Example 1 – Jack's Snacks

year ended 30	ט זמוופ 20						
Sales		£93,808	box 15 (3.29) and see Note 1	Fixed assets			
On anima ata ak	c2 200		and see Note 1	Freehold propert	-	£34,032	box 84 (3.100)
Opening stock	£2,200			Furniture and eq	uipment	£4,232	see Note 6
Purchases	£42,578			Motor vehicles		£23,701	box 83 (3.99)
cl : l	£44,778	642.220	17 (2.46)			£61,965	
Closing stock	£2,450	£42,328	box 17 (3.46)	Current assets			
Gross profit		£51,480		Stock	£2,450		box 85 (3.101)
Rents received		£2,327	see Note 2	Debtors and			
Bank interest rec	eived	£92	box 16 (3.50)	prepayments	£3,197		box 86 (3.102)
		£53,899		Cash in hand	rc 000		ana Nata T
Wages and	611.014		10 (2.51)	and at bank	£6,808		see Note 7
salaries	£11,014		box 19 (3.51)	C	£12,455		
Rent and rates	£3,946		box 21 (3.52)	Current liabilities			1 01/2125
Insurance	£794		see Note 3	Trade creditors	£2,080		box 91 (3.106
Light and heat	£1,335		box 21 (3.52)	Other creditors	£10,627		box 93 (3.108
Cleaning	£328		see Note 3	Accruals	£4,372		box 93 (3.106
Repairs and maintenance	£1,577		box 22 (3.53)	Net current liabil	£17,079	£4,624	
Printing, postage	<u> </u>			. rec can ene nas.		,	
and stationery	£79		box 23 (3.54)	Total net assets		£57,341	box 94 (3.110
Phone	£204		see Note 4	rotat net assets		231,311	50X 54 (5.110
Motor expenses	£1,266		see Note 4	Capital account			
Advertising	£240		box 24 (3.57)	At 1 July 2018		£47,080	box 95 (3.111
Legal and				Capital introduce	nd	£6,734	box 97 (3.111
professional	£70		box 28 (3.58)	Capital Introduce	·u	L0,7 34	and see Note 8
Accountancy	£866		box 28 (3.58)	Profit for the yea	ar	£24,741	box 96 (3.112
Bank and credit				, , , , , , , , , , , , , , , , , , , ,		£78,555	
card charges	£809		box 26 (3.61)	Drawings		(£21,214)	box 98 (3.114
Sundries	£236		box 30 (3.63)			£57,341	box 99 (3.115
Hire purchase			1 26 (2.55)				22 22 (2.112
interest	£484		box 26 (3.61)				
Depreciation	£6,648		box 29 (3.62)				
Profit on disposa of assets			box 30 (2 (2)				
	(£1,089)		box 29 (3.62)				
VAT surcharge	£351		see Note 5				
		£29,158					
Net profit		£24,741					

Note 1

Goods taken from the business for personal use and not paid for amount to £1,520. This amount is therefore added to the net profit by entering the figure in box 60 (box 3.67).

Note 2

Rents received are for a part of the premises not used for business purposes. It's been agreed that they can be treated as business income for tax purposes. They're included in box 16 (box 3.50) but no adjustment is made in box 62 (box 3.71), and there's no need to include this figure in the UK property pages as it's fully accounted for here.

Note 3

Insurance costs and cleaning costs all relate to the business premises.

Note 4

50% of phone costs and 35% of motor expenses are for private, non-business use. These amounts are not allowable for tax. The amounts of £102 and £443 go in boxes 38 and 35 (boxes 3.36 and 3.37).

Note 5

A VAT surcharge of £351 was incurred. This amount is included under 'Other business expenses' in box 30 (box 3.63). It's not an allowable expense for tax purposes, and is therefore disallowed by including the amount in box 45 (box 3.45). Although the amount is relatively small it's material, because it's not allowable for tax purposes. A note would therefore be made in the 'Any other information' box, box 103 (box 3.116) to explain the tax treatment.

