

TREAT YOUR BUSINESS LIKE A BUSINESS

CLARIFY & CLAIM YOUR EXPENSES!

Remember my mantra...

Treat your yoga business like a business and it will pay you like a business.

Treat your yoga business like a hobby and it will COST you like a hobby.

I've seen far too many yoga teachers – and even studio owners, bury their heads in the sand when it comes to the costs associated with their business activity. They claim for the obvious large things (hopefully!) such as equipment and the hire of halls, but when it comes to “incidentals” such as candles, or incense sticks, or tea bags, they say things like “oh, it's just a few pounds,” and pay for it from their own money instead of the businesses.

The trouble is, those pounds add up! The tax man will take his cut from everything he thinks you earn – which is fair enough – but those “incidentals” would be tax-free if you ensured they were all accounted for in your bookkeeping. These expenses need to come off your gross income, so you ONLY get taxed on what is left once you have paid for all those things.

NEVER mix your personal money with that of your business. Set up a purely business account if you haven't already got one.

There are differences between being self-employed or a limited company – and your accountant will help you clarify that, but below is a list of things you really should ensure you count towards your expenses.

Take a look at the checklist on the next page – tick those things which you have paid for and ensure that you keep all receipts for these and include them in your bookkeeping from now on!

And please note: allowable expenditure you incur up to 7 years prior to commencement of your freelancing is deductible from your profits in your first accounting period!!!

Pay your dues – but no more!

And do your expenses ***at least once a month*** ensuring you pay yourself back from your business for any costs you incur.

Take a look at the list below and tick the ones which apply to you. Keep this list handy as you do your bookkeeping.

Claimable items:	I use:
Accountancy and bookkeeping fees	
Hall hire	
Travel costs to your classes and private clients	
Yoga clothing (specific workwear allowed)	
Yoga props (mats, belts, blocks, etc.)	
Any items you use to support your classes such as candles, incense, tea bags	
Landline telephone, broadband and mobile phone charges	
Advertising, publicity, brochures, business cards, etc.	
Bank charges	
Cover teachers	
Hire of freelancers for project work – such as website, etc.	
Computer and other consumables you need for work	
Postage for anything to do with your work	
Meetings related to your work/collaborations	
Gifts to charity (up to £50 and using business name)	
Hotel accommodation and travel costs to work related training/events	
Insurances (including personal indemnity and any office insurance)	
Journals or magazines associated with your work (e.g., Om magazine subscription)	
Legal costs	
Motoring expenses (mileage)	
Photocopying and printing, including inks	
Stationary	
Software – such as Mindbody/Teamup, MailChimp fees, etc.	
Courses/training to update and develop existing skills	
Travel insurance/visas	
Use of home as an office	
Warranties (e.g., on your PC)	
Website maintenance, domain fees	
Design of a website (claim on capital allowances)	
Books, including reference books	
Camera/projectors/screens	
Office furnishings and furniture	
Music licence	

And, if you can think of anything I've missed – add to this list and post in the challenge group.