is worth.

9. Watch **Written off** and the recovery percentage change as you type. Where the fee is above the value, the label changes to **Written up**.
10. Give a reason in **Why**. It is kept against the client and reported on.
11. Press **Raise draft fee note**.

The fee note appears in your own books as an unapproved draft, with the client as the customer, so it can still be changed before anybody approves and posts it. Its VAT is the firm's own position and the firm's own default rate, because it is the practice that is registered or not. No CIS deduction is taken: an accountancy fee is not a construction operation. On the approvals queue it is marked as having come From time recorded, so whoever approves it knows to look at the write-off.

61.5 WRITING TIME OFF

Writing off is not a separate screen. It is the same billing run with a lower figure typed into the fee box, and the write-off is shown while the fee is being decided rather than discovered afterwards on a report. The difference between the value of the selected time and the fee is the write-off, and the percentage beside it is the recovery.

Where the fee is nought, the button reads **Write it off** and no invoice is raised at all. Writing a job off in full is a real decision, and a £0.00 document is not the way to record it. The run is still recorded, the time is still taken out of work in progress, and the reason still goes on the record.

The run does three things in one transaction: the draft invoice, the entries stamped as billed, and the write-off recorded. Any two of them without the third is a defect with a name.

CAREFUL

Deleting or voiding the fee invoice releases the time back to unbilled and marks the run reversed rather than deleting it. Without that, a voided fee note would leave the time gone from work in progress and no invoice anywhere, and the client would have been worked for free by accident.

Editing the fee on the draft restates the run's write-off, and never the work in progress value. What the work was worth is a fact about the time and the rates, not about what was eventually charged for it.

61.6 WHAT MURGESE REFUSES TO DO WITH THE FIRM'S OWN BOOKS

The practice's own company sits on the client list and is a full set of books, with its own VAT return, year end and accounts. It is not a client, and four things follow.

- It is left out of the unbilled time table entirely, so it never appears as something to bill.
- Pressing Bill against it is refused with a sentence rather than an empty list. Somebody who has pressed it has a wrong idea about what the record is for, and an empty screen leaves them with it.

- It is excluded from the chase list, so the product never emails the firm asking the firm for its own bank statements.
- It is not counted in the client count on the dashboard.

Whose books a fee note is raised in is only demanded when there is an invoice to raise. A full write-off posts nothing, and the practice least likely to have nominated anything is the one still setting up, which is exactly when work gets written off.

61.7 WORTH KNOWING

Recovery on a run with no work in progress behind it is shown as a dash, not as 0%. A fee billed against no recorded time at all is neither nought per cent recovery nor a hundred, and printing 0% against it would libel the client.

Non-billable time is deliberately in the figures at nil rather than filtered out, and unrated time is deliberately called out rather than valued. A work in progress total quietly missing a junior's whole week is worse than no total at all.

A firm cannot invoice itself. The run refuses it.

WORTH KNOWING

Nothing on this screen posts to the practice's profit and loss on its own. The fee note is an ordinary sales invoice in the firm's own books and reaches the ledger when somebody approves it, on the ordinary approvals screen, like any other invoice. Work in progress is never journalled, so a firm that carries WIP on its own balance sheet has to post that itself.

The practice reports

Practice reports, the button at the top right of **Fees & WIP**, opens one panel with seven tabs. They are the questions a firm asks about itself rather than about a client's books, and they sit in one panel rather than on seven screens because they are read together.

62.1 BEFORE YOU START

Profitability, Lock-up and Turnaround need the `manage_settings` capability, so a Manager or an Administrator. The other four are open to anybody who can reach the screen. Each tab then has its own requirement, and an empty tab nearly always means a step earlier in the chain was skipped rather than that the report is broken.

62.2 PROFITABILITY

The question: which clients, people and jobs the firm makes money on, and at what margin. Grouped **By client**, **By person** or **By job**, with Hours, Fee, Cost, Margin, Margin % and Recovery.

What has to be there first: billed time. Unbilled time is excluded, because counting it would show every job as loss-making until the day it is invoiced, so a firm that has recorded time and never raised a fee note sees nothing here. Cost rates must be set under Rates as well as charge-out rates: where any of a row's cost minutes have no cost rate behind them the whole row's cost is blank rather than partial, and an amber note names the people concerned. A partial cost looks like a cost and is not one.

A fee is spread across the people who did the work in proportion to what their time was charged at, not evenly by hours.

62.3 LOCK-UP

The question: how long the firm's money spends as work and then as debt before it is cash. Three tiles: **Work in progress** with its days, **Owed by clients** with its debtor days, and **Lock-up**, the two added, with the fees billed over the period beneath it.

What has to be there first: recorded time for the first half, and, for the second, the firm's own books set up with the fee notes raised in them. Where no own books are marked the report says so and shows work in progress only. Where nothing was billed over the period the days read as a dash rather than as a very large number.

62.4 TURNAROUND

The question: how long a job takes, and which stage it sits in. A sentence gives how many jobs finished in the period and how many days a typical one took, then a row per stage: Open, Typical days sitting there, and Longest, red past sixty days.

What has to be there first: completed jobs for the first figure, open ones for the table. A practice that has generated jobs and never moved any out of Not started gets the table and no turnaround figure.

The typical figure is a median. One job that sat for a year while a client found their records would drag an average past anything useful.

62.5 JOB BUDGETS

The question: which jobs are running over what somebody estimated them at. Job, Client, Estimated, Spent, and Over or under, with an overrun in red.

What has to be there first: an estimate on the job, and time recorded against it. The estimate is the **Estimated hours** field set on the job itself, on the job board, when it is raised or afterwards in the job panel. Nothing else sets it, and it is not a rate or a fee.

A job with no estimate is counted above the table, as so many jobs with none, left off rather than shown as on budget: a job nobody estimated is not a job that came in on budget, and dropping those silently would make the table look better the less anybody planned.

WORTH KNOWING

Where this tab says no job has an estimate yet, the estimates have not been set rather than lost. The field is optional, so a practice that generates all its work from the compliance calendar has none until somebody starts filling it in.

62.6 TIME NOT YET BILLED

The question: which job, person or client is soaking up unbilled time. Grouped **By job**, **By person** or **By client**, with Time, Worth, Oldest entry and, on the by-job view, **Against estimate**, which reads "not estimated" where there is no estimate rather than showing a variance.

What has to be there first: recorded, unbilled time, and charge-out rates for it to be worth anything.

This is a rollup of exactly the entries the billing screen lists, produced by the same function and valued the same way: at the person's charge-out rate as it stands now. That matters: the alternative, the rate a billing run stamps on an entry, is empty on everything not yet billed, which is every entry a work in progress report is about.

Unrated minutes are stated separately in the header, counted at nil rather than guessed. The firm's own books are left out, because nobody is going to be invoiced for them.

62.7 COMPLIANCE

The question: what the firm owes its own supervisor about its clients, and what has never been recorded at all. A line counts overdue, due within the horizon and never recorded, then Client, What, Due, Days and Owner. It covers the anti-money-laundering review, the

engagement letter, identity document expiry, identity recheck dates, and authorisation to file under Making Tax Digital.

What has to be there first: the dates themselves, on the client's [References & identity](#) screen. That is the point rather than a limitation: a client with no review date and no signed engagement letter is listed as **never recorded**, a separate status from overdue, because the two need different conversations and a list that muddles them gets sorted by the wrong column. The missing ones sit at the bottom, having no clock running. Rows are grouped by whoever owns the client.

62.8 NOT FILED

The question: what has not gone in. Client, Risk, What with the reason beneath it, Last filed, Late by and Owner, covering VAT, the CIS300, accounts, the confirmation statement and the CT600.

What has to be there first: filings. Only an accepted, non-test submission counts, so a return sent through HMRC's own service, or accounts filed on paper, shows as outstanding. Archived clients are left out, and so are the firm's own books.

Each type is judged by its own rule, because they are not the same question in four costumes. VAT and CIS are periodic and relentless, so the test is how long ago the last filed period ended: four months for VAT, two for CIS. Accounts and the confirmation statement are tested against their Companies House dates, where one day past is a penalty. Corporation tax is tested against its twelve-month deadline, because not filed is normal for most of the year.

A client with nothing filed of a type shows a blank rather than an enormous age: they may have registered last week. Rows sort by the client's anti-money-laundering risk rating first, because a high-risk client whose filings are drifting is the one a supervisor asks about. The rating never invents a deadline.

62.9 WORTH KNOWING

Nothing here is stored. Every figure is worked out from the time entries, the jobs, the invoices and the filing records when the tab is opened, so there is no run to schedule and no report that can go out of date. Where a figure cannot be worked out honestly it is a dash, with a sentence above the table saying why.

CAREFUL

These seven tabs read across every client the practice holds. The work in progress table, the billing runs and the write-offs on the screen behind them are narrowed to the clients a restricted member of staff may see; the reports are not. Where a firm limits people to named clients, that difference is worth knowing before deciding who is a Manager.

