A WORKS CO. MANUAL · NO. 08

The Bookkeeping-for-Trades Works

How to build a recurring practice serving the trades.

The Works Co. · Trade manuals

A Works Co. manual · No. 08

How to build a recurring practice serving the trades.

The trade behind every other trade.

Version and terms

Version 1.0, 2026. Published by The Works Co. UK English, UK practice, pounds sterling throughout.

If this manual is not right for you, write to refunds@theworksco.co.uk on the same day and we will refund you in full. Keep the materials either way. Your purchase includes free updates for life: when we revise the manual or the toolkit, you get the new version at no extra cost.

This manual is practical guidance drawn from how a real bookkeeping practice serving tradespeople is run. It is not regulated tax, financial, or legal advice, and it is not a substitute for it. Bookkeeping for clients is a supervised, regulated activity. You are responsible for keeping your own Anti-Money-Laundering (AML) supervision, professional body membership, insurance, and compliance current, and for checking the live position with HMRC, your professional body, and a qualified adviser before you act. Figures, thresholds, and rules change. Where money or compliance is involved, confirm the current detail yourself.

How to use this manual

Read it twice.

First pass: read it straight through, start to finish, without stopping to act. Do not open a spreadsheet or fill in a single form yet. The point of the first pass is to see the whole shape of the business before you commit to any part of it: what the work actually is, what it costs to start, what it earns, and where the real risks sit. Some of what you read will not be for you, and it is cheaper to find that out by reading than by spending. We would honestly rather you spent the £47 on a coffee with someone you love than on a manual for a business that was never going to be yours.

Second pass: read it with your hands on the tools. This time, work chapter by chapter and do the thing each chapter asks. Score yourself, build your numbers, draft your first engagement letter, set up your compliance. The second pass is where the manual turns from reading into a practice.

Two companions sit alongside the chapters:

- **The Toolkit** is ten Excel spreadsheets: a self-assessment scorecard, a profit-and-loss tracker, a client tracker, a pricing calculator, an onboarding checklist, an AML and compliance checklist, a monthly workflow checklist, an engagement letter template, a pipeline tracker, and a first-90-days checklist. Each one is referenced from the chapter it belongs to. Appendix A is the full index.
- **The Prompt Library** is sixty AI prompts, organised to match the work: finding clients, writing to them, onboarding, day-to-day bookkeeping, VAT and CIS, payroll, reporting, and growing the practice. Appendix B explains how to use it well, and what to never let it do.

Keep both to hand on the second pass. The chapters tell you what to do; the Toolkit and the Prompt Library help you do it faster.

PART ONE

The Foundations

Chapter 01

The Bookkeeping Opportunity

It is a Monday morning in Wakefield, just past seven. Karen has the kitchen to herself, a pot of tea going cold beside the laptop, and the rest of the house still asleep. She opens her practice software and works down the list. Fifteen monthly clients, every one of them a tradesperson — sparkies, plumbers, a groundworks firm, two kitchen fitters. By half past eight she has reconciled four of them against the bank feed, chased a missing materials receipt from a decorator, and filed a CIS return for a bricklayer who takes on three subbies. None of these clients has phoned her. None of them is in the room. They are all out in vans, on sites, on roofs, glad that the paperwork is being handled by someone who understands it.

Those fifteen clients pay her around £4,000 a month between them. The work took her the best part of a working week to do properly, spread across the month, and the money arrived by direct debit before she lifted a finger. She started two years ago at her own kitchen table with a laptop she already owned and a few hundred pounds of setup costs. She is not rich. She is doing steady, honest, repeatable work for people who need it, and she is building something that gets more valuable every month it keeps running.

This chapter is about why that picture is achievable, what it actually demands of you, and how to decide — honestly — whether it is yours to build. We will be straight with you throughout. The trade behind every other trade is a real business with real obligations, not a shortcut.

What this business actually is

Bookkeeping for tradespeople is a recurring-fee service run from a laptop. You keep the books for electricians, plumbers, builders, joiners, decorators and the like. You process their transactions and reconcile their bank accounts, capture their receipts and invoices, file their VAT returns, handle the **Construction Industry Scheme (CIS)** — verification, deductions and monthly returns — run light payroll, keep them compliant with **Making Tax Digital (MTD)**, and give them monthly or quarterly reports. Higher up, you produce management accounts and a bit of advisory: helping a client understand their numbers and plan around them.

