

## Retention Schedule 4. Accounting and Tax Records

Record description	Regulatory retention period and source	Recommended retention period	Form in which to be kept	Reasons and remarks
<b>Accounting</b>				
1 Accounting records to comply with CA 2006, s.386.	<p>Ltd – three years from the date on which they are made. [CA 2006, s.388(4)]</p> <p>Plc – six years from date on which they are made. [CA 2006, s.388(4)]</p>	Six years from year end.	In any form (including electronic). [CA 2006, ss.1135 and 1138]	<p>Most companies will need to keep accounting records for a minimum of six years for tax purposes.</p> <p>Document examples:</p> <p><u>Ledgers</u> Cash book Purchase ledger Sales ledger Asset registers Nominal and private ledgers Journal ledgers Individual debtors accounts End-of-year stock records</p> <p><u>Supporting documents</u> Purchase invoices and credit notes Copy sales invoices and credit notes Journal vouchers Consignment notes Stock records Petty cash vouchers Bank statements and reconciliations Loan agreements</p>

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				Rental and hire purchase agreements Indemnities and guarantees Share and debenture issue documentation
2 Report and accounts: • Signed copies	Six years.	At least one signed copy should be kept for as least as long as the minutes of board meeting at which the statement was approved.	It is preferable if the copy kept for tax purposes is the signed copy.	Tax Evidence / Business.
3 Interim report and accounts.		Life of the company.	Preferably an original signed copy.	Evidence/Business.
4 Interim management statement.		At least one signed copy should be kept for as least as long as the minutes of board meeting at which the statement was approved.		
5 Budgets and periodic internal financial reports.		At least six years, although copies that form part of board agenda papers should be retained for at least as long as the minutes.	Any.	Evidence/Best Practice/Internal Control.

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<b>Tax Records</b>				
6	Income and capital gains tax self-assessment records for a person carrying on an unincorporated trade, profession or business.	<p>The later of:</p> <ul style="list-style-type: none"> <li>• Five years from 31 January next following the year of assessment or six years from the end of any other period of assessment;</li> <li>• The completion of any enquiry into the return;</li> <li>• The last date on which HMRC may launch an enquiry. [TMA 1970, s.12B]</li> </ul>	Same.	Records and vouchers kept for tax purposes may be kept in any form, subject to certain exceptions. [TMA 1970, s.12B]
7	Self-assessment tax records for individuals not carrying on a trade, profession or business.	<p>The later of:</p> <ul style="list-style-type: none"> <li>• Twelve months from 31 January next following the year of assessment;</li> <li>•</li> <li>• The completion of any enquiry into the return;</li> <li>• The last date on which HMRC may launch an enquiry. [TMA 1970, s.12B]</li> </ul>	Same.	Records and vouchers kept for tax purposes may be kept in any form, subject to certain exceptions. [TMA 1970, s.12B]

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8 Corporation tax records.	The later of: <ul style="list-style-type: none"> <li>• Six years from the end of the assessment period;</li> <li>• The completion of any enquiry into the return;</li> <li>• The last date on which HMRC may launch an enquiry. [FA 1998, sch.18, para.21]</li> </ul>	Seven years from year end.	Records and vouchers kept for tax purposes may be kept in any form, subject to certain exceptions. [FA 1998, s.18 para.22]  Original vouchers may be required for audit purposes.	
9 PAYE records	Not less than three years after the end of the tax year to which they relate [Income Tax (PAYE) Regulations 2003, reg.97.	Same.	In any form [implied by Income Tax (PAYE) Regulations 2003, reg.97(7).	Reg.97 does not apply to documents required to be sent to HMRC by other provisions of the Income Tax (PAYE) Regulations 2003.
10 VAT records.  VAT declaration and CCL certificates	Six years. [VATA, sch.11, para.6]  Six years following the last document to which the certificate related.		Any form for tax purposes but original vouchers may be required for audit purposes. Any format that would allow HMRC to validate the content of a VAT/CCL return back to source data.	
11 Insurance premium tax records.	Six years. [FA 1994, sch.7, para.1]		Any.	

