

BOOKKEEPING Reviewed 30 Apr 2026

UK Invoice Checklist

Every legal UK invoice requirement in one practical checklist, with VAT, limited company and payment-term checks separated clearly.

Most founders get invoicing about 80% right. The missing details, wrong VAT treatment or unclear payment terms are what cause disputes, delayed payment and awkward HMRC questions later.

Choose the section that matches your situation, then run through the ticks before sending the invoice.

- Not VAT registered: use the basic invoice requirements.
- VAT registered and invoice over GBP 250 including VAT: use the full VAT invoice requirements.
- VAT registered and invoice GBP 250 or under including VAT: a simplified VAT invoice may be enough.

01

Basic invoice requirements

Use this section if you are a sole trader or limited company and you are not VAT registered.

- The word "Invoice"** clearly visible, not "Bill", "Statement", or "Receipt"
- A unique invoice number**, sequential and with no gaps
- Invoice date**, the date you are issuing it
- Your business name and address**, with trading name if different
- Your customer's name and address**, using the legal entity rather than only a contact person
- A clear description** of the goods or services supplied
- The quantity and unit price** for each line item
- The total amount due**

02

Limited company extras

If you trade through a limited company, add these details to every invoice.

- Your full registered company name**, exactly as shown at Companies House, including "Limited" or "Ltd"
- Your company registration number**
- Your registered office address**, even if this is different from your trading address

These are required under the Companies Act 2006, section 82, and apply to business stationery generally, not only invoices.

03

Full VAT invoice requirements

Use this section if you are VAT registered and the invoice is over GBP 250 including VAT.

- Your VAT registration number**, format GB followed by 9 digits
- The time of supply**, also called the tax point, if different from the invoice date
- The customer's VAT number**, if the supply is reverse charge or the customer is in the EU
- For each line item:** description, quantity, unit price excluding VAT, VAT rate, and amount excluding VAT
- The total amount excluding VAT**
- The rate of any cash discount offered**
- The total VAT charged**, in sterling, with the rate clearly shown
- The total amount including VAT**
- The reason for zero-rated or exempt items**, for example "Zero-rated, export outside UK"
- Reverse charge wording**, where relevant: "Reverse charge: customer to account for VAT to HMRC" or similar

04

Simplified VAT invoice requirements

For retail-style supplies of GBP 250 or less including VAT, a simplified VAT invoice can be used.

- Your name, address and VAT registration number**
- The time of supply**, also called the tax point
- A description of the goods or services**
- The total amount payable including VAT**
- For each VAT rate applicable**, the gross amount payable and the VAT rate

Simplified invoices cannot be used for supplies to other EU businesses or for reverse charge transactions.

05

Payment terms worth adding

These are not strict invoice validity rules, but they make payment collection much easier.

- Payment due date**, such as "Payment due within 30 days" or "Payment due on receipt"
- Accepted payment methods**, including bank details or a payment link
- Late payment terms**, if you intend to charge statutory interest and compensation
- A payment reference**, usually the invoice number

06

Records and storage

Keep the audit trail clean after the invoice is issued.

- Keep VAT invoices and supporting records for six years**
- Store digital copies clearly**, PDFs and scans are fine if legible and complete
- Keep voided invoice numbers in your records** and mark them as cancelled rather than skipping the number
- Make sure invoice data flows into MTD-compatible software** where Making Tax Digital applies

The five mistakes I see most often

1. **Non-sequential invoice numbers.** HMRC expects a complete sequence with no gaps. If you void an invoice, keep the number in your records and mark it as cancelled.
2. **Missing or wrong company details.** Limited companies often miss the full registered name, company number or registered office address.
3. **Charging VAT before registration.** You cannot itemise VAT until your effective date of registration.
4. **Showing VAT in a foreign currency without sterling conversion.** VAT must also be shown in sterling using an acceptable exchange rate.
5. **Vague descriptions.** HMRC needs to see what was supplied. Specific descriptions are easier to defend.

On invoice numbering

Your numbering can be anything, as long as it is unique and sequential. Common formats include pure sequences such as 0001, year-prefixed numbers such as 2026-001, or client-prefixed numbers such as ACME-001.

For limited companies, year-prefixed numbering usually makes year-end reconciliation cleaner.

BEFORE USING

This checklist is a practical prompt, not legal or tax advice. If your VAT position, place of supply, reverse charge treatment or company details are uncertain, check before issuing the invoice.

Need a hand getting invoicing set up correctly? Lean Ledger helps founders build invoicing workflows that comply with HMRC requirements from day one.