Note 6

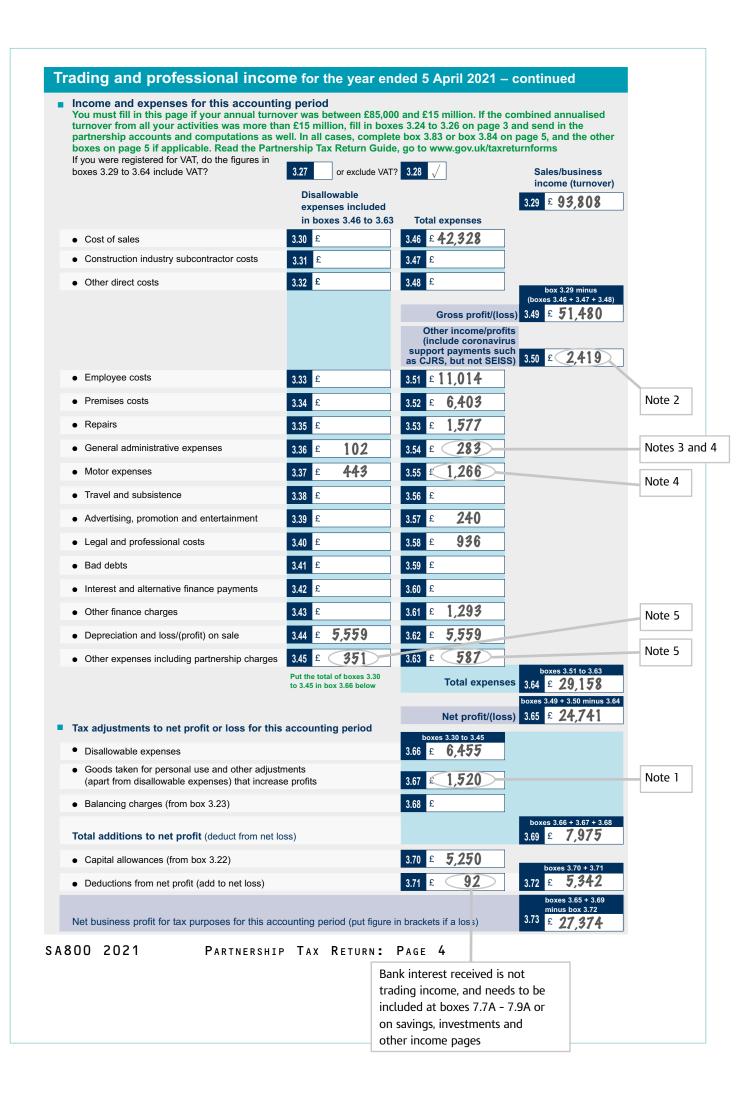
Furniture and equipment used in the business premises are included in box 83 (box 3.99), 'Equipment, machinery and vehicles'.

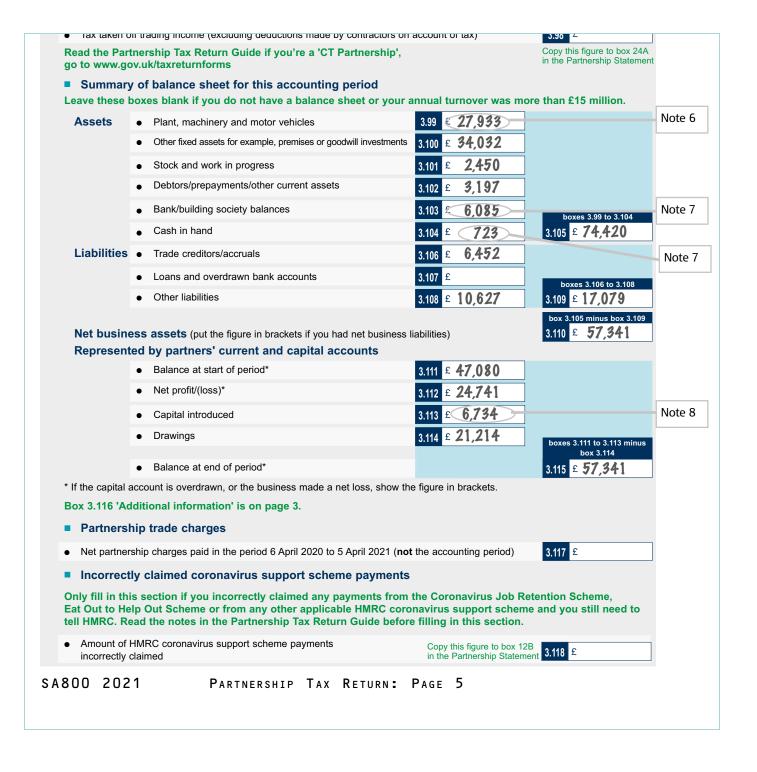
Note 7

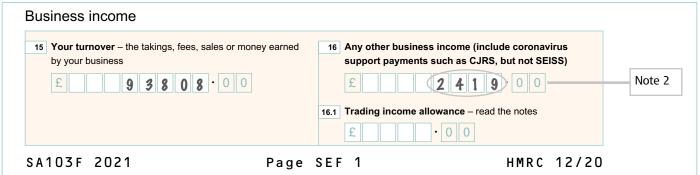
The cash and bank balances are not separated in the accounts, but the business records show that the bank balance was £6,085 and cash in hand was £723.

Note 8

An endowment policy matured during the year and the proceeds of £6,734 were paid into the business. A note of the source of these funds would be given in the 'Any other information' box, box 103 (box 3.116).







