Ledgr

User and administrator guide

UAE bookkeeping and tax in plain words, every Ledgr module explained with screenshots, and the virtual CFO service.

Version 3 · 10 November 2026 · ledgr.hubrock.biz

How to read. Part I explains the basics: double entry, chart of accounts, VAT, Corporate Tax, QFZP, e-invoicing and who can do what in Ledgr. Part II covers the modules in menu order: what it is and why, how it works in Ledgr (journal entries, what the software calculates, what AI does), where to find it, step by step with screenshots, FAQ and a **“What to check”** box numbered as in the partner checklist. Part III is the virtual CFO service. Part IV covers access, data, AI and limitations. At the end: glossary and the full checklist. Online version with search: ledgr.hubrock.biz/ui/help.

All data in the screenshots is fictitious (demo company Sunrise Trading LLC). Tax information is as of November 2026 and does not replace advice from a tax adviser.

Contents

Part I. Basics

1. Bookkeeping in plain words
2. UAE taxes in brief
3. Who works in Ledgr: roles

Part II. Ledgr modules

1. Getting started: sign-up, screen, menu
2. Company settings: profile, users, firm access
3. Customers and items
4. Quotes
5. Invoices (Tax Invoices)
6. Payments received and credit notes
7. Suppliers, bills and expenses
8. Incoming documents: reading bills and receipts
9. Banking: accounts, statements, matching and reconciliation
10. VAT return (VAT 201)
11. Corporate tax
12. Free zone (QFZP)
13. Related parties and transfer pricing
14. Reports: profit and loss, balance sheet, receivables and payables
15. Management pack
16. Budget and budget vs actual
17. 13-week cash forecast
18. Group of companies and consolidation
19. Audit and close; bank pack
20. Deadlines & tasks, notifications

21. Firm clients (accounting firm workspace)
22. E-invoicing

Part III. Virtual CFO

1. What a virtual CFO is
2. What the service includes
3. The monthly CFO cycle in Ledgr
4. Quarterly and annual tasks
5. How a firm runs many clients
6. What AI does and where a person must check
7. What the firm delivers to the client

Part IV. Administration and security

1. Access, passwords, sessions
2. Data: separation, audit trail, retention, export
3. AI in Ledgr
4. Known limitations

Appendices

1. A. Glossary
2. B. Partner checklist

PART I

Basics

Bookkeeping in plain words, UAE taxes, roles in Ledgr

1. Bookkeeping in plain words
2. UAE taxes in brief
3. Who works in Ledgr: roles

1 Bookkeeping in plain words

Bookkeeping is a continuous record of everything that happens to a company's money and assets: you sold, bought, paid, got paid, or now owe someone. From these records the reports build themselves: how much the company earned, what it owns, whom it owes and how much tax it pays. Ledgr keeps the books for you: you issue invoices, enter expenses and import bank statements, and the software writes the entries according to the rules below. Knowing these rules helps you read the reports and spot mistakes.

Double entry: debit and credit

Every transaction touches at least two places at once. Sell goods on credit — revenue goes up, and so does the customer's debt to you. Pay rent from the bank — cash in the bank goes down, and an expense appears. So every transaction is recorded twice: one side is the **debit** (Dr), the other the **credit** (Cr), and the two sides always add up to the same amount. This is **double-entry** bookkeeping. It has a built-in check: if total debits and total credits in the books differ, something is wrong.

Here “debit” and “credit” do not mean plus and minus, and have nothing to do with a bank loan. They are simply the left and right columns. What grows on the debit side and what grows on the credit side depends on the type of account:

Account group	Increases with	Decreases with	Examples
Assets — what the company has	debit	credit	cash in the bank, amounts customers owe, recoverable VAT
Liabilities — what the company owes	credit	debit	amounts owed to suppliers, VAT payable, corporate tax
Equity — invested by owners and earned	credit	debit	share capital, retained earnings
Income	credit	debit	sales, services, other income
Expenses	debit	credit	salaries, rent, utilities, bank charges

Example: the company issues an invoice for AED 1,000 plus 5% VAT. Ledgr records:

Invoice for AED 1,050		
Dr	1200 Accounts Receivable (customer owes you)	1,050.00
Cr	4100 Sales (revenue)	1,000.00
Cr	2200 VAT Payable (output VAT)	50.00

Debit = credit = 1,050.00. The customer owes 1,050, revenue is 1,000, and you owe the government 50.

When the customer pays, a second entry appears: Dr Bank 1,050 — Cr Accounts Receivable 1,050. The customer's debt goes to zero and cash in the bank grows. Revenue is not recorded a second time: it was recognised when the invoice was issued.

Chart of accounts

The **chart of accounts** is the list of “boxes” every entry is sorted into. Each account has a code and a name. A new company in Ledgr gets a chart of accounts that suits a typical UAE trading or service business:

- **1000 Assets**: 1110 Cash, 1120 Main Bank Account, 1200 Accounts Receivable, 1300 VAT Recoverable (Input VAT), 1400 Inventory, 1500 Prepaid Expenses, 1600 Fixed Assets, 1900 Suspense;

- **2000 Liabilities**: 2100 Accounts Payable, 2200 VAT Payable (Output VAT), 2300 Accrued Expenses, 2400 Corporate Tax Payable, 2500 Employee End of Service Benefits;
- **3000 Equity**: 3100 Share Capital, 3200 Retained Earnings, 3300 Owner Drawings;
- **4000 Income**: 4100 Sales, 4200 Service Income, 4900 Other Income, 4910 Exchange Gain/Loss, 4920 Rounding;
- **5000 Cost of Sales**: 5100 Cost of Goods Sold;
- **6000 Operating Expenses**: 6100 Salaries and Wages, 6200 Rent, 6300 Utilities, 6400 Office Supplies, 6500 Travel, 6600 Marketing and Advertising, 6700 Professional Fees, 6800 Bank Charges, 6850 Telephone and Internet, 6900 Other Expenses.

Every bank account you add under Banking becomes its own account in the Cash and Bank group (for example, 1130). Reports show account names in the interface language.

Journal entry, ledger, period

- **Journal entry** — one record under double entry: several debit and credit lines with equal totals and a date. Every posted document in Ledgr (invoice, payment, expense, bank line) creates its journal entry automatically.
- **General ledger** — all journal entries in order. Account balances are built from it, and reports from the balances.
- **Trial balance** — a table of opening balance, debit and credit turnover and closing balance for every account. It is the first thing an auditor asks for.
- **Period** — the month, quarter or financial year that reports and taxes are calculated for. In the UAE the financial year usually matches the calendar year, but it does not have to.
- **Period close** — checking that everything for the month is entered and reconciled, and then **locking** the period so nothing can be posted into it with a back date. That way figures in a filed return or a report already sent cannot change quietly.

> **Draft versus posted document.** While an invoice is a draft, it is not in the books. When you click “Issue invoice” (or post a bill), a journal entry appears. A posted document cannot be edited silently — only corrected with a new document, such as a credit note. Auditors require this: the history of records must stay visible.

Accrual basis and cash basis

Under the **accrual basis**, income is recognised when it is earned (invoice issued, service delivered) and an expense when it is incurred (supplier's bill received), whenever the money actually moves. Under the **cash basis**, only when money comes in or goes out.

The UAE needs the accrual basis. Corporate Tax is calculated from the profit in financial statements prepared under IFRS, and IFRS requires accruals; the cash basis is allowed only for small businesses with revenue up to AED 3 million. VAT also arises at the time of supply or invoice, not on payment. So Ledgr keeps accrual books: revenue by invoice date, expenses by bill date, and money separately, by payment date.

Currency

- The **functional currency** of a UAE company is the dirham (AED). Books, reports and taxes are kept in it.
- **The dirham is pegged to the US dollar**: USD 1 = AED 3.6725. Dollar amounts convert to dirhams at this fixed rate; for other currencies (EUR, GBP and so on) the rate changes daily.
- For VAT, foreign-currency amounts are converted to dirhams at the UAE Central Bank rate on the date of supply, and the VAT amount in AED is shown on the Tax Invoice.
- An **exchange difference** (FX gain/loss) arises when the rate on the payment date differs from the rate on the invoice date. It goes to account 4910.

What Ledgr does today. Invoices and bills are issued in the company's functional currency (AED). Bank accounts can be in a foreign currency (USD, EUR…): lines post in AED at the rate on their date, exchange differences go to 4910, and the balance can be revalued (details in the Banking section). The USD rate is fixed (3.6725); rates for other currencies are entered by hand — there is no automatic download of Central Bank rates. Group reports use their own rates for translating member companies (period-end and average).

2 UAE taxes in brief

Taxes in the UAE are administered by the **Federal Tax Authority (FTA)**. Everything — registration, returns, payments, correspondence — goes through its portal, **EmaraTax**. Tax policy is set by the **Ministry of Finance (MoF)**, which issues the laws, Cabinet Decisions and Ministerial Decisions. Below is what you need to know to work in Ledgr. This is not tax advice: rules change, and specific cases should be checked with a tax adviser.

VAT — Value Added Tax

- **Standard rate 5%**, in force since 1 January 2018.
- **Mandatory registration** — when taxable supplies and imports in the last 12 months exceeded **AED 375,000**, or are expected to exceed it in the next 30 days. **Voluntary registration** — when supplies or expenses exceed **AED 187,500**.
- After registration the company receives a **TRN** (Tax Registration Number) — a 15-digit number that must appear on every Tax Invoice.
- The **tax period** is usually a quarter, for some businesses a month. The FTA gives each company its own schedule (**stagger**): a quarter may run February–April or December–February rather than January–March. The start of the first period is shown on the registration certificate.
- The **VAT 201 return and payment** are due by the **28th day of the month after the period ends**.
- **Output VAT** is the tax you charge customers. **Input VAT** is the tax suppliers charge you. You pay the difference; if input VAT is higher, you have VAT to recover.
- **Zero-rated** (0%) and **exempt** supplies are different. A zero-rated supply is taxable at 0%, and input VAT on related costs can be recovered: exports of goods and services, international transport, some education and healthcare, the first supply of new residential property. Exempt supplies are outside the charge altogether, and related input VAT cannot be recovered: some financial services, residential leases and sales (other than the first), bare land, local passenger transport.
- **Reverse Charge** (RCM) — on imports of services and goods the VAT is accounted for not by the foreign supplier but by the UAE buyer: you charge 5% yourself and recover it in the same return. For certain goods (for example, gold and diamonds) the reverse charge also applies within the UAE — check with your adviser.
- **Blocked input tax**: you cannot recover VAT on entertainment for non-employees, on motor vehicles available for private use, on goods and services for employees' personal benefit, or without the supplier's Tax Invoice.
- **Record keeping** — at least **5 years** after the end of the tax period (longer for real estate). On request, data is exported to the FTA in the **FAF** format (FTA Audit File).

Corporate Tax (CT)

- Applies to financial years starting on or after 1 June 2023. All juridical persons are taxable, and all must register, even if no tax is payable.
- **Rates**: 0% on taxable income up to **AED 375,000** and **9%** above it. Large multinational groups are subject to separate minimum tax rules.
- The **tax period** is the company's financial year (usually 12 months). The **return and payment** are due within **9 months** of its end.
- **Taxable income** starts from accounting profit and is adjusted: for example, only 50% of entertainment expenditure is deductible; net interest above 30% of EBITDA (if more than AED 12 million) is carried forward; fines and some donations are not deductible; dividends and participation income are often exempt. Tax losses brought forward can reduce taxable income by no more than 75%.
- **Small Business Relief (SBR)** — with revenue up to **AED 3 million** a company can elect to be treated as having no taxable income. The relief is elected in the return and is not available to Qualifying Free Zone Persons or members of large groups. It is time-limited: originally for tax periods ending by 31 December 2026; under

Ministerial Decision No. 131 of 2026 it was extended to tax periods ending by 31 December 2029 (this is how Ledgr applies it). Check with your tax adviser.

- **Free zones and QFZP.** A free zone company can become a **Qualifying Free Zone Person** (QFZP) and pay 0% on **qualifying income**. Conditions: adequate substance in the zone, qualifying activities, non-qualifying revenue within the **de minimis** threshold (5% of revenue and no more than AED 5 million), audited financial statements and compliance with transfer pricing rules. A breach means 9% and loss of the regime for that period and the next four.
- **Related parties and transfer pricing** (TP): transactions with owners, group companies, directors and their relatives must be at market terms (the **arm's length principle**). A disclosure form is filed with the return when such transactions exceed the threshold (AED 40 million); large companies and groups also prepare a Master File and Local File.
- **Record keeping** — **7 years** after the end of the tax period.
- **Audited financial statements** are mandatory for QFZPs, tax groups and companies with revenue above AED 50 million.

E-invoicing

- The UAE is moving to mandatory electronic invoicing between businesses (B2B) and with government (B2G). An invoice is sent not as a PDF but as structured data over the **Peppol** network in the **PINT-AE** format.
- It uses a “five-corner” model: seller → seller's provider → buyer's provider → buyer, with the FTA as the fifth corner, receiving the invoice data automatically.
- You cannot connect to the network directly: you need an **Accredited Service Provider** (**ASP**) from the Ministry of Finance list.
- Published timeline (Ledgr uses the same dates in Deadlines & tasks): pilot from 1 July 2026; businesses with revenue of AED 50 million or more appoint an ASP by 30 October 2026 and go live on 1 January 2027; all other VAT registrants appoint an ASP by 31 March 2027 and go live on 1 July 2027; government entities from 1 October 2027. Check with your adviser: the timeline may change.

Current as of: November 2026. Primary sources: the FTA portal tax.gov.ae (laws, decisions, VAT and CT guides) and the Ministry of Finance site mof.gov.ae (Ministerial Decisions, e-invoicing, list of ASPs).

3 Who works in Ledgr: roles

In Ledgr every **company** (organisation) has its own separate database: its own customers, invoices, books and users. One person can work in several companies and switch between them at the top of the screen. What a person may do in a company depends on their **role**.

Role	Usually	Can do
Owner	The person who created the company in Ledgr	Everything an administrator can do. A company always has an owner.
Administrator	Director, CFO, chief accountant	Everything, including inviting and turning off users, the company profile, accounting firm access and e-invoicing setup.
Accountant	The company's or the firm's accountant	All bookkeeping: invoices, bills, payments, banking, VAT return, taxes, reports, budgets, period close. Does not manage users.
Accountant assistant	Office manager, junior accountant	Day-to-day work: invoices, expenses, payments, customers and suppliers, incoming documents.
View only	Owner, investor, auditor, partner	Sees everything, changes nothing.

The accounting firm and its clients

An accounting firm is itself a company in Ledgr with the **Firm clients** workspace switched on. The firm gets access to client companies in two ways: it creates the client's company itself (and becomes its administrator), or it connects to an existing company with an access code issued by the client's administrator. Inside the firm:

- the **partner** (the firm's owner or administrator) sees all the firm's clients and assigns teams;
- a **staff member** sees only the clients they are assigned to and works in them with the role given in the client's team (for example, accountant);
- the **client** — users of the client company itself (the owner and their staff). They see their company and everything the firm has done in it, and can remove the firm's access at any time.

There is also **auditor access**: under Audit and close the company invites an external auditor, who sees the books and requests but cannot change anything; access is given for a limited time.

PART II

Ledgr modules

What it is and why, how it works, where to find it, step by step, FAQ, what to check

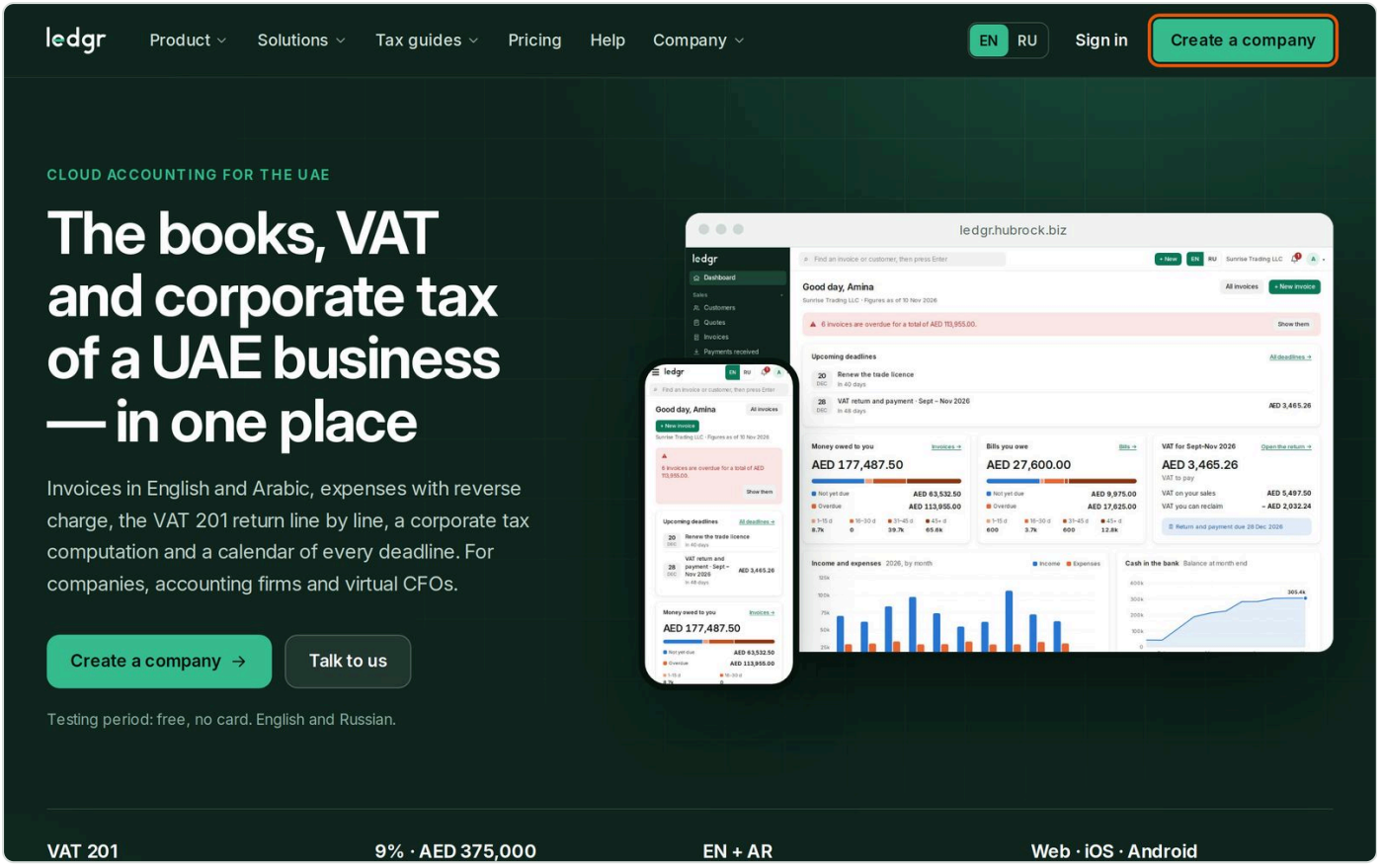
1. Getting started: sign-up, screen, menu
2. Company settings: profile, users, firm access
3. Customers and items
4. Quotes
5. Invoices (Tax Invoices)
6. Payments received and credit notes
7. Suppliers, bills and expenses
8. Incoming documents: reading bills and receipts
9. Banking: accounts, statements, matching and reconciliation
10. VAT return (VAT 201)
11. Corporate tax
12. Free zone (QFZP)
13. Related parties and transfer pricing
14. Reports: profit and loss, balance sheet, receivables and payables
15. Management pack
16. Budget and budget vs actual
17. 13-week cash forecast
18. Group of companies and consolidation
19. Audit and close; bank pack
20. Deadlines & tasks, notifications
21. Firm clients (accounting firm workspace)
22. E-invoicing

4 Getting started: sign-up, screen, menu

WHAT IT IS AND WHY

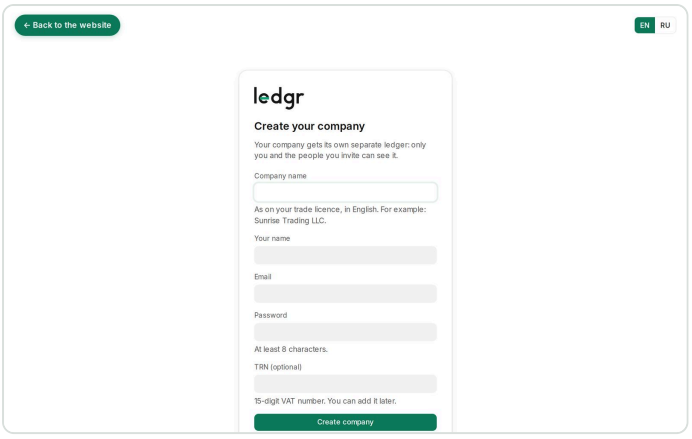
Ledgr runs in the browser on a computer or a phone — nothing to install. A new company is created in seconds and comes with a chart of accounts, 5% VAT and AED as its currency. Whoever creates the company becomes its owner and invites everyone else.

Where to find it: website → “Create a company”; returning users — “Sign in”
ledgr.hubrock.biz/ui/signup/

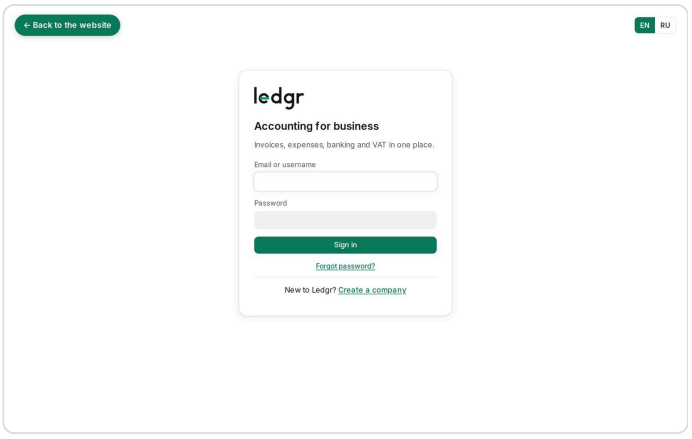


The Ledgr website. “Create a company” is at the top right and on the first screen.

1. Open ledgr.hubrock.biz and click **“Create a company”**.
2. Enter the company name in Latin letters as on the trade licence (for example, Sunrise Trading LLC), your name, email and a password of at least 8 characters. The TRN can be added now or later.
3. Next time use **“Sign in”**. Forgot your password? The **“Forgot password?”** link on the sign-in page sends a reset email.

