Vocabotics

A VOCABOTICS FIELD GUIDE

FOR ACCOUNTANTS & BOOKKEEPERS

AI for Accountants

Where AI genuinely speeds an accounting practice — drafting, summarising, research you verify — and the bright lines it must never cross: the filing, the sign-off, and any figure you have not checked.

For accountants & bookkeepers

Shipped — measured, gate-clean

COVER: THE LEDGER AT CLOSE OF DAY · INTERIM ILLUSTRATION — REAL PHOTOGRAPHY DROPS IN LATER

Vocabotics

A VOCABOTICS FIELD GUIDE

AI for Accountants

Where AI genuinely speeds an accounting practice — drafting, summarising, research you verify — and the bright lines it must never cross: the filing, the sign-off, and any figure you have not checked.

PREPARED	VERIFIED BY	HOW TO READ IT
2 July 2026	Jon Ross — Founder, Vocabotics — 15 years building safety-critical AI	Drafted with AI, verified by a named human. Sources at the back.

01 £ The honest size of it

What AI does for a practice — and the three things it must never touch.

You already work to a standard: every figure ties back, every return is signed by a named person, and the responsibility to HMRC is yours. AI does not change any of that. What it changes is the hours lost to first drafts, plain-English explanations and digging through guidance. Used inside your existing controls, it is a fast junior — one whose work you always review — not a replacement for professional judgement.

THE PLAIN TRUTH **The three bright lines**

AI never does the **filing**, never provides the **sign-off**, and never hands you a **figure to trust unchecked**. It drafts the letter, summarises the guidance and lays out the working — you verify every number against the source and put your name to the result. Cross those lines and you have swapped a control for a risk.

"AI" here means an assistant you prompt in plain language — ChatGPT, Claude, Gemini, or a document tool built on them. It drafts, summarises, reformats and explains text. It is not your bookkeeping software, not HMRC's systems, and not a calculator you can trust blind: language models can produce a confident, wrong number. That single fact governs everything below.

The whole guide, at a glance

Our AI Reliability Traffic Light, applied to the work a practice actually does.

Drafting client letters, engagement notes and email Strong first drafts you edit — a real time-saver on correspondence.	Go as of July 2026
Summarising legislation or a long client email into actions Good comprehension — you still confirm anything you will rely on.	Go as of July 2026
Explaining a rule, then you verify against HMRC / the standard A fast orientation — never the authority. Confirm before advising.	Amber as of July 2026
Producing the figures on a return, or filing it Figures must be computed and verified in your systems; filing is yours.	Stop as of July 2026

02 Where it genuinely helps

The parts of practice where a reviewed AI draft saves real time.

Correspondence. Chaser letters, engagement wording, "here is what we need for your return" emails. Draft in seconds, edit to your house style, sign as yourself.

Summarising. Turn a fifteen-page guidance note or a rambling client email into a dated action list — then confirm the points you will rely on.

Research, verified. Ask for an orientation on a rule, then follow every claim to HMRC or the standard before it reaches a client. AI points you at the question; the source answers it.

Working papers. Lay out a computation as a tidy schedule, with the arithmetic shown — so a human can check each line. AI formats; you verify.

Explaining to clients. Translate "input tax" or "payments on account" into plain English a client actually reads.

Data tidying. Reformat a messy CSV of transactions into consistent columns — inside a private, controlled workflow, never by pasting client data into a public chatbot.

Correspondence
chasers, engagement, client email

Summarising
guidance & long emails → actions

Working papers
a schedule with the arithmetic shown

Explaining
jargon into plain client English

Six parts of practice where a reviewed AI draft saves real time — all drafting and explaining, never figures or filing.

AI drafts & formats

- Letters, notes and emails
- Summaries of guidance
- A computation laid out as a schedule
- Plain-English client explanations

vs

You compute, verify & sign

- Every figure, tied to source
- The filing and the submission
- The sign-off and the opinion
- What may — and may not — go into a tool

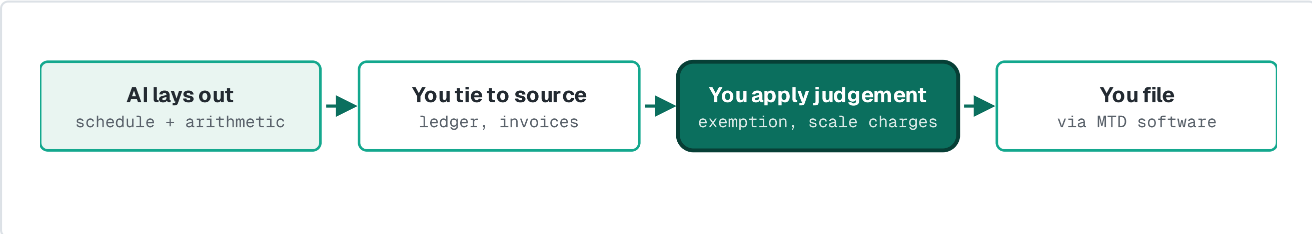
The engagement, unchanged: AI is a fast junior whose every output you review.