You charge a **fixed monthly fee per client**. That is the whole engine. A roofer does not want to be billed by the hour and made to wonder what each phone call costs. They want a known figure leaving the account each month and the certainty that the books are right.

You give them that, and in return you get income that recurs without being re-sold every time.

The fees, at 2026 UK rates, sit in three bands:

Client type	Monthly fee
Basic sole-trader bookkeeping	£50–£150
VAT-registered and/or CIS	£150–£400
With payroll, management accounts or advisory	£300–£600+

Karen's fifteen clients average a little over £260 a month each because most of them are VAT-registered or in CIS. That is the band where trades cluster, and it is the band where a generalist bookkeeper is least comfortable — which is exactly the point we will come back to.

A word on the fees being fixed rather than hourly. Tradespeople price a lot of their own work as a quote, not a day rate, so a fixed monthly figure speaks their language. It also protects you. Once you have scoped a client properly — how many transactions, whether they are VAT-registered, whether they run CIS or payroll — you know roughly how many hours a month they cost you, and you set a fee that pays you fairly for those hours plus the value of the certainty you provide. The client gets a number they can plan around. You get income that does not shrink in a quiet month. Chapter 7 shows you how to scope and price a client so the fixed fee is fair to both sides, including the cleanup fee for a client whose books arrive in chaos.

Why trades, and why now

You could keep the books for anyone. Cafés, hairdressers, online sellers, consultants. So why point yourself deliberately at the building trades?

Because tradespeople hate paperwork, are genuinely time-poor, and have needs a general bookkeeper finds awkward. The Construction Industry Scheme governs how contractors deduct money from subcontractors and pay it to HMRC — get it wrong and a subbie is overtaxed or a contractor is penalised. Construction has its own **VAT domestic reverse charge**, where the customer rather than the supplier accounts for the VAT, and it trips people up constantly. There is the cash-basis versus accruals choice, mileage and tools and materials to track, and a glovebox full of faded thermal receipts to make sense of. A bookkeeper who knows this terrain is worth more than one who does not, and can charge accordingly.

The timing is good for four reasons that are all moving in your favour at once.

First, **recurring monthly fees with very high retention**. Once you are embedded in a client's finances — filing their VAT, running their CIS, holding their records — they do not leave casually. Switching feels like changing the locks. Karen has lost one client in two years, and that was because the man retired.

Second, **rising complexity is manufacturing demand**. CIS has always been fiddly. MTD for VAT is in force, and **MTD for Income Tax Self Assessment (ITSA)** is arriving — which will pull a large population of sole-trader trades into digital quarterly reporting they cannot face doing alone. Every tightening of the rules sends more people looking for someone like you. We cover this wave properly in Chapter 15.

Third, **the clients are desperate for help and short of good options**. Accountants often do not want the monthly bookkeeping grind and would rather hand it off. Generalist bookkeepers shy away from CIS and the reverse charge. That gap is where your practice lives.

Fourth, **AI now does the routine work faster than ever**. Auto-coding transactions, pulling data off receipts, drafting client emails — the dull data entry is shrinking, which means more of your time goes to review, judgement and advice. We will not oversell this. It speeds the work; it does not do the work for you, and it does not carry the compliance accountability. That stays with you. But it does mean one person can look after more clients well than was possible a few years ago.

> **COACH MOMENT — Niche down before you think you are ready.** The instinct, starting out, is to take any client who will pay, of any kind, to feel safe. Resist it. A practice that says "I do the books for trades — CIS, the reverse charge, the messy van receipts, all of it" is far easier to market, refer and price than one that says "I do bookkeeping for anyone." When a plumber asks a roofer who does their books, "some bookkeeper" is forgotten and "the woman who actually gets CIS" is remembered. Narrow is not smaller. Narrow is sharper.

The income brackets, and the capacity that drives them

Be clear-eyed about what this earns. The numbers below are realistic UK figures for 2026, and they are governed by one hard fact: your income is capped by how many clients one person can serve well.

- **Part-time, a handful of clients: £8,000–£20,000 a year.** A sensible way to start while you still have other income, or a deliberate choice if you want it small.

