

Horizon Business Advisory:

Accounting in simple words

HORIZON INTRO



Accounting means recording of all business transactions, i.e. sales, purchase, expenses, revenues, receipts and payments, provisions and accruals. Accounting shows the actual picture of the business in form of numbers which helps to support business plan.

There are 2 methods to do Accounting, Cash Basis and Accrual Basis. Accrual based accounting as per IFRS is accepted worldwide. It might be any country or economy, accounting is the 1st step to comply with regulated taxation laws.

It is a common assumption that Accounting is a complicated process. Well, with our **60 years of experience** we can say 'it is not' if executed with proper guidance. We extend our support to business owners by providing outsourced accounting and basic and simple directory for VAT which will help them to manage cashflows and strategy to grow business.

When it comes to the matter of need of accounting, we believe that with strong competition the market is growing faster. It is essential to have ready accounting records to define Business Valuation & Brand Equity on any date. The updated financial picture helps properly for many strategies and right action plans.

HORIZON TEAM

#h_faces



We are 60 year old consulting company providing Accounting, Taxation, Finance and allied consultancy services.

As the new tax reforms like Excise and VAT are getting introduced in GCC, we intent to Leverage our expertise and support Entrepreneurs by providing best of consultancy and hand holding to cope up with Tax Laws.

Our Organization's motto is "Client should never fail". We stay attached to it by providing high quality services along with maintaining professional ethics.

Our execution team are based in Dubai and India, which supports each other from knowledge sharing to ground level execution.

Consortium of experts in tax and finance consulting

HORIZONBIZCONSULTANCY.COM

info@horizonbizconsultancy.com
+971 50 10 42 665

HORIZON TEAM

#h_faces



Vibha Malik Modi

Co-founder of Horizon Biz Consultancy is Chartered Accountant by qualification. Vibha is having more than 8 years of dedicated experience in Tax, Accounts & Audit Consultancy in India & UAE.

Vibha provides Advisory services with her comprehensive understanding on the financial wins in taxation process. She extends handholding services by actively engaging with clients business operations.

She is having depth knowledge of IFRS and serving across the globe with Accounting, Book-keeping and Tax Consultancy services.

HORIZON TEAM

#h_faces



Pranav Modi

Co-founder of Horizon Biz Consultancy in Dubai and lead team member of HBF consultancy Pvt Ltd in India having experience of finance, taxation and business Consultancy.

Pranav is Chartered Accountant and having master diploma in business finance. His specialization lies to understand the business and provide outsourced CFO services which includes financial planning, tax planning and strategic management consultancy from macro to micro.

With his keen interest and good experience working with Funding, Business Valuations and Strategic management consultancy, he has worked start-ups, SME's & MSME's in India enabling them for fundraising. His varied and diverse outlook towards Business has benefited quite a many enterprises to raise fund and strategically expand future prospects.

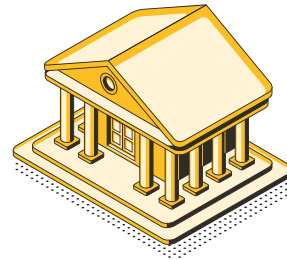
HORIZON TODAY

#h_services

Horizon Biz Consultancy is a consortium of expert financial advisors. With more than 60 years of experience we have proven our expertise in:

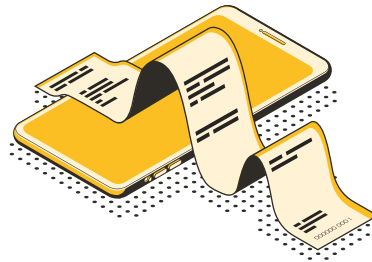
TAX CONSULTATION

- VAT Health Check
- Tax Compliance & Return Submission
- Transaction Restructuring
- VAT ERP Updation
- Advisory & Hand-holding Services



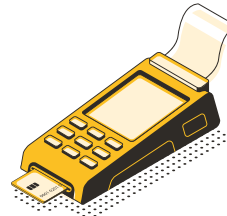
ACCOUNTING & REPORTING SERVICES

- Book-keeping & Journal Posting
- Preparation of Trial Balance
- Cash Flow Management
- Compilation of Annual Accounts & Financial Statements
- Accounts Payables & Receivables Management
- Payroll Processing
- Auditing and Assurance Services



OTHER DELIVERABLES

- Business Profiling & Future Projections
- Business Valuation Services
- Outsourced CFO Services
- Fund Acquisition & Restructuring



*Consortium of experts in tax
and finance consulting*

HORIZONBIZCONSULTANCY.COM

*info@horizonbizconsultancy.com
+971 50 10 42 665*

HORIZON VOCABULARY

#h_alphabet

1 VAT Registration

VAT Registrations can be availed either mandatory or voluntary depending on structure of business. Voluntary registration can be availed if turnover or taxable expenses of last 12 months are more than AED 187500. Mandatory registration should be availed if turnover of last 12 months is more than AED 375000. VAT Compliances are mandatory after availing of VAT Registrations.

2 VAT Tax Group

A type of VAT Registration in which two or more companies can be a member of the group and can register under common TRN (Tax Registration Number). One company should be Representative member. The member companies of the tax group should comply the prescribed conditions to form the tax group.