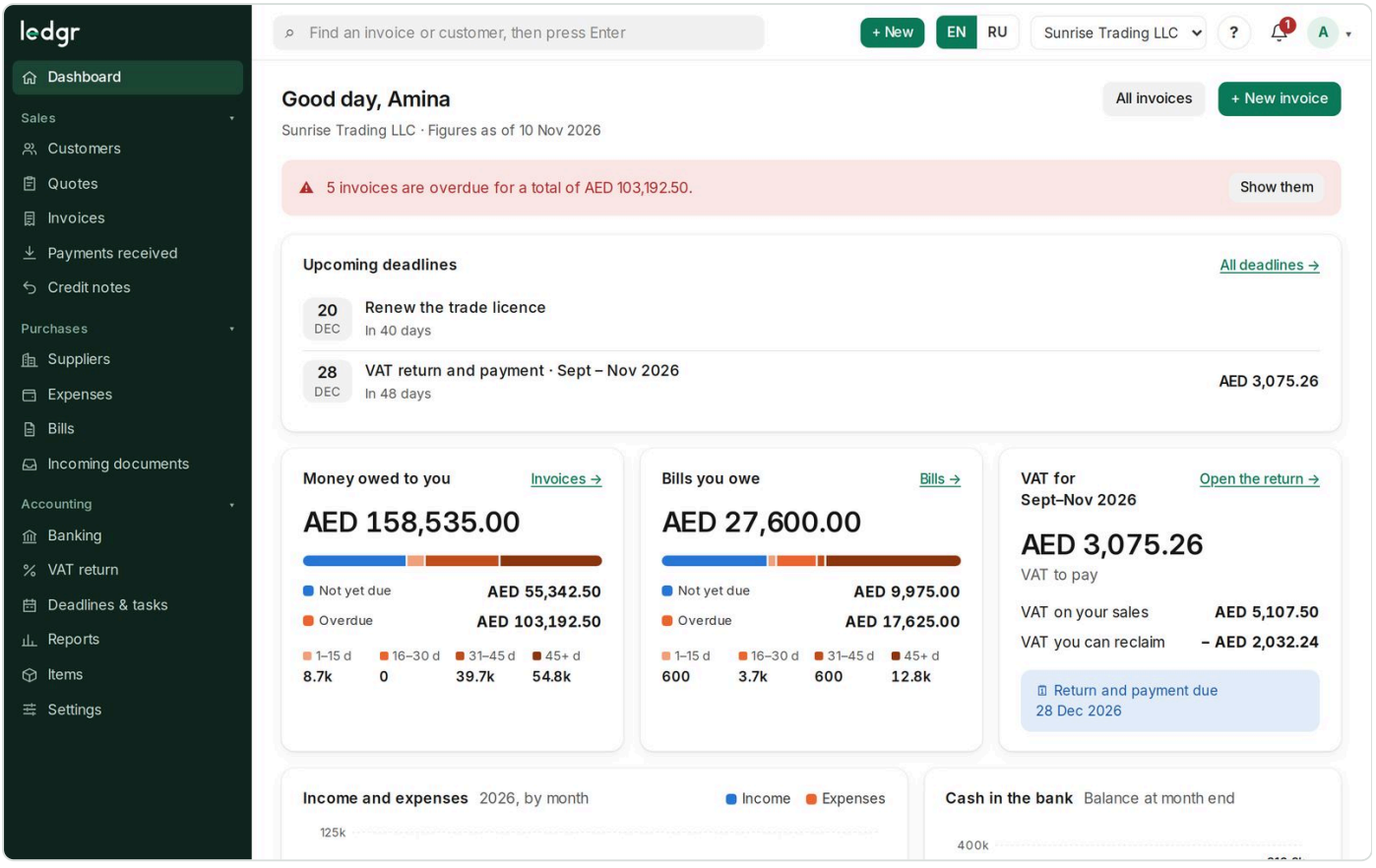


Creating a company



Signing in

Dashboard

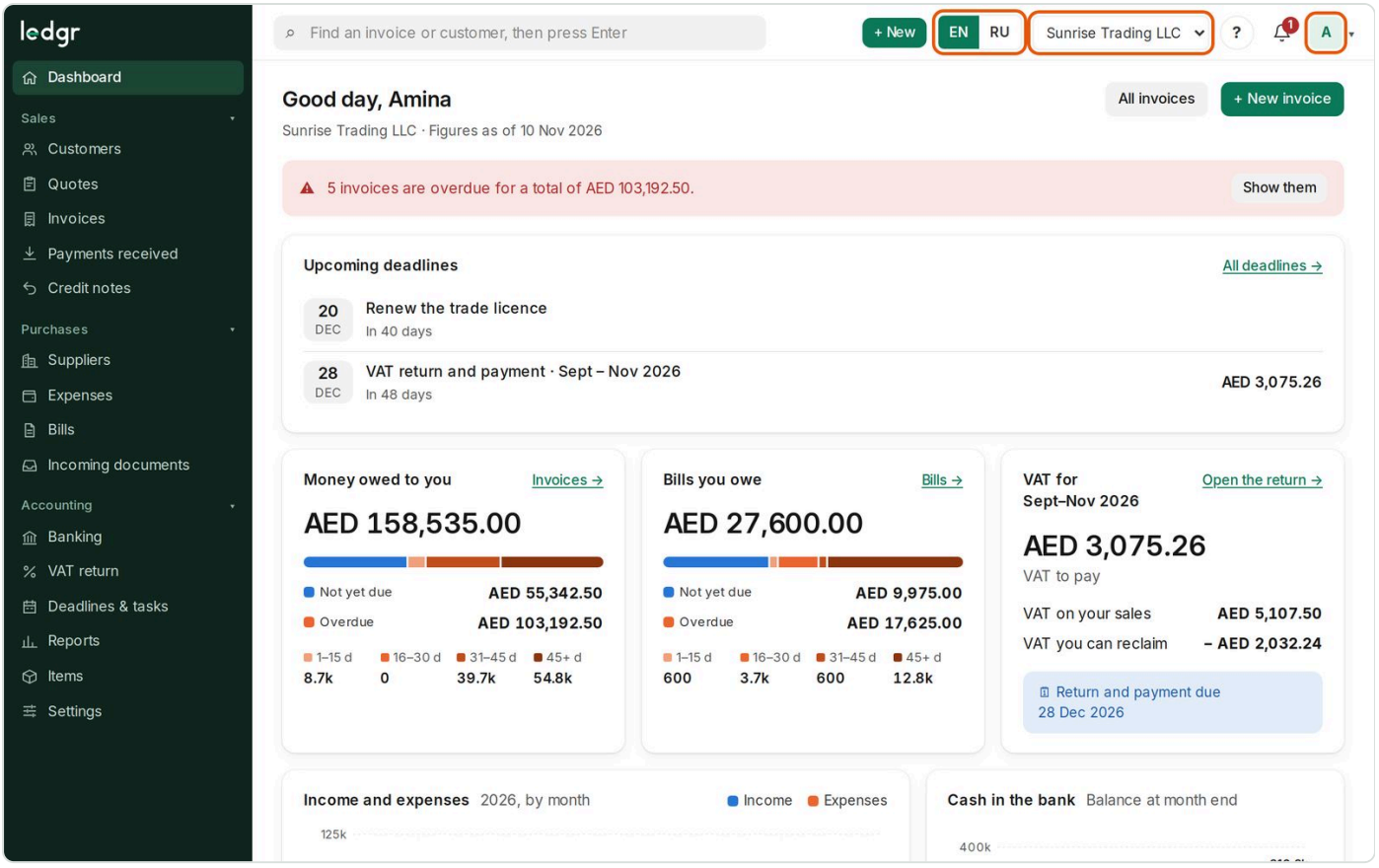


Dashboard: overdue invoices, upcoming deadlines, who owes you and whom you owe, VAT for the current period, income and expenses, cash.

The Dashboard is a summary for today. The red strip at the top shows overdue customer invoices. Below are upcoming tax deadlines, the “Money owed to you” and “Bills you owe” cards broken down by how overdue the amounts are, VAT for the current period (following the FTA schedule in the company profile) with VAT to pay and to recover, a chart of income and expenses by month, and cash.

Menu and top bar

The **left menu** is grouped into **Sales** (Customers, Quotes, Invoices, Payments received, Credit notes), **Purchases** (Suppliers, Expenses, Bills, Incoming documents) and **Accounting** (Banking, VAT return, Deadlines & tasks, Reports, Items, Settings). Users of an accounting firm also see “Firm clients” at the top.



Top bar: search, “+ New”, EN/RU language, company switcher, notifications, user menu.

- **Search** — type an invoice number or customer name and press Enter.
- **“+ New”** — quickly create an invoice, quote, expense or bill from anywhere.
- **EN / RU** — interface language. The Tax Invoice for the customer is always printed in English and Arabic.
- **Company** — switch if you work in several companies.
- **Bell** — notifications; **?** — help for the current screen; **user menu** — profile, help, light or dark theme, sign out.

5 Company settings: profile, users, firm access

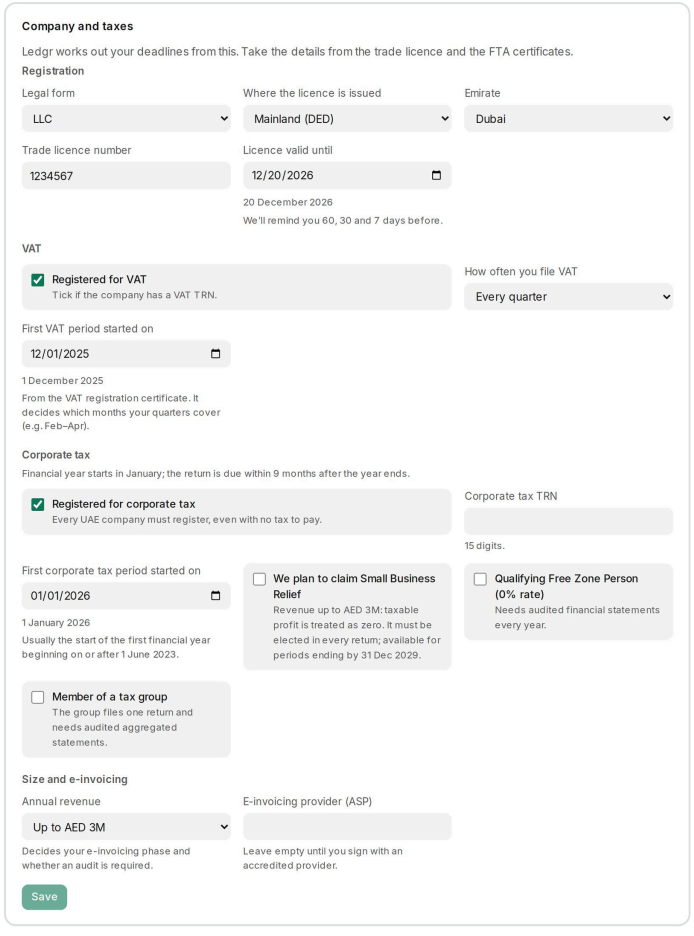
WHAT IT IS AND WHY

The **company profile** is the company's tax “questionnaire”: where the licence was issued, whether the company is registered for VAT and Corporate Tax, and what its VAT schedule is. Almost everything depends on it: which months make up a VAT quarter, when returns are due, which reminders appear in Deadlines & tasks, whether the free zone regime (QFZP) applies. The data comes from the trade licence and the FTA certificates.

HOW IT WORKS IN LEDGR

When you save the profile, Ledgr recalculates the calendar: VAT returns for your periods, the Corporate Tax return 9 months after the year end, licence renewal (reminders 60, 30 and 7 days before), e-invoicing milestones. If the start of the first VAT period is missing, Ledgr assumes calendar quarters — which gives wrong dates for a company on a staggered schedule. So enter the date from the certificate.

Where to find it: Accounting → Settings
ledgr.hubrock.biz/ui/settings/



The “Company and taxes” block

1. **Registration**: legal form (LLC, FZE, FZCO…), where the licence was issued — mainland (DED) or a free zone, emirate, licence number and “Licence valid until”.
2. **VAT**: tick “Registered for VAT”, enter the TRN, choose **“How often you file VAT”** (quarterly or monthly) and **“First VAT period started on”** — the date on the FTA certificate.
3. **Corporate tax**: registration, corporate tax TRN, start of the first tax period and the financial year; for a free zone company, whether you intend to apply the QFZP regime; with revenue up to AED 3 million, whether you intend to elect Small Business Relief.
4. Click **“Save”**. Ledgr confirms that the profile is saved and the deadlines are recalculated.

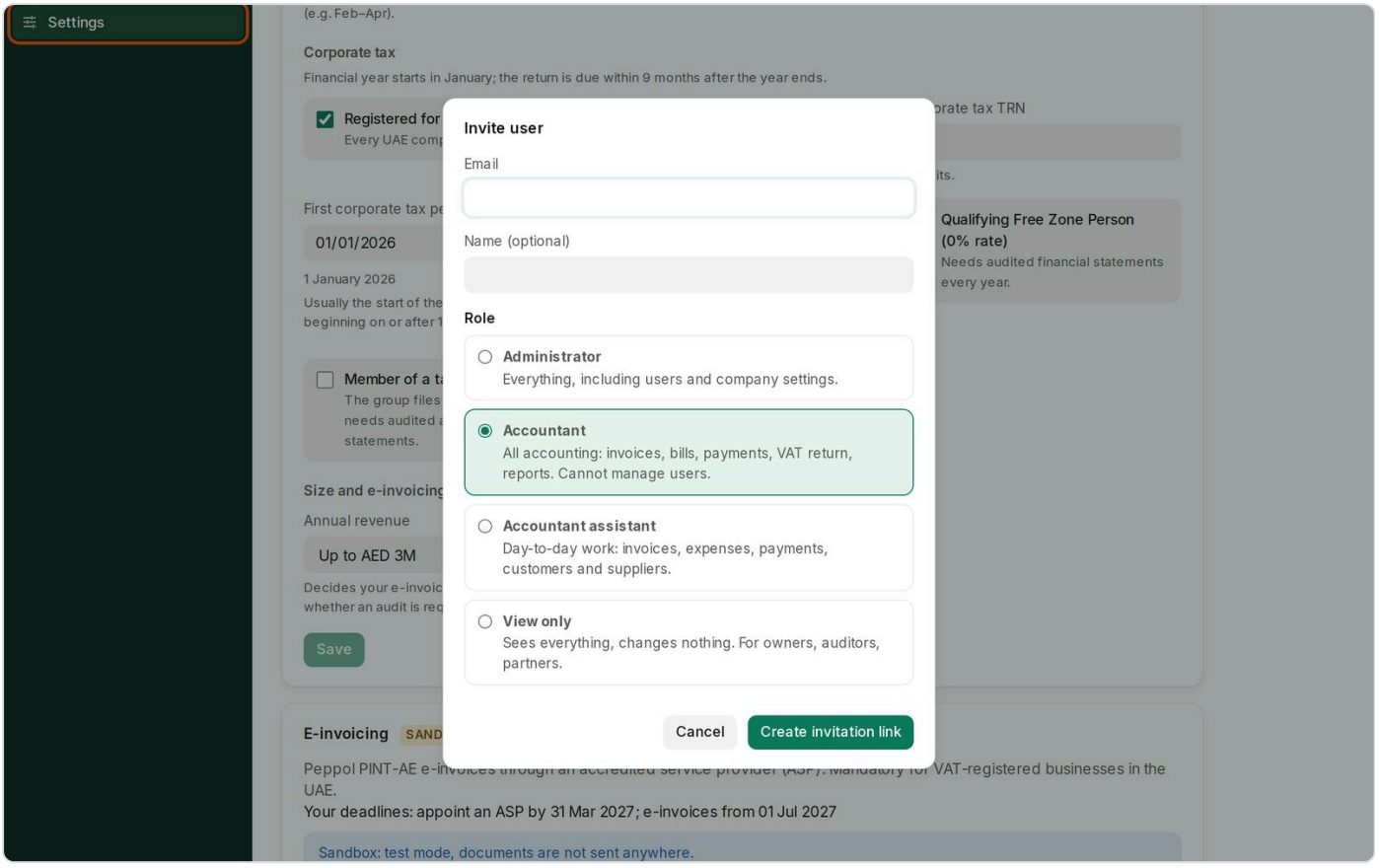
Users and roles

Person	Role	Last sign-in	Access
Amina Owner you autotest-96d432@ledgr.test	Owner	10 Nov 2026	—

Company users: role, access, last sign-in.

What each role can do is described in Part I (“Who works in Ledgr”). To invite a colleague:

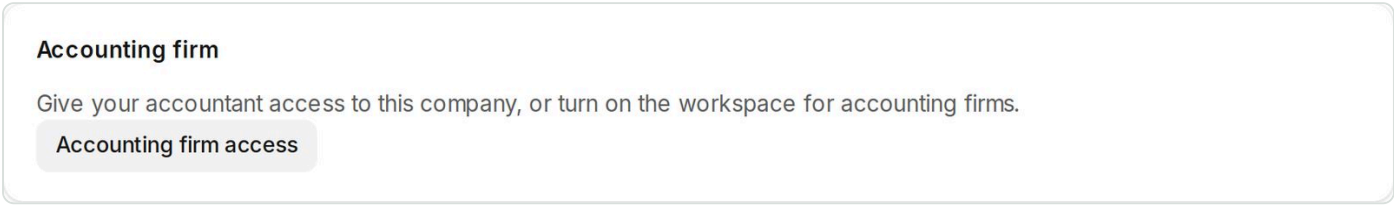
1. In **Settings** click **“+ Invite user”**, enter the email and name, and choose a role.
2. Click **“Create invitation link”**: send it by email or WhatsApp, or copy it. The colleague opens the link and sets a password.
3. The role can be changed at any time. For someone who has left — **“Turn off access”**: they can no longer sign in, but their invoices and records stay.



Inviting a colleague: roles and what each can do.

Accounting firm access

If an external accounting firm keeps the books, the company's administrator gives it access in the **“Accounting firm”** block: creates a one-time access code (valid once, for 7 days) or accepts the firm's request (**“Give access”**) and chooses the **“Access level”**. **“Remove access”** immediately disconnects all of the firm's staff from the company.



The “Accounting firm” block in Settings

FAQ and common mistakes

? VAT dates on the Dashboard do not match the FTA certificate.
Check “How often you file VAT” and “First VAT period started on” in the profile: Ledgr builds quarters from that date.

? The colleague did not receive the email.
Copy the invitation link and send it via any messenger; it is the same link.

? Can ownership be transferred?
There is no separate button. Give the person the Administrator role — it has the same rights.

What to check

☐ **2.2** Tax periods: staggered quarterly and monthly, return due on the 28th after the period.

☐ **6.2** Roles and access: who sees and can change what; inviting a colleague and a client.

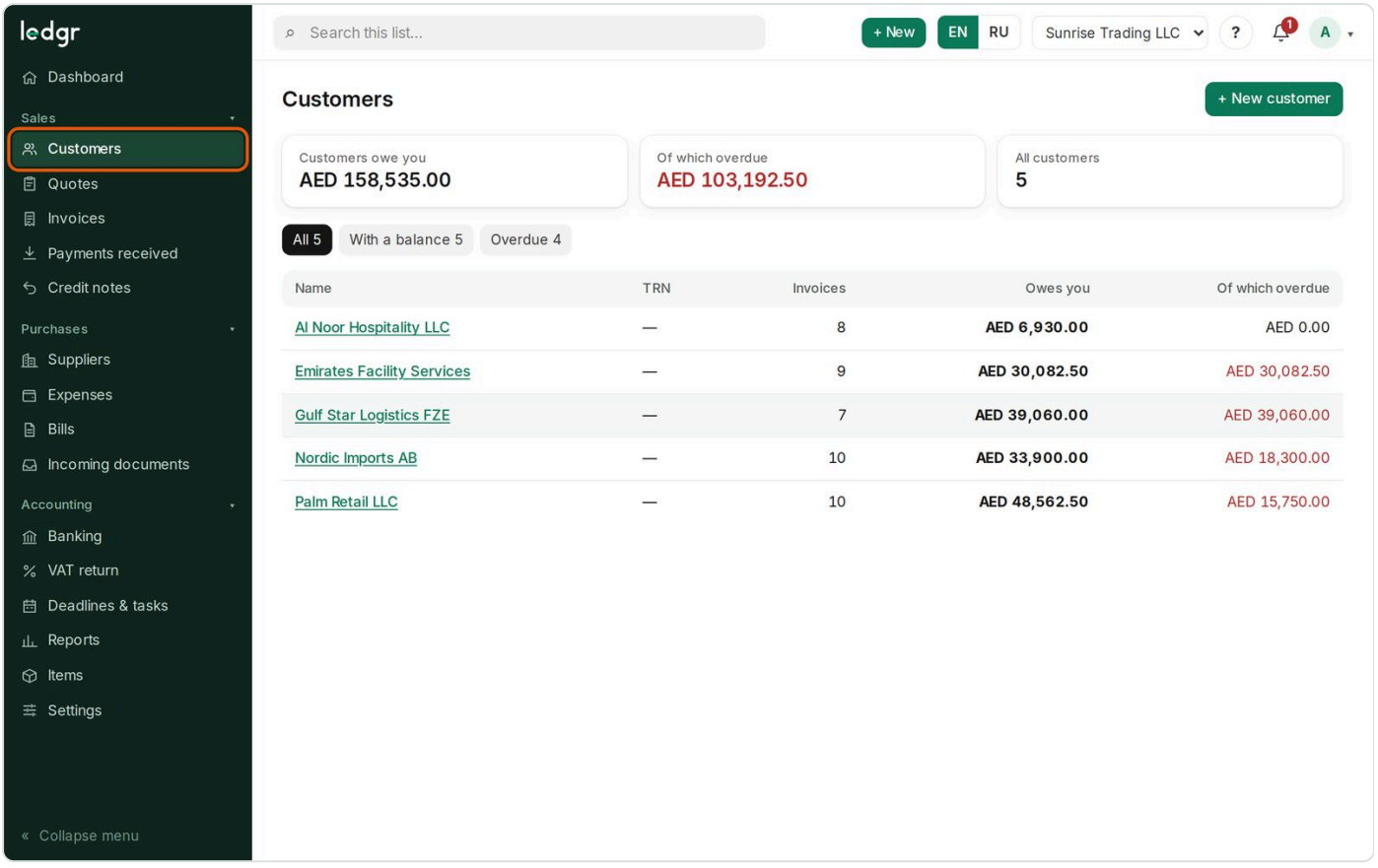
6 Customers and items

WHAT IT IS AND WHY

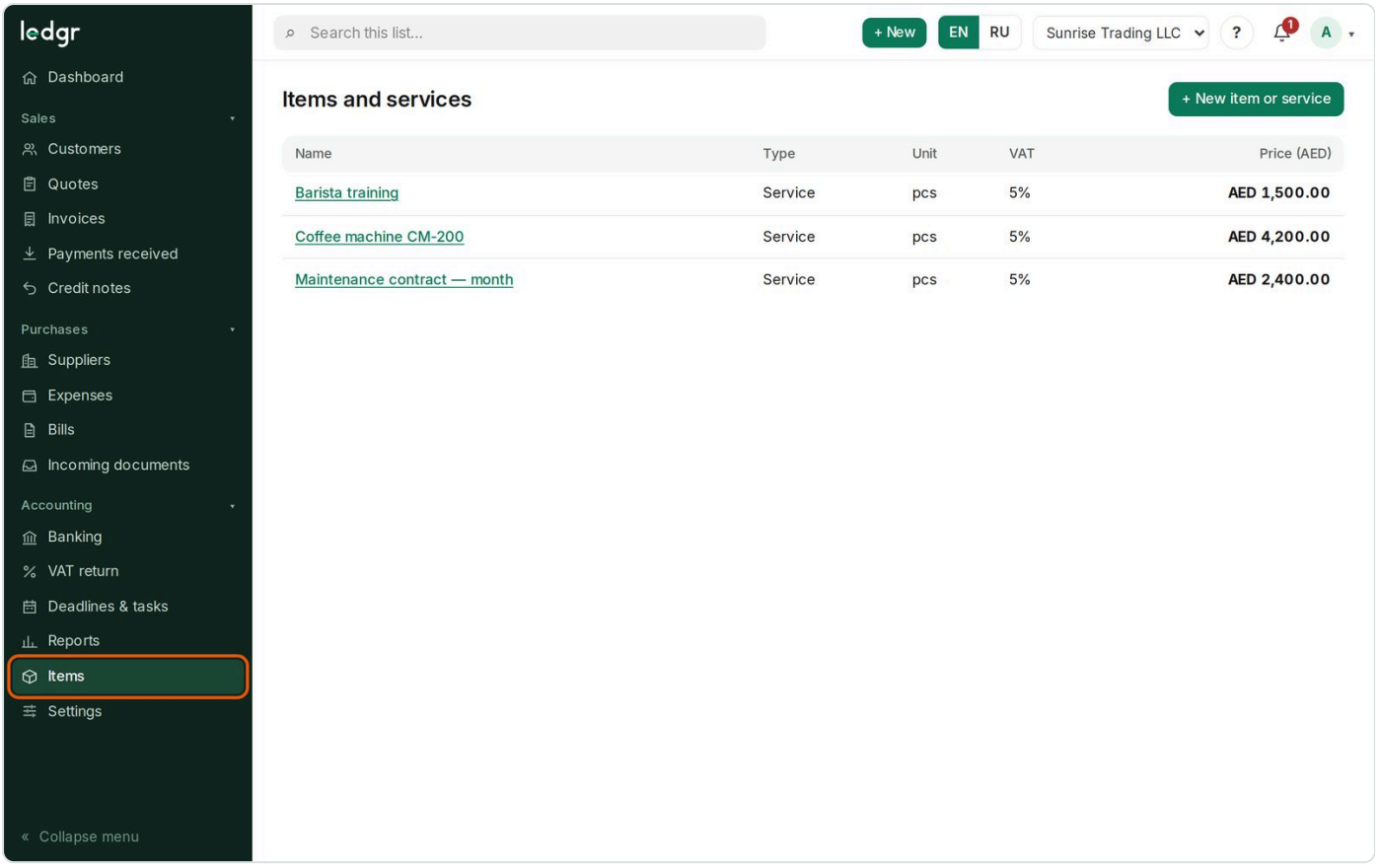
A **customer record** holds the details printed on the invoice and the tax rules for that customer. The key fields are **country and emirate**, because they drive VAT. A UAE customer is charged 5%; exports of services or goods to a customer abroad are usually zero-rated. The emirate of a UAE customer is needed for the return: standard-rated sales are reported by emirate (boxes 1a–1g). The **customer's TRN** is printed on the Tax Invoice if the customer is VAT-registered. The **payment terms** (for example, 30 days) default into every new invoice.