Client review

Client review, under Records inside a client, answers a question the ledger cannot: has this client sent their month in, and what are you still waiting for. A month with nothing in it and a month nobody has sent look identical in the accounting tables, so the state is held on the company record, and the list of outstanding questions is worked out from what the data does and does not show.

It is one panel and not two on purpose. The status and the outstanding questions are the same conversation: a client moves to Approved to file because the list is empty, and having to look in two places to know that would be the wrong shape.

63.1 BEFORE YOU START

Nothing has to be set up. The list of things to ask for is derived, so it is only as useful as the bookkeeping behind it: a client whose bank statements have not been imported produces a short list with one large item on it.

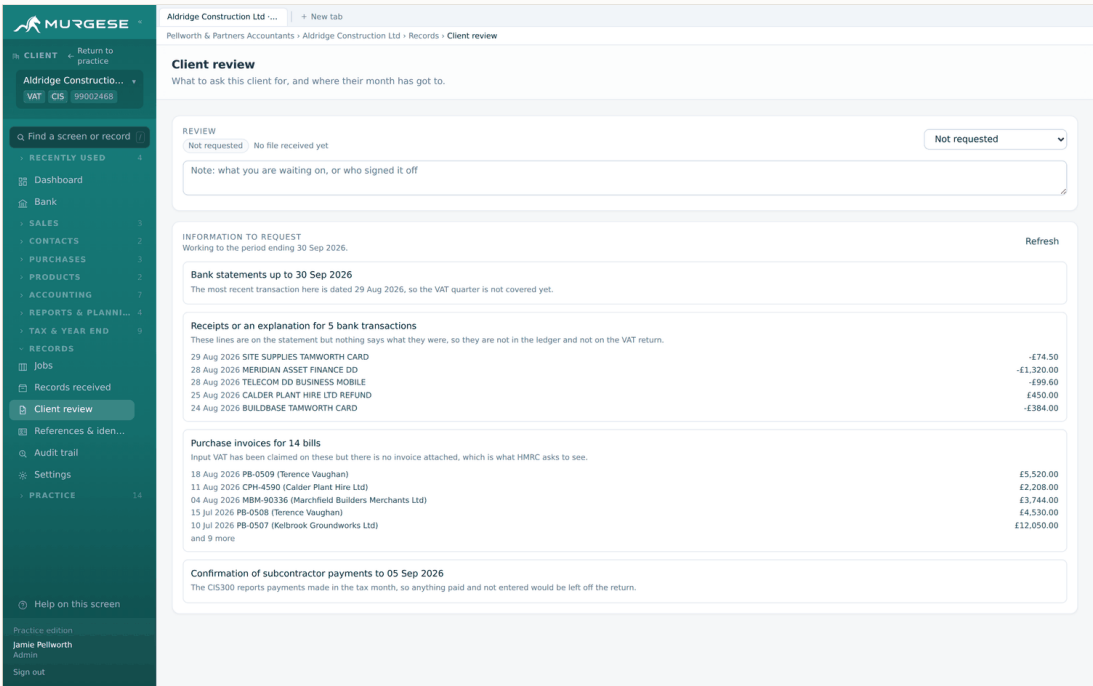


Figure 56 Where the client's period has got to, with the list of things still to ask them for underneath. The figures shown are invented.

63.2 THE SCREEN

Where it has got to
A badge, a status picker and a note.

STATUS	WHAT IT MEANS
Not requested	Nothing has been asked of them yet. A resting state rather than a problem, and it is drawn grey rather than amber.
Awaiting review	The records are in and somebody has to pick the work up.
In review	Somebody has it.
Approved to file	Signed off.

Beside the badge, the date the last file was received, or "No file received yet". Below it, a free-text note for what you are waiting on, or who signed it off, which saves when you click away from it.

Information to request

A card listing what to ask the client for before the return can be prepared, working to a stated period end. Each item has a title, a sentence of detail, and up to five real examples with their dates and amounts, then "and n more" where there are more.

Nothing in this list is a rule the product enforces. It is a list to read out.

ITEM	WHEN IT APPEARS, AND WHAT IT SAYS
Bank statements up to a date	Where the most recent transaction held is earlier than the period end, it names that date and says the period is not covered yet. Where there are no bank transactions at all, it says that instead.
Receipts or an explanation for n bank transactions	One per uncoded line. These are on the statement but nothing says what they were, so they are not in the ledger and not on the VAT return.
Purchase invoices for n bills	Bills awaiting payment or paid with no document attached. Input VAT has been claimed and there is no invoice behind it, which is what HMRC asks to see.
Confirmation of subcontractor payments to a date	For a contractor, on the CIS tax month rather than the VAT quarter. Anything paid and not entered would be left off the CIS300.

Where nothing is outstanding the card says so plainly: every bank line is coded and every purchase invoice has a document behind it.

The period it works to

The period end at the top of the card is not chosen by you. For a VAT-registered client it is the next VAT quarter or month after the last one filed, because that is the deadline the request is serving. For everybody else it is the accounting year end, which is the only period they have. Where there is no filed return to count from, the end of last month is used, because that is the latest period that has actually finished.

63.3 USING IT

1. Open the client and go to **Client review** under Records.
2. Read the **Information to request** list and check it against what you know has arrived.
3. Copy the list into a message to the client, or use the records request template on the [Email](#) screen.
4. Move the status on as the records arrive and the work is picked up.
5. Write in the note what you are waiting on, so that the next person to open the screen does not have to ask.

63.4 WORTH KNOWING

The same list drives the whole practice's queue. The counts and the eight named clients on the practice dashboard are this status across every company, and the Review column on the client list opens the same panel in a modal. There is one status per client, not one per period.

Deleted bank lines are left out of the uncoded count. Asking a client for statements up to the date of a line the practice has itself deleted as a duplicate would be asking for something on the strength of evidence nobody is relying on.

Draft and voided bills are left out of the missing-invoice count. A draft is not yet a transaction, and chasing paperwork for one is noise.

WORTH KNOWING

Every date the client is going to read is printed in words: "Bank statements up to 30 June 2026", not an ISO date. These lines are read out over the telephone or pasted into an email, and "up to 2026-06-30" is not something anybody says out loud.

The records inbox and approvals

Two screens in the practice group of the sidebar, both of them queues of other people's work. **Records inbox** is what clients have sent and what is still missing, so a Monday morning's chasing can be decided from one list.

Awaiting approval is everything somebody has put up for a second pair of eyes.

64.1 THE RECORDS INBOX

Before you start

For the periods tab, a records period has to have been opened on a client's **Records received** screen. Opening one creates its checklist. For the email tab, the records mailbox has to be set up under **Email**, on the Records mailbox tab.

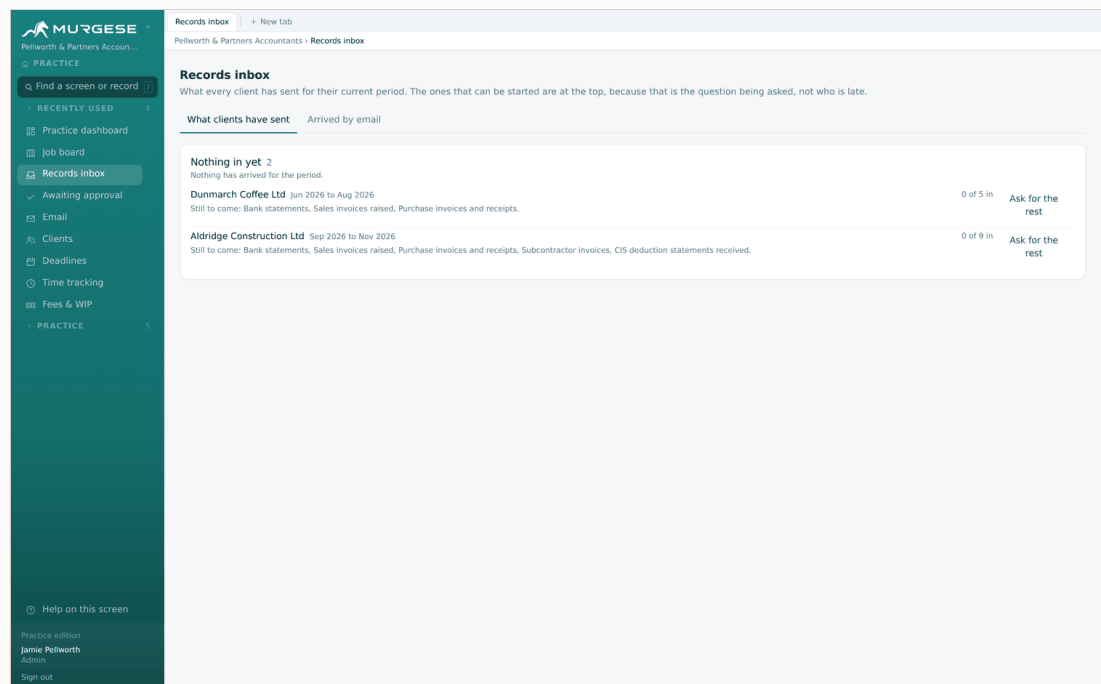


Figure 57 Clients grouped by whether their period can be started, with what is still to come named against each one. The figures shown are invented.