3 Place of Supply

An important concept to understand that at which place taxability arises during supply of goods & services. To know whether supply is taxable or not, it is important to know the place of supply. Place of supply rules prescribed in VAT decree law defines, at which rate VAT is levied and from which emirates the goods and services supplies are made. Also in VAT Return, supplies need to be reported Emirates wise, Place of supply rule helps to identify that.

4 Date of Supply

Date of Supply is the date on which the liability of tax arises.
Date of supply is the date earlier of the three
1. Payment received
2. Delivery of goods and services
3. Date of invoice.
There are few exceptions and special circumstances mentioned in Federal Decree Law of the above rule.

HORIZON VOCABULARY

#h_alphabet

5 Import, Export & VAT

Import and Export is the key elements of every business in UAE.

VAT Compliances should be made while importing goods and declaring export.

For imports, it is necessary to link your custom number with your VAT number and report all the imports.

For exports, documents of exports need to be maintained when any transaction is claimable as export.

6 Input Tax

On every procurement, purchases & business expenses including imports VAT is paid or due to be paid by a taxable person.

By claiming credit of Input tax a business can reduce its VAT liability and can also claim VAT refunds when already paid tax is more than tax liability.

7 VAT Penalties

A long list of violations and administrative penalties is issued by Federal Tax Authority.

Some penalties are due to non-compliance of law and some are due to administrative non-compliance.



HORIZON VOCABULARY

#h_alphabet

8 Tax Audit

As per Federal Decree Law No. (7) of 2017 on Tax Procedures, the FTA Authority has right to perform Tax Audit of any taxable person to verify their extent of correctness of compliance of law. The taxable person should be ready with proper documentation and accounting records.

9 Refund for Tourists

UAE being tourist hub, thousands of tourist visiting UAE do lot of shopping from UAE. It is affirmative initiative of the UAE government to provide VAT refund to tourists at the time of departure from the airport itself.

10 Designated Zone

Designated zones are the free zones notified by UAE Federal Tax Authority. All designated zones are free zones, but all free zones are not designated zones.

All Free Zones in UAE are not exempt from VAT Law. Only designated Zones are partially exempt from VAT Law. It is myth that designated zone have no VAT. VAT is applicable if they are doing any transaction with mainland company, and on every goods and services consumed in designated zone.

For service sector designated zones are considered as mainland, hence is no exemption in case of supply of service from designated zone.

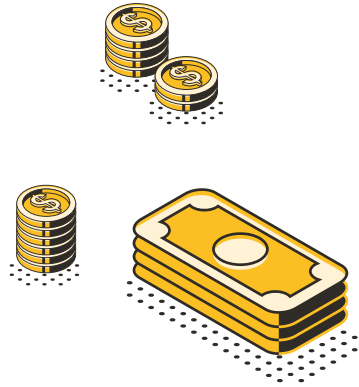


HORIZON TIPS

11 steps to avoid mistakes

1.

Always choose correct type (Mandatory or Voluntary) while applying for VAT Registration



2.

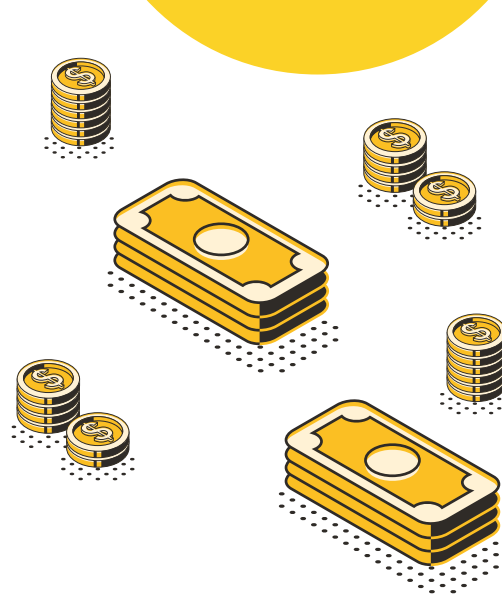
Do not miss the threshold limit for registration of VAT. Keep eye on your Sales and Expense figures to avoid the same

3.

Do not miss to link your custom registration number with your TRN number

4.

Divide your supplies into Taxable, Zero rated and Exempt



5.

Record all procurements & business expenses with proper Tax Invoice to claim Input Tax Credit

HORIZON TIPS

11 steps to avoid mistakes

6.

Provide your TRN number to all your suppliers



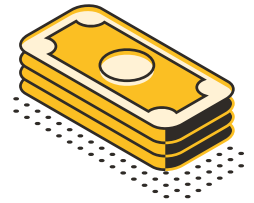
7.

Check all the requirements of Tax Invoice before claiming input tax credit



8.

Designated zone provisions do not apply on supply of service. If you are in service industry consider yourself as mainland Company to comply with regulations of VAT



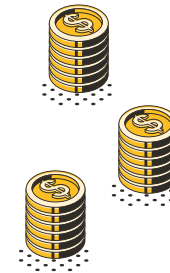
9.

Never miss to issue credit and debit note as per the prescribed format of FTA for any kind of adjustment



10.

Always reconcile your books of accounts with VAT returns on quarterly basis



11.

To work with only professional companies and employees



HORIZONBIZCONSULTANCY.COM

info@horizonbizconsultancy.com

+971 50 10 42 665

United Arab Emirates 2702, Prime Tower, Business Bay, Dubai, UAE - 62137

India 302, Tilakraj Complex, Panchvati cross road, C.G.Road, Ahmedabad, Gujarat - 380006