Items are the list of what you sell: name, unit, price and default VAT rate. An invoice line can be filled from the list in one click.

Where to find it: Sales → Customers; Accounting → Items
ledgr.hubrock.biz/ui/customers/



Customers: how much each owes and how much of it is overdue.



Items: type, unit, VAT rate, price.

FAQ and common mistakes

? Why does a foreign customer get 0% VAT on the invoice?
An export outside the UAE is a zero-rated supply. The rate comes from the item and the customer's country; it can be changed on the invoice line if needed.

? Is a free zone customer an export?
No. A free zone is UAE territory; most services are standard-rated at 5%. Special Designated Zone rules for goods should be checked with an adviser.

7 Quotes

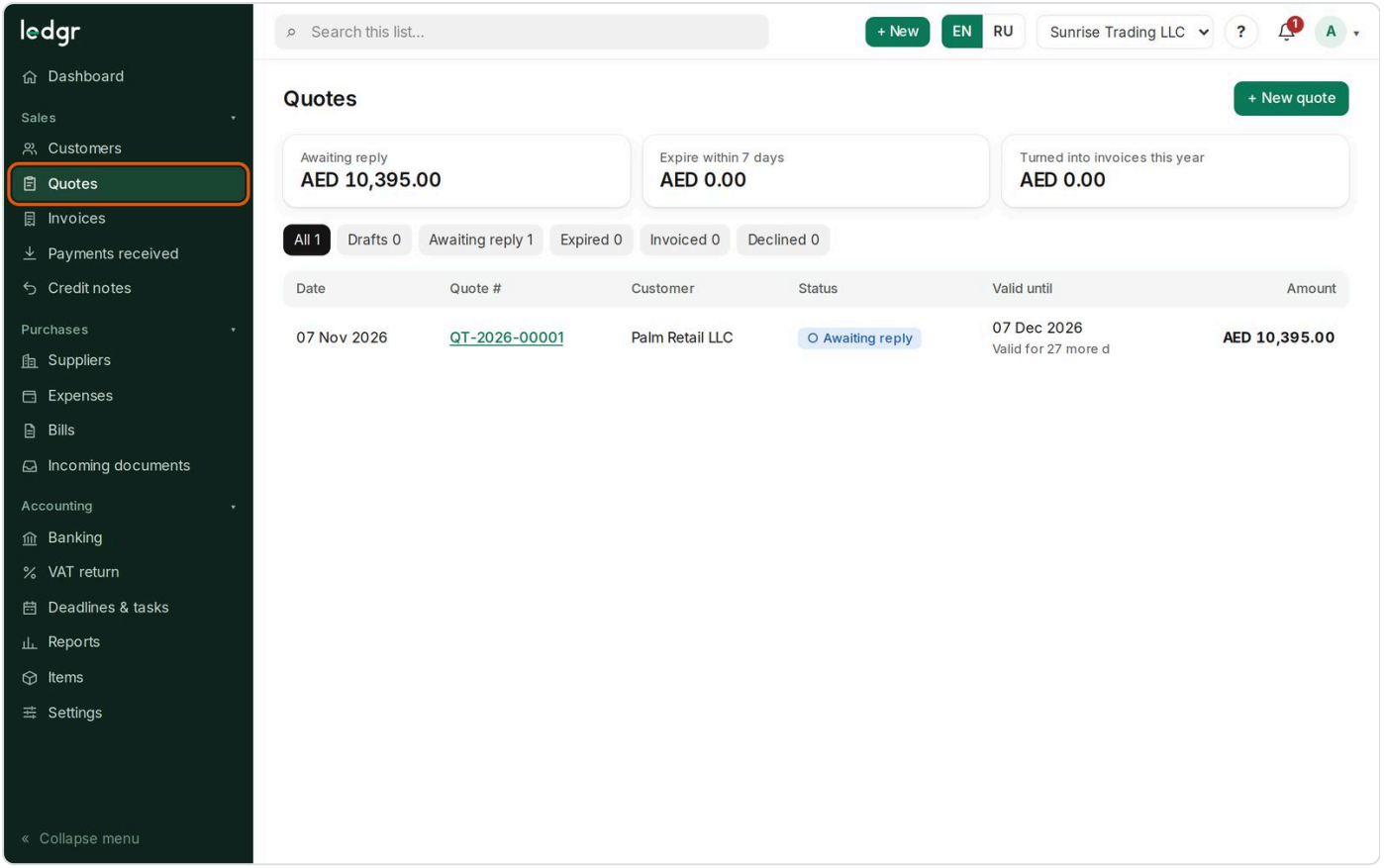
WHAT IT IS AND WHY

A **quote** (quotation) is a price and terms offered to a customer before the deal. It creates no receivable and does not enter the books or VAT: it is a promise, not a sale. A quote has a “Valid until” date. When the customer agrees, the quote turns into an invoice with the same lines in one click.

HOW IT WORKS IN LEDGR

Statuses: **Draft** → **Awaiting reply** (sent to the customer) → **Invoiced** or **Declined**; a quote past its date becomes **Expired**. At the top: totals awaiting reply, expiring within 7 days, and converted to invoices this year.

Where to find it: Sales → Quotes
ledgr.hubrock.biz/ui/quotes/



Quotes and their statuses

8 Invoices (Tax Invoices)

WHAT IT IS AND WHY

A **sales invoice** records a sale: what was sold, to whom, for how much and how much VAT. For a UAE VAT registrant it is a **Tax Invoice** — a document in a prescribed form, without which the customer cannot recover the VAT. It must be issued within 14 days of the supply.

Mandatory Tax Invoice details: the words “Tax Invoice”; the supplier's name, address and TRN; the recipient's name and address (and TRN if registered); a sequential number; the date of issue and the date of supply if different; a description of the goods or services; quantity, unit price, rate and VAT amount for each line; discounts; the total; the VAT amount in dirhams.

A **simplified tax invoice** is allowed when the recipient is not VAT-registered or the amount is AED 10,000 or less: it has fewer details. Businesses that are not VAT-registered issue an **ordinary invoice**, without a TRN or VAT.

HOW IT WORKS IN LEDGR

Ledgr always prints a **full Tax Invoice** in English and Arabic, with the seller's TRN from the profile. The software calculates VAT on every line from the item and the customer's country: standard rate 5%, zero-rated, exempt or out of scope. Amounts are calculated to the fils. Invoices are issued in the company's currency (AED).

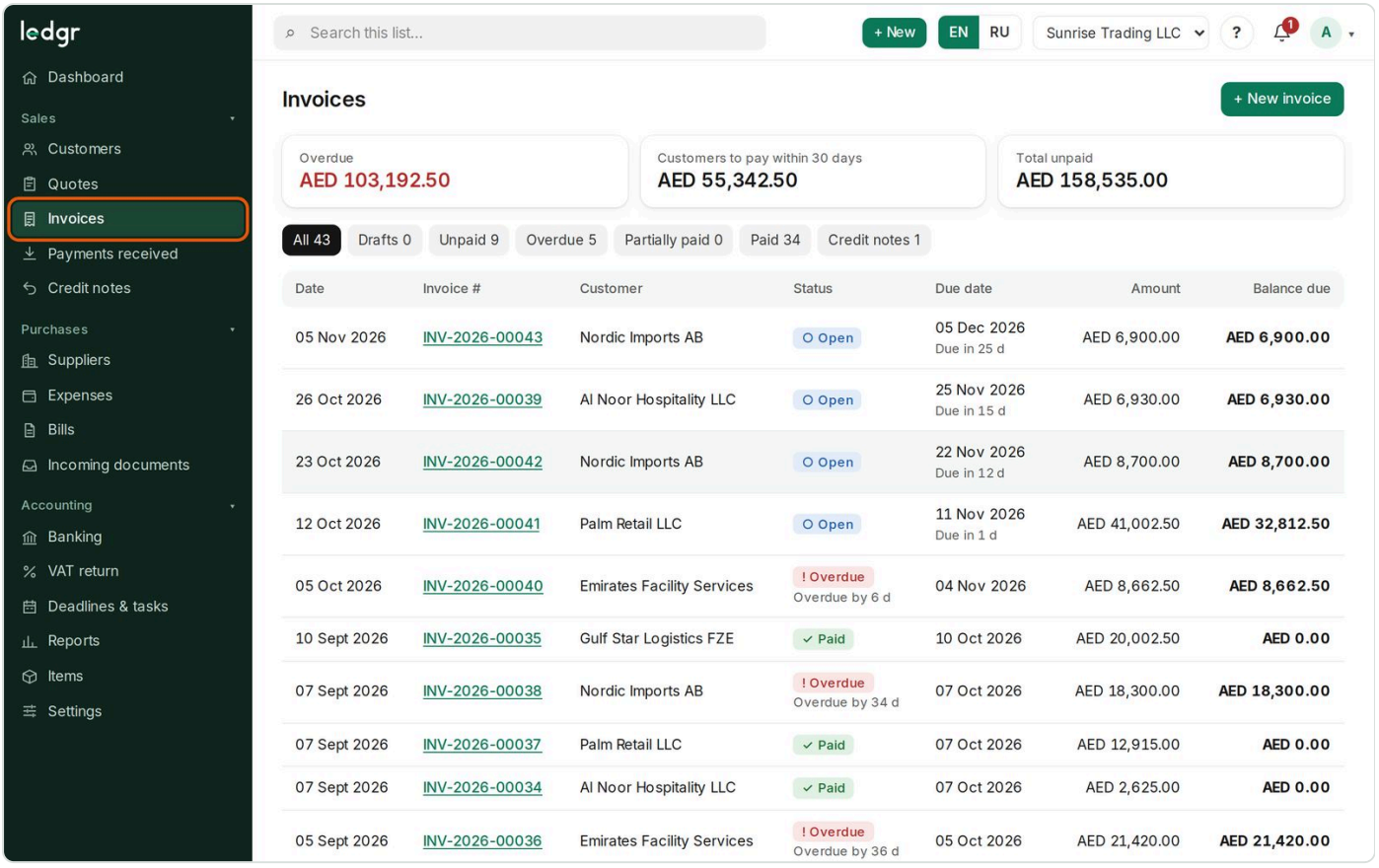
Statuses: **Draft** (not in the books) → **Open** → **Partially paid** → **Paid**; unpaid after the due date — **Overdue**. The number (INV-2026-00043) is assigned on issue, in sequence and without gaps.

Journal entry when an invoice for 6,000 + VAT 300 is issued

Dr	1200 Accounts Receivable	6,300.00
Cr	4100 Sales (or 4200 Service Income)	6,000.00
Cr	2200 VAT Payable	300.00

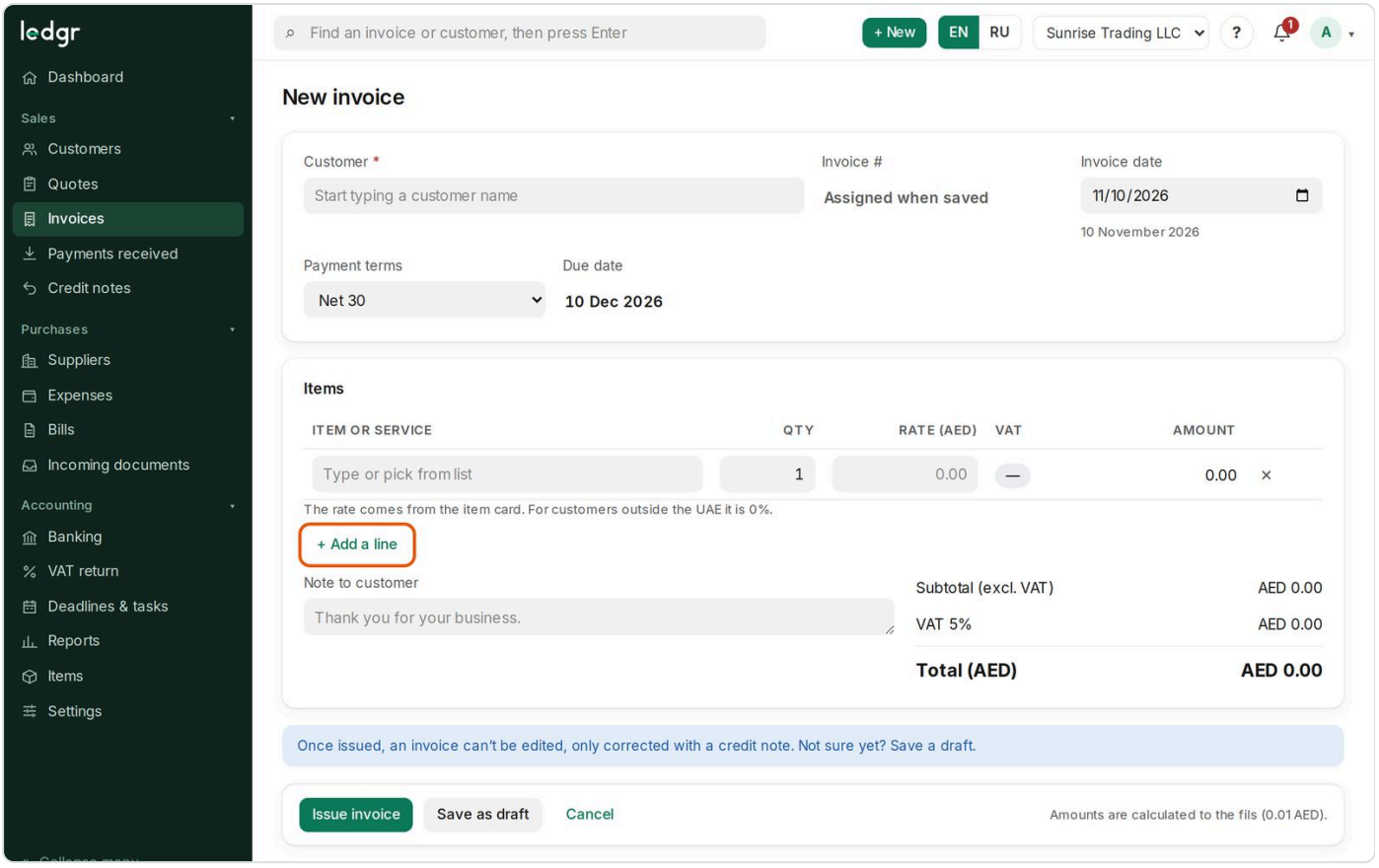
An issued invoice cannot be edited. Mistakes are corrected with a **credit note** (see below) or by cancellation: “Correct or cancel invoice”. Cancellation is a reversal — an opposite entry in the current period, as the FTA requires: a filed return does not change, and the correction goes into the return for the period in which it is made.

Where to find it: Sales → Invoices; or “+ New” → “Invoice to a customer”
ledgr.hubrock.biz/ui/invoices/

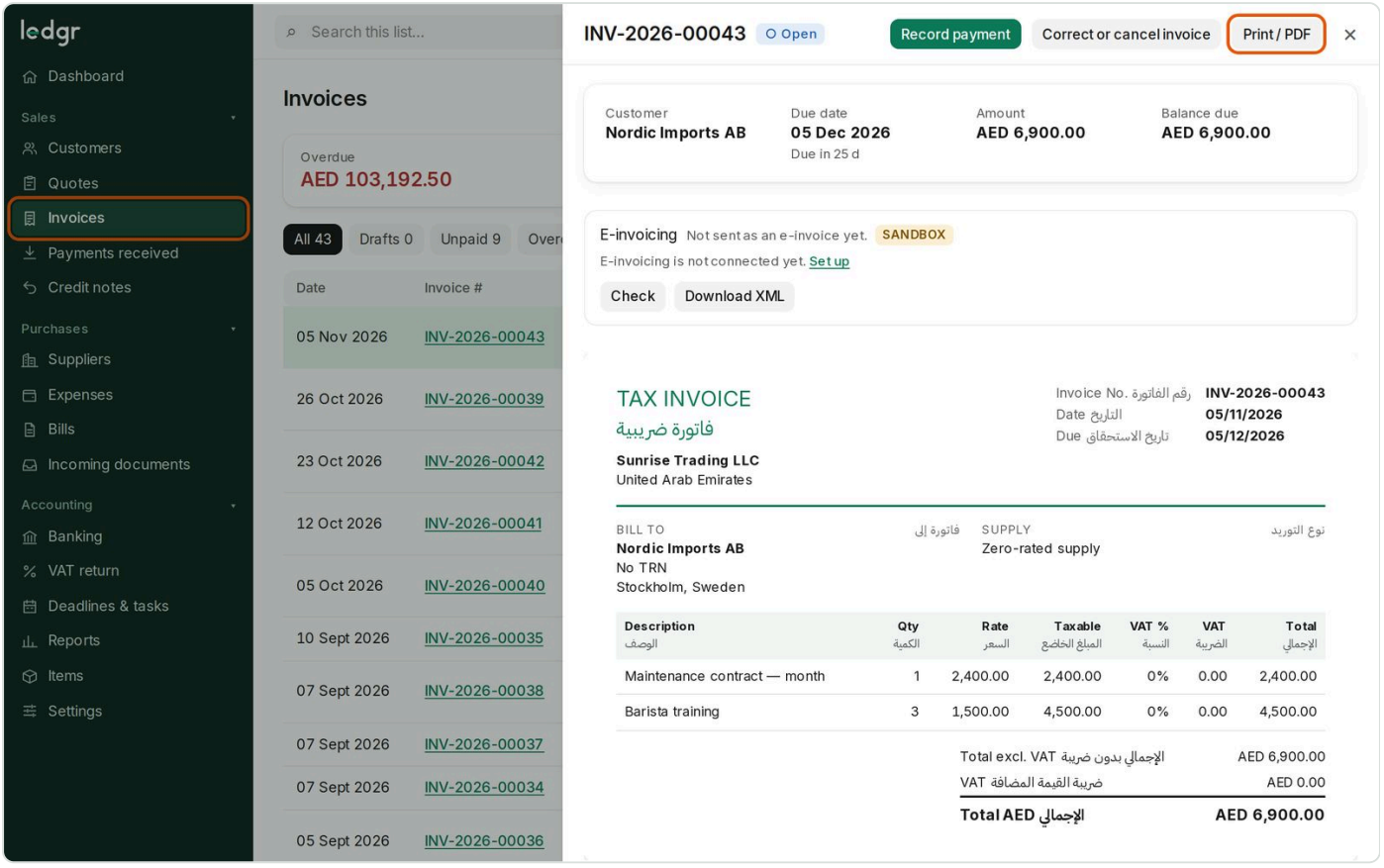


Invoices: totals at the top, tabs by status, due date and balance for each invoice.

1. Click **“+ New invoice”** (or “+ New” → “Invoice to a customer”).
2. Choose the customer — the address and **“Payment terms”** fill in. Check the invoice date; the **“Due date”** is calculated.
3. Add lines: an item from the list (or free text), quantity, price, discount. VAT and the total update immediately.
4. **“Save as draft”** to come back later — a draft does not enter the books. **“Issue invoice”** — the invoice gets a number and is posted.
5. In the opened invoice: **“Print / PDF”** — the Tax Invoice in English and Arabic; save the PDF and send it to the customer. **“Record payment”** when money arrives. The “E-invoicing” block checks the invoice and produces the XML.



New invoice: lines, 5% VAT, total. At the bottom — “Issue invoice” and “Save as draft”.



An opened invoice: the Tax Invoice in English and Arabic, “Record payment”, “Correct or cancel invoice”, “Print / PDF”.

FAQ and common mistakes

? I got the price wrong on an issued invoice.
Issue a credit note for the difference (or the whole invoice) and, if needed, a new invoice. The old one cannot be edited — both the FTA and auditors require this.

? The customer paid more than the invoice.
Record the whole payment: the excess becomes a customer advance and settles their next invoice.

? I need an invoice in US dollars.
Invoices are issued in AED only for now. You can mention the USD amount in the note to the customer.

? Where is the simplified invoice?
Ledgr prints a full Tax Invoice — it is always acceptable, including instead of a simplified one.

What to check

☐ **2.3** Tax Invoice: mandatory details, seller's and buyer's TRN, Arabic text, simplified invoice, credit note referencing the original invoice.

☐ **2.4** VAT rounding, discounts, foreign-currency invoices: VAT conversion rate to AED.

☐ **6.3** Speed of daily work: invoices, payments, expenses — what is less convenient than Zoho Books or your current system.

9 Payments received and credit notes

WHAT IT IS AND WHY

A **payment received** is money from a customer. It must be **allocated** to the invoices it settles: one payment can settle several invoices, and part of it can remain an advance. Until the payment is recorded, the invoice stays unpaid and the customer remains a debtor.

A **credit note** (tax credit note) reduces an invoice already issued: returned goods, a discount after the sale, a pricing error. It is also a tax document: it refers to the original invoice and reduces revenue and output VAT in the period in which it is issued. The credit can be applied against the customer's debt or kept as credit for future invoices.