> *Give me a real worked VAT example with the figures laid out like a working paper, and I will trust you over any deck.*
>
> Nadia, accountant — on what earns a practitioner's trust

03 Worked example: a VAT return as a working paper

The flagship: a quarter's VAT, laid out so every figure can be checked to source.

This is where the discipline shows. AI can lay the schedule out and do the plain arithmetic; you tie each figure to the ledger, apply the judgement (partial exemption, fuel scale charges, the reverse charge) and file it yourself. Here is the working paper.



The discipline, in one line: the assistant lays out and computes the arithmetic; you tie each figure to source, apply judgement, and file it yourself.

REF	DESCRIPTION	NET (£)	VAT (£)	SOURCE / CHECK
Box 6	Standard-rated sales (outputs)	48,250	–	Sales day book
Box 1	Output VAT @ 20%	–	9,650	= 48,250 × 20%
Box 7	Purchases (inputs)	16,400	–	Purchase ledger
Box 4	Input VAT reclaimed @ 20%	–	3,280	= 16,400 × 20%
Box 5	Net VAT due to HMRC	–	6,370	= Box 1 – Box 4

VAT working paper — quarter to 30 June 2026 (illustrative figures).

Boxes follow the HMRC VAT return. Confirm any partial-exemption restriction, fuel scale charge or reverse-charge item before you rely on Box 4.

$$\mathrm{VAT} = \mathrm{gross} \times \frac{r}{1+r} \quad \Longrightarrow \quad r = 0.20: \quad \mathrm{VAT} = \frac{\mathrm{gross}}{6}$$

The VAT fraction: to pull the VAT out of a *gross* (VAT-inclusive) figure at the 20% standard rate, divide by six. From a *net* figure, multiply by the rate *r*. Two different starting points — a frequent source of quiet errors, so it is worth having typeset correctly.

On a £1,440 gross invoice: VAT = 1,440 ÷ 6 = £240; net = £1,200. The assistant can show this working; you confirm which figure you started from.

Extracting VAT — the fraction vs the rate

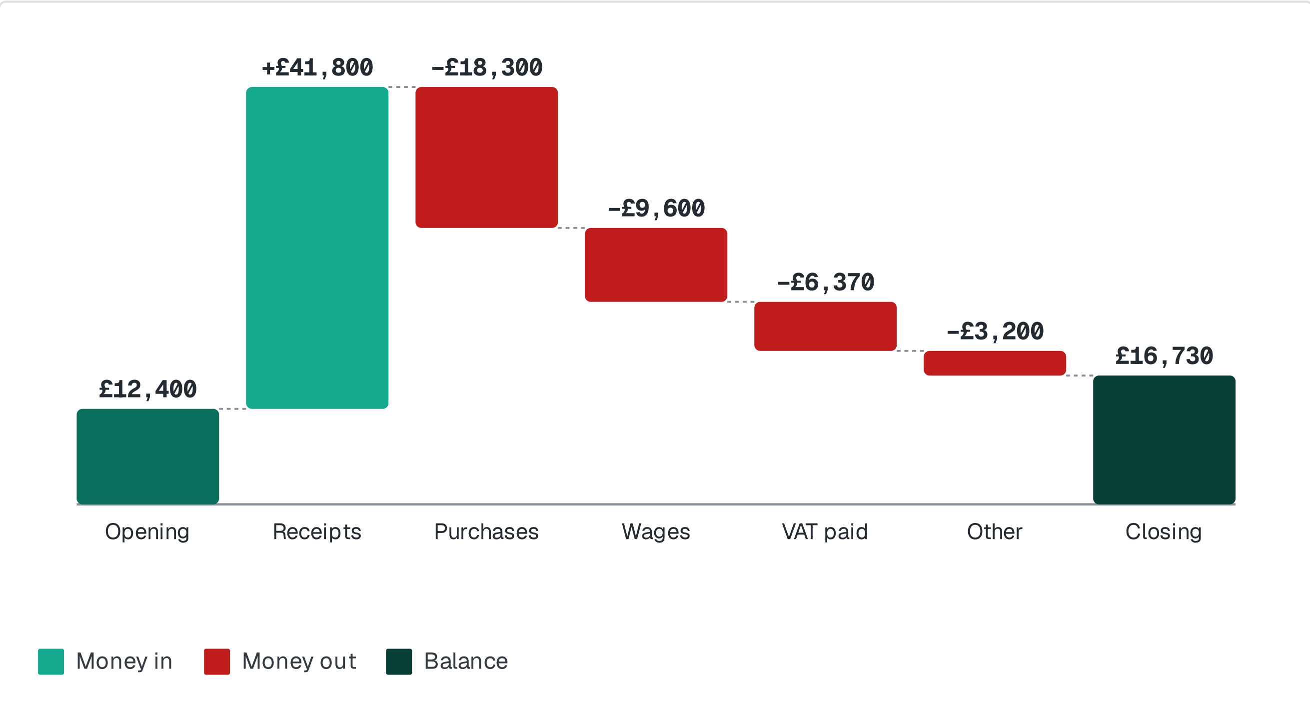
KEEP A HUMAN HERE **Making Tax Digital and the filing**