The screen

Two tabs: **What clients have sent**, and **Arrived by email**, whose heading carries the count of messages that could not be placed.

The first tab holds five groups, in the order the decision is made rather than in the order of blame:

1. **Ready to start**, where everything asked for has arrived.
2. **Being worked on**.
3. **Part way**, where some of it is in, and what is missing is listed against each one.

4. Nothing in yet.

5. Submitted.

Each row carries the client name as a link to their Records page, the period label, a "wanted by" chip once that date is past, a **Still to come** line naming the outstanding items, the count of how many of the checklist are in, the number of files attached, and an **Ask for the rest** button that opens the ordinary mail preview against the records request template.

Working through it

1. Open it on a Monday morning.
2. Start work on anybody in **Ready to start**.
3. For anybody **Part way**, read the "Still to come" line and press **Ask for the rest**.
4. Switch to **Arrived by email** and place anything the mailbox could not match to a client.

Worth knowing

The clients who can be started come first. Who is late is a different list and a different conversation, and putting it first turns a work queue into a complaints register. Within a group, the oldest period comes first.

The "Still to come" line and the letter that asks for it are read from the same function, so the screen and the message a client receives can never disagree about what is outstanding.

A period marked **Submitted** is left alone. An item nobody ever ticked off there is a tidying job on the checklist, not something to write to the client about.

The count on the email tab is fetched separately from the rest of the screen and fails quietly. A records inbox that would not draw because the email tray could not be counted would be a worse screen than one with no number on it.

64.2 AWAITING APPROVAL

Before you start

Nothing. Anybody may read the queue. Approving needs the `post_to_ledger` capability, which an Administrator, a Manager or an Accountant has. A Bookkeeper can see what is waiting and not approve it, and the screen says so rather than leaving them to work it out.

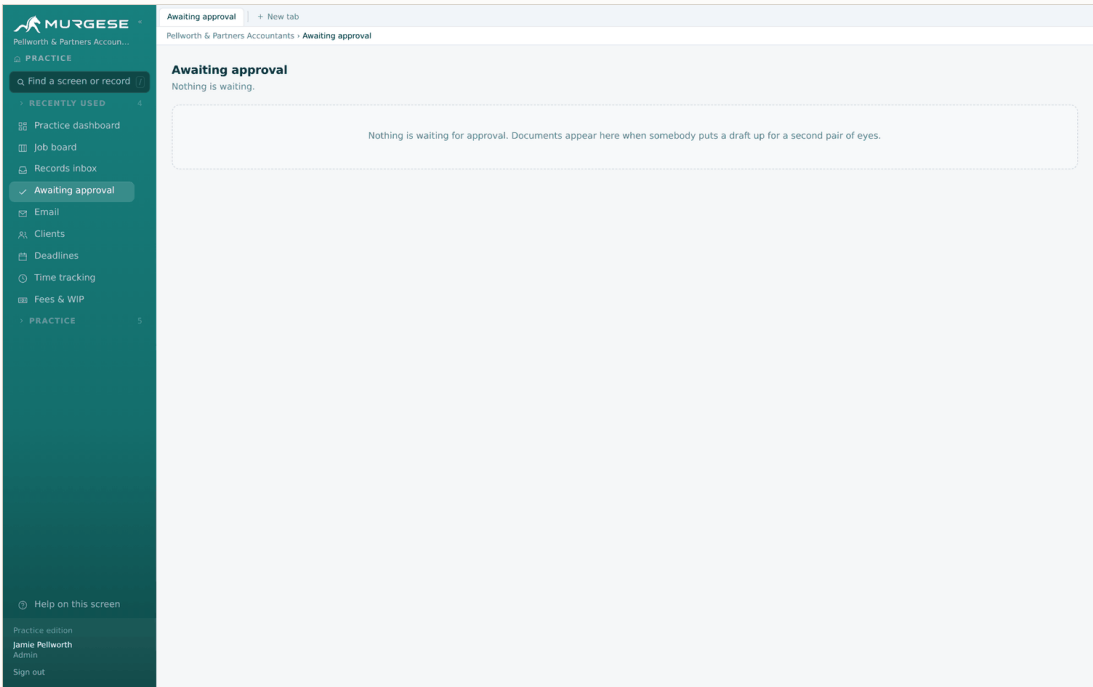


Figure 58 Draft documents from across the practice, with who put each one up and where the figures came from. The figures shown are invented.

The screen

The header gives the number of documents and their total, with **Select all** and **Approve n**.

Where some of the rows are yours, a note above the table says how many are waiting on a colleague rather than on you, because you put them up, and that they are left out of **Select all**.

COLUMN	WHAT IT HOLDS
Tick box	Absent on your own documents.
Client	Whose books the document is in.
Document	Number and kind, linking to the list it lives in.
Contact	The customer or supplier.
Date and Total	
Put up by	Name and date, with a You put this up badge on your own.
From	Where the figures came from: typed in, from a spreadsheet, read from a document, recurring, from a quote or order, migrated, or from time recorded.
Send back	Returns it to draft.

Approving

1. Tick the documents you have checked, or press **Select all**.

2. Press **Approve n**. A progress counter shows how far it has got.
3. Anything that could not be approved is listed afterwards by name, and has not been posted.
4. For anything wrong, press **Send back** and say what is wrong. The document goes back to draft, with the reason, so whoever prepared it can change it.

Worth knowing

The queue is practice-wide rather than a tab inside a client, because that is how the work arrives. A manager sits down on a Tuesday to clear approvals; they do not sit down to clear one client's approvals.

The documents are approved one at a time against the ordinary per-document endpoint rather than through a bulk one. A bad nineteenth document cannot roll back the eighteen good ones, and the progress counter is real rather than decorative.

Your own documents carry no tick box at all rather than a disabled one. A disabled control is still a control: it says the thing is nearly possible and invites somebody to hunt for the setting that would allow it. Nothing will, because the answer is a different person. The row stays on screen so that somebody chases the colleague.

WORTH KNOWING

Self-approval is refused only where somebody else could have approved it. In a one-person practice it is allowed, and the audit trail records that the same person did both, which is the honest record and the thing an examiner wants to see. The screen asks the server that question rather than guessing, because guessing would leave a sole practitioner with every one of their own documents marked as somebody else's job and no way to clear the queue at all.

The origin column matters more than it looks. A figure read off a PDF deserves more attention than one typed by a colleague from the paperwork in front of them, and a fee note marked From time recorded is one where the write-off is worth reading before it posts.

There is no configuration. The workflow is four transitions and nothing to set up, because a configurable approval workflow is the classic feature that gets set up once, wrongly, by whoever installed the software, and is then worked around for ever.

Anti-money laundering

[Anti-money laundering](#), in the practice group of the sidebar, is where the firm keeps its record of what it did under the Money Laundering Regulations 2017: the risk of each client, the people behind it and the evidence for each, provider checks, reviews, the firm-wide risk assessment and policies, training, and the nominated officer's log of internal reports. Each client's file is also under [AML](#) in the Records group inside the client.

Murgese keeps the record. It does not make the judgement for the firm, and keeping a file here does not make the firm compliant. The firm's own policies, its supervisor's requirements and the CCAB guidance for accountants come first.

65.1 BEFORE YOU START

AML is off until it is switched on, and it will not switch on unless the installation can encrypt, because the files hold identity documents. Whoever manages settings, or the MLRO, opens [Anti-money laundering](#) and the [Settings](#) tab:

1. Press [Switch AML on](#).
2. Choose the MLRO, the nominated officer who receives internal reports. The MLRO records decisions, so a read-only user cannot be the MLRO.
3. Tick anyone else who may see AML records, and press [Save who sees AML records](#). Nobody else sees them, an administrator included. A read-only user who is ticked can read them and change nothing.
4. Check the review intervals: 12 months for high risk, 24 for medium and 36 for low unless the firm changes them.
5. Choose where the firm is: England and Wales, Scotland or Northern Ireland. This decides the bank holidays in a notice period.
6. If the firm has an account with ComplyCube or Veriphy, choose it and enter the sandbox and live credentials separately, then press [Test connection](#) for each.