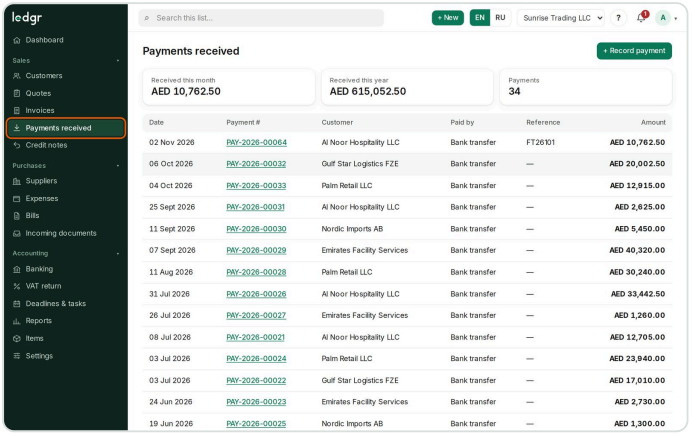
HOW IT WORKS IN LEDGR

Customer payment of 6,300 into the bank		
Dr	1120 Main Bank Account	6,300.00
Cr	1200 Accounts Receivable	6,300.00

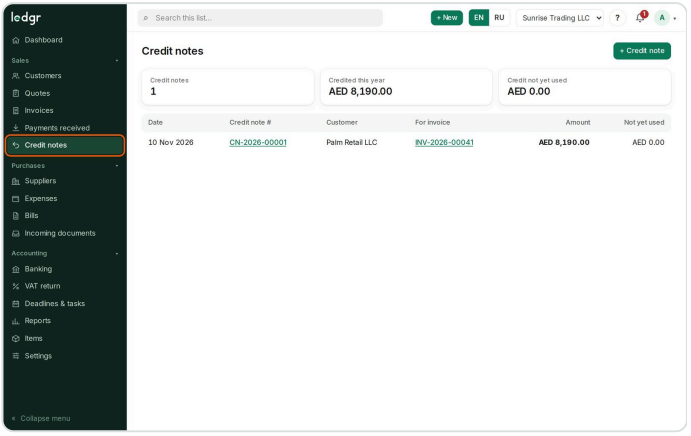
Credit note for 1,000 + VAT 50		
Dr	4100 Sales	1,000.00
Dr	2200 VAT Payable	50.00
Cr	1200 Accounts Receivable	1,050.00

A payment can be recorded from the invoice (“Record payment”), from Payments received, or directly from a bank statement line — then the bank and the payment are reconciled at once. A credit note is created from the invoice: choose the lines and quantities and Ledgr recalculates the VAT.

Where to find it: Sales → Payments received; Sales → Credit notes
ledgr.hubrock.biz/ui/payments/



Payments received



Credit notes: against which invoice, amount, unused balance

FAQ and common mistakes

? Does a credit note reduce VAT for last quarter?
No: it goes into the return for the period in which it is issued. A filed return does not change.

? A payment was recorded against the wrong customer.
Cancel the payment and record it again; if it came from the bank, undo the match on the statement line.

10 Suppliers, bills and expenses

WHAT IT IS AND WHY

A **bill** (supplier invoice) is something you were invoiced for and will pay later: rent, services, goods on credit. Until it is paid it is your debt — **accounts payable**. An **expense** is a purchase paid immediately: by card, in cash or by transfer. The only difference is the timing of payment: a bill creates a payable, an expense reduces cash straight away.

Input VAT on a supplier's Tax Invoice can be recovered — it reduces the VAT you pay. Conditions: you hold the Tax Invoice, the cost relates to taxable activity, and it is not blocked (entertainment, private use of a car and so on).

Reverse Charge: when the supplier is abroad (a cloud service in Germany, a consultant in the UK), they charge no VAT. You account for 5% yourself and recover it in the same return: it costs nothing, but both amounts must appear in the return (boxes 3 and 10).

HOW IT WORKS IN LEDGR

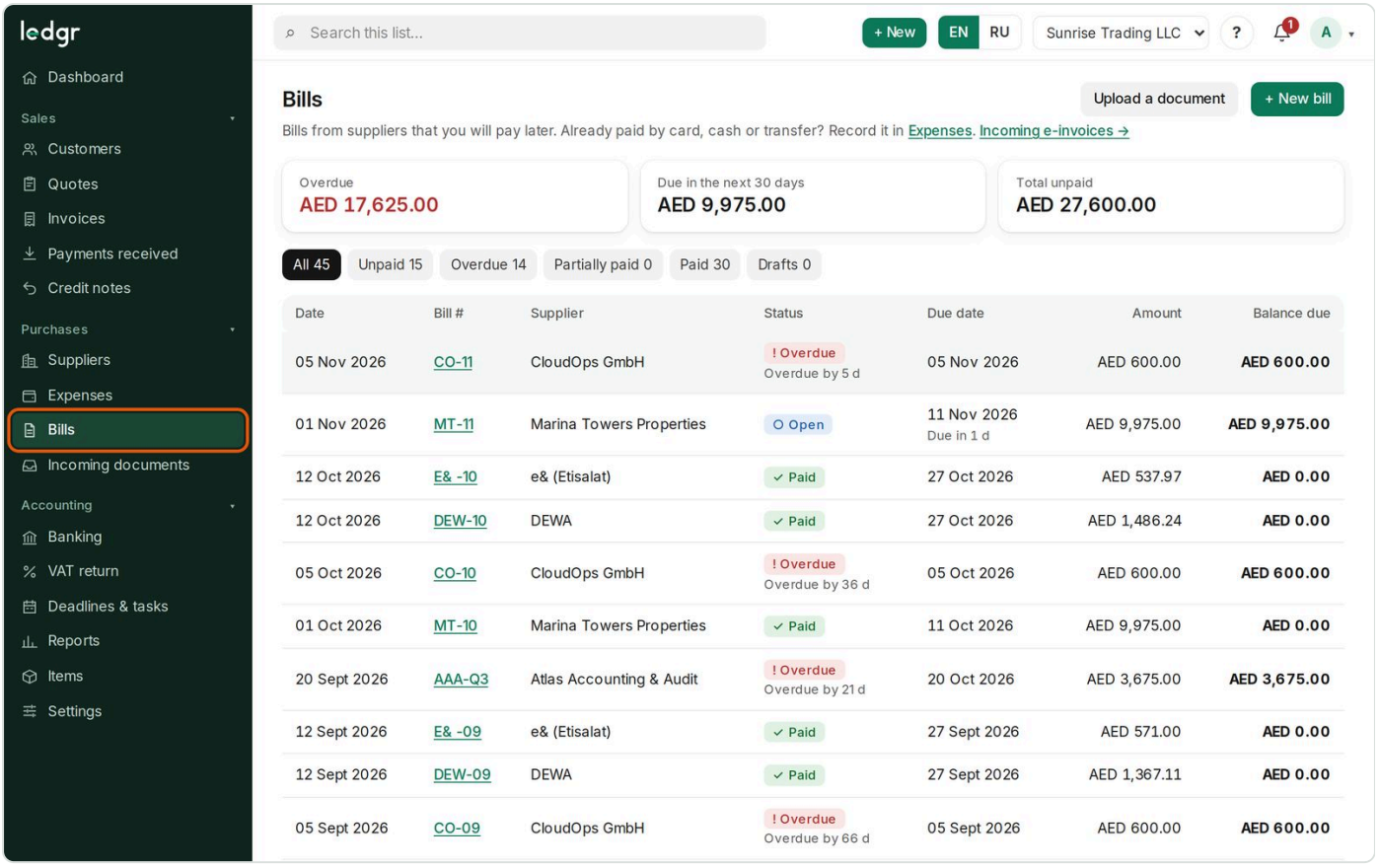
Bill for rent 9,500 + VAT 475		
Dr	6200 Rent	9,500.00
Dr	1300 VAT Recoverable	475.00
Cr	2100 Accounts Payable	9,975.00

Bill from a foreign supplier, 600 (Reverse Charge)		
Dr	6900 Other Expenses	600.00
Dr	1300 VAT Recoverable	30.00
Cr	2200 VAT Payable	30.00
Cr	2100 Accounts Payable	600.00

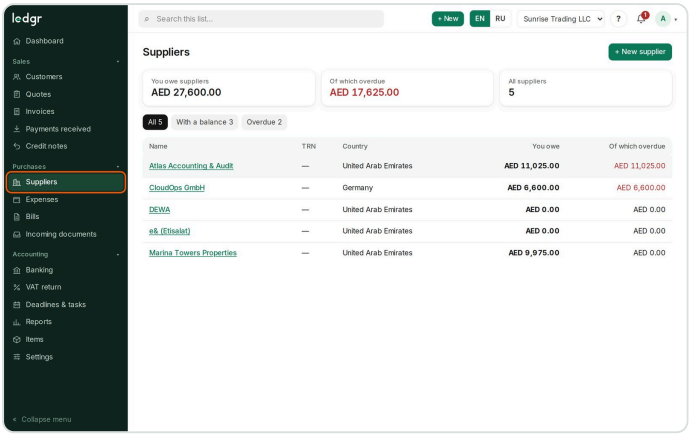
Expense paid from the bank, 2,000 + VAT 100		
Dr	6600 Marketing and Advertising	2,000.00
Dr	1300 VAT Recoverable	100.00
Cr	1120 Main Bank Account	2,100.00

On a bill or expense you choose the VAT treatment: **on top** (amount excludes VAT, 5% is added), **included** (VAT is extracted from the total), **Reverse Charge** or **no VAT**. Bill statuses: Draft → Unpaid → Partially paid → Paid; past due — Overdue. Paying a supplier: Dr 2100 Accounts Payable — Cr Bank.

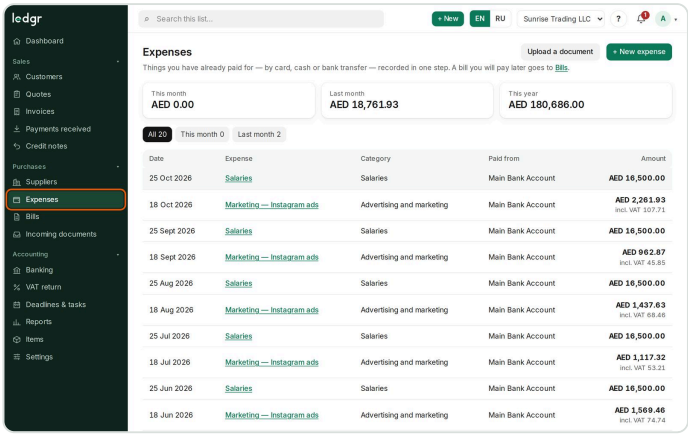
Where to find it: Purchases → Suppliers / Expenses / Bills
ledgr.hubrock.biz/ui/bills/



Bills: overdue, due within 30 days, total unpaid; statuses and balances.



Suppliers



Expenses: category, paid from which account, VAT included

FAQ and common mistakes

? Bill or expense — which one?
Paid immediately — an expense. Paying later — a bill, then a payment against it.

? Dinner with customers — can I recover the VAT?
No: entertainment for non-employees is blocked. Choose “no VAT” or check with your adviser.

? The supplier sent no Tax Invoice.
Without a Tax Invoice input VAT cannot be recovered. Ask for the invoice; until then, post without recovery.

What to check

☐ **2.5** Blocked input tax: entertainment, private use of cars, costs without a Tax Invoice.

☐ **2.6** Reverse Charge on imported services and goods: charged and recovered in the same period.

11 Incoming documents: reading bills and receipts

WHAT IT IS AND WHY

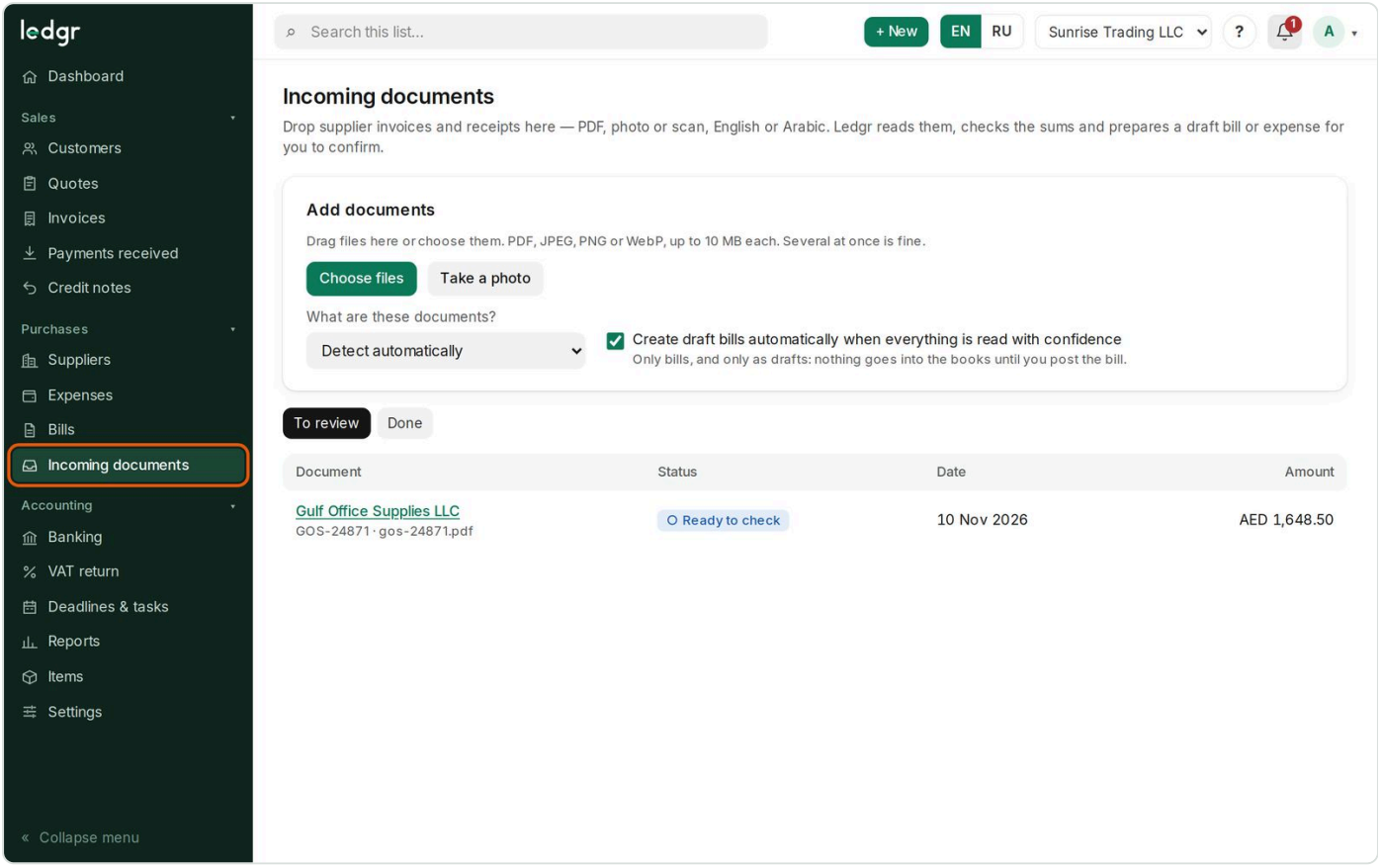
The dullest part of bookkeeping is retyping supplier bills and receipts. Incoming documents does it for the bookkeeper: you upload a PDF, photo or scan (in English or Arabic), and Ledgr reads it, finds the supplier, number, date, amounts, VAT and expense account, and prepares a draft. A person checks and confirms.

HOW IT WORKS IN LEDGR

1. **Text.** From a PDF with a text layer the text is taken directly. Photos and scans are read by AI — Claude, by Anthropic, which also reads Arabic.
2. **Fields.** The AI copies the document's fields into a structure: supplier, TRN, number, date, lines, amounts. The AI calculates nothing.
3. **Checks in code.** The software recalculates the amounts (lines, VAT, total) and compares them with the document, looks up the supplier by TRN and name, checks for duplicates (same number from the same supplier) and suggests an expense account from past documents.
4. **A person.** Every field shows a confidence chip (“sure · 95%”, “check · 60%”). The bookkeeper corrects and clicks **“Create draft bill”** or **“Record expense”**.

The tick box “Create draft bills automatically when everything is read with confidence” lets Ledgr create **draft** bills on its own. A draft posts nothing: a person still has to post it.

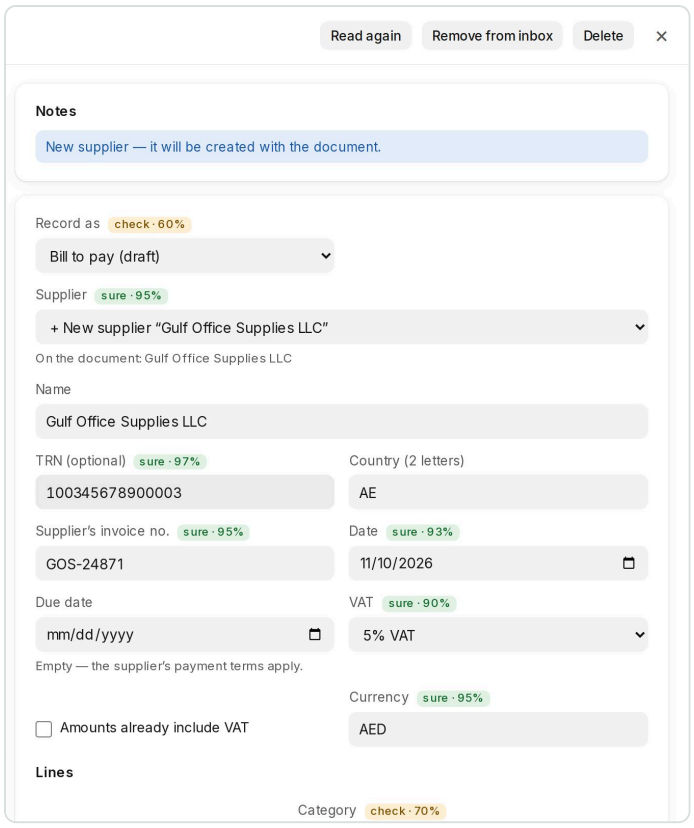
Where to find it: Purchases → Incoming documents; or “Upload a document” on the Expenses and Bills pages
ledgr.hubrock.biz/ui/capture/



Incoming documents: upload, “To review” and “Done” tabs, status of each document.

1. Drag files into the window, click **“Choose files”** or, on a phone, **“Take a photo”**. Several at once, up to 10 MB each.

2. “What are these documents?” — leave “Detect automatically” or choose a bill or a receipt (expense).
3. The document moves from **In queue** to **Ready to check**. This usually takes from a few seconds to a minute.
4. Open the document, check the fields and, if needed, click **“Read again”**. Then “Create draft bill” or “Record expense”. Anything irrelevant — “Remove from inbox”.



Checking a document: “Record as”, fields with confidence

The review window: the document on the left (“Open file”), the fields on the right. “Record as”: bill to pay (draft) or expense. If the supplier does not exist yet, it is created together with the document.

The file is attached to the resulting bill or expense and kept with it.

FAQ and common mistakes

? The AI got an amount wrong.
Amounts are checked by the software: if lines, VAT and total do not add up, the document is flagged for review. Correct the field and it recalculates immediately.

? The same bill was uploaded twice.
Ledgr warns about a duplicate by number and supplier; remove the second copy from the inbox.

? Where do the files go?
To read photos and scans, the file is sent to the Claude service (Anthropic). See Part IV, “AI in Ledgr”.

What to check

☐ **7.2** Document reading: supplier, number, date, amount, VAT, expense account; Arabic and poor photos.

☐ **7.3** Duplicate protection: the same document uploaded twice.

12 Banking: accounts, statements, matching and reconciliation

WHAT IT IS AND WHY

A **bank statement** is the bank's list of every movement on an account for a period. **Bank reconciliation** is checking that every statement line is reflected in the books and that the balance in the books equals the balance at the bank. It is the main completeness control: if money came in or went out and the books do not show it, reconciliation will. Reports and returns cannot be trusted without it, so it is done every month before the period is closed.

Matching links a statement line to a document: a receipt to a customer invoice, a payment to a bill, a charge to an expense. **“Reconciled to” a date** means that on that date the balance in Ledgr agreed with the statement and every line up to it was dealt with.

HOW IT WORKS IN LEDGR

Customer receipt matched to an invoice		
Dr	1130 Emirates NBD — Current	6,300.00
Cr	1200 Accounts Receivable	6,300.00

Bank charge from a statement line		
Dr	6800 Bank Charges	52.50
Cr	1130 Emirates NBD — Current	52.50

Transfer between your own AED accounts		
Dr	1130 Emirates NBD — Current	30,000.00
Cr	1120 Main Bank Account	30,000.00

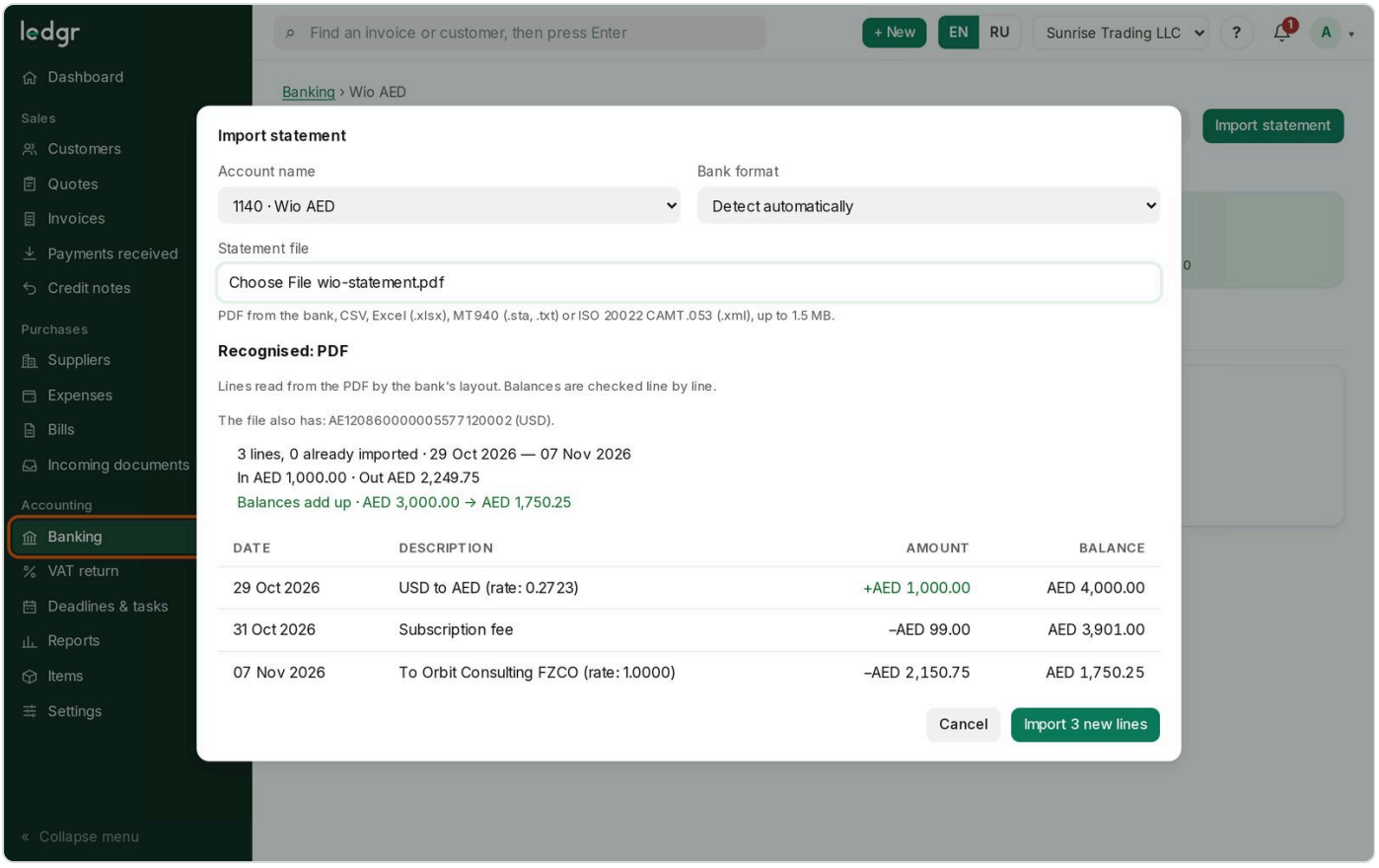
A transfer is neither income nor expense: the money simply moved.

Each bank account in Ledgr is a separate account in the Cash and Bank group (1130, 1140…). When a statement is imported, Ledgr recognises the bank and format, shows a preview, checks the opening and closing balances and never imports the same line twice. For each line it looks for matches: an invoice number in the narration, the amount, the customer's or supplier's name, a matching line on another of your accounts, past decisions. Every suggestion comes with a confidence score and reasons. **Confident, unique** matches can be posted with one click on “Auto-match”; the rest are accepted or chosen by a person. **Rules** (“if the narration contains DEWA, it is utilities”) post recurring lines automatically; Ledgr remembers your decisions and suggests them next time.