Under Making Tax Digital, the return is submitted through compatible software with a digital link back to the records. AI drafting a schedule is fine; the numbers must be computed and stored in that MTD-compliant system, and the submission is made — and signed off — by you. The assistant never touches HMRC.

04 Seeing the quarter: cash-flow

A waterfall a client understands at a glance — drafted by AI, checked by you.

Clients rarely read a columnar cash-flow; they read a picture. AI is good at proposing the shape and the commentary. The figures come from your records, and you confirm them — but the draft chart and the plain-English note save a real half-hour per client pack.



Quarterly cash movement — opening balance to closing, illustrative figures.

Source: Illustrative — driven by the client's own ledger

05 The ledger stays double-entry

£

AI can format a posting; the debits and credits — and the judgement — are yours.

A language model can draft the narrative of a journal and set out the rows. It does not understand your chart of accounts or the substance of the transaction — so you decide the coding and confirm the entry balances. One sales invoice, posted:

ACCOUNT	REF	DEBIT (£)	CREDIT (£)
Trade debtors	SI-1042	1,440	–
Sales	SI-1042	–	1,200
VAT control (output)	SI-1042	–	240
Totals		**1,440**	**1,440**

Nominal ledger extract — sales invoice #1042, £1,200 net + £240 VAT.

Debits equal credits — the check AI cannot be trusted to make for you. You confirm the coding and that it balances.

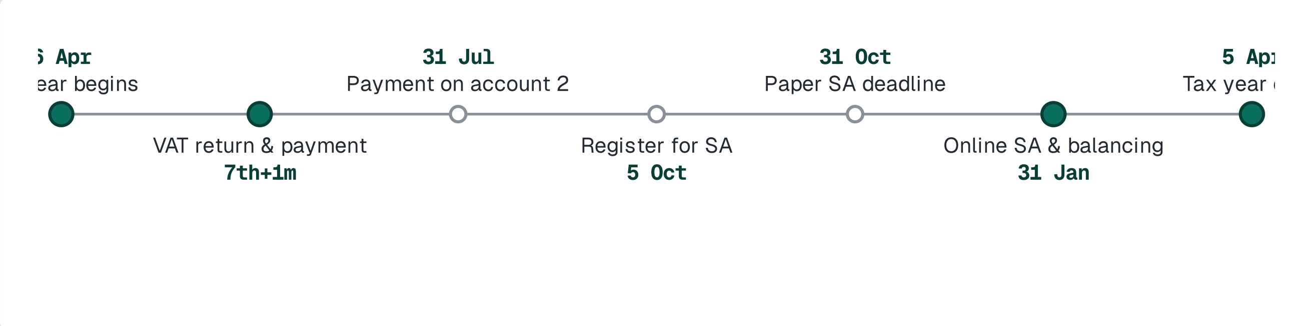
The rule under every example

AI drafts and formats; you compute, verify and sign. Anything that reaches HMRC, a client account, or an audit file is checked to source by a named human. That is not a limitation of the tool — it is the standard you already work to.

06 The compliance year

The dates that do not move — where an assistant helps you prepare, not file.

An assistant is useful for drafting the client reminders around these dates and explaining what each means. The deadlines themselves come from HMRC and do not bend — confirm the current dates each year.



Key UK tax-year dates for a general practice (confirm current dates with HMRC).

Source: HMRC — Self Assessment and VAT deadlines

07 Where a human must stay

The bright lines again — with the reasons, in red.

