

Example 1 – Jack’s Snacks

Trading and profit and loss account for the year ended 30 June 2025			Balance sheet at 30 June 2025		
Sales	£93,808	box 15 (3.29) and see Note 1	Fixed assets		
Opening stock	£2,200		Freehold property	£34,032	box 84 (3.100)
Purchases	£42,578		Furniture and equipment	£4,232	see Note 6
	<u>£44,778</u>		Motor vehicles	<u>£23,701</u>	box 83 (3.99)
Closing stock	£2,450	box 17 (3.46)		<u>£61,965</u>	
Gross profit	<u>£51,480</u>		Current assets		
Rents received	£2,327	see Note 2	Stock	£2,450	box 85 (3.101)
Bank interest received	<u>£92</u>	box 16 (3.50)	Debtors and prepayments	£3,197	box 86 (3.102)
	<u>£53,899</u>		Cash in hand and at bank	<u>£6,808</u>	see Note 7
Wages and salaries	£11,014	box 19 (3.51)		<u>£12,455</u>	
Rent and rates	£3,946	box 21 (3.52)	Current liabilities		
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	<u>£4,372</u>	box 93 (3.106)
Repairs and maintenance	£1,577	box 22 (3.53)		<u>£17,079</u>	
Printing, postage and stationery	£79	box 23 (3.54)	Net current liabilities	£4,624	
Phone	£204	see Note 4			
Motor expenses	£1,266	see Note 4	Total net assets	£57,341	box 94 (3.110)
Advertising	£240	box 24 (3.57)			
Legal and professional	£70	box 28 (3.58)	Capital account		
Accountancy	£866	box 28 (3.58)	At 1 July 2024	£47,080	box 95 (3.111)
Bank and credit card charges	£809	box 26 (3.61)	Capital introduced	£6,734	box 97 (3.113) and see Note 8
Sundries	£236	box 30 (3.63)	Profit for the year	<u>£24,741</u>	box 96 (3.112)
Hire purchase interest	£484	box 26 (3.61)		<u>£78,555</u>	
Depreciation	£6,648	box 29 (3.62)	Drawings	<u>(£21,214)</u>	box 98 (3.114)
Profit on disposal of assets	(£1,089)	box 29 (3.62)		<u>£57,341</u>	box 99 (3.115)
VAT surcharge	£351	see Note 5			
	<u>£29,158</u>				
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 has been agreed that they can be treated as business income for tax purposes. They are included in box 16 (box 3.50) but no adjustment is made in box 62 (box 3.71), and there is no need to include this figure in the UK property pages as it is 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 is 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 is material, because it is 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).

Trading and professional income – continued

Income and expenses for this accounting period

You must fill in this page if your annual turnover was between £90,000 and £15 million. If the combined annualised turnover from all your activities was more than £15 million, fill in boxes 3.24 to 3.26 on page 3 and send in the partnership accounts and computations as well. In all cases, complete box 3.83 or box 3.84 on page 5, and the other boxes on page 5 if applicable. Read the Partnership Tax Return Guide, go to www.gov.uk/taxreturnforms

If you were registered for VAT, do the figures in boxes 3.29 to 3.64 include VAT?		3.27 <input type="checkbox"/>	or exclude VAT?	3.28 <input checked="" type="checkbox"/>	Sales/business income (turnover)	
				3.29 £ 93,808		
Disallowable expenses included in boxes 3.46 to 3.63				Total expenses		
Cost of sales	3.30 £	3.46 £	42,328			
Construction industry subcontractor costs	3.31 £	3.47 £				
Other direct costs	3.32 £	3.48 £				
				Gross profit/(loss)		3.49 £ 51,480
						box 3.29 minus (boxes 3.46 + 3.47 + 3.48)
						3.49 £ 51,480
				Other income/profits		3.50 £ 2,419
Employee costs	3.33 £	3.51 £	11,014		Note 2	
Premises costs	3.34 £	3.52 £	6,403			
Repairs	3.35 £	3.53 £	1,577			
General administrative expenses	3.36 £ 102	3.54 £	283		Notes 3 and 4	
Motor expenses	3.37 £ 443	3.55 £	1,266		Note 4	
Travel and subsistence	3.38 £	3.56 £				
Advertising, promotion and entertainment	3.39 £	3.57 £	240			
Legal and professional costs	3.40 £	3.58 £	936			
Bad debts	3.41 £	3.59 £				
Interest and alternative finance payments	3.42 £	3.60 £				
Other finance charges	3.43 £	3.61 £	1,293		Note 5	
Depreciation and loss/(profit) on sale	3.44 £ 5,559	3.62 £	5,559		Note 5	
Other expenses including partnership charges	3.45 £ 351	3.63 £	587			
		Put the total of boxes 3.30 to 3.45 in box 3.66 below		Total expenses		boxes 3.51 to 3.63 3.64 £ 29,158
				Net profit/(loss)		boxes 3.49 + 3.50 minus 3.64 3.65 £ 24,741
Tax adjustments to net profit or loss for this accounting period				boxes 3.30 to 3.45 3.66 £ 6,455		
Disallowable expenses						
Goods taken for personal use and other adjustments (apart from disallowable expenses) that increase profits			3.67 £ 1,520		Note 1	
Balancing charges (from box 3.23)			3.68 £			
Total additions to net profit (deduct from net loss)				boxes 3.66 + 3.67 + 3.68 3.69 £ 7,975		
Capital allowances (from box 3.22)			3.70 £ 5,250			
Deductions from net profit (add to net loss)			3.71 £ 92		boxes 3.70 + 3.71 3.72 £ 5,342	
Net business profit for tax purposes for this accounting period (put figure in brackets if a loss)				boxes 3.65 + 3.69 minus box 3.72 3.73 £ 27,374		

Leave these boxes blank if you do not have a balance sheet or your annual turnover was more than £10 million.

