CORAM PACEY × ANNA MONEY · LIVE WEBINAR

Making Tax Digital for childminders

What is changing, who is affected, and how to get ready

12 November 2026, 7:00 pm

60 minutes on Zoom

A practical session, not a lecture

Feel free to say hello in the chat while people arrive.

coram pacey

Welcome, and how tonight works

1

How we will spend the hour

About 40 minutes of plain-English explanation, then a full 20 minutes for your questions.

2

Your microphone and camera

Both stay off. You will not be seen or heard, so there is no need to feel on the spot.

3

How to talk to us

Use the Q&A box for questions. Use the chat to say hello. We will group questions and answer as many as we can.

One promise: no question is too basic. If you are unsure whether any of this even applies to you, that is exactly what tonight is for.

YOUR SPEAKERS

Who you are hearing from, and what you will leave with

Tonight's speakers

Angela Gamble, Coram PACEY
Your host for the evening. Keeping us on track and bringing your questions in.

Aftab Hussain FCCA, ANNA Money
Works as an accounting and tax expert at ANNA Money. Supporting both self-employed people and businesses.

By the end, you will know

- Whether Making Tax Digital affects you, and if so from when
- What actually changes day to day, and what stays exactly the same
- The one real change to how you claim expenses
- A clear, short list of what to do to get ready
- Where to get the full guide and tools, for free

LET'S START WITH YOU

Quick poll, then the worries we hear most

POLL 1

Where are you with Making Tax Digital right now?

- I have had a letter from HMRC about it
- I think it might apply to me soon
- I do not think it applies to me yet
- I am already using Making Tax Digital
- I have honestly no idea

What we hear from childminders

"Do I have to buy software?"

"Is this going to be a lot more work?"

"Will I end up paying more tax?"

"What about receipts and cash purchases?"

"Does any of this even apply to me?"

THE BASICS, QUICKLY

Three things that are true however you report

A

You run a business

As a childminder you are self-employed. You report your own income and pay your own tax. Nobody takes it off for you.

B

You are taxed on profit

Profit is your income minus your allowable expenses. The more genuine costs you claim, the less tax you pay.

C

Most use the cash basis

You record money when it comes in and when it goes out. It is the default and suits most childminders.

None of this changes under Making Tax Digital. Hold on to these three as we go.

THE BIG IDEA

What Making Tax Digital actually means

Making Tax Digital changes HOW you keep records and report to HMRC. You can still claim the same type of costs but how you get tax relief on certain costs has changed.

1

Digital records

You keep your income and expenses in software that can talk to HMRC, instead of only on paper.

2

A short update every 3 months

Four quick summaries a year, sent from your software. No shoebox of receipts at the end.

3

A year-end declaration

You finish the year off in the same software. This replaces the old once-a-year tax return.

MYTH-BUSTER

What changes, and what stays exactly the same

STAYS THE SAME

- ✓ You can still claim every business expense
- ✓ You still claim for the children's food and drink
- ✓ You can still use the cash basis
- ✓ Your Coram PACEY accounts book is still useful
- ✓ Your tax is worked out the same way, at the same rates

CHANGES

- → You keep your records digitally, in software
- → You send a short update every three months
- → You finish the year in software, not a paper return
- → Home wear and tear moves from a flat rate to actual costs
- → The under-£10 no-receipt shortcut no longer applies (*No receipt? just record it in your spreadsheet or software*)

Who has to join, and when

Your total income (turnover)	You must join from
More than £50,000	6 April 2026
More than £30,000	6 April 2027
More than £20,000	6 April 2028
£20,000 or less	**Not required yet**

Turnover, not profit The test is your total income before expenses, with any property rent added in. Not your profit.

Example — Leanne

£46,000 childminding income + £8,000 rent from a flat = £54,000. The two are added together, so Leanne joins from 6 April 2026, even though her childminding alone is under £50,000.

Checking your turnover and signing up on time is your responsibility. HMRC usually writes to confirm when you need to start, but you are not enrolled automatically.

CHECK YOURSELF

Poll: based on your turnover, which route are you on?

Not in MTD

In MTD

POLL 2

Add up your childminding income plus any rent (*if any*). Which line are you on?

- Under £20,000 - not required yet
- Over £20,000 - in from April 2028
- Over £30,000 - in from April 2027
- Over £50,000 - in from April 2026
- Not sure - and that is fine

What it looks like through the year

The rhythm of a year in MTD

1. **As you go** Record income and expenses in your software. Many still jot the day's figures in the accounts book first.

2. **Every 3 months** Send a short summary update - four a year. A few clicks from the software or uploading your spreadsheet using ANNA's bridging solution.

3. **After year end** A final declaration tidies the year and replaces the tax return.

Quarter covered	Update due by
6 Apr - 5 Jul	7 August
6 Jul - 5 Oct	7 November
6 Oct - 5 Jan	7 February
6 Jan - 5 Apr	7 May

Five years, not six. Keep your records for at least five years after the 31 January filing deadline. You may have seen six years quoted, but that figure is for VAT-registered businesses and companies, not self-employed childminders.

Wear and tear: flat rate becomes actual cost

NOT IN MTD

Claim a flat 10% of your home childminding income. No receipts. But you cannot also claim the cost of replacing those items.

IN MTD

Claim the actual cost of buying, repairing or replacing items, times the business share. Keep receipts and a note of the split.

Example — Aisha (in MTD)

Childminding income £18,000. Old flat rate would give £1,800. This year she replaced sofas, a carpet and dining chairs for £3,000, used 80% for childminding, so she claims **£2,400 - that is £600 more than the flat rate.**

YOUR SUBMITTED QUESTION

"Do we need to have software?"