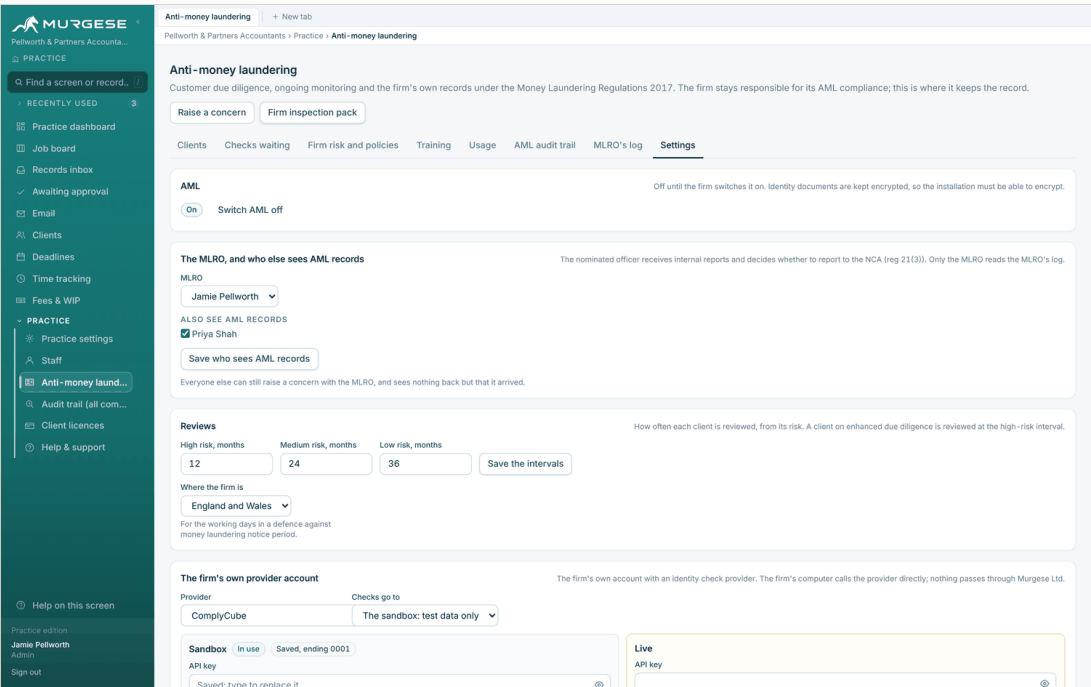


Figure 59 The settings: the MLRO, who else sees AML records, review intervals, and the firm's own provider account. The figures shown are invented.

65.2 THE SCREEN

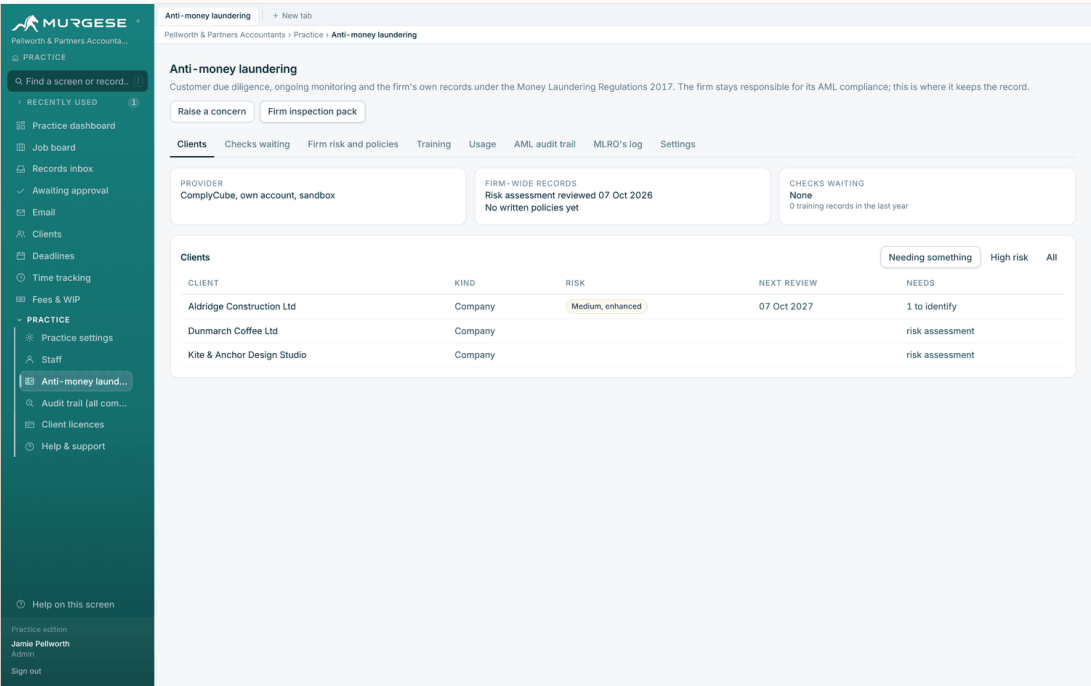


Figure 60 The register of clients, with what each file still needs. The figures shown are invented.

TAB

WHAT IT HOLDS

Clients

Every client with its risk, its next review and what its file still needs: a risk assessment, a review, approval, people to identify, a register change, or deletion.

Checks waiting

Provider checks still waiting for a result, any whose answer was lost, results that could not be read, and monitoring alerts.

TAB	WHAT IT HOLDS
Firm risk and policies	The firm-wide risk assessment (reg 18) and the policies, controls and procedures (reg 19), each with its approval and yearly review.
Training	Who was trained, in what, and when (reg 24).
Usage	Every provider check by month, with an export.
AML audit trail	Who created, opened, changed or exported any AML record.
MLRO's log	Shown to the MLRO alone.

65.3 ASSESSING A CLIENT

1. Open the client, choose **AML** under Records, and press **Start** the **AML** file with the kind of client.
2. Add the people behind it with **Add a person**, or press **Read from Companies House** to bring in the directors and people with significant control with their holdings. A company with control is listed so its owners can be traced.
3. Press **Assess the risk** and answer every question. The result shows as you answer.
4. Record the purpose and intended nature of the relationship.
5. Press **Save the assessment**.

Assess the client's risk

country (currently North Korea, Iran or Myanmar)?

Is anyone connected established in a country on the FATF increased monitoring list? ☐ Yes ☒ No

Is there another significant link to a country with high corruption, terrorist activity, or UK or UN sanctions? ☐ Yes ☒ No

Is there an overseas connection with no clear reason for it? ☐ Yes ☒ No

HOW THE WORK IS DELIVERED

Has the client not been met, and not been verified through a recognised electronic identity process? ☐ Yes ☒ No

Do instructions come through an intermediary or a third party rather than the client? ☐ Yes ☒ No

Is the firm relying on another firm's due diligence (reg 39)? ☐ Yes ☒ No

Purpose and intended nature of the business relationship

Annual accounts, corporation tax, VAT and payroll for a building contractor, from April 2024.

What the firm will do for the client, and why the client wants it (reg 28(2)(c)).

Result: Medium risk Enhanced due diligence Score 2; the answers alone give low.

- Helena Marsh is a politically exposed person (domestic, which starts from a lower level of risk): enhanced due diligence is mandatory (reg 33(1)(d) and reg 35), with senior management approval, source of wealth and source of funds, and enhanced ongoing monitoring.

ENHANCED DUE DILIGENCE HERE MEANS

- Examine the background and purpose of the relationship and of any transaction.
- Obtain and record the source of funds and the source of wealth.
- Increase the degree and frequency of ongoing monitoring.
- Obtain senior management approval before starting or continuing the relationship.

☐ Change the result, with a reason

☐ I approve this relationship as senior management (the MLRO, a partner or a manager). Without it the assessment is saved and waits for approval.

Cancel **Save the assessment**

Figure 61 The assessment: the result, and the rule that forces enhanced due diligence, shown before it is saved. The figures shown are invented.

A politically exposed person, a family member or close associate of one, a connection with a FATF call for action country, false or stolen documents, or an unusually complex or large transaction forces enhanced due diligence. A domestic PEP starts at medium risk; any other PEP at high. You can change the result, with a reason, but not below what a rule

requires. Where senior management approval is needed, the MLRO, a partner or a manager gives it on the file.