- **Full-time solo, roughly 10 to 30 clients: £30,000–£55,000 a year.** High margin, because your costs are software and not much else, but capped by your own hours.
- **With staff, a small practice: £80,000–£150,000+** in revenue, once you hire or subcontract and stop doing all the data entry yourself.

Karen, on fifteen clients and around £48,000 of annual fees, sits comfortably in the full-time solo band with room to grow before she hits her own ceiling. The capacity model is simple to grasp: each client takes a certain number of hours a month depending on transaction volume, VAT, CIS and payroll. A quiet sole trader on the cash basis might cost you two hours a month; a busy VAT-registered builder running three subbies through CIS might cost you a full day. Stack enough of them and you fill your week. To go past that you either move clients up into higher-value work — management accounts, advisory — or you bring in help. Both routes are covered later (pricing in Chapter 7, scaling in Chapter 11, the wider service stack in Chapter 12).

Notice what is not on the list of constraints: finding new business every month. Most service businesses live or die on a constant hunt for the next job. This one does not, because the work recurs. Your effort goes into doing the books well and keeping the clients you have, not into refilling an empty pipeline. The income is also pleasantly predictable across the year — recurring fees every month, with known busy points around the VAT quarters, the monthly CIS and payroll deadlines, and the January self-assessment crunch. You can see the rhythm of your year before it starts. There is no feast-and-famine; there is a steady drumbeat with a few loud days you can plan for.

> **MENTOR MOMENT — The book is the asset, not the month.** When you have run this for a year, the thing of value is not last month's fees. It is the book itself: forty, fifty, sixty clients who pay every month and almost never leave. That book has a worth beyond its monthly income — practices change hands, and a clean book of retained trade clients is a saleable thing. So treat every onboarding as adding a brick to something permanent, not as winning a one-off job. The slow, unglamorous accumulation of retained clients is the whole game. People underrate it because it is quiet.

Who this suits, and who it does not

We would rather lose you here than three chapters in. So, plainly.

This suits you if you are:

- Comfortable with numbers and detail, and you find a reconciled account satisfying rather than tedious.

- Methodical and reliable to deadlines — VAT quarters and monthly CIS and payroll dates do not move for anyone.
- Discreet and trustworthy with other people's money and private figures.
- Willing to learn the compliance properly and to get yourself supervised and qualified.
- Patient with clients who hand you a carrier bag of receipts and a vague apology.

This is not for you if you are:

- Sloppy with detail. A single misclassified CIS deduction or wrong VAT figure is not a typo here; it is a client's tax getting it wrong.
- Unable or unwilling to meet deadlines. Lateness in this trade means penalties, and penalties mean lost clients.
- Unwilling to get **AML-supervised** and to register properly. This is not optional, and we will explain why in a moment.
- Someone who dislikes admin. The work is admin, done excellently, for people who hate it.

If that second list is you, close the manual. We mean that. We would rather you spent the £47 on a coffee with someone you love than on a manual for a business that wasn't yours. There is a same-day refund waiting, no friction, and you keep the materials — the details are in Chapter 2.

The one thing you cannot skip

Before any of the money happens, one fact has to land. **Anti-Money-Laundering (AML) supervision is a legal requirement for a practising bookkeeper.** You must be supervised — either directly by **HMRC** or through a professional body such as the **ICB, AAT or IAB**. You cannot legally take paying clients without it. This is not paperwork you can defer until you are bigger.

Around that sit the rest of the foundations: joining a professional body (which gives you credibility, AML supervision and a practice licence in one), **professional indemnity insurance**, **ICO data-protection registration** at roughly **£40–£60 a year** because you handle clients' financial data, and **HMRC agent authorisation** so you can file VAT, CIS and payroll on their behalf. The whole setup is cheap by business standards — typically **£300 to £1,500** all in, much of it because you probably already own the laptop. Chapter 3 walks the entire compliance spine step by step, and it is the most important chapter in the book. Read it before you take a penny from anyone.

We flag it now because the order matters. Get legal and supervised first. Then the tools, then the skills, then the clients. Do it the other way around and you are building on sand.

How to use this manual, the Toolkit and the Prompts

You are holding one part of a set. The bundle is this manual, a **10-file Excel Toolkit**, and a **60-prompt AI Library**, for **£47**, with free updates for life.