These are red because the consequence lands on you and your client, not the tool.

Filing a return or submitting to HMRC — Stop

The submission and the responsibility are the practitioner's, through compliant software.

as of July 2026

Providing the figures without verifying them in your systems — Stop

Models can produce confident, wrong numbers. Every figure ties to source.

as of July 2026

The sign-off / professional opinion — Stop

Judgement and accountability are a named human's — that is the whole engagement.

as of July 2026

Pasting client data into a public AI tool — Stop

Confidentiality and data-protection duties; use controlled, private tooling only.

as of July 2026

KEEP A HUMAN HERE **Responsibility to HMRC stays with you**

Whatever drafted a schedule, the accuracy of a return and the duty to file it correctly rest with the person who signs it. AI is not a defence for an error. Treat its output as an unreviewed junior's — helpful, and never final.

Confidentiality is a professional obligation, and client financial data is exactly what you must not hand to an outside company casually. Keep AI use inside tooling you control and have assessed; align it with your professional body's guidance and a recognised risk framework before it touches client work.

08 A safe first task, this week

Prove the value on something with no client-data and no downside.

Do not start with a client's numbers. Start with words. Take a piece of published guidance and ask the assistant to summarise it into a plain client note — then check it against the source. You will feel the time saved and see, first-hand, where it drifts.

Your first fortnight with an AI assistant

No client data leaves your control in any of these steps.

- [ ] Pick one assistant and read its data-handling terms before anything else.
  Confirm what it does with what you type. Assume public tools are not confidential.
- [ ] Draft one chaser letter and one engagement email; edit to house style.
- [ ] Summarise one piece of published HMRC guidance into a plain client note.
- [ ] Verify every point in that note against HMRC before it could reach a client.
  This verification step is the professional skill — never skip it.
- [ ] Lay out one computation as a schedule; check every line of arithmetic yourself.
- [ ] Agree with your team a written rule on what may and may not go into an AI tool.

Two weeks of that and you will know exactly where an assistant belongs in your workflow: on the drafting and the explaining, never on the filing, the figures or the sign-off. Use it as the fast junior it is, keep the responsibility where it has always sat, and it earns its place without ever putting a client — or your practice — at risk.

09 Sources, glossary & the ledger

Where every claim comes from — and what the plain words mean.

Sources

01 **VAT: detailed information (returns, MTD, rates)** — HM Revenue & Customs (as of July 2026)
https://www.gov.uk/topic/business-tax/vat

02 **Making Tax Digital for VAT** — HM Revenue & Customs (as of July 2026)
https://www.gov.uk/government/collections/making-tax-digital-for-vat

03 **Self Assessment tax returns — deadlines** — HM Revenue & Customs (as of July 2026)
https://www.gov.uk/self-assessment-tax-returns/deadlines

04 **Technology & AI guidance for members** — ICAEW (as of July 2026)
https://www.icaew.com/technical/technology

05 **AI Risk Management Framework (AI RMF 1.0)** — NIST (as of July 2026)
https://www.nist.gov/itl/ai-risk-management-framework

06 **Guidance for organisations (data protection)** — UK Information Commissioner's Office (as of July 2026)
https://ico.org.uk/for-organisations/

Plain-English glossary

Input tax / output tax	VAT you pay on purchases (input, reclaimable) versus VAT you charge on sales (output, payable). Box 4 and Box 1 on the return.
Making Tax Digital (MTD)	HMRC's requirement to keep digital records and file through compatible software with digital links. AI drafting does not satisfy it; the filing software does.
Partial exemption	Where a business makes both taxable and exempt supplies, restricting how much input VAT it can reclaim — a judgement AI must not make unchecked.
Payments on account	Advance Self Assessment payments due 31 January and 31 July, each half the prior year's tax, with a balancing payment the following January.
VAT fraction	The multiplier that extracts VAT from a VAT-inclusive figure — 1/6 at the 20% standard rate.

Vocabotics

THE HONESTY LEDGER

🟢 Shipped — measured, gate-clean.

🔬 Research — measured, partial; the gap is shown.

🔭 Vision — designed, honest; not yet built.

The bigger claim goes up a tier, never down. We show the eval beside the demo — the tiering is the credibility.

Get a free, tailored plan

Every practice is different. Take the free five-minute readiness check and get three concrete, honest next steps for your firm — where AI fits your controls, and where it does not.

/diagnose/quiz

Nothing faked.

This guide was drafted with AI and verified by a named human. Every figure is illustrative and marked as such; every rule points to HMRC, ICAEW or a recognised framework. An accountant's document, on our spine.