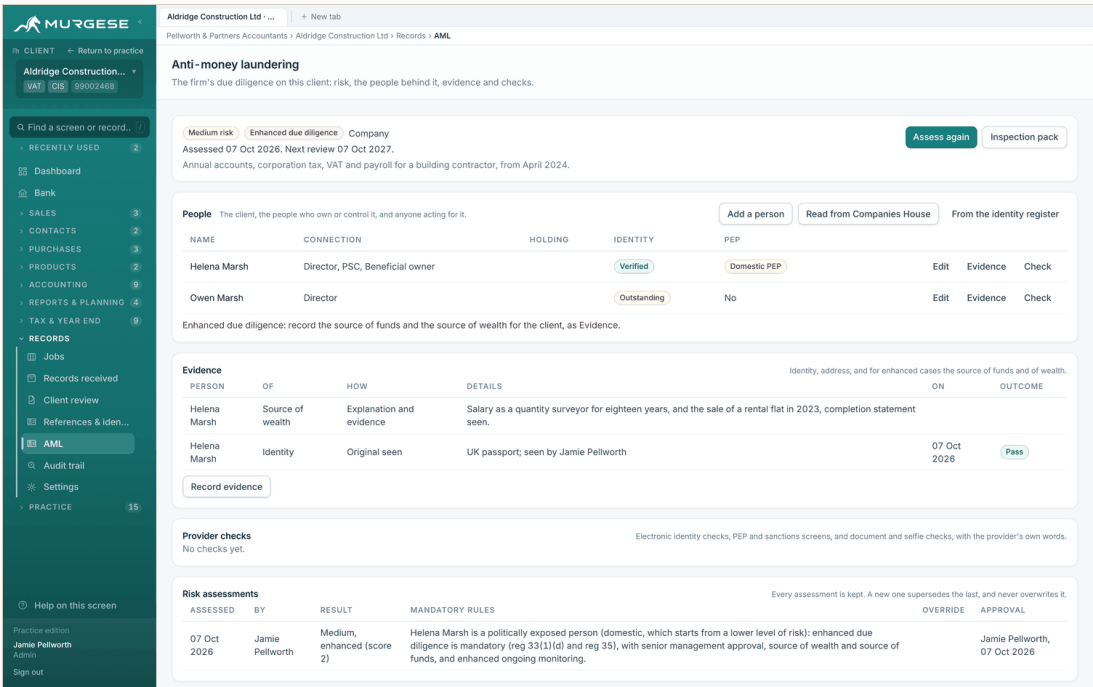


Figure 62 A client's file: the result, the people, the evidence and every assessment. The figures shown are invented.

65.4 RECORDING EVIDENCE

Press **Evidence** beside a person, or **Record evidence**. Record an original document seen, by whom and when; a certified copy and who certified it; another provider's report, attached, with its outcome; or, for the source of funds and of wealth, an explanation and what supports it. Attach a copy where you have one: PDF, JPEG or PNG, kept encrypted.

65.5 ASKING A PROVIDER FOR A CHECK

Press **Check** beside a person and choose the check: an electronic identity check, a PEP and sanctions screen with or without monitoring, or an ID document and selfie. Murgese says what it still needs, such as the date of birth or home address, before anything is sent. With ComplyCube you send the client a link to ComplyCube's page; Veriphy sends the link itself.

Results are fetched when Murgese opens, every three hours while it is open, and once a day. **Look now** on Checks waiting fetches them at once.

65.6 RAISING A CONCERN

Anyone in the firm can choose **Raise an AML concern** from the sidebar, or **Raise a concern** on the AML page. Say what you noticed and why. You are told it arrived and nothing else.

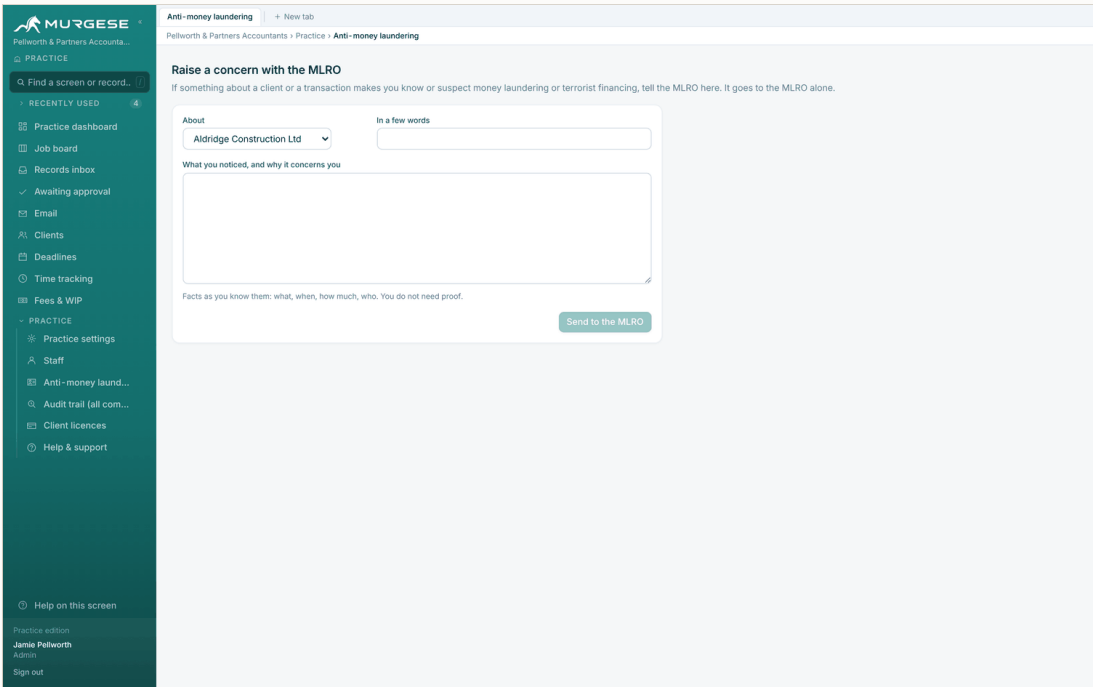


Figure 63 Raising a concern with the MLRO. The figures shown are invented.

65.7 THE MLRO'S LOG

The MLRO opens **MLRO's log**, chooses a report and records the decision and the reasons. Where a suspicious activity report was made, record the NCA's reference and the date. Where consent was asked for, record the date: Murgese works out when the seven working day notice period ends, and when a refusal is recorded, when the 31 day moratorium ends. **Export the log** gives the MLRO a spreadsheet.

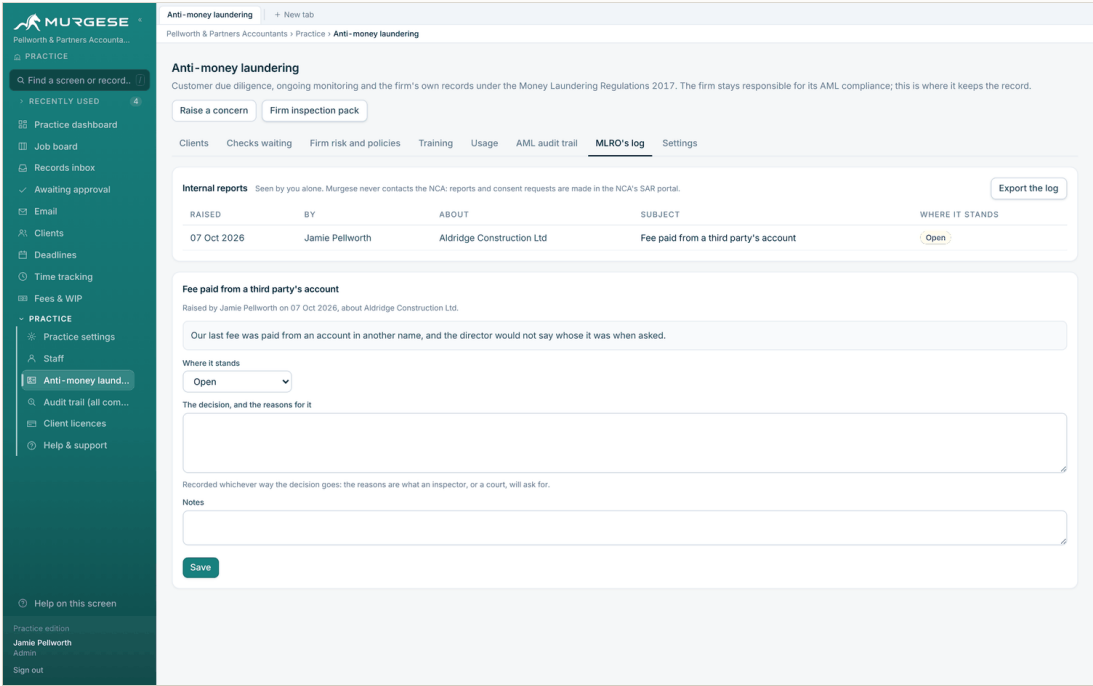


Figure 64 The MLRO's log, with one report open. The figures shown are invented.

65.8 INSPECTION PACKS

Inspection pack on a client's file, or Firm inspection pack on the AML page, makes a zip file: a summary that opens in any browser and prints, the same records as spreadsheets, and the documents. The firm's pack can include every client's file. Give it a password; it holds identity documents.

65.9 WORTH KNOWING

CAREFUL

Nothing about an internal report appears on a client's file, the register, the deadlines, the job board, the AML audit trail others can read, or an inspection pack. Telling a client that a report exists can be an offence (tipping off).

- **No check is paid for twice.** If a provider's answer is lost, the check is marked as not known and nothing is sent again by itself. Murgese asks ComplyCube whether it arrived. Veriphy cannot be asked, so you look in Veriphy's portal for the reference Murgese shows and say whether it was made.
- **A result Murgese cannot read is an error, never a pass.** Read the provider's report and record what it says, with the reason, which is kept.
- **Sandbox and live are kept apart.** Each has its own credentials, and a ComplyCube sandbox key is refused for live checks.
- **Checks through Murgese.** Murgese Ltd can open a provider account for the firm. Import the activation file it sends, with the import code sent separately. The price before VAT is shown before each check, and Murgese Ltd invoices monthly in arrears. The firm's computer still calls the provider directly, and no check data passes through Murgese Ltd. If the activation is withdrawn or the provider stops the account, these checks are suspended and every record stays readable.
- **Records are kept for five years** after the relationship ends, even if the company is deleted from the books, when the five years start that day. Deleting them earlier needs senior management and a full reason. After five years the register says they are due for deletion.
- **Murgese never contacts the National Crime Agency.** Reports and consent requests are made in the NCA's own portal.
- **The AML audit trail cannot be changed or deleted,** and it names no client's people, only what was done.