Assets	Plant, machinery and motor vehicles	3.99	£ 27,933	Note 6
	Other fixed assets for example, premises or goodwill investments	3.100	£ 34,032	
	Stock and work in progress	3.101	£ 2,450	
	Debtors/prepayments/other current assets	3.102	£ 3,197	Note 7
	Bank/building society balances	3.103	£ 6,085	
	Cash in hand	3.104	£ 723	3.105
Liabilities	Trade creditors/accruals	3.106	£ 6,452	Note 7
	Loans and overdrawn bank accounts	3.107	£	
	Other liabilities	3.108	£ 10,627	3.109

boxes 3.99 to 3.104

boxes 3.106 to 3.108

box 3.105 minus box 3.109

3.110 £ 57,341

Net business assets (put the figure in brackets if you had net business liabilities)

Represented by partners' current and capital accounts

Balance at start of period*	3.111	£ 47,080	Note 8
Net profit/(loss)*	3.112	£ 24,741	
Capital introduced	3.113	£ 6,734	
Drawings	3.114	£ 21,214	
Balance at end of period*	3.115	£ 57,341	boxes 3.111 to 3.113 minus box 3.114

* If the capital account is overdrawn, or the business made a net loss, show the figure in brackets.

Box 3.116 'Additional information' is on page 3.

Partnership trade charges

Net partnership charges paid in the period 6 April 2025 to 5 April 2026 (not the accounting period) 3.117 £

15 Your turnover – the takings, fees, sales or money earned by your business

£ 9 3 8 0 8 . 0 0

16 Any other business income not included in box 15

£ 2 4 1 9 . 0 0

Note 2

16.1 Trading income allowance – read the notes

£ . 0 0

Business expenses

Please read the 'Self-employment (full) notes' before filling in this section.

Total expenses

If your annual turnover was below £90,000, you may just put your total expenses in box 31

17	Cost of goods bought for resale or goods used	£				4	2	3	2	8	·	0	0
18	Construction industry – payments to subcontractors	£									·	0	0
19	Wages, salaries and other staff costs	£				1	1	0	1	4	·	0	0
20	Car, van and travel expenses	£				1	2	6	6	·	0	0	
21	Rent, rates, power and insurance costs	£				6	4	0	3	·	0	0	
22	Repairs and maintenance of property and equipment	£				1	5	7	7	·	0	0	
23	Phone, fax, stationery and other office costs	£					2	8	3	·	0	0	
24	Advertising and business entertainment costs	£					2	4	0	·	0	0	
25	Interest on bank and other loans	£								·	0	0	
26	Bank, credit card and other financial charges	£				1	2	9	3	·	0	0	
27	Irrecoverable debts written off	£								·	0	0	
28	Accountancy, legal and other professional fees	£					9	3	6	·	0	0	
29	Depreciation and loss or profit on sale of assets	£				5	5	5	9	·	0	0	
30	Other business expenses	£					5	8	7	·	0	0	
31	Total expenses (total of boxes 17 to 30)	£				7	1	4	8	6	·	0	0

Disallowable expenses

Use this column if the figures in boxes 17 to 30 include disallowable amounts

32	£									·	0	0	
33	£									·	0	0	
34	£									·	0	0	
35	£					4	4	3	·	0	0	Note 4	
36	£									·	0	0	Note 3
37	£									·	0	0	
38	£					1	0	2	·	0	0	Note 4	
39	£									·	0	0	
40	£									·	0	0	
41	£									·	0	0	
42	£									·	0	0	
43	£									·	0	0	
44	£					5	5	5	9	·	0	0	
45	£					3	5	1	·	0	0	Note 5	
46	Total disallowable expenses (total of boxes 32 to 45)	£				6	4	5	5	·	0	0	

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.

Assets		Liabilities	
83	Equipment, machinery and vehicles £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 2 7 9 3 3 . 0 0	91	Trade creditors £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 2 0 8 0 . 0 0
84	Other fixed assets £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 3 4 0 3 2 . 0 0	92	Loans and overdrawn bank account balances £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . 0 0
85	Stock and work in progress £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 2 4 5 0 . 0 0	93	Other liabilities and accruals £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 1 4 9 9 9 . 0 0
86	Trade debtors £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 3 1 9 7 . 0 0	Net business assets	
87	Bank or building society balances £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 6 0 8 5 . 0 0	94	Net business assets (box 90 minus (boxes 91 to 93)) £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 5 7 3 4 1 . 0 0
88	Cash in hand £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 7 2 3 . 0 0	Capital account	
89	Other current assets and prepayments £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 7 4 4 2 0 . 0 0	95	Balance at start of period £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 4 7 0 8 0 . 0 0
90	Total assets (total of boxes 83 to 89) £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . 0 0	96	Net profit or loss (box 47 or box 48) £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 2 4 7 4 1 . 0 0
		97	Capital introduced £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 6 7 3 4 . 0 0
		98	Drawings £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 2 1 2 1 4 . 0 0
		99	Balance at end of period £ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 5 7 3 4 1 . 0 0

Note 7

Note 8