Read the manual in order at least once — Part One sets the foundations, Part Two the craft, Part Three getting customers, and so on through scaling and the road ahead. Then keep it as a reference. Where a chapter leans on a tool, we name it: the self-assessment scorecard in Chapter 2, the Client Tracker, the Pricing Calculator, the engagement letter, the 90-Day Checklist. The Toolkit spreadsheets are there so you are not building your practice's spine from a blank cell. The Prompt Library is there to put AI to work on the routine parts safely, with a human — you — always reviewing the output before it reaches a client or HMRC.

Use them together. The manual tells you what to do and why; the Toolkit gives you the structure to do it; the Prompts speed the parts that should be fast.

What success looks like in one year

Picture yourself twelve months from a standing start, having done the work in the order this book sets out.

You are AML-supervised through a professional body, insured, ICO-registered, and authorised by HMRC as an agent. You have a cloud bookkeeping stack you understand and bill on to clients. You have a clear trades offer and a handful of accountants who send you the bookkeeping they do not want. And you have, say, a dozen monthly clients — a mix of sole-trader sparkies on the lower fees and VAT-registered or CIS builders on the higher ones — paying you somewhere in the region of £3,000 to £4,000 a month, by direct debit, in advance.

That is roughly where Karen was at the end of year one. It is not a fortune and we will not pretend it is. It is a real, recurring, high-retention income built on a few hundred pounds of setup and a skill you can keep sharpening for the rest of your working life. From there the path widens: more clients, higher-value work, perhaps your first hire.

But none of it starts until you have answered one question honestly. Is this precise, deadline-driven, trust-heavy work actually right for you? That is the whole of the next chapter, and it deserves a straight answer before you spend another hour.

Chapter 02

Is This For You?

It is a Wednesday in March, and Paul is sitting at his kitchen table in Swindon with two screens open and a mug going cold beside him. On the left is a builder's bank feed — 312 transactions for the month, half of them with no receipt attached. On the right is a CIS return due in eleven days. Paul is not panicking. He has a checklist, he has a process, and he knows exactly which of those 312 lines will need a phone call. By lunchtime the builder's books are reconciled, the missing receipts are chased with a single polite text, and Paul has earned £280 for the month from one client. He has fourteen more.

That scene is the job. Not the idea of the job — the actual texture of it. Before you spend a penny on building this practice, you need to know whether that Wednesday sounds like a good day to you or a slow form of torture. This chapter is here to help you answer that honestly, because we would rather you found out now than three clients and one missed deadline later.

There is no shame in deciding this is not for you. Plenty of capable, intelligent people would be miserable doing what Paul does, and they would be right to walk away. The whole point of this chapter is to make that decision in front of a cup of tea rather than in front of an angry client.

What this business actually is

Bookkeeping for trades is a recurring, high-retention service. You keep the books for tradespeople — electricians, plumbers, builders, joiners, decorators — for a fixed monthly fee. You handle their VAT, their CIS, their light payroll, their Making Tax Digital obligations, and the steady churn of receipts and bank transactions that they hate dealing with. It is the trade behind every other trade.

It pays per client, per month. Basic sole-trader bookkeeping runs **£50–£150 a month**. Add VAT registration or CIS and you are at **£150–£400**. Add payroll, management accounts or advisory and you reach **£300–£600 or more**. Stack enough clients and the maths becomes real income: a full-time solo bookkeeper with roughly 10–30 clients earns **£30,000–£55,000 a year**, with high margin and a ceiling set mostly by your own capacity.

So far, so attractive. Recurring fees, working from a laptop, no stock, no premises. But the figures are the reward, and every reward in this manual is paired with its honest cost. The cost here is precision, deadlines, and trust. Get any of those three wrong and the business does not just underperform — it breaks, because a bookkeeper who misses a VAT deadline or fumbles a CIS deduction has actively harmed the client who relied on them.

That is the trade you are weighing up. Let us be specific about who thrives in it.

This is for you if

Read these slowly. Be honest with yourself, not aspirational.

You are comfortable with numbers and detail. Not a maths genius — you will never need calculus. But you need to be the sort of person who notices that a figure is £10 out and cannot rest until you find the missing tenner. Bookkeeping is reconciliation: making two columns agree, every time, with no fudging. If a row that does not balance bothers you, that instinct is gold.