Email

Email, in the practice group of the sidebar, holds five tabs: who needs chasing, the templates, what has been sent, the mail account everything leaves through, and the mailbox clients send their records to. Everything goes out through the firm's own mail account, on the firm's own domain, in the firm's own name. Nothing is relayed by the publisher, which is why the first thing this screen asks for is an SMTP server and not a connect button that would hide who is really sending.

66.1 BEFORE YOU START

Sending anything at all needs a mail account: a server, a port, a username and a password, usually an app password rather than the one a person signs in with. Saving the account needs the `manage_settings` capability; taking a chase off the list needs `enter_transactions`.

Reading a mailbox is a second, separate setup with its own server, its own password and its own switch. Neither half works because the other one does.

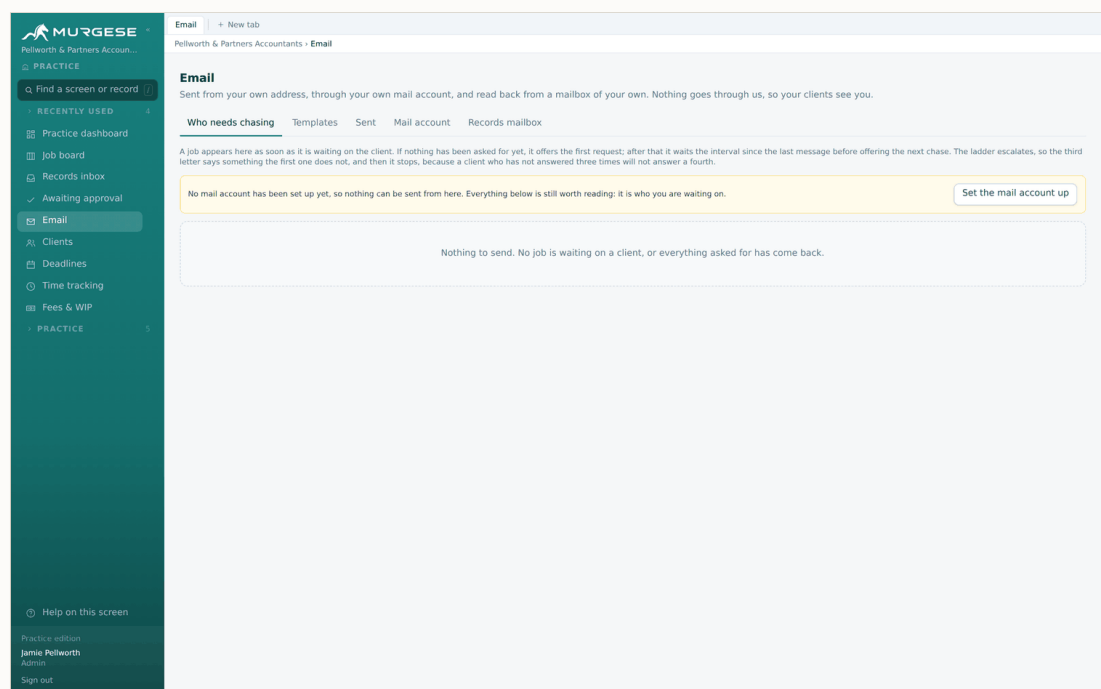


Figure 65 The chase list, with what can be sent, what cannot be sent yet, and why. The figures shown are invented.

66.2 SETTING UP SENDING

1. Open the **Mail account** tab.
2. Enter the **server**, the **port** (587 unless your provider says otherwise), the **username** and the **password**. Leaving the password blank on a later save keeps the one already

stored, so saving a change to the sender name does not wipe a password entered a month ago.

3. Set the **From name** and **From address**, and a **Reply to** where it differs.
4. Set **Chase after (days)**, the interval between the steps of the chase ladder.
5. Tick **Blind-copy me on everything sent** if you want a record in your own mailbox. SMTP does not fill a Sent folder, so this is how you see what went out.
6. Press **Send yourself a test**, to an address of your own. Nothing reaches a client.

If the test fails on a certificate

Murgese keeps its own list of trusted certificate authorities and does not use Windows'. A mail server sitting behind antivirus or a company firewall presents that product's own certificate, so it can fail here while Outlook is perfectly happy with it.

Press **Check the certificate**. The chain is shown leaf first with the root highlighted, beside the provider's own raw error text rather than instead of it: the raw text is what a support forum will recognise, and the explanation is what makes it actionable. If you recognise the root, and only then, press the button, which names it: 'Trust "X"'. Trusting one adds it alongside the usual authorities, and the host name and the expiry date are still checked against it.

CAREFUL

A red card appears where certificate checking has been turned off altogether, saying that messages and the SMTP password are being sent to whatever answers on that port without checking that it is your mail server. That is a different thing from trusting one certificate. Trust the certificate instead, and press 'Turn checking back on'.

66.3 WHO NEEDS CHASING

A job appears on this list as soon as it is waiting on the client. Where nothing has been asked yet, the row offers the first request rather than a chase. After that it waits the interval you set before offering the next step.

The ladder has three steps and then it stops. It escalates, so the third letter says something the first one does not, and a client who has not answered three times will not answer a fourth.

Three groups:

- **Ready to send.**
- **Cannot be chased yet.** Each row says what is wrong and can be put right from where it stands: a box to type the client's missing email address, which saves straight to the client record, or a link to the templates where the template has been deleted.
- **Taken off the list.**

Each row carries a Not asked yet or Chase n badge, the client and job title, the reason, the deadline, and what was done last time it was taken off the list. The buttons are **Handled another way** and **Ask for the records** or **Chase**.

Handled another way asks for an outcome and a reason. Rang them instead and Posted it both count as a chase, and the job comes back when the interval passes. Not needed this time takes it off the list for that job entirely.

Where no mail account is set up, an amber strip sits at the top of the tab with a button that takes you to set one up.

66.4 TEMPLATES

A kind filter and a list. The kinds are records request, remittance advice, chase, approval, deadline reminder, payment reminder, CIS statement, onboarding, professional clearance, identification, disengagement and general.

The editor holds a **subject**, a **message**, the list of merge fields available, Save, and Put the original wording back. Editing one affects nobody else, and a later version of the software will not overwrite it: new templates arrive, edited ones are left alone.

Unresolved merge fields are shown before anything is sent. A blank merge field reaches the client; a visible token gets noticed here.

66.5 SENT

When, client, to, subject, sent by and status, including anything that failed.

66.6 THE RECORDS MAILBOX

A separate card with its own switch, **Read this mailbox**, and its own server, port (993), username, password and folder (INBOX unless you say otherwise). Set **Check every** so many minutes, give **The address to give your clients**, which is often but not always the same as the username, and set **Encrypted from the first byte**: on means port 993, off means port 143 with STARTTLS.

Test the connection reads nothing in and marks nothing as read. Read it now fetches.

How it is getting on says when the mailbox was last looked at, the last error if there was one, and the address to tell clients to use.

If the mailbox fails on a certificate

The same thing happens on the way in as on the way out, and for the same reason:

Murgese keeps its own list of trusted authorities and does not use Windows', so a mailbox behind antivirus or a company firewall can fail here while Outlook is happy with the same account. The message names it.

The mailbox has its own **Certificate** card, below its settings. Press **Check the certificate** and the chain is read without sending anything and without using the password. The root's name is usually the whole answer: when it reads as the name of a security product, that product is what is intercepting the connection. If you recognise it, press the button that names it, and it is added alongside the usual authorities with the host name and the expiry still checked.

The reader is also offered beside a failure the timer left behind, so you do not have to press Test the connection first to reach it.

CAREFUL

The mailbox keeps its own trusted certificate, separate from the sending account's. They are frequently different hosts at different providers, and trusting an authority for reading your post is not a decision about sending it. Trusting one for one does not trust it for the other, and both are on the audit trail by name.

What arrives and can be matched with certainty is filed against the client. Anything else waits on the **Records inbox**, on the Arrived by email tab, where it can be assigned or set aside with a reason. Nothing is ever guessed.

66.7 WHAT THE PRODUCT WILL NOT DO

- It will not send anything until a mail account is entered. There is no relay and no shared sending address.
- It does not read your Sent folder or write to it. The blind copy is the only record it can put in your own mailbox.
- It does not send a chase on its own. Every message on the chase list is sent by somebody pressing a button.
- It does not guess which client a message belongs to. An unmatched message waits to be placed by a person.
- It never shows a stored password again, and the mailbox password is never returned by the server and never written to the audit trail.