Statement formats and PDF

Ledgr accepts statements as **PDF**, **CSV**, **Excel (XLSX)**, **MT940** (SWIFT) and **CAMT.053** (ISO 20022), up to 1.5 MB. For table formats there are column templates for UAE banks (Emirates NBD, ADCB, FAB, Mashreq, RAKBANK and generic ones). PDF statements are read as follows:

- **Emirates NBD, Dubai Islamic Bank (DIB) and Wio** — by the bank's own layout; these three formats are tested on real statements.
- **Several accounts in one file** (Wio puts AED and USD in one PDF) — Ledgr takes the section with the IBAN of the selected account and names the other accounts in the file. If the IBAN is not in the file, the import does not start and Ledgr explains why.
- **Unknown layouts** — the lines are transcribed by AI (Claude) and checked by the software: each running balance must equal the previous balance plus the line amount, and the total must agree with the closing balance. If it does not, Ledgr shows which lines and does not import silently.



Importing a Wio PDF statement: “Recognised: PDF”, lines read by the bank's layout, the other account in the file named, “Balances add up”.

Foreign-currency bank account

A **foreign-currency account** is a bank account in a currency other than the functional currency — for example, a USD account at Wio or Emirates NBD. The money sits in dollars, while the books, reports and taxes are kept in dirhams. So the account has two balances: **in the account currency** (as on the bank statement) and **in AED** (as on the balance sheet).

- **Exchange rate** — how many dirhams one unit of the currency is worth. For USD the rate is fixed: the dirham is pegged, USD 1 = AED 3.6725, and nothing needs to be entered. For other currencies (EUR, GBP…) the rate is entered in **“Exchange rates”** by date; a line posts at the latest rate on or before its date.
- **Exchange difference** (FX gain/loss) — when the same deal in two currencies gives different AED amounts. For example, a customer settles an AED 3,675 invoice with a USD 1,000 transfer: at the rate that is AED 3,672.50, so AED 2.50 is an exchange loss. Ledgr posts such differences to 4910 Exchange Gain/Loss if they are within tolerance — 2% of the amount, but not less than AED 1; anything bigger is no longer FX but an underpayment, and a person deals with the line.
- **Revaluation** — restating the AED value of a foreign-currency balance at the rate on a date (usually month end). The balance in the currency does not change, its value in dirhams does; the difference is an exchange gain or loss. For USD under the peg revaluation is almost always zero (rounding only); for EUR and other currencies it is not.

USD account line: a customer settles an AED 3,675.00 invoice with USD 1,000		
Dr	1150 Wio USD (USD 1,000.00 × 3.6725)	3,672.50
Dr	4910 Exchange Gain/Loss	2.50
Cr	1200 Accounts Receivable	3,675.00

USD → AED transfer between your own Wio accounts		
Dr	1140 Wio AED	1,000.00
Dr	4910 Exchange Gain/Loss	0.76
Cr	1150 Wio USD (USD 272.50 × 3.6725)	1,000.76

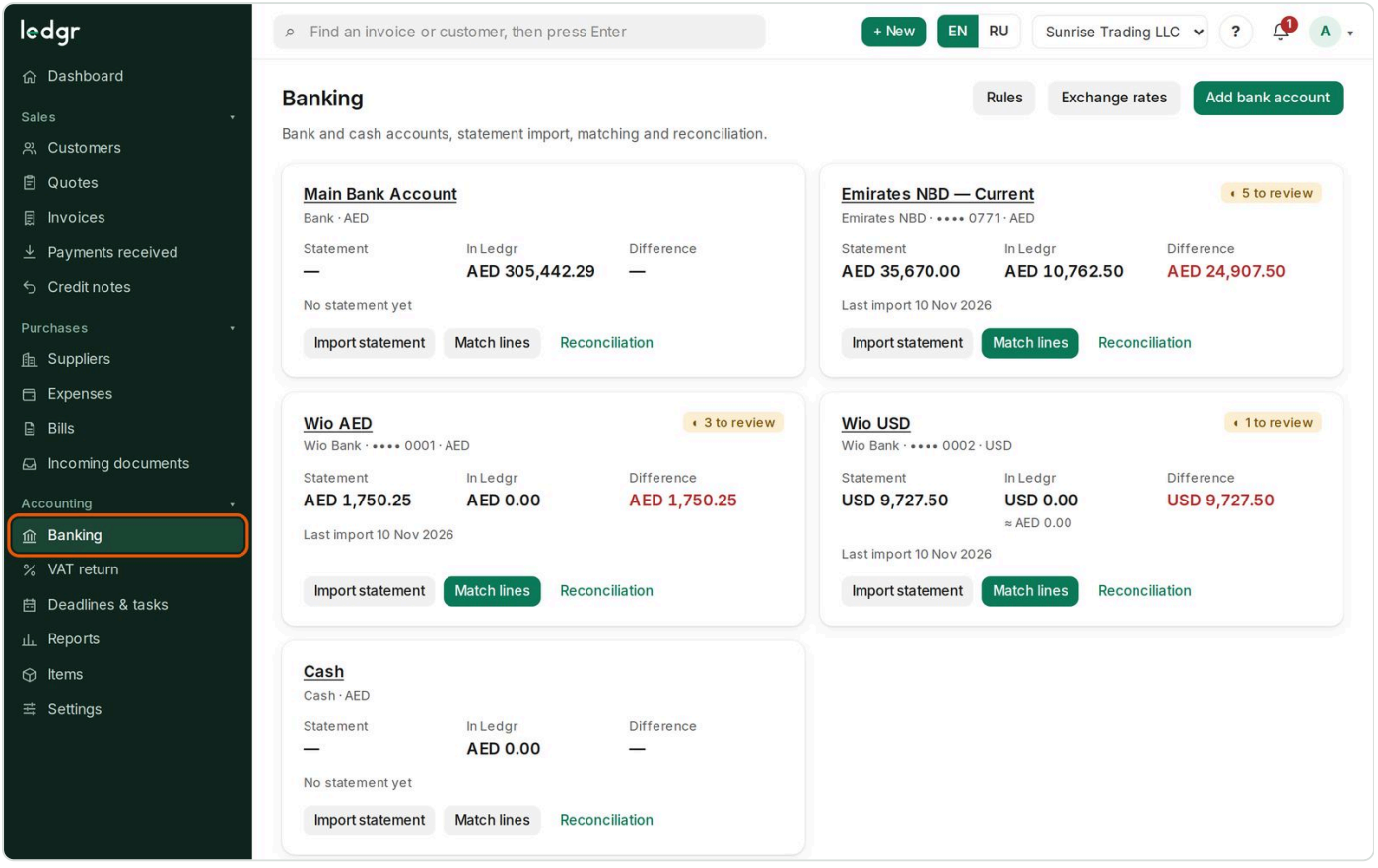
The bank converted USD 272.50 at its own rate and credited AED 1,000.00. At the book rate that is AED 1,000.76, so AED 0.76 goes to exchange differences. It is a transfer, not income or expense.

Month-end revaluation of a EUR account (rate went up)		
Dr	EUR bank account	difference
Cr	4910 Exchange Gain/Loss	difference

If the rate fell — the other way round: Dr 4910, Cr bank.

Worth knowing. Invoices and bills are issued in AED only — only bank accounts can be in a foreign currency. Central Bank rates for currencies other than USD are not downloaded automatically: enter them in “Exchange rates”. There is no screen for opening balances yet: if the first statement does not start at zero, Ledgr shows a difference equal to the opening balance (see the screenshot below).

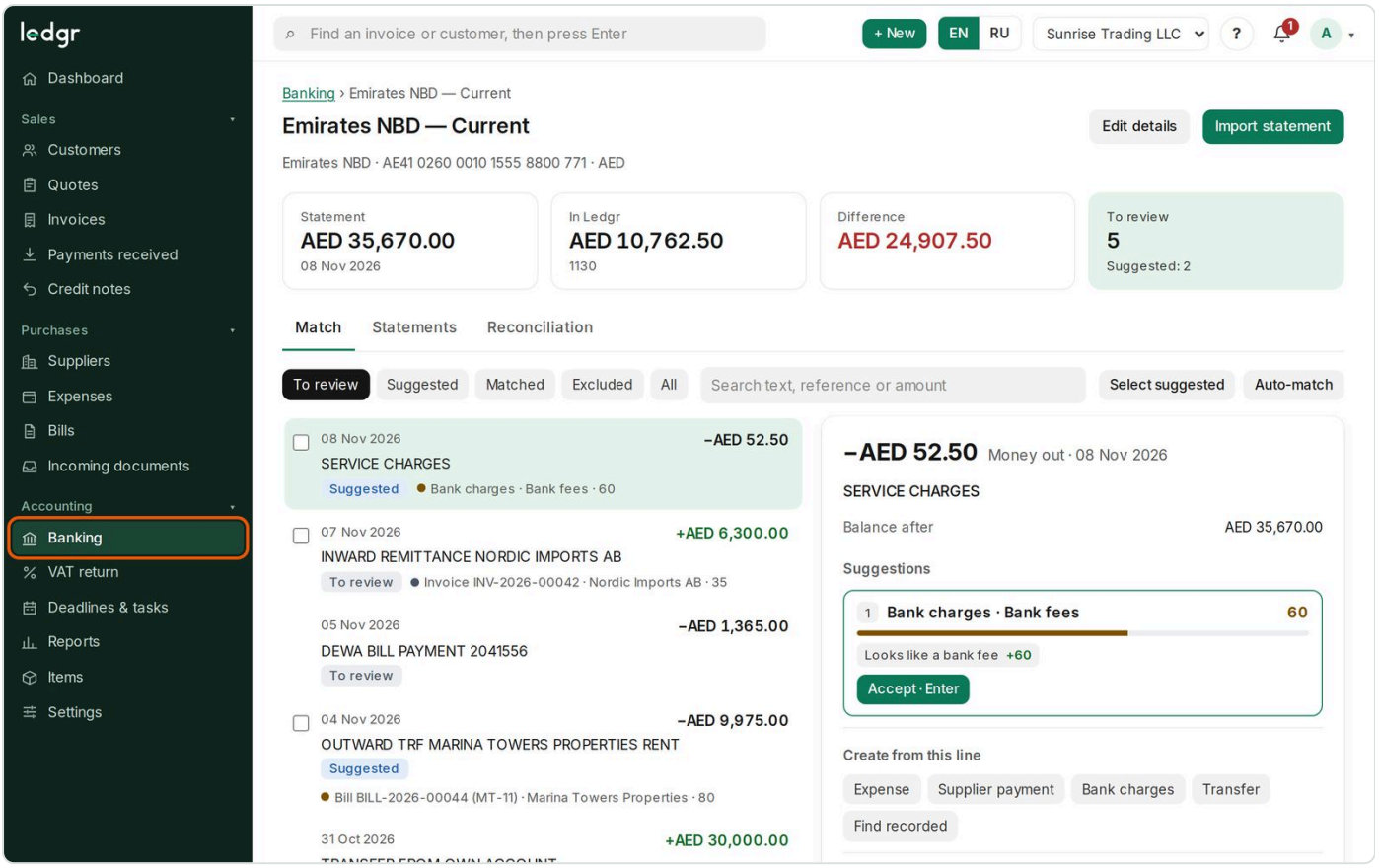
Where to find it: Accounting → Banking
ledgr.hubrock.biz/ui/bank/



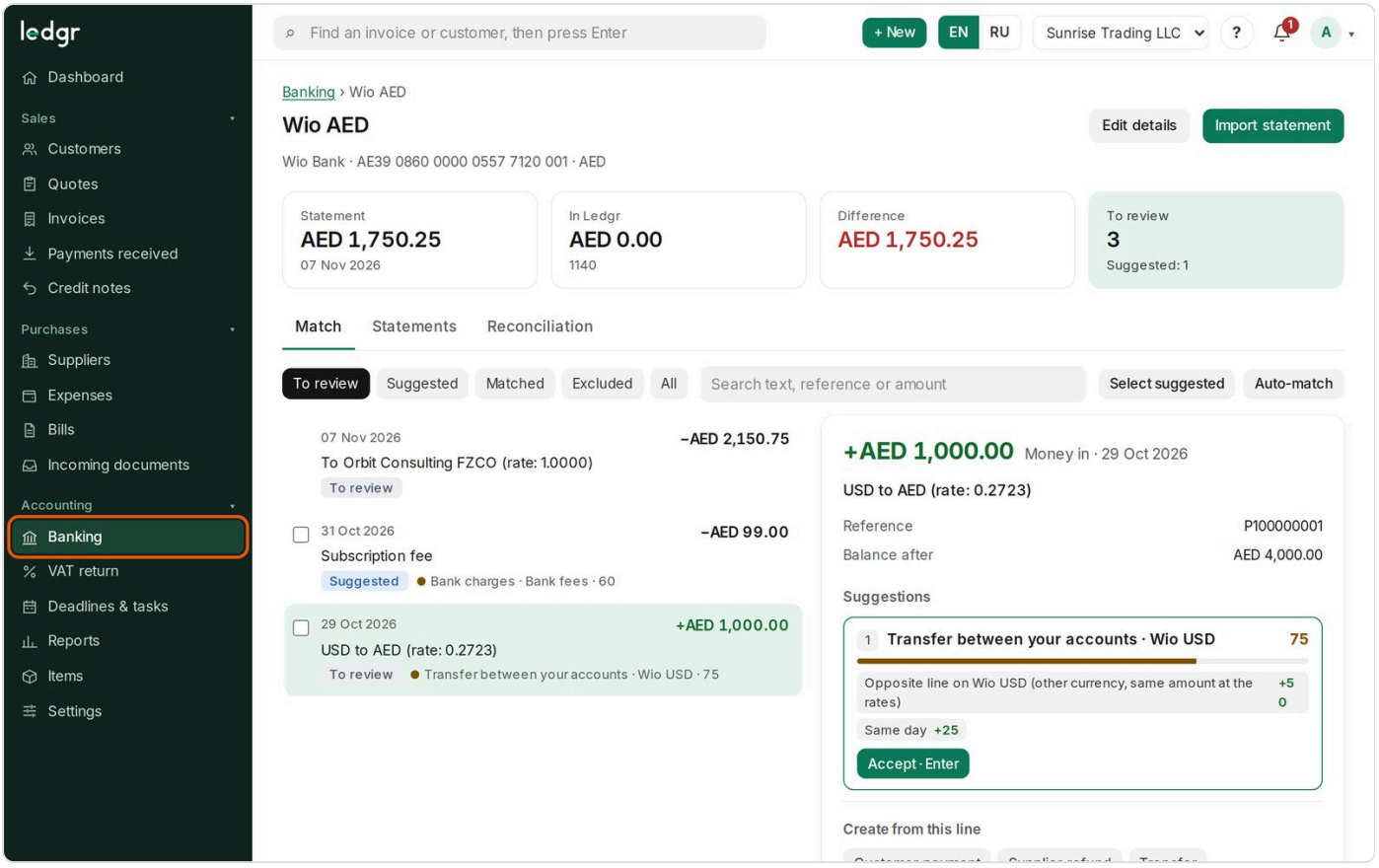
Banking: AED and USD account cards — “Statement”, “In Ledgr”, “Difference”, “To review”; the USD account also shows “≈ AED”.

1. **“Add bank account”**: name, bank, IBAN (in the UAE — AE plus 21 digits), SWIFT, **currency** (AED, USD, EUR…).
2. On the account card — **“Import statement”**: choose the file downloaded from online banking (PDF, CSV, Excel, MT940, CAMT.053). Check that the bank is recognised and the balances add up, then import the new lines.

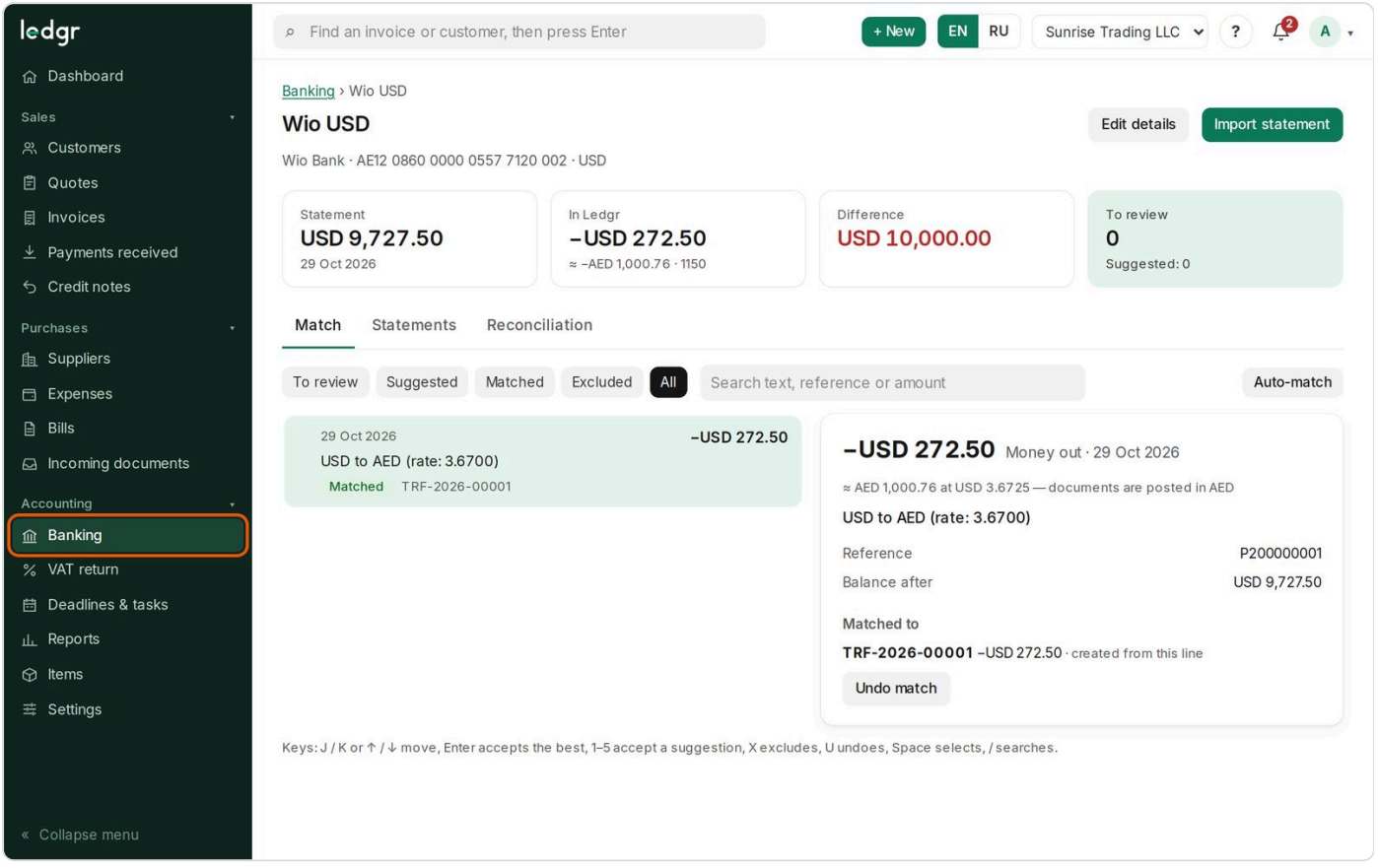
3. **“Match lines”**: statement lines on the left, suggestions on the right. **“Accept · Enter”** confirms a suggestion. The “Expense”, “Supplier payment”, “Bank charges” and “Transfer” buttons create a document straight from the line.
4. **“Auto-match”** posts all confident matches. **“Rules”** handle recurring lines.
5. For currencies other than USD — **“Exchange rates”**: enter the rate for the date before matching lines.
6. **“Reconciliation”** tab: compare the balance with the statement and lock the reconciliation to the date. A foreign-currency account is reconciled in its own currency, with **revaluation** of the AED value below.



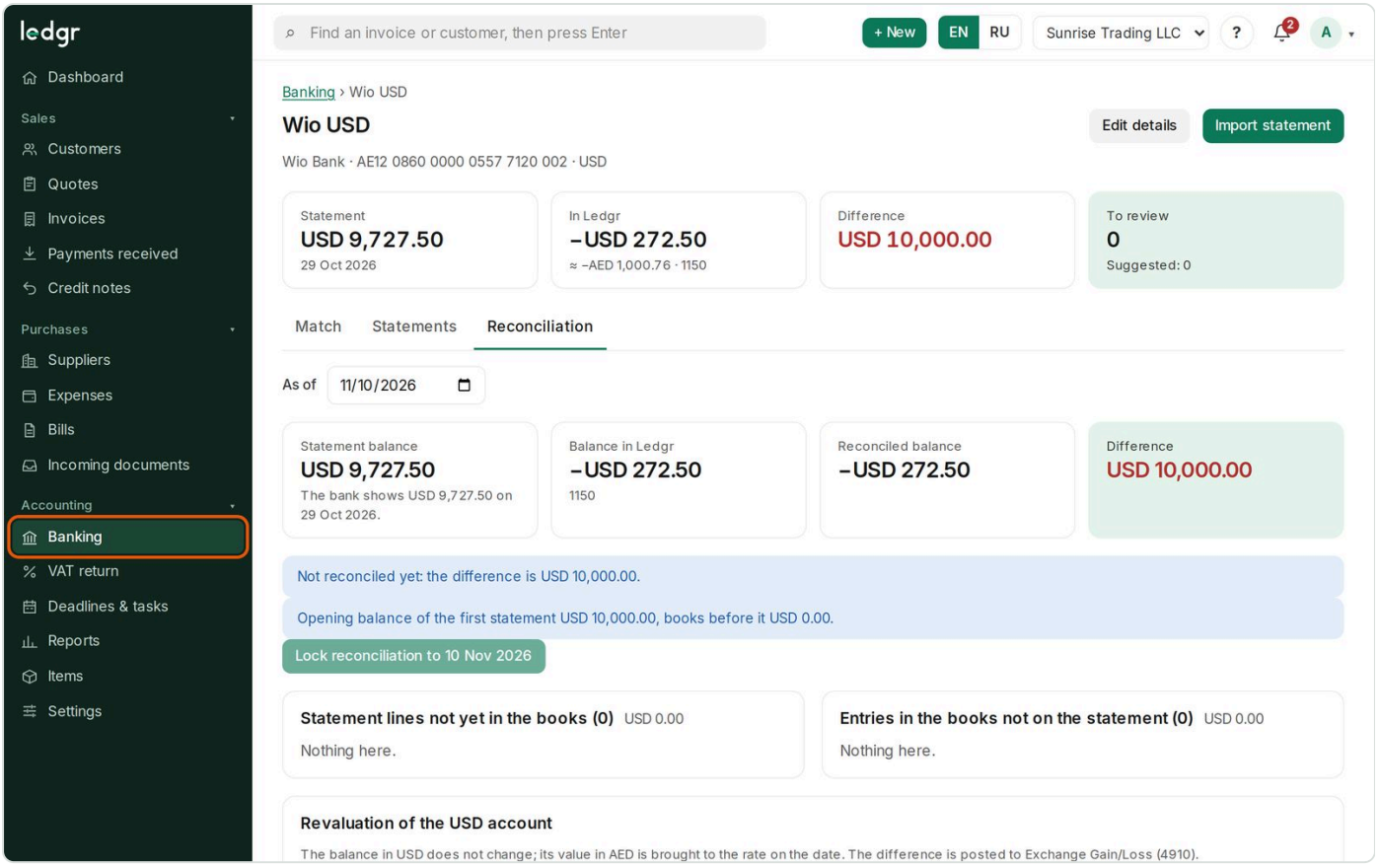
Matching lines: suggestions with a confidence score, “Accept · Enter”, creating a document from a line.