You are methodical. The work is repeatable. The same monthly process — capture, code, reconcile, review, report — runs for every client, every month. People who like a system, a checklist, a known sequence of steps, do well here. The job rewards the same temperament that keeps a tidy toolbox.

You are reliable to deadlines. This is non-negotiable, so we will say it plainly. VAT quarters, monthly CIS and payroll, the January self-assessment crunch — these dates do not move, and HMRC penalties land on your client when you miss them. If you are the person who files things the day before they are due rather than the night after, this trade fits you.

You are discreet. You will see exactly how much your clients earn, what they owe, and where they are stretched. That information is private and, frankly, sacred. Clients stay for years with bookkeepers they trust with the truth of their finances. If keeping a confidence comes naturally to you, you already have the most important quality in the trade.

You are willing to learn the compliance and get qualified. This is a regulated profession, not a hobby. We will cover the full setup in Chapter 3, but the headline is that you must be supervised for Anti-Money-Laundering before you can legally take a single client. Joining a professional body — the **ICB, AAT or IAB** — gives you that supervision, a practice licence, and credibility. If "I'll go and learn the proper way to do this" sounds sensible rather than tedious, good.

You are patient with messy records. Tradespeople are busy, time-poor, and would rather be on a roof than in a spreadsheet. Their records will arrive as a carrier bag of receipts, a fistful of texts, and a bank feed with no explanations. Your value is precisely that you turn their mess into order without making them feel stupid for the mess. Patience here is not a soft skill — it is the product.

COACH MOMENT Run a quick self-test before you read on. Picture the last time you had to fill in a form with fiddly figures — a tax return, an expense claim, a mortgage application. Did you feel a small, quiet satisfaction when it was done correctly, or did you put it off for a week and then rush it? Your honest answer to that one memory tells you more about your fit for this trade than any scorecard. The people who get a little buzz from a clean, finished, correct set of numbers are the ones who last.

This is not for you if

The honest opposite of the list above. None of these make you a bad person. They make you a bad fit for this particular trade, which is useful to know.

You are sloppy with detail. If you routinely transpose digits, skim instead of check, and think "near enough" is fine for money, this work will expose that every single month — and so will your clients, who will leave. Some businesses tolerate the broad-brush approach. This one does not.

You cannot meet deadlines. If your honest track record is missed dates, forgotten renewals, and last-minute scrambles, please believe us that this trade will punish that ruthlessly. A missed VAT or CIS deadline is not an embarrassment you can quietly absorb; it is a penalty on your client's account and a reason for them to fire you. If deadlines are your weakness, this is the wrong trade to test whether you can fix it.

You will not get AML-supervised or qualified. Some people read "you must register and be supervised" and feel a deep reluctance to deal with the formal, regulated side. That reluctance is a clear signal. You cannot operate this business without AML supervision — it is a legal requirement, not a recommendation — so if you are unwilling to do the compliance properly, this trade is closed to you. Better to know that on day one.

You dislike admin. This is the quiet one that catches people out. The whole job is, in a sense, other people's admin. If paperwork drains you, if forms make you want to lie down, then doing forms for a living — even well-paid, recurring, laptop-based forms — will wear you out. Be honest about your own relationship with the boring stuff.

MENTOR MOMENT I have watched people talk themselves into this trade because the income figures looked good and the working-from-home life looked comfortable. The figures are real and the life is comfortable. But the ones who burned out were almost always the ones who ignored the "not for you" list because they wanted the lifestyle without the temperament. The lifestyle is downstream of the temperament. You do not get the calm Wednesday morning unless you are the sort of person who keeps the calm by being meticulous on the dull days. Do not buy the destination and skip the road.

The reality: precise, deadline-driven, trust-heavy

Let us put the three pressures together, because they define the trade and they are the reason it pays what it pays.

Precise. Books either reconcile or they do not. A VAT return is either right or it is wrong, and a wrong one is a problem with HMRC, not a matter of opinion. The construction domestic reverse charge, CIS deductions, the difference between cash-basis and accruals — these are technical, and the technique has to be correct. The upside is that precision is learnable. You are not born knowing the reverse charge; you study it, you practise it, and Chapter 5 walks you through it. But you have to be the sort of person who wants to get it exactly right rather than roughly right.