66.8 WORTH KNOWING

Rows that cannot be sent still appear, in a group of their own with their remedy on them. A list whose first row can never be actioned teaches people to stop reading the list.

Jobs nobody has written to are listed as step zero, offering the records request. They used to be skipped, and dropping them silently made a screen whose whole purpose is "who am I waiting on" answer "nobody" while three cards said otherwise on the board next door.

Most chasing in a practice is a telephone call or something in the post. A list that only understood email would not merely be incomplete, it would be wrong about the work, which is what Handled another way is for.

WORTH KNOWING

The sending account and the receiving mailbox are two cards, two passwords and two switches on purpose. The address clients are told to send receipts to should not be a partner's own mailbox, and a firm should be able to turn the records feature off without stopping their own post.

The firm's own books are excluded from chasing. A screen that told a firm to email itself for its own bank statements, and then escalated politely when it did not reply, would be noise.

Your firm's own books

A practice is a business. It raises fees, posts costs, files a VAT return, has a year end and pays corporation tax, so it needs a full set of books exactly like any company it acts for. That is why the firm's own books are an ordinary company on the client list rather than a second, thinner record kept somewhere else: everything a practice has to file is already built for a company.

What makes it different is a mark. One company on the list is marked as the firm itself, it is badged as such everywhere it appears, and a handful of things that are true of clients stop being true of it.

67.1 BEFORE YOU START

Nothing, and it should be one of the first things you do. Until the question is answered, an amber card sits on the practice dashboard, another sits at the top of [Fees & WIP](#), and no fee note can be raised at all, because a fee note is a sales invoice and there are no books to raise it in.

67.2 SETTING IT UP

The panel is at the top of [Fees & WIP](#), and the same panel is on [Practice settings](#). Answering it in one place answers it in both. There are two routes through it.

If your firm is not on the list yet, press Create books for my firm.

1. Enter your firm's name, as it appears on your own accounts.
2. Choose what kind of business the firm is. The note under the picker says what follows from each.
3. Enter the company or LLP number if you have one.
4. Press Create my firm's books.

The company, its chart of accounts, its VAT rates and a bank account are created together, and the mark is applied in the same transaction, so a failure part of the way through cannot leave an unexplained empty company behind with the question still unanswered.

If your firm is already on the list, press My firm is already on my client list, choose the company, and press These are my firm's books. Nothing inside that company is touched; only the mark is applied.

67.3 WHAT THE MARK CHANGES

It is **not** a client, so it is left out of:

- the unbilled time table and the billing run, and pressing Bill against it is refused with a sentence saying why rather than an empty screen;

- the chase list, so the firm is never emailed asking for its own bank statements;
- the client count on the dashboard, which names the company it has excluded;
- the **Not filed** report, and the "Time not yet billed" rollup;
- the recoverability table, which is built from billing runs, and there can never be one against the firm itself.

Time booked against it arrives marked non-billable, because it is admin. That is a default and not a rule, and the box can be ticked.

It is a company, so it keeps everything a company has:

- its own compliance deadlines, and its jobs on the job board, badged as its own;
- its own VAT return, year end, statutory accounts and corporation tax;
- its own sales ledger, which is where your fee notes are raised and where the lock-up report reads the firm's debtors from. Where no own books are marked, that report says debtor days cannot be measured and shows work in progress only.

Excluding it from any of those would defeat the purpose of the record. The practice's own filing obligations are the ones nobody else is going to chase it about.

67.4 RELEASING IT

Press These are not my books on the same panel. The confirmation says plainly what happens, because the reason firms hesitate over the button is a fear that it deletes a year of postings, and it does not: every invoice, posting, VAT return and deadline in that company stays exactly as it is, and it becomes an ordinary company record again. What does happen is that no fee note can be raised until you say which books are yours.

Releasing is also the only way to move the mark. A practice has one set of its own books, and marking a second is refused with a message naming the company that already holds it and telling you to release that one first. Two records both claiming to be the firm would split its own turnover across two VAT returns and two sets of accounts, which is the sort of error found at a year end rather than on the day.

67.5 WORTH KNOWING

CAREFUL

The firm's own books cannot be deleted, and the refusal says why: it is where fee notes are raised, and it carries the firm's own VAT return, year end and filing deadlines. If they are the wrong books, release the mark first and then delete the company. Purging a company back to empty is refused for the same reason, so that "these are not my books" stays a separate decision from "start this company again".

The reason the mark exists at all is a reported failure. Before it, the firm's own books were identified only by a pointer the billing run read and nothing else, so no screen and no report could tell the firm's own company apart from a client. A fee note was raised, and the owner could not find it: it had gone into a company record that looked like a client.

The same gap counted the firm as one of its own clients on the dashboard, offered it a fee note in the work in progress list, and would have chased it by email for its own records.

Whose books a fee note is raised in is only demanded when there is actually an invoice to raise. A full write-off posts nothing and does not ask, because the practice least likely to have nominated anything is the one still setting up, which is exactly when work gets written off.

Looking after your data

Your books are on your computer and nowhere else, which is the point of the product and the reason this part matters.

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Backups and keeping your data safe

Everything Murgese holds is in one file. On Windows it is at `%APPDATA%\Murgese\ledgerpro.sqlite`, which is usually `C:\Users\<you>\AppData\Roaming\Murgese`.

You do not have to find it by hand. **File → Open data folder** opens it.

Attachments, scans and logos are all inside that same file rather than in a folder beside it. One file is the whole of your books, which is what makes backing up simple: copy the file and you have copied everything.

68.1 THE AUTOMATIC BACKUPS

Murgese backs itself up every day, and again when you close it, keeping the last thirty copies. They go into a **Backups** folder inside the data folder, and **File → Open automatic backups folder** takes you there. Each is named for the moment it was taken, such as `murgese-2026-04-18-0730.sqlite`.

How often, how many are kept, and where they go are all under **File → Setup and sharing**.

This first copy is never encrypted, and that is deliberate. It sits on the same computer as your books, which are not encrypted either, so a lock on the copy would protect nothing that is not already open beside it. It is also the copy you restore from after a mistake or a bad import, and it opens without anything being typed.

That reasoning only holds while the copy stays on this computer. If you point the backup folder at OneDrive, Dropbox, Google Drive or a memory stick, **Setup and sharing** says so under the folder: the copies written there are not encrypted, and anybody who can open that folder can read every client's books. Keep this copy on this computer, and use the second copy for anywhere else.

68.2 A SECOND COPY, SOMEWHERE ELSE

A copy beside the books protects you from a mistake or a corrupted file. It does not protect you from the disk failing, the computer being stolen, or ransomware, which reach both at once. That is what the second copy is for.

In **File → Setup and sharing**, under **A second copy, somewhere else**, choose **Choose second folder...** and pick a folder on another disk, on a network drive, or in OneDrive, Dropbox or Google Drive. From then on every backup is written to both places, and each place reports for itself, so a second folder that has stopped working says so rather than hiding behind the first. Murgese does not upload anything: it writes the file into the folder, and whatever looks after that folder looks after the copy.

Copies to keep there is usually fewer than the first, because a synced folder is an online allowance.

68.3 ENCRYPTING THE SECOND COPY

Tick **Encrypt the second copy** when the second folder is in OneDrive, Dropbox or anywhere else outside the building. If the folder is one of those and encryption is off, the screen says so.

Murgese then makes a recovery phrase for you: six groups of four letters and numbers. You do not choose it. It is shown once, with **Print it** and **Copy it**, and you type it back before **Switch encryption on** will work, so that what you have written down is known to be right.

- Keep the phrase somewhere that is not this computer, such as printed and filed with the firm's other important papers.
- Without the phrase, the encrypted copies cannot be opened by you or by anybody else, and nobody at Murgese can recover it. We never see it.
- This computer keeps a key made from the phrase, so the nightly backups are written encrypted without anybody typing anything. A different computer needs the phrase itself.

Encrypted copies end in `.sqlite.murgese`, such as `murgese-2026-04-18-0730.sqlite.murgese`. They are AES-256-GCM, and a copy that has been altered in the synced folder refuses to restore rather than restoring wrong.

The first copy, the one beside the books, stays unencrypted either way.

68.4 TAKING ONE NOW

File → Back up data now asks where to put it and writes a single `.sqlite` file. That is the whole of your books, and restoring it puts you back exactly where you were.

Worth doing before a restore, before importing a company from another system, before a bulk edit, and before installing a new version where the release note mentions the database.

If you save it into OneDrive, Dropbox, Google Drive or onto a memory stick, Murgese asks first:

- **If the second copy is encrypted**, it offers **Encrypt it**, which is the default. The copy is encrypted with the same recovery phrase and ends in `.sqlite.murgese`. **Save it unencrypted** writes an ordinary copy.
- **If there is no recovery phrase yet**, it says the copy will not be encrypted, with **Cancel** as the default. Choose **Save it unencrypted** if that is what you want, or cancel and save it on this computer instead.