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12 Stamp duty land tax records.	The later of: <ul style="list-style-type: none"> <li>• Six years after the effective date of the transaction;</li> <li>• The completion of any enquiry; or</li> <li>• The date on which HMRC no longer has power to enquire into the return.</li> </ul> [FA 2003, sch.10]	Same.	Any.	
13 Stamp duty reserve tax records.	Four years from the effective date of the transaction or six years if the effective date was before 1 April 2011. [ <a href="https://www.gov.uk/guidance/stamp-duty-reserve-tax-compliance-checks">https://www.gov.uk/guidance/stamp-duty-reserve-tax-compliance-checks</a> ]	Same.	Any.	
14 Aggregates levy records.	Six years. [FA 2001, sch.7, para.2]		Any.	
15 Climate change levy records.	Six years. [FA 2000, sch.6, para.125]		Any.	
16 Landfill tax records.	Six years. [FA 1996, sch.5, para.2]		Any.	
17 Excise duty records.	Six years. [RTAR 1992]		Any.	

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<b>Charitable and Political Donations</b>					
18	Deeds of covenant (donee).	Six years after last payment.	Six years after last payment due but up to twelve years if any payments are still outstanding or there is any dispute regarding the deed.	Originals.	Tax/Limitation.
19	Gift aid forms.	As per usual tax requirements for charity concerned (e.g. for a charitable company, six years from end of tax year in which the last payment under the declaration was made).		Originals or scanned or microfilmed copies. [FA 2000, s.39]	Declarations continue in force until revoked or cancelled.
20	Documents evidencing donations made to charitable and political organisations.	Ltd: three years. Plc: six years. [CA 1985, s.222/CA 2006, s.388]	Six years.		Tax/Best Practice.
<b>Banking Records</b>					
21	Cheques, bills of exchange and other negotiable instruments.		Six years.		Limitation.
22	Paying-in counterfoils.		Six years.		Limitation.

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23	Bank statements and reconciliations.	Ltd: three years. Plc: six years. [CA 1985, s.222/CA 2006, s.388]	Six years.		Limitation.
24	Instructions to banks.		Six years after ceasing to be effective.		Evidence/Limitation.
25	Closed direct debits mandate details on final accounts.		Three months after appropriate end date.	Originals.	
26	Correspondence re sponsorship requests refused.		Six years.		Commercial.
27	Subscription records.		Three years after cessation of membership.		Commercial.
<b>Asset Accounting</b>					
28	Consolidated accounts, analysis of fixed assets and provision for depreciation.		Indefinite.		Commercial.
29	Disposal of Assets.		Indefinite.		Commercial.
30	Application to write off plant book value.		Ten years.		Commercial.

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<b>Loans</b>				
31 Debtor accounts control.		Six years.		Limitations.
32 Arrears schedule.		Six years.		Limitations.
33 Listing of wages and deductions.		Two years.		Audit/Commercial.
34 Statement of loan account.				
<b>Sales Documents</b>				
35 Long dated budget tabulations.		Current year + one year.		Commercial.
36 Short dated budget, most recent forecast.		One year.		Commercial.
37 Schedule of outstanding accounts credit control.		Six years.		Limitations.
38 Statement.		Two years.		Audit/Commercial.
39 Overdue accounts (letter to customer).		Until paid.		Commercial.



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<b>Cash Records</b>					
40	Cheque/remittance advice control sheets.		Two years.		Audit/Commercial.
41	Banking return.		Six years.		Limitations.
42	Return of petty cash disbursements and claim for imprest.		Six years.		Commercial.
43	Un-presented cheque list.		Six years.		Limitations.
44	GIRO statement of account.		Six years.		Limitations.
45	Cheques backing sheet – payments cash book.		Ten years.		Commercial.
<b>Stores and Accounts Documents</b>					
46	Inwards invoice registrar.		Six years.		Audit/Companies Act.
47	Good inwards and outwards record books.		Current + three years.		VAT.
48	Stock adjustment sheets.		Two years.		Audit.

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49 Stock control vouchers.		Two years.		Audit.
50 Stores requisitions.		Two years.		Audit/Commercial.
51 Stores transfers and sales.		Current + three years.		VAT/Audit.