Total expenses	Disallowable expenses	
If your annual turnover was below £85,000, you may just put your total expenses in box 31	Use this column if the figures in boxes 17 to 30 include disallowable amounts	
Cost of goods bought for resale or goods used	32	
£ 42328·00	£ 000	
Construction industry – payments to subcontractors	33	
£ 00	£ .00	
Wages, salaries and other staff costs	34	
£ 11014.00	1	
Car, van and travel expenses	35	
£ 1 2 6 6 · 0 0	£ 443000	Not
Rent, rates, power and insurance costs	36	
		Not
Repairs and maintenance of property and equipment	£ · 0 0	
Phone, fax, stationery and other office costs	38 £ 102.00	Not
£ 283·00	£ 10200	INOU
Advertising and business entertainment costs	39	
£ 240·00	£ 000	
Interest on bank and other loans	40	
£ .00	£ 00	
Bank, credit card and other financial charges	41	
£ 1 2 9 3 · 0 0	£ 0 0 · 0 0	
Irrecoverable debts written off	42	
£ .00	£ . 0 0	
Accountancy, legal and other professional fees	43	
936.00	£ 00	
Depreciation and loss or profit on sale of assets	44	
£ 5559·00	£ 5559·00	
Other business expenses	45	
£ 587·00	£ 351 00	
Total expenses (total of boxes 17 to 30)	46 Total disallowable expenses (total of boxes 32 to 45)	Not
Total expenses (total of boxes 17 to 30)	46 Total disallowable expenses (total of boxes 32 to 45)	No

Net	profit	or	loss
1101	PIOIIL	01	

47 Net profit – if your business income is more than your	Or, net loss – if your expenses are more than your
expenses (if box 15 + box 16 minus box 31 is positive) £	business income (if box 31 minus (box 15 + box 16) is positive)

Tax allowances for vehicles and equipment (capital allowances)

There are 'capital' tax allowances for vehicles, equipment and certain buildings used in your business (do not include the cost of these in your business expenses). Please read the 'Self-employment (full) notes' and use the examples to work out your capital allowances.

49	Annual Investment Allowance	55 100% and other enhanced capital allowances
	£ 00	£ 00
50	Capital allowances at 18% on equipment, including cars with lower CO2 emissions	56 Allowances on sale or cessation of business use (where you've disposed of assets for less than their tax value)
51	£ . 0 0 Capital allowances at 6% on equipment, including cars	£
51	with higher CO2 emissions	57 Total capital allowances (total of boxes 49 to 56)
	£ 00	£ 5 2 5 0 · 0 0
52	Zero-emission goods vehicle allowance	Box 58 is not in use
	£ 5250·00	59 Balancing charge on sales of assets or on the cessation of business use (including where Business Premises
53	· · · · · · · · · · · · · · · · · · ·	Renovation Allowance has been claimed) for example,
	(you must hold a valid allowance statement – read the	where you've disposed of assets for more than their tax value
	notes for details on how much you can claim per year)	tax value
	£ .00	£
54	Electric charge-point allowance	
	£ .00	

Calculating your taxable profit or loss

You may have to adjust your net profit or loss for disallowable expenses or capital allowances to arrive at your taxable profit

or your loss for tax purposes. Please read the 'Self-employmen	nt (full) notes' and fill in the boxes below that apply.		
60 Goods and services for your own use	Total deductions from net profit or additions to net loss (box 57 + box 62) £ 5 3 4 2 · 0 0		
Total additions to net profit or deductions from net loss (box 46 + box 59 + box 60)	64 Net business profit for tax purposes (if box 47 + box 61		
£ 7 9 7 5 · 0 0 62 Income, receipts and other profits included in business	minus (box 48 + box 62) is positive) 2 7 3 7 4 · 0 0 Note 1 65 Net business loss for tax purposes (if box 48 + box 63 minus (box 47 + box 61) is positive) £		
income or expenses but not taxable as business profits			
£ 92.00			
SA103F 2021 Page	SEF 3 Bank interest received is not trading income, and needs to be included at UK interest etc, and dividends on page TR 3 of your tax return		

Balance sheet If your business accounts include a balance sheet showing the assets, liabilities and capital of the business, fill in the relevant boxes below. If you do not have a balance sheet, go to box 100. Read the 'Self-employment (full) notes' for more information. Liabilities **Assets** 91 Trade creditors 83 Equipment, machinery and vehicles 2080.00 2 7 9 3 3 0 0 84 Other fixed assets 92 Loans and overdrawn bank account balances 3 4 0 3 2 0 0 85 Stock and work in progress 93 Other liabilities and accruals 2450.00 1 4 9 9 9 0 0 86 Trade debtors **Net business assets** 3 1 9 7 0 0 94 Net business assets (box 90 minus (boxes 91 to 93)) 87 Bank or building society balances 57341.00 6 0 8 5 0 0 Note 7 **Capital account** 88 Cash in hand 95 Balance at start of period 7 2 3 0 0 47080.00 89 Other current assets and prepayments 96 Net profit or loss (box 47 or box 48) 0 0 2 4 7 4 1 0 0 90 Total assets (total of boxes 83 to 89) 97 Capital introduced 7 4 4 2 0 0 0 Note 8 6 7 3 4 0 0 98 Drawings 2 1 2 1 4 . 0 0 99 Balance at end of period 5 7 3 4 1 . 0 0 Class 2 and Class 4 National Insurance contributions (NICs) 100 If your total profits for 2020-21 are less than £6,475 102 Adjustment to profits chargeable to Class 4 NICs and you choose to pay Class 2 NICs voluntarily, put 'X' in the box 101 If you're exempt from paying Class 4 NICs, put 'X' in the box SA103F 2021 Page SEF 5