Short answer: **If you are in Making Tax Digital you need a digital way to keep your records and send them to HMRC, but not necessarily full bookkeeping software.**

If you are in MTD

- Two routes work: use all-in-one MTD software, or keep a spreadsheet and connect it to bridging software that submits to HMRC for you.
- Whichever route you choose, the parts must be HMRC-recognised and able to work together.

If you are not in MTD yet

- No software is required
- The Coram PACEY accounts book and attendance register are still an HMRC-accepted way to keep records
- Worth getting comfortable with software before your start date

A helpful free tool: ANNA can provide you a simple spreadsheet to record your income and expenses, which you then send through a bridging solution, so you do not have to run all your bookkeeping in software.

YOUR SUBMITTED QUESTION

"How can we work out expenses per room used for childminding?"

Short answer: Work out a fair, consistent business share of your home costs and claim that. There is no single official percentage.

If you are in MTD

Use actual figures. Work out the business share of each home cost by a reasonable method, usually the rooms used for childminding and how much of the time they are used for it. Keep a note of how you worked it out.

If you are not in MTD yet

You can use the childminder shortcuts instead: the hours-based percentages for household costs and the flat 10% for wear and tear. Or use actual costs if they give a bigger claim.

A helpful free tool: ANNA's work-from-home expenses calculator works out your home-cost share on the actual-cost basis - useful for wear and tear and bills under MTD.

YOUR SUBMITTED QUESTION

"Can I still estimate food costs?"

Short answer: Yes. Outside MTD you can use a reasonable estimate; in MTD you record what you actually spend. Either way, the children's food is claimable.

If you are in MTD

Record the actual amount you spend and keep a digital record. Where you shop for the children and the family together, claim a fair proportion, for example by the number of people eating.

If you are not in MTD yet

You can claim a reasonable estimate of what you spend on the children's food and drink, with no receipts needed.

Top tip: Claim the actual amount you spend, and keep a digital record. Where you buy food for the children and the family together, claim a fair proportion.

YOUR SUBMITTED QUESTION

"What receipts do I need to keep? And what happens when I don’t get a receipt?”

Short answer: Keep enough to show your income and expenses. What changes is how you store it: on paper and in your accounts book outside MTD, or digitally in MTD.

If you are in MTD

Keep a digital record of each expense in your software or spreadsheet. You do not need a paper receipt for everything; where you cannot get one, a dated note of the amount and what it was is enough.

If you are not in MTD yet

Keep your receipts, fee records, bank statements and attendance register. You do not need a receipt for items under £10 or for the children's food. Keep records for five years after the 31 January deadline.

Top tip: No paper receipt? For cash payments or second-hand buys where you cannot get one, make a quick note of the date, amount and what it was, and record it in your software or spreadsheet. That is enough.

A short, practical to-do list

1

Work out your turnover

Add up all your income, plus any rent. That tells you which line of the table you are on.

2

Do not wait to be told

It is your responsibility to check your turnover and sign up on time. Treat any letter from HMRC as a prompt not something you wait for.

3

Keep good records now

Keep receipts and note your income and spend. Good habits now make the switch painless.

4

Open a separate account

A dedicated childminding bank account makes income, fees and charges far easier to track.

5

Choose your MTD submission method

Either use a MTD software or keep a spreadsheet and submit it through bridging software. Pick from HMRC's recognised list and set it up before your start date.

6

Keep your accounts book

Carry on with the Coram PACEY book and register alongside - it still helps.

Who is exempt, and a gentler first year

Some people do not have to use it

- People without a National Insurance number (you need one to sign up)
- People who apply to HMRC as 'digitally excluded' - for example because of age, a disability, poor internet, or their beliefs
- A few others get a one-year delay, such as foster carers claiming qualifying care relief

Being exempt removes the digital part, not the need to report your income. Finding software tricky is not the same as being unable to use it - check with HMRC.

A gentler start for the first two waves

For the 2026 to 2027 tax year, there are no penalties for missing a quarterly update deadline. At Budget 2026 the government extended this, so those joining in April 2027 will not get penalty points for late quarterly updates in 2027 to 2028 either. This does not change the deadline to pay your tax, so still pay on time.

IN ONE MINUTE

Five things to take away

1. MTD changes how you report, not what you pay.
2. The test is your turnover (plus rent), not your profit.
3. You still claim every expense - including the children's food.
4. Software or spreadsheet bridging solution is required only once you are in MTD.
5. Signing up on time is your responsibility, not automatic. If you are under £20,000, you are not in yet.

OVER TO YOUR QUESTIONS

Your questions

Put your question in the Q&A box. We will take as many as we can over the next 20 minutes, starting with a few sent in beforehand.

~20 minutes

Thank you for joining us

Take these away with you

The full guide

The Childminder's Guide to Expenses and Tax - the plain-English guide this session is based on, free from Coram PACEY and ANNA.

HMRC's official guidance

GOV.UK has the MTD timelines and the recognised-software list. Always the final word on dates and rules.

ANNA's free calculator

The work-from-home expenses calculator for working out your home-cost share under MTD.

This session is general information, not personal tax advice. For your own situation, check with HMRC or a qualified tax advisor.

Childcare and early years conference 2027

Making Tax Digital: Join ANNA Money at our 2027 conference

WORKSHOP & CLINIC
featuring Aftab Hussain (ACCA) from ANNA Money

SAVE THE DATE

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