Deadline-driven. The calendar runs the business. VAT quarters arrive on a schedule, CIS and payroll are monthly, and every January the self-assessment season concentrates the whole trade into a few intense weeks. The good news, covered properly in Chapter 8, is that this is a workflow problem with a workflow solution — a system that never misses a date is entirely buildable. The bad news is that the system only works if the person running it respects the dates. The deadlines do the disciplining; you provide the discipline.

Trust-heavy. You are handling money information for people who, once they trust you, will not leave. That is the engine of the whole model: very high retention, recurring fees, a book of clients that grows by referral because happy tradespeople talk to other tradespeople. But trust is earned in small, boring, reliable acts — the return filed early, the question answered the same day, the receipt chased politely rather than left to fester. Trust is also lost in a single careless month. This is why the temperament matters more than the marketing.

If you read those three and feel a bit daunted but mostly determined — that is the right reaction. If you read them and feel your enthusiasm draining away, listen to that. It is telling you something true.

How much, and what it earns

Because this is a Works Co. manual, here are the honest numbers around getting in.

Starting costs are genuinely low: **£300–£1,500** to be properly set up. That covers software, training and certification, professional indemnity insurance, your AML supervision fee, and ICO data-protection registration (roughly **£40–£60 a year**, because you handle clients' financial data). You almost certainly already own the laptop. There is no van, no stock, no premises, no staff to start. Few legitimate businesses open this cheaply.

Against that, the income brackets are clear and we will not dress them up. Part-time, with a handful of clients, expect **£8,000–£20,000 a year** — a real second income, not a fortune. Full-time and solo, with 10–30 clients, **£30,000–£55,000** at high margin. Build a small practice with staff and revenue can reach **£80,000–£150,000 or more**, though that brings management, supervision and AML responsibilities at scale (Chapter 11). The honest ceiling for a solo operator is your own capacity: there are only so many clients one careful person can serve well, and serving them badly to fit more in is how the trust engine seizes up.

What you are buying for your money and effort is not a quick win. It is a durable, recurring, high-retention service that grows slowly and steadily and is genuinely hard for clients to leave. That is a good business. It is not a fast one.

The self-assessment scorecard

Before you go further into the manual, do the proper exercise. **Toolkit file 01** is a self-assessment scorecard — a structured version of the two lists above, scored honestly. It asks you about your relationship with detail, deadlines, confidentiality, admin and formal compliance, and it gives you a number at the end and a plain reading of what that number means.

Do not game it. The scorecard only helps if you answer as the person you actually are on a wet Tuesday, not the person you intend to become. If you score well, the rest of this manual is your build plan. If you score in the middle, read Chapters 3 to 5 carefully and be honest about whether the compliance and the precision excite you or exhaust you. If you score poorly, the kindest thing we can do is point you back to the Works Co. catalogue, where there may be a trade that fits you better.

When you are ready, Chapter 3 takes you into setting up the practice properly — sole trader versus limited, the **£90,000 VAT threshold**, and the full compliance spine: AML supervision, your professional body, indemnity insurance, ICO registration and HMRC agent authorisation. That chapter is where the deciding stops and the building begins.

A note on the £47, and your refund

This manual, the ten-file Excel toolkit and the sixty-prompt AI library cost you £47. We want to be straight about what that means at this exact point in the book, because Chapter 2 is the natural place to change your mind.

If you have read this far and quietly concluded that the precision, the deadlines and the regulated compliance are not for you, then do not talk yourself out of that conclusion to justify the spend. Email **refunds@theworksco.co.uk** and we will refund you the same day, with no friction and no questions designed to wear you down. Keep the materials — they are yours, and the updates are free for life regardless. We would genuinely rather you spent the £47 on a coffee with someone you love than on a manual for a business that was never going to be yours.

But if that Wednesday morning in Swindon sounded like a good day — a hard problem solved cleanly, a fair fee earned, a client quietly relieved — then you are the reader we wrote this for. Turn the page, and let us get you set up properly.

That was Chapter 1.

The other twenty chapters, the Excel toolkit and the AI prompt library are in the full bundle.