Saved to a folder on this computer, it asks nothing and the copy is unencrypted, like the automatic one.

68.5 GOING BACK TO AN EARLIER COPY

File → Restore from backup, then choose the file. It warns you first, because the current data is replaced. Both ordinary copies (`.sqlite`) and encrypted ones (`.sqlite.murgese`) are listed.

An encrypted copy asks for the recovery phrase before anything else happens, including on the computer that wrote it. Murgese then shows the date of the most recent entry in the copy, so you can check it is the one you meant.

A copy of what was there is written alongside as `ledgerpro.sqlite.replaced` before anything is overwritten, so picking the wrong file is recoverable.

68.6 IF YOU USED THIS SOFTWARE UNDER AN EARLIER NAME

Windows names the data folder after the application, so the folder changed when the name did.

Your books were copied across the first time you opened the current version, along with your settings, your stored passwords and your backup history. There is nothing for you to do.

The old folder is still there and still has everything in it, left deliberately as a fallback, with a `MOVED.txt` file inside saying where the books went. Once you are satisfied the current version has everything, that folder can be deleted.

Backups taken under the earlier name have a different prefix. They are still listed and can still be restored: the restore list reads both names, so nothing taken under the old one is lost or hidden.

68.7 WHAT THE DATA FILE IS NOT

Your data file is not encrypted. Signing in protects the application, not the file. Anyone with access to the computer, or to an unencrypted backup copy on a memory stick, can read everything in it.

So the sensible precautions are the ordinary ones:

- Turn on BitLocker, which is Windows full-disk encryption, on any computer holding the data, and on external drives used for backups
- Use a Windows account password, and lock the screen when you walk away
- Keep backups somewhere as protected as the original

CAREFUL

If you hold personal data about other people in Murgese, you are the data controller for it under UK GDPR. That is your obligation and not the publisher's, because the data never reaches the publisher: it stays on your machine unless you send it somewhere yourself, by a filing, an email, a backup you place elsewhere, or a feature you switch on that sends to a provider you chose, such as an AI provider. The privacy notice on [Help & support](#) sets out what that means.

68.8 WHAT IS NEVER STORED

Some things are deliberately never kept, so they cannot leak from a backup:

- **No bank account number for anybody.** The product stores none, for any customer, supplier or subcontractor.
- **The password on an encrypted export** is never stored, never written to a log, and never recorded in the audit trail. Only the fact that an archive was protected is kept.
- **Stored credentials** for Companies House, HMRC, email and the rest are held for the connection to use and are never sent back to the screen and never written to the audit trail. Where a screen shows one, it shows that a value is saved, not the value.

CAREFUL

If you forget the password on an encrypted export there is no way back into that file, from us or from anybody. That is what the encryption is for.

Taking your data elsewhere

Your records are yours, and getting them out is a supported operation rather than something you have to negotiate. There are two ways out, for two different reasons.

69.1 THE FULL EXPORT

Practice settings has a **Take your data elsewhere** section. It writes the whole of a company, or the whole installation, in open formats that another program can read: the ledger, the documents, the contacts, the attachments.

Nothing about it depends on the licence. A company whose licence has lapsed can still be exported in full, which is the point: these are statutory accounting records you are required to keep for six years and may need at a day's notice, and software that made them unreadable because a payment failed would be indefensible.

WORTH KNOWING

The export can be encrypted with a password you choose. Murgese never stores that password, never logs it, and never records it in the audit trail. What it records is whether the archive was protected, and nothing more.

69.2 THE HANDOVER FILE

A handover file is for a different situation: a client leaving you for another firm, or arriving from one.

It is a single file carrying one company complete, and it is designed to be handed to somebody else rather than read by you. The receiving installation imports it and has the books, the history and the attachments.

A backup and a handover file are each complete on their own. They are not the same thing: a backup is your whole installation and belongs to you, a handover file is one company and is meant to be given away.

WORTH KNOWING

Professional clearance is a separate matter from the file. Sending the records does not discharge the professional obligation, and Murgese does not pretend it does.

69.3 WHAT YOU SHOULD NEVER SEND TO ANYBODY

If you are asked to send something to diagnose a problem, this is the line:

Do not send your database file, a backup of it, an export, or a handover file. Those are your clients' records, and they contain personal data you are the controller for.

Do send the error message, what you were doing when it happened, and the version number from [Help & support](#).

If something goes wrong

Take a backup before you try anything. **File → Back up data now**, and put the file somewhere you will find it again. Whatever is wrong, it will not be made worse by having a copy of the books from before you started.

Then, in order: read the message on screen in full, write down exactly what you were doing when it appeared, and try the same thing once more. About half of what gets reported is answered by the message itself, and most of the rest by knowing which screen it came from.

70.1 THE COMMON ONES

"Windows protected your PC" when installing. The installer is signed by Murgese Ltd, and Windows can still show this box while a new certificate builds its reputation with Microsoft. Choose **More info** and check the publisher reads Murgese Ltd, then **Run anyway**. If it names nobody, or anybody else, download the installer again rather than running it.

The accounts say they do not balance. Do not file them. Open the [Chart of accounts](#) screen: an account is almost certainly mapped to the wrong statutory line.

A colleague cannot connect. Check the host computer is switched on and awake, that sharing is still ticked under **File → Setup and sharing**, and that they are using the exact address shown there. Windows Firewall may also need to allow the application.

The application will not start, or reports a database problem. Use **File → Restore from backup** to go back to your most recent good copy. Your current data is kept as a [.replaced](#) file first, so nothing is thrown away.

Something is plainly wrong with a figure. Use the Trial Balance report to find which account it comes from, then the ledger to trace it.

A screen says it could not be drawn. Something in the product failed while putting that page on screen. Your books are not affected by it: drawing the screen is the last thing that happens, long after anything was saved. Press Try again, and if it comes back, Reload. Moving to another screen and back also clears it. Open the details and send that text to support, because it names the exact place it failed.

A screen says a licence does not allow something. See [Your licence](#). Reading, printing, exporting and backing up never stop working, whatever the licence says.

70.2 WHAT SUPPORT CAN AND CANNOT DO

Murgese runs on your own computer and keeps your books in a file on that machine. Nobody outside your office can sign in and look at it. There is no copy on a server somewhere, no session to join, and no log anybody can read from a distance.

That is the point of an on-premise product, and it is also the limit of it: whoever helps you can work only from what you tell them and what you send. So a careful report is worth more here than it would be with a hosted service.

70.3 WHAT TO SEND

Do send: the exact message on screen, word for word; what you were doing immediately before it appeared; which screen you were on; and the version number, which is on [Help & support](#).

CAREFUL

Do not send your database file, a backup of it, an export, or a screenshot showing client data. Those are accounting records containing personal data you are responsible for, and no diagnosis needs them.

Reference

The words this product uses, and what it means by them.

Glossary

Where Murgese uses a word in a particular way, this is what it means by it.

TERM	WHAT IT MEANS HERE
Approve	The act that turns a draft into a posting. Nothing reaches the ledger until a document is approved, and nothing that has been approved is silently changed
Awaiting payment	Approved and posted, and not yet settled. This is the only status that counts towards what is owed
Cash at bank	The total of the bank control accounts, taken from the ledger rather than from a bank statement
CIS300	The monthly return a contractor makes to HMRC listing payments to subcontractors and the tax deducted
Control account	A ledger account the product maintains itself, such as the sales ledger or the VAT account. You post to it through documents rather than by hand
Domestic reverse charge	The VAT rule under which a construction customer accounts for the VAT rather than the supplier charging it
Draft	Entered but not approved. Nothing has posted, and the document can be changed freely
Filed	Recorded as submitted. Marking a VAT or CIS return as filed closes the period so later entries dated inside it are picked up as late claims rather than silently included
Gross status	A CIS subcontractor HMRC has approved to be paid without deduction
iXBRL	Accounts and computations tagged so a machine can read the figures. Companies House and HMRC both require it
Late claim	A transaction dated inside a period already filed, brought onto the current return. Counted and named rather than hidden
Lock-up	The number of days the firm's money spends as unbilled work and then as unpaid debt before it becomes cash
Own books	The company that is the firm itself rather than a client. Never billed, never chased, never counted as work in progress
Reconciled	A bank line matched to something in the books, so both agree it happened
Reverse charge, services from abroad	A different rule from the domestic one, and it behaves differently on the return. See the VAT chapter

TERM	WHAT IT MEANS HERE
Tracking	A second label beside the account code: which site, property or department a figure belongs to. Profit and loss only
Unmatched	A CIS subcontractor HMRC has no record of under the details given. Not the same as unverified, and the deduction is 30% rather than 20%
Unrated time	Time booked by somebody with no charge-out rate. Reported separately at nil rather than valued at a guessed rate
Unverified	A CIS subcontractor who has not been put to HMRC at all
Work in progress	Time recorded and not yet turned into a fee. Time with no billing run and no fee invoice against it