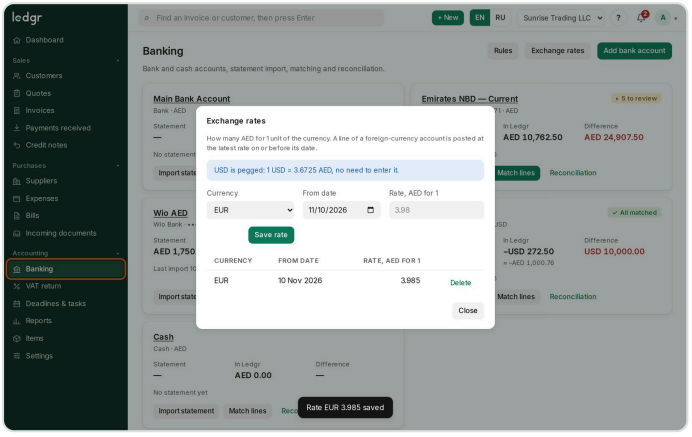
USD → AED transfer: Ledgr finds the matching line on the USD account (other currency, amounts agree at the rates) and suggests “Transfer between your accounts”.



USD account: the line amount in USD, “≈ AED 1,000.76 at USD 3.6725 — documents post in AED”.



Reconciling the USD account in USD. The “Difference USD 10,000.00” is the opening balance of the first statement, which is not in the books (there is no opening-balance screen yet). Below — revaluation of the USD account.



The “Exchange rates” window

“Exchange rates”: USD is pegged (USD 1 = AED 3.6725) — no entry needed. For other currencies choose the currency, date and rate (AED per 1 unit) and click “Save rate”. A wrong rate — “Delete”.

FAQ and common mistakes

? The “Difference” on the card is red.
Not all statement lines have been matched, the books contain transactions that are not at the bank, or the first statement starts with a non-zero balance. Work through the lines “To review” and check documents without a bank line.

? A PDF will not import: “the file is for another account”.
The IBAN of the account selected in Ledgr does not match the IBAN in the statement. Choose the right account or check the IBAN under “Edit details”.

? The same file was imported twice.
Duplicate lines are not imported: Ledgr compares date, amount and reference.

? The FX difference is over 2% — why didn't Ledgr match it?
A difference that size looks like an underpayment or a bank charge. Deal with the line by hand: partial payment, bank charge or a different document.

What to check

☐ **1.1** Statements from ADCB, FAB, Mashreq, RAKBANK and other banks your clients use, including foreign-currency accounts.

☐ **7.1** Import: are all lines read, do balances agree; auto-matching; reconciliation.

☐ **7.1a** Foreign-currency accounts (USD): converting lines to AED, exchange differences when AED invoices are paid, USD → AED transfers between own accounts, revaluation, reconciliation in the account currency.

13 VAT return (VAT 201)

WHAT IT IS AND WHY

VAT 201 is the VAT return filed on EmaraTax for every tax period by the 28th of the following month. It shows output VAT (on sales), input VAT (on purchases) and the net amount to pay or recover. The main boxes:

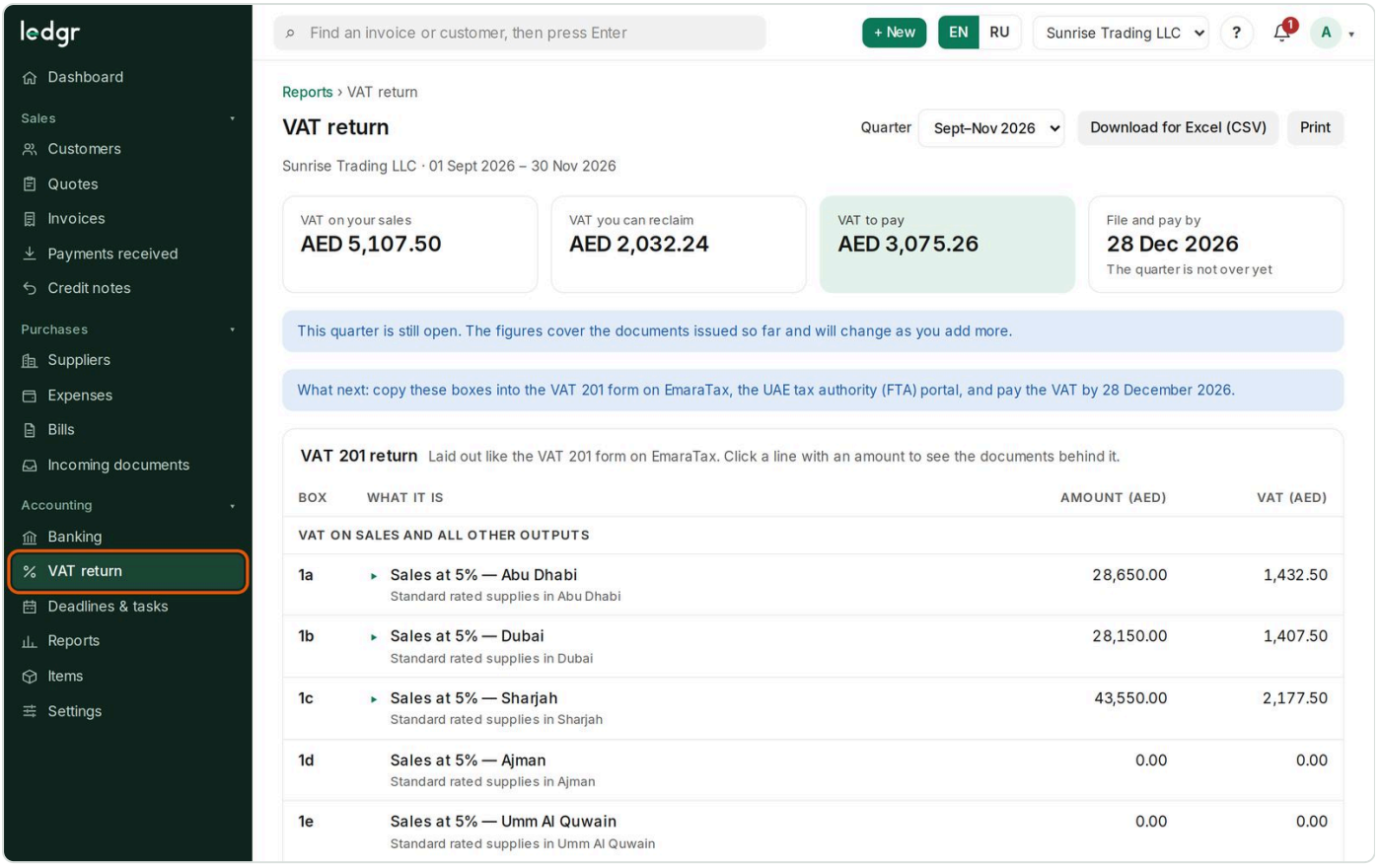
Box	What goes in
1a–1g	Standard-rated supplies by emirate: Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al Quwain, Ras Al Khaimah, Fujairah — amount and VAT
2	Tax refunds to tourists (scheme participants only)
3	Supplies subject to the Reverse Charge — imported services (VAT accounted for by you)
4	Zero-rated supplies (exports and others)
5	Exempt supplies
6–7	Goods imported through UAE customs and adjustments to them
8	Total sales
9	Standard-rated expenses — recoverable input VAT
10	Supplies subject to the Reverse Charge — the same VAT, now recovered
11	Total expenses
12–14	Totals: total value of due tax, recoverable tax and payable tax (or refund)

HOW IT WORKS IN LEDGR

You do not “prepare” the return: every posted document (invoice, credit note, bill, expense) records VAT lines with the supply type and emirate when it is posted. Ledgr assembles them into the form for the selected period, following the FTA schedule in the profile. Clicking a box shows all the documents behind it. If the quarter is not over, the figures are provisional: new documents change them. A cancelled or corrected document goes into the period of the correction, not into a return already filed.

Ledgr does not file the return itself: the figures are copied to EmaraTax by hand, and the payment is made there too.

Where to find it: Accounting → VAT return
ledgr.hubrock.biz/ui/vat/



VAT return for a quarter: VAT on sales and recoverable, VAT to pay, due date; the VAT 201 return box by box.

1. Choose the **quarter** (or month) at the top — periods follow the FTA schedule in the company profile.
2. Check the boxes of the **“VAT 201 return”**; click a box with an amount to see the documents behind it.
3. Reconcile the bank and close the period (see “Audit and close”) so the figures no longer change.
4. Copy the amounts into the VAT 201 form on EmaraTax and pay by the 28th. Mark the task done in Deadlines & tasks.

FAQ and common mistakes

? Dubai sales ended up in the Sharjah box.
The emirate comes from the customer's address (place of supply). Check the emirate on the customer record and, if needed, correct the invoice with a credit note.

? Box 3 and box 10 are the same — is that a mistake?
No. Under the Reverse Charge you both account for and recover the same VAT.

? Recoverable VAT is higher than VAT due.
Normal with large purchases or exports. A refund is requested separately on EmaraTax.

What to check

☐ **2.1** VAT 201 return: emirates, zero-rated, exempt, imports, Reverse Charge, adjustments, recovery.

14 Corporate tax

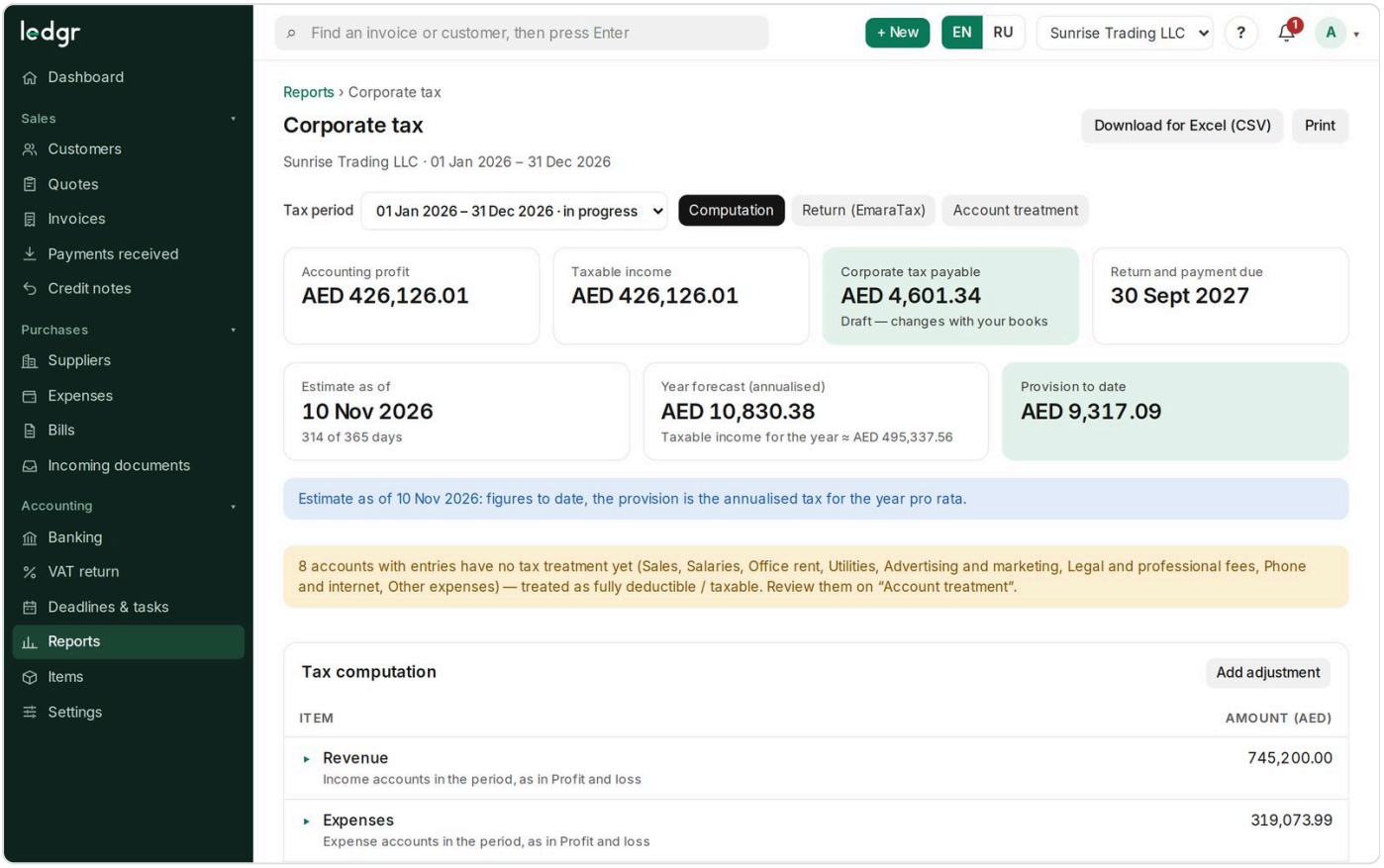
WHAT IT IS AND WHY

The tax on company profits: 0% on the first AED 375,000 of taxable income and 9% above. The base is not simply the profit in the report but profit after **tax adjustments** (for example, only half of entertainment is deductible). The return and payment are due within 9 months of the financial year end. To avoid surprises, it pays to estimate the tax during the year and set aside a provision.

HOW IT WORKS IN LEDGR

- **Computation**: accounting profit for the tax period from the books → adjustments → taxable income → reliefs (SBR, losses brought forward) → tax payable. Every figure drills down to accounts.
- **Account treatment**: each income and expense account gets a tax treatment (fully deductible, 50%, non-deductible, exempt income). Ledgr suggests the treatment itself and highlights accounts without one.
- **Adjustments**: Ledgr suggests the usual ones (entertainment 50%, interest above the limit, fines); add your own with “Add adjustment”.
- **Estimate to date** during the year: how much tax has built up so far and a full-year projection at the current run rate — so you can set aside a provision.
- **“Return (EmaraTax)”** — the figures laid out by the sections of the return for copying to the portal. Ledgr does not file it.
- **SBR**: Ledgr checks revenue for the current and prior periods and shows whether the relief applies (up to AED 3 million, tax periods ending by 31 December 2029 under Ministerial Decision No. 131 of 2026; check with your adviser).

Where to find it: Accounting → Reports → Corporate tax
ledgr.hubrock.biz/ui/reports/ct/



Corporate tax: accounting profit, taxable income, tax payable, due date; estimate to date and full-year projection.

FAQ and common mistakes

? Why is the tax a draft that “changes with the books”?
Until the period is closed, the computation updates with every new document. Once the computation is finalised, the figures are fixed.

? A free zone company — where is the 0%?
See the “Free zone (QFZP)” section: it shows whether the conditions are met.

What to check

☐ **3.1** Tax calculation: 0% / 9%, Small Business Relief.

☐ **3.2** Adjustments to profit: entertainment, interest, fines, dividends, losses.

☐ **3.3** CT filing and payment deadlines, reminders.

15 Free zone (QFZP)

WHAT IT IS AND WHY

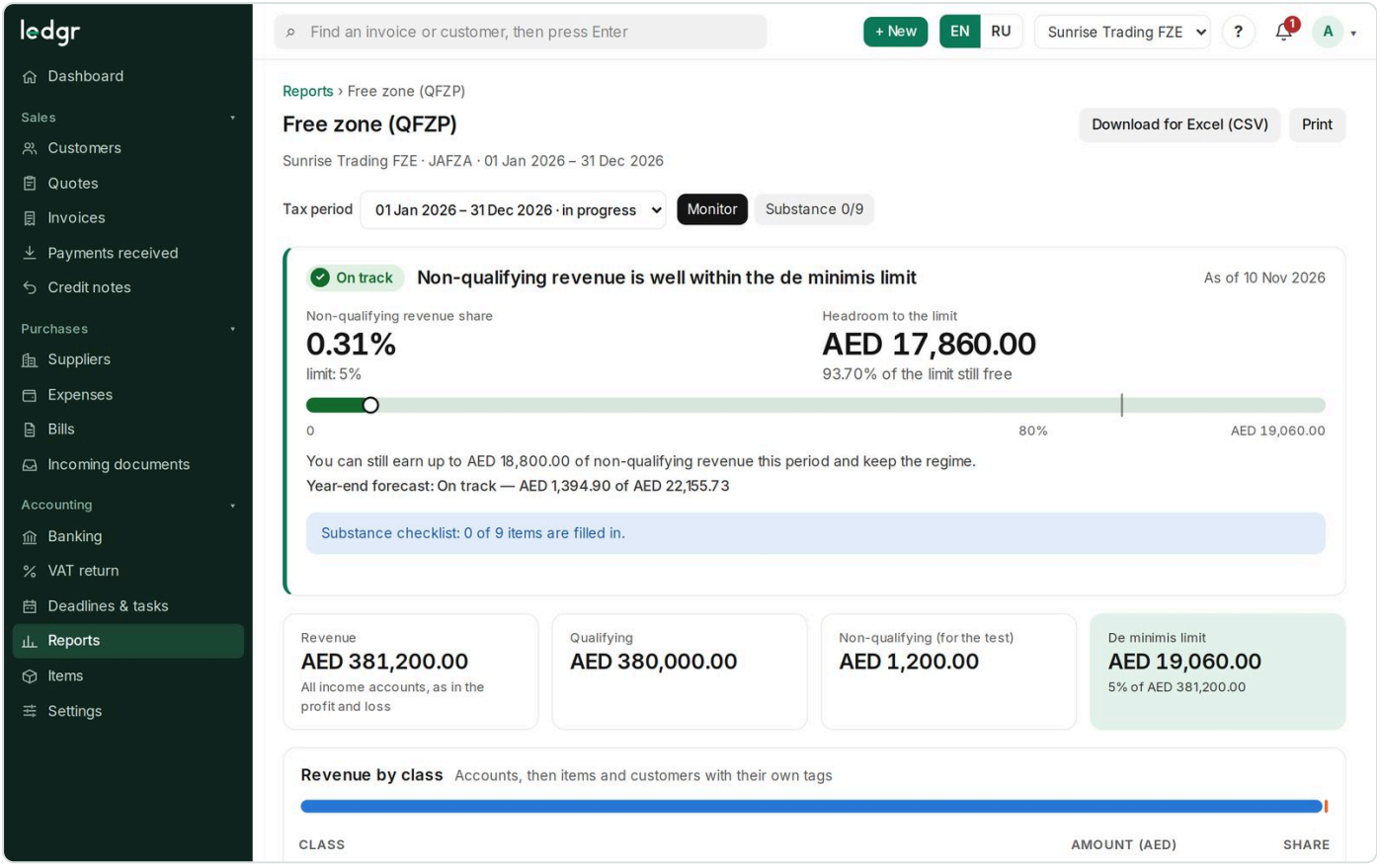
A **Qualifying Free Zone Person** (QFZP) is a free zone company that meets the conditions of the regime and pays 0% Corporate Tax on **qualifying income**. Qualifying income comes from qualifying activities (manufacturing, trading through a warehouse in the zone, logistics, group headquarters services and others) and from transactions with other free zone persons. Income from mainland customers is usually **non-qualifying**.

- **De minimis** — non-qualifying revenue must not exceed 5% of total revenue or AED 5 million. Exceed it and 9% applies to all taxable income, and the regime is lost for that period and the next four.
- **Substance** — the company must have an office, employees, expenditure and management in the zone proportionate to its business.
- **Audited financial statements** and **transfer pricing** compliance are mandatory.

HOW IT WORKS IN LEDGR

- **Monitor**: the share of non-qualifying revenue and the headroom to the de minimis threshold today, a year-end projection, and alerts in the bell when headroom runs low.
- **Income tags**: an income account, item or customer gets a class — qualifying or not — and an activity. Ledgr splits revenue by class using these tags.
- **“Substance”** — a 9-point substance checklist: office, staff, expenditure, decisions in the zone and so on.
- If the profile says the company is not in a free zone, Ledgr says so and shows how the test would look.

Where to find it: Accounting → Reports → Free zone (QFZP)
ledgr.hubrock.biz/ui/reports/qfzp/



QFZP monitor of a free zone company: non-qualifying revenue 0.31% against a 5% limit, headroom, year-end projection.

FAQ and common mistakes

? Why is all revenue non-qualifying?

No income account has a tag yet. Tag accounts 4100/4200 or the customers.

? Can I test a deal in advance?

Yes: the monitor shows how much more non-qualifying revenue the period can take without losing the regime.

What to check

☐ **3.4** QFZP: qualifying income, de minimis, substance, audited financial statements.

16 Related parties and transfer pricing

WHAT IT IS AND WHY

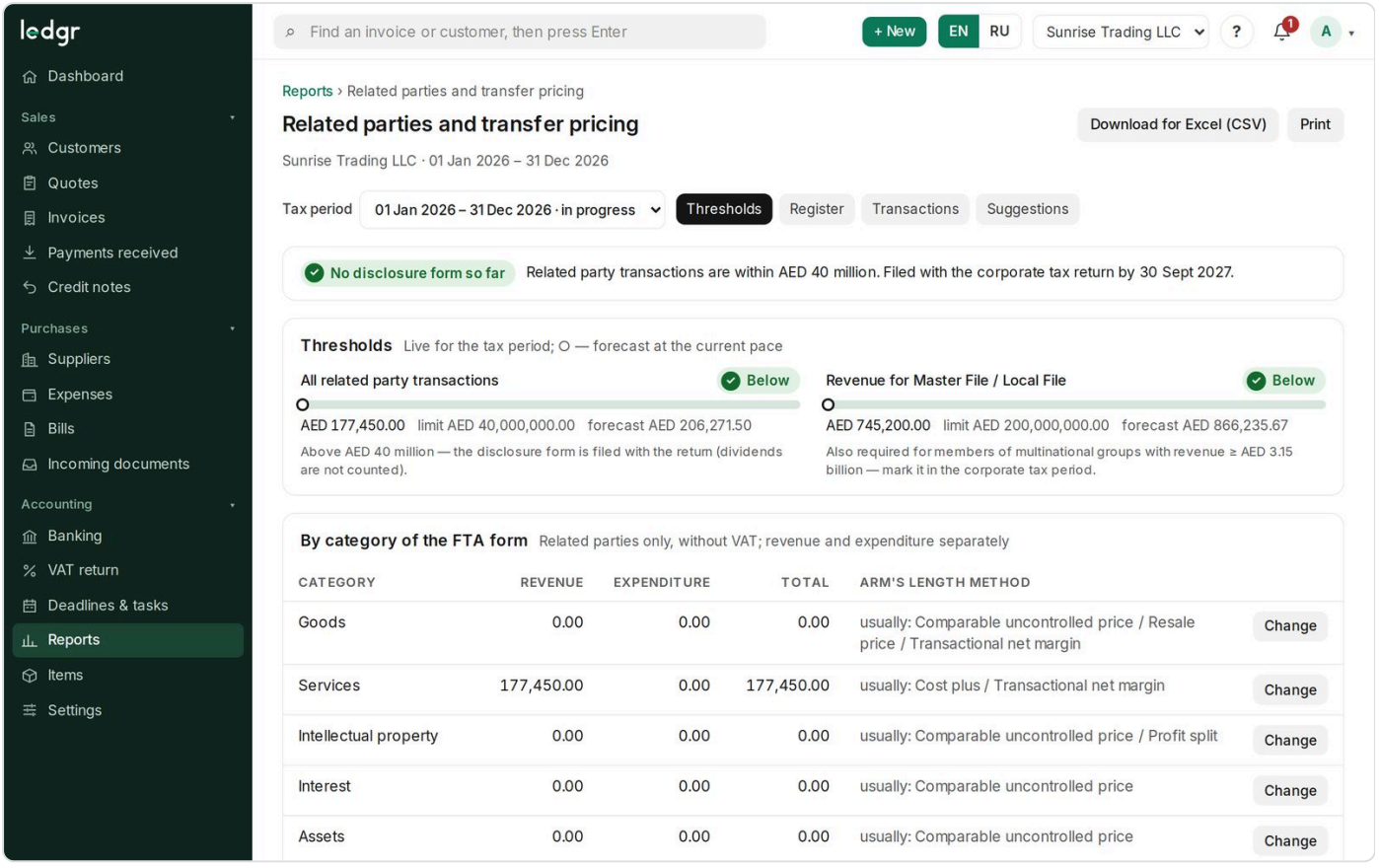
Related parties are owners, companies of the same group, directors and their relatives, and companies under common control. **Transfer pricing** (TP) rules require transactions between them to be priced as between independent parties (the **arm's length principle**). Otherwise profit could be “shifted” to where tax is lower — and the FTA will adjust it.

