

## Business Expenses – Quick Guide

Prepared by K&R; Accountants Ltd

### BUSINESS EXPENSES QUICK GUIDE

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### WHAT YOU CAN CLAIM

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#### OFFICE AND PREMISES

- Rent and rates
- Utilities (gas, electric, water)
- Office supplies and stationery
- Cleaning and maintenance
- Security costs
- Insurance (buildings and contents)

#### HOME OFFICE (Simplified Method)

- 25-50 hours/month working from home: £ 10/month
- 51-100 hours/month: £ 18/month
- 101+ hours/month: £ 26/month

Or calculate actual proportion of costs

#### TRAVEL

- Business mileage (45p/mile first 10,000, then 25p)
- Public transport for business journeys
- Parking and tolls
- Accommodation for business trips
- Meals on overnight stays

Note: Home to regular workplace is NOT claimable

#### EQUIPMENT AND TECHNOLOGY

- Computers, laptops, tablets
- Software subscriptions
- Phones and mobile contracts

- Printers and office equipment
- Website hosting and domains

#### PROFESSIONAL SERVICES

- Accountancy fees
- Legal fees (for the business)
- Consultancy and advice
- Bank charges on business account

#### MARKETING AND ADVERTISING

- Website development
- Social media advertising
- Business cards and brochures
- Trade show attendance
- Networking event costs

#### STAFF COSTS

- Wages and salaries
- Employer NI contributions
- Pension contributions
- Training costs
- Staff welfare and benefits

#### INSURANCE

- Public liability
- Professional indemnity
- Employers liability
- Business interruption
- Key person insurance

#### WHAT YOU CANNOT CLAIM

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- Personal expenses
- Entertaining clients (not tax deductible)
- Fines and penalties
- Political donations
- Non-business clothing

- Home to work travel (regular commute)
- Personal phone/broadband (unless business portion)

#### MIXED USE ITEMS

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For items with both personal and business use:

1. Calculate percentage of business use
2. Claim only the business portion
3. Keep records of how you calculated this

Example: Phone bill £ 50/month, 60% business use

Claim: £ 30/month (£ 360/year)

#### RECORD KEEPING TIPS

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1. Keep all receipts (digital photos are acceptable)
2. Use a dedicated business bank account
3. Record expenses weekly, not yearly
4. Note the business purpose of each expense
5. Keep records for at least 6 years

#### CAPITAL ALLOWANCES

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For larger purchases (over £ 1,000):

- Annual Investment Allowance: 100% in year of purchase
- Writing Down Allowance: 18% per year (main pool)
- Cars with CO2 over 50g/km: 6% per year

#### COMMON MISTAKES TO AVOID

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1. Claiming personal expenses
2. Missing small purchases
3. Not keeping receipts
4. Claiming blocked items (entertaining)
5. Forgetting to claim mileage

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Need help with your business expenses?

Contact K&R; Accountants Ltd

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