

Self Assessment Success 2019/20

Investment: Property Introduction

Steve rents his property for £650 per month paid monthly in advance on the 1st of the month. He's been doing this since before the current financial year. On 1st December he increase the rent to £700 per month. He receives all but the April 2020 payment on time. Aprils payment isn't received until May 2020.

Calculate steves income using both cash and accrual basis.

Cash Basis		Accrual Basis	
Rent Income		Rent Income	
1st May	£650	1st May	£650
1st June	£650	1st June	£650
1st July	£650	1st July	£650
1st August	£650	1st August	£650
1st September	£650	1st September	£650
1st October	£650	1st October	£650
1st November	£650	1st November	£650
1st December	£700	1st December	£700
1st January	£700	1st January	£700
1st February	£700	1st February	£700
1st March	<u>£700</u>	1st March	£700
TOTAL INCOME	£7,350	1st April	<u>£700</u>
		TOTAL INCOME	£8,050