A **disclosure form** for related-party transactions is filed with the Corporate Tax return when they exceed the threshold; large companies and groups also prepare a **Master File** and **Local File**. For a QFZP, TP compliance is one of the conditions of the regime.

HOW IT WORKS IN LEDGR

- **Register**: related parties with the type of relationship and ownership share; Ledgr customers and suppliers are linked to them, and all invoices with them become transactions automatically. Ledgr suggests possible related parties.
- **Transactions** are grouped by the categories of the FTA form (goods, services, interest, royalties and others), each with a chosen arm's length method.
- **Thresholds**: whether the disclosure form and Master/Local File are needed, with a projection at the current run rate.

Where to find it: Accounting → Reports → Related parties and transfer pricing
ledgr.hubrock.biz/ui/reports/related/



Related parties and transfer pricing: thresholds for the disclosure form and Master/Local File, transactions by FTA form category with arm's length methods.

What to check

☐ **3.5** Related parties and TP: who is related, the disclosure form, Local/Master File thresholds.

17 Reports: profit and loss, balance sheet, receivables and payables

WHAT IT IS AND WHY

The **profit and loss** statement (P&L, income statement) answers “how much did we earn in the period”: income minus expenses. Read it top down: revenue → cost of sales → gross profit → operating expenses → profit. It is a flow over a period.

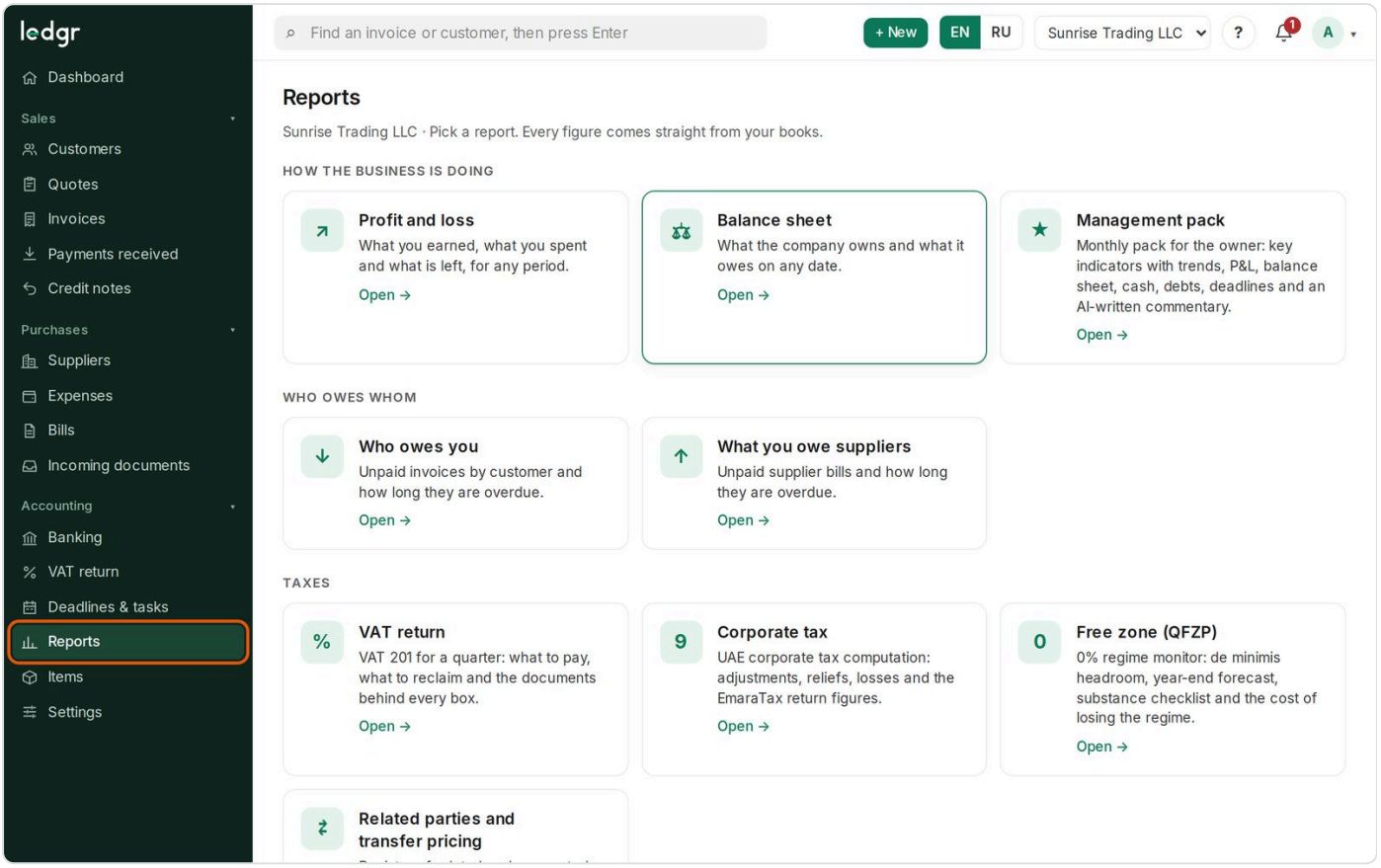
The **balance sheet** answers “what does the company have on a date and where did it come from”: **assets = liabilities + equity**. Assets are cash, amounts customers owe, recoverable VAT, property. Liabilities are amounts owed to suppliers, VAT payable, taxes. Equity is what the owners invested plus accumulated profit. It is a snapshot at a date. If the equation does not hold, the books contain an error; Ledgr confirms that assets equal liabilities plus equity.

Accounts receivable (“Who owes you”) is what customers owe. **Accounts payable** (“What you owe suppliers”) is what you owe. **Aging** breaks debts down by how overdue they are: not yet due, 1–15, 16–30, 31–45 days, over 45. The “older” a debt, the less likely it is to be collected.

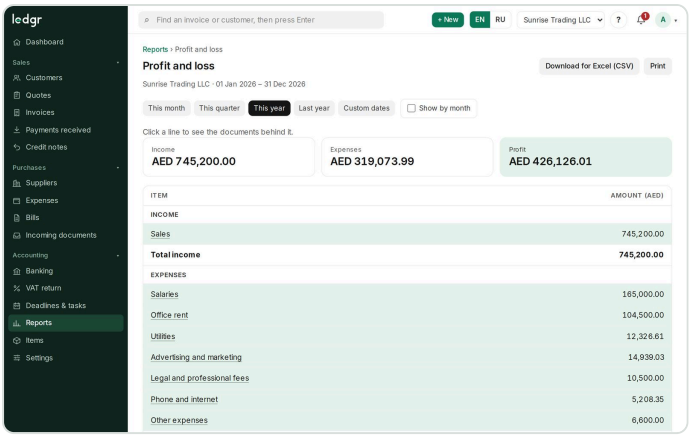
HOW IT WORKS IN LEDGR

All reports are built straight from the journal, in real time. The period is chosen with buttons (“This month”, “This quarter”, “This year”, “Last year”, custom dates); clicking a line opens the documents behind the figure. Every report has “Download for Excel (CSV)” and “Print” (save as PDF).

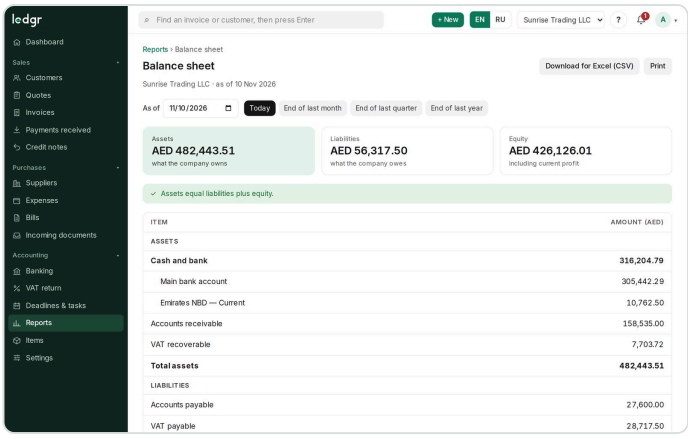
Where to find it: Accounting → Reports
ledgr.hubrock.biz/ui/reports/



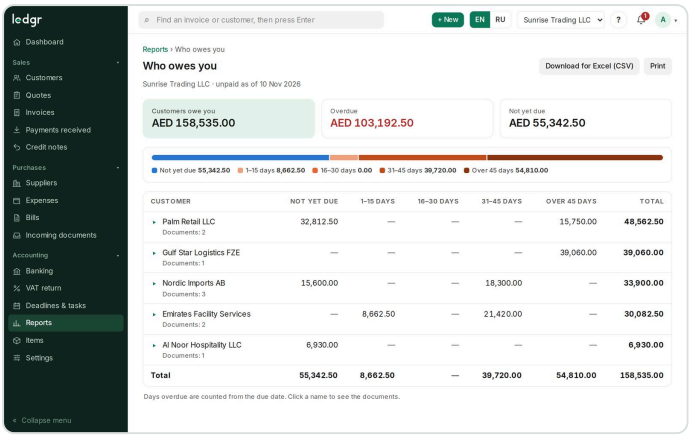
Reports: how the business is doing, who owes whom, taxes, group and audit, planning.



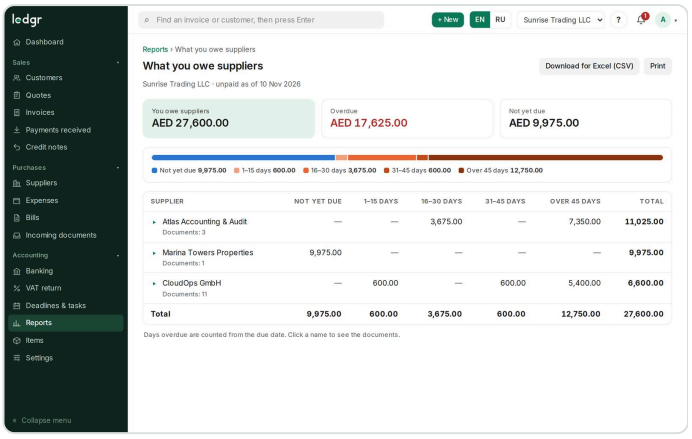
Profit and loss for the year



Balance sheet at a date



Who owes you — by age



What you owe suppliers

FAQ and common mistakes

? There is a profit, but no cash.
Profit is on an accrual basis: invoices issued but not paid are already revenue. See “Who owes you” and the “Cash forecast”.

? Where is the trial balance?
Reports → Audit and close → Trial balance.

What to check

☐ **4.1** Default chart of accounts: does it fit your practice and IFRS.

☐ **4.2** Profit and loss, balance sheet: line structure, format.

☐ **4.3** Receivables and payables by age.

18 Management pack

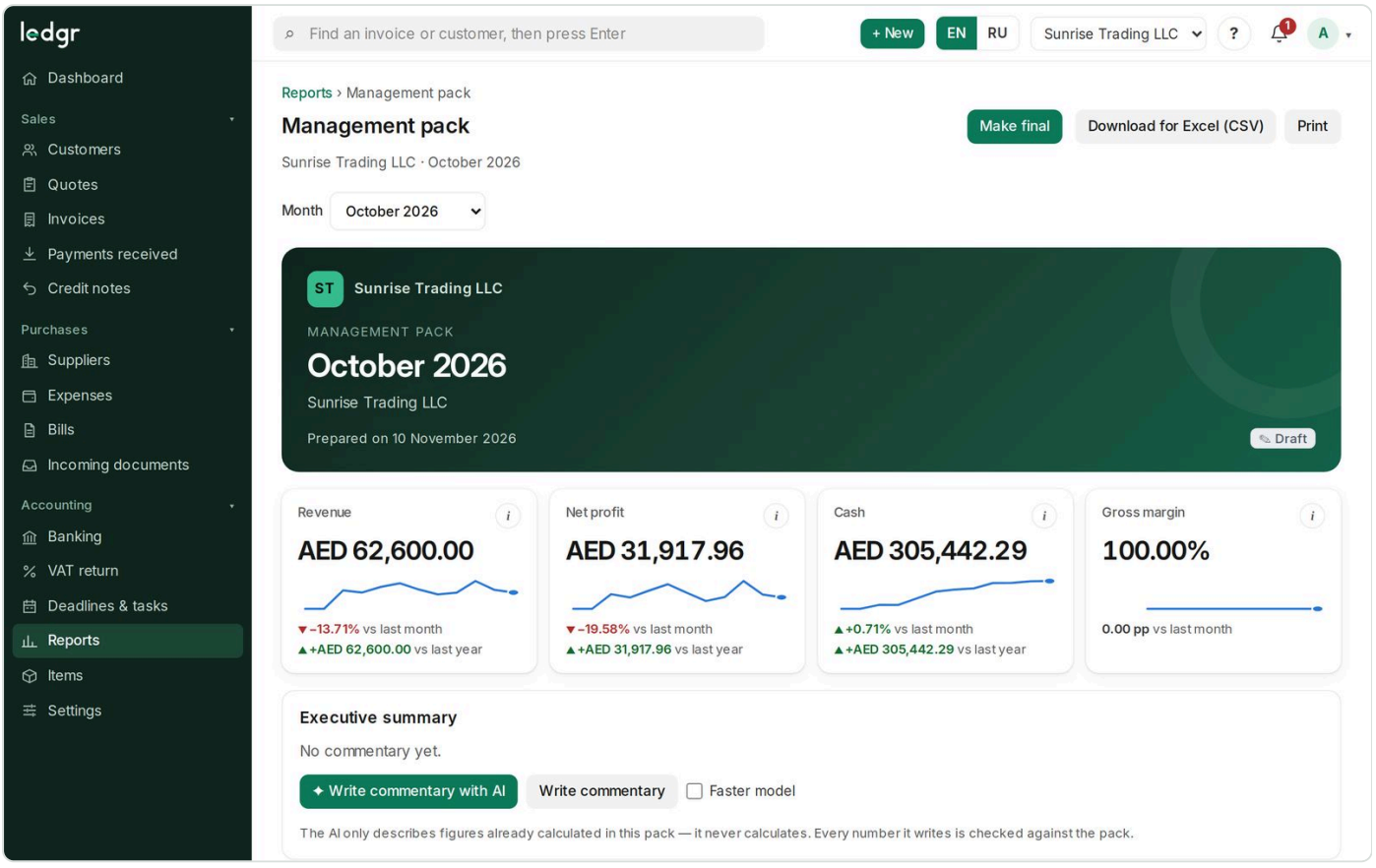
WHAT IT IS AND WHY

A **management pack** is a monthly report for the owner or the board: not for the tax authority, but for decisions. It answers “how did we do this month, what changed, where are the risks and what should we do”. Unlike statutory reports it has comparisons (with last month and last year), key performance indicators (KPIs) and a short written commentary. It is the main deliverable of a virtual CFO (see Part III).

HOW IT WORKS IN LEDGR

- **KPIs**: revenue, gross and operating margin, net profit, EBITDA, cash, burn rate and runway, days sales outstanding and days payable outstanding (DSO, DPO), current and quick ratio, overdue receivables, customer concentration, expenses, VAT payable and the corporate tax provision. Each comes with a 12-month trend and changes.
- **Statements**: profit and loss (month, previous month, same month last year, year to date), balance sheet, cash flow, aged debts, largest movements by line, upcoming deadlines and risk signals.
- **AI commentary**: “Write commentary with AI” — Claude receives only a ready **fact sheet** (figures calculated by the software) and drafts an executive summary, key observations, risks and recommendations. The AI is not allowed to calculate; after it answers, the software checks **every number** in the text against the fact sheet and highlights mismatches. You can also “Write commentary” by hand.
- **“Make final”** — the figures, commentary and notes are frozen; if the books change later, the pack shows it.
- The pack is printed to PDF (“Print”) and exported to Excel (CSV).

Where to find it: Accounting → Reports → Management pack
ledgr.hubrock.biz/ui/reports/pack/



Management pack: cover, KPIs with trends, the “Executive summary” block with commentary buttons.

FAQ and common mistakes

? The AI wrote a number that is not in the report.
Such a number is highlighted as a mismatch. Edit the text: only what a person approves goes into the final pack.

? Can a final pack be changed?
No, only a new version can be created. This protects the report already sent to the owner.

What to check

☐ **5.1** Management pack: KPIs, charts, AI commentary — clarity, errors, tone.

19 Budget and budget vs actual

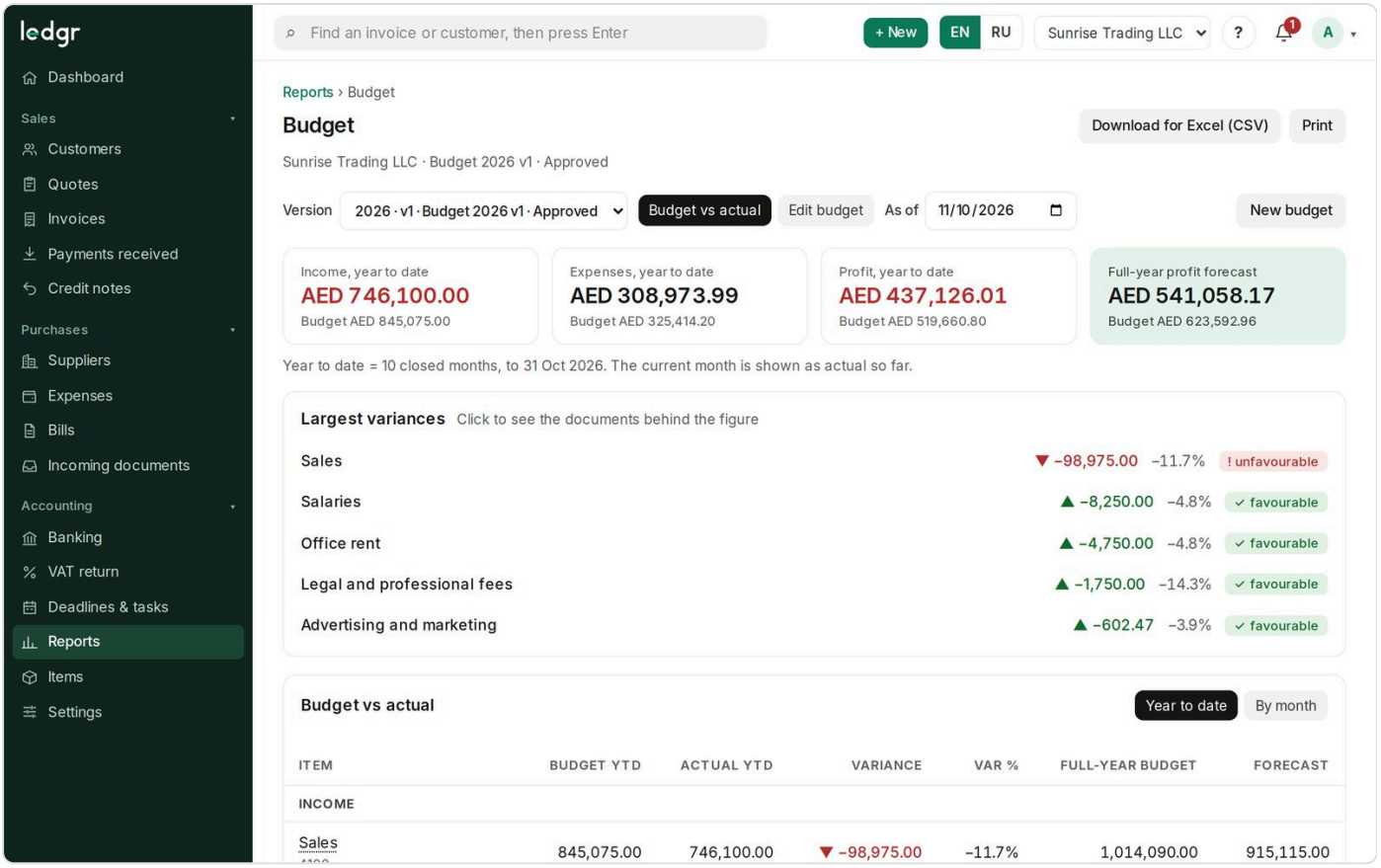
WHAT IT IS AND WHY

A **budget** is a plan of income and expenses for the year by month. **Budget vs actual** compares the plan with what happened and shows the **variances**: where you did better, where you fell short, and why. A budget lets you see early whether the company is on track, rather than finding out at year end.

HOW IT WORKS IN LEDGR

- A budget is created in one of several ways: from scratch, from last year's actuals with a growth percentage, at the current run rate, with seasonality, or as a copy of another version; an annual amount per line can be spread evenly or like last year.
- Budgets have **versions**: a draft can be edited, an approved one can only be replaced by a new version.
- “Budget vs actual”: year to date and by month, variance in amount and percent, “Largest variances” marked favourable or not, and a full-year profit projection.

Where to find it: Accounting → Reports → Budget
ledgr.hubrock.biz/ui/reports/budget/



Budget: income, expenses and profit year to date against budget, largest variances, the “Budget vs actual” table.

What to check

☐ **5.2** Budget and budget vs actual.

20 13-week cash forecast

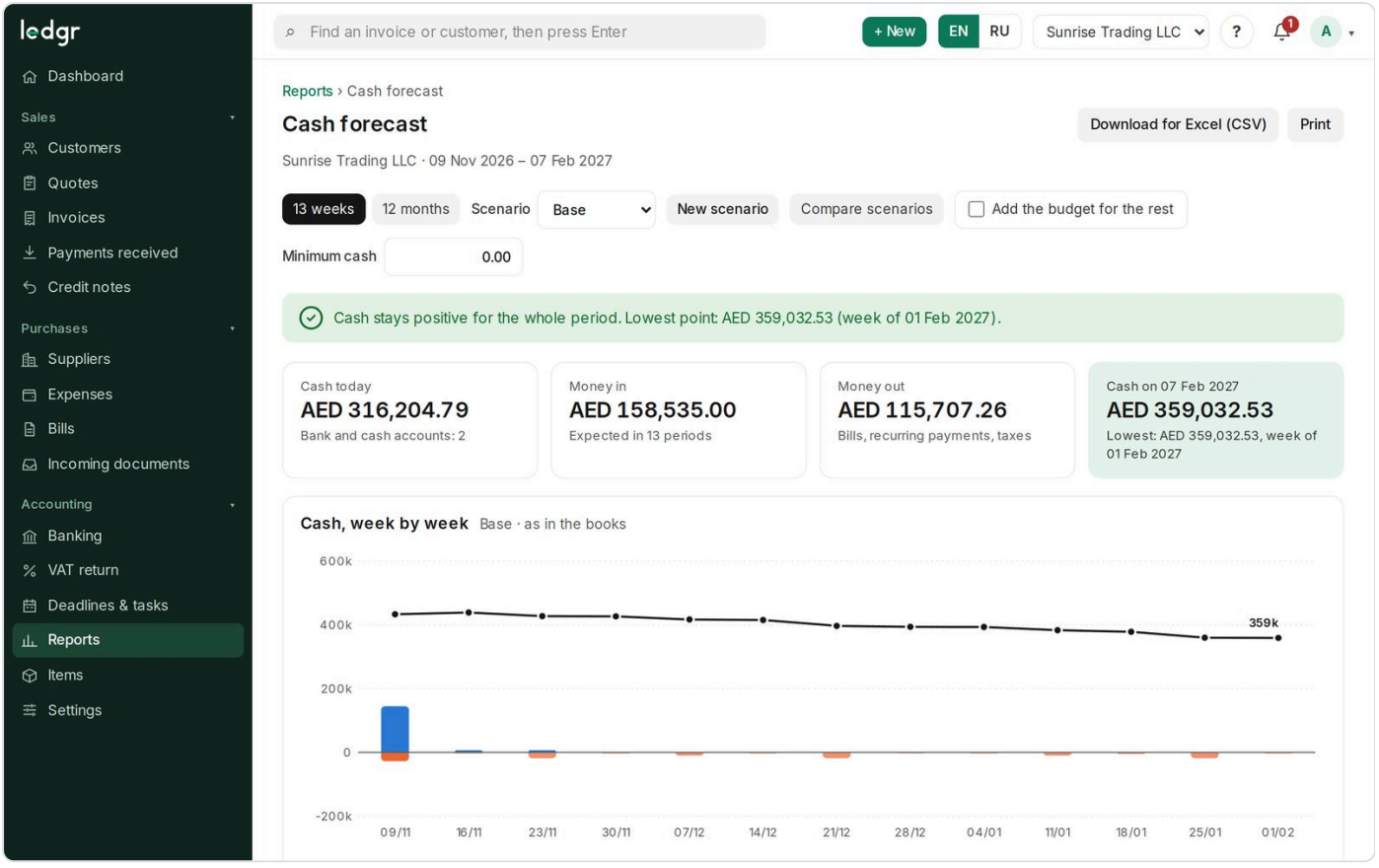
WHAT IT IS AND WHY

Profit is not cash: a company can be profitable and still have no money for salaries because customers pay late. A **cash flow forecast** over 13 weeks (a quarter, week by week) shows how much cash there will be each week and when a shortfall may occur. It is a standard CFO tool.

HOW IT WORKS IN LEDGR

- Starting point — cash in all bank accounts and petty cash today.
- **Receipts**: unpaid customer invoices by due date **plus that customer's usual delay** (Ledgr measures how late each customer usually pays). Debts more than 120 days overdue are treated as doubtful and left out.
- **Payments**: unpaid bills by due date, recurring payments (rent, salaries, utilities — Ledgr finds them itself), VAT and Corporate Tax by the dates in the deadlines calendar.
- Optionally — the budget for everything else; manual adjustments; **scenarios** (“customers pay two weeks later”, a one-off large payment) and comparing them; a minimum cash level below which Ledgr warns you.
- View: 13 weeks or 12 months.

Where to find it: Accounting → Reports → Cash forecast
ledgr.hubrock.biz/ui/reports/forecast/



Cash forecast: whether cash lasts the whole period, the lowest point, receipts and payments, weekly chart.

What to check

☐ **5.3** 13-week cash forecast: method, VAT and CT, scenarios.

21 Group of companies and consolidation

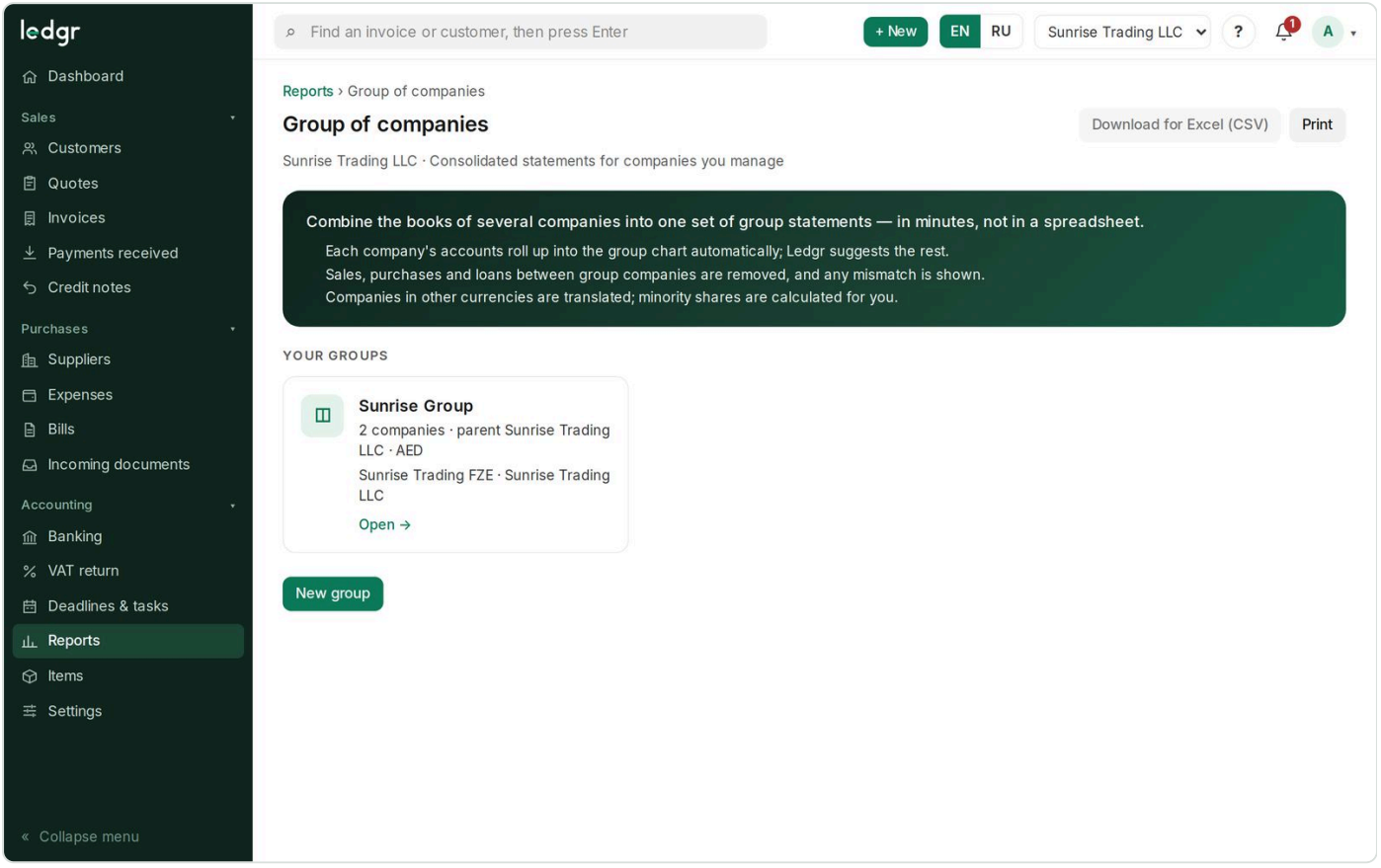
WHAT IT IS AND WHY

When an owner has several companies (say, a mainland LLC and a free zone FZE), they need one picture. **Consolidated** financial statements combine the group companies as if they were one. **Intercompany transactions are eliminated**: if one group company sold services to another, that is not group revenue — money just moved from one pocket to another. If the group does not own 100% of a company, a **non-controlling interest** is shown. Companies in another currency are translated into the group currency.

HOW IT WORKS IN LEDGR

- A group is created by someone with access to all its companies (or the partner of the firm that keeps their books).
- **Companies**: ownership share, method (full consolidation, equity method or excluded), control dates, currency.
- **Accounts**: each company's accounts are mapped to the group chart of accounts; Ledgr suggests the mapping by code and name.
- **Intercompany**: you mark which customers and suppliers are group companies (suggested by TRN and name); their turnover and balances are eliminated, and mismatches are visible straight away.
- **Rates**: period-end and average — for translating companies in another currency.
- The result: a consolidated P&L and balance sheet with a column per company and an eliminations column.

Where to find it: Accounting → Reports → Group of companies
ledgr.hubrock.biz/ui/reports/group/



Group of companies: groups and their members.

What to check

☐ **5.4** Consolidation: intercompany transactions, currencies, non-controlling interest.

22 Audit and close; bank pack

WHAT IT IS AND WHY

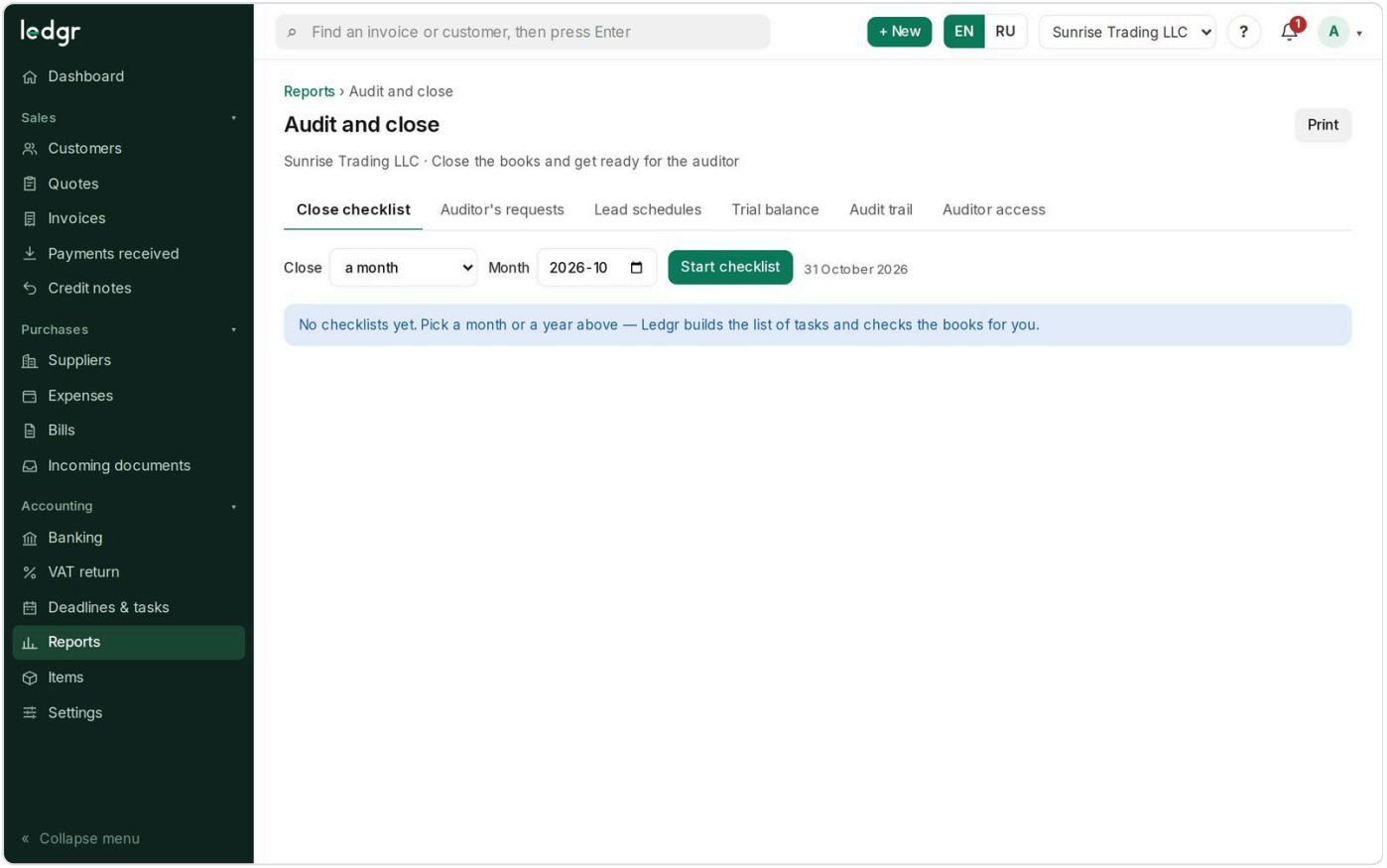
A **period close** (month-end or year-end) is a routine: everything entered, bank reconciled, VAT calculated, reports reviewed, period locked. An **audit** is an independent review of the annual financial statements; it is mandatory for QFZPs, tax groups and companies with revenue above AED 50 million. The auditor sends a **request list** (PBC — prepared by client): trial balance, general ledger, lead schedules, supporting documents.

A **bank pack** is needed to open an account (KYC — know your customer), to get or renew a loan: company details, financial statements, tax status and **covenants** — the financial conditions of a loan agreement (for example, debt no more than 3× EBITDA).

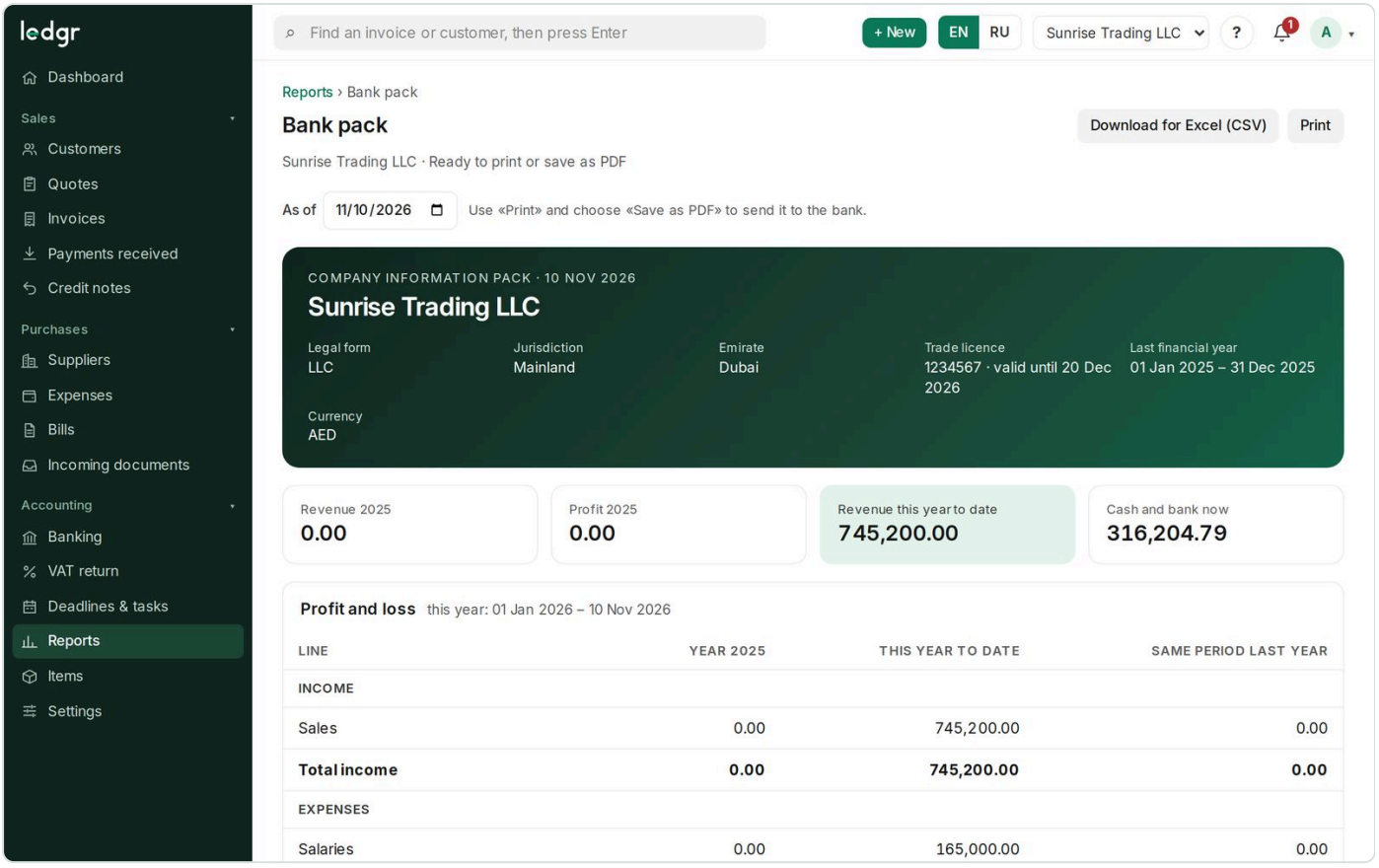
HOW IT WORKS IN LEDGR

- **Close checklist**: “Start checklist” for a month or a year — Ledgr builds the task list and checks what it can from the books (bank reconciled, no drafts, VAT filed, P&L reviewed); the last step is **locking the period**, after which nothing can be posted into it with a back date.
- **Auditor's requests** (PBC) with statuses; the relevant reports are attached automatically.
- **Lead schedules**, **trial balance**, general ledger, **audit trail** (who changed what and when; the export is protected by a chain of checksums, so it cannot be altered unnoticed).
- **Auditor access**: invite an external auditor for a limited time, read-only.
- **Bank pack**: company details, P&L and balance sheet for last year and year to date, aged debts, cash flow, VAT and Corporate Tax status, KPIs and a covenant calculator (enter the thresholds — Ledgr shows met or breached). Print to PDF.

Where to find it: Accounting → Reports → Audit and close; Reports → Bank pack
ledgr.hubrock.biz/ui/reports/audit/



Audit and close: “Close checklist”, “Auditor's requests”, “Lead schedules”, “Trial balance”, “Audit trail”, “Auditor access” tabs.



Bank pack: company details, revenue and profit, cash, statements.

What to check

- ☐ **4.4** Period close, audit trail, export for an FTA audit.
- ☐ **4.5** Record keeping: 5 years for VAT, 7 years for CT, export on FTA request.
- ☐ **5.5** Auditor and bank packs: do they contain what auditors and banks actually ask for.

23 Deadlines & tasks, notifications

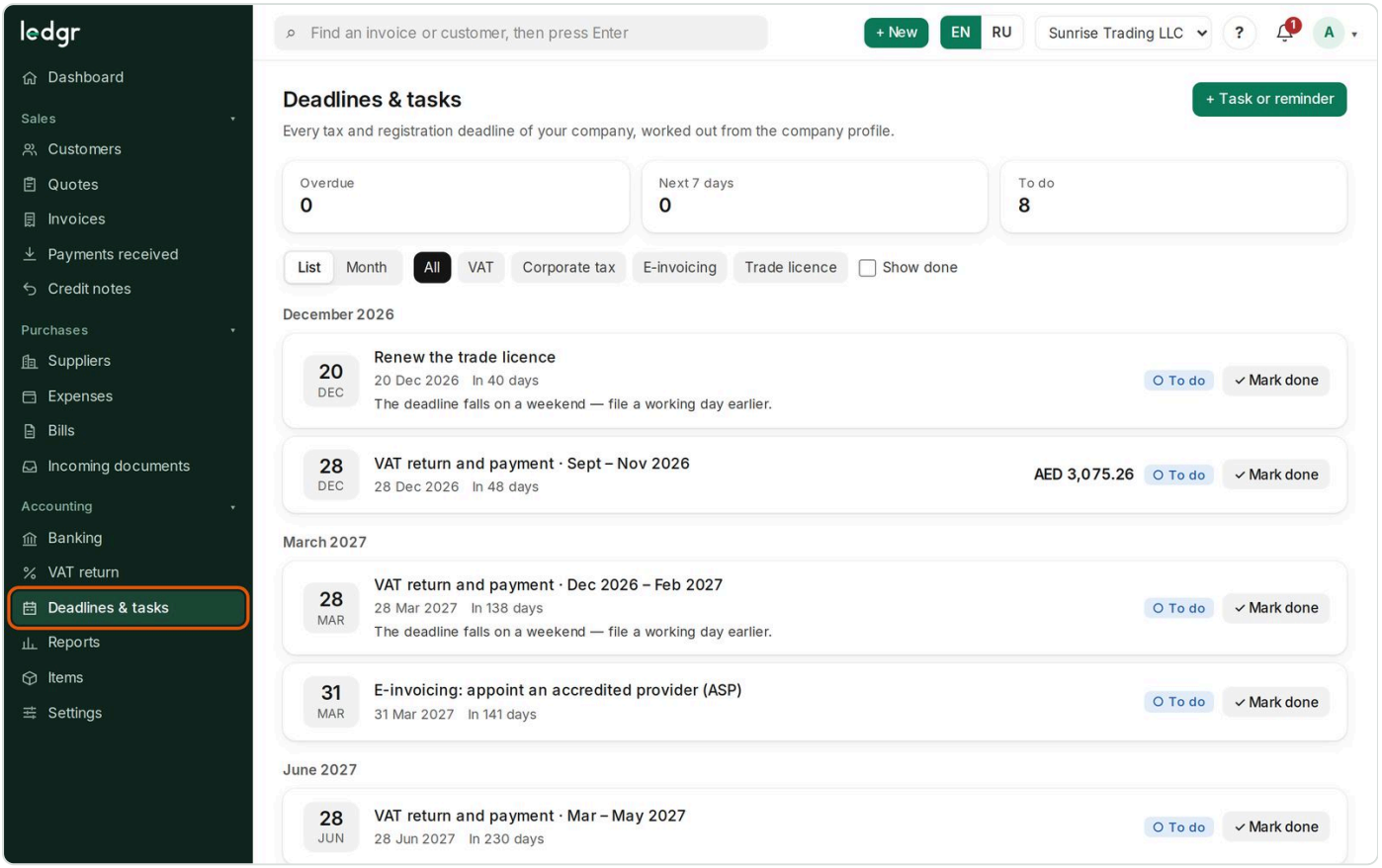
WHAT IT IS AND WHY

A missed deadline in the UAE costs money: penalties for late VAT and Corporate Tax returns, an expired licence. Deadlines & tasks is the company's tax calendar, calculated from its profile, plus your own tasks and reminders.

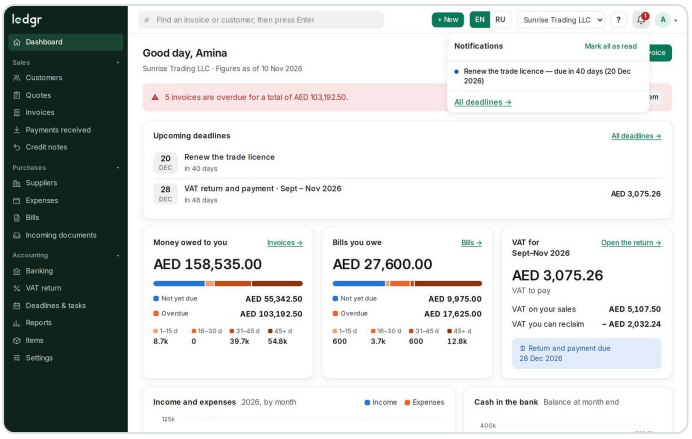
HOW IT WORKS IN LEDGR

- Deadlines appear automatically: VAT returns and payments for the FTA periods, Corporate Tax, the TP disclosure, audited financial statements (if required), licence renewal, e-invoicing milestones. Change the profile and the deadlines are recalculated.
- The amount to pay is filled in from the calculation (for example, VAT for the quarter) when known.
- A task has a status (to do, in progress, done) and an owner; a deadline falling on a weekend is flagged as “better file earlier”.
- The **bell** gathers everything that needs attention: upcoming and overdue deadlines, QFZP risks, unusual transactions.

Where to find it: Accounting → Deadlines & tasks
ledgr.hubrock.biz/ui/compliance/



Deadlines & tasks: list by month, filters by tax, “Mark done”; “+ Task or reminder”.



Notification bell

“Mark all as read” clears the list; “All deadlines” opens the calendar. The number on the bell is the count of unread notifications.

What to check

☐ **5.6** Which deadlines are missing: UBO, AML/goAML, WPS, insurance and so on.

24 Firm clients (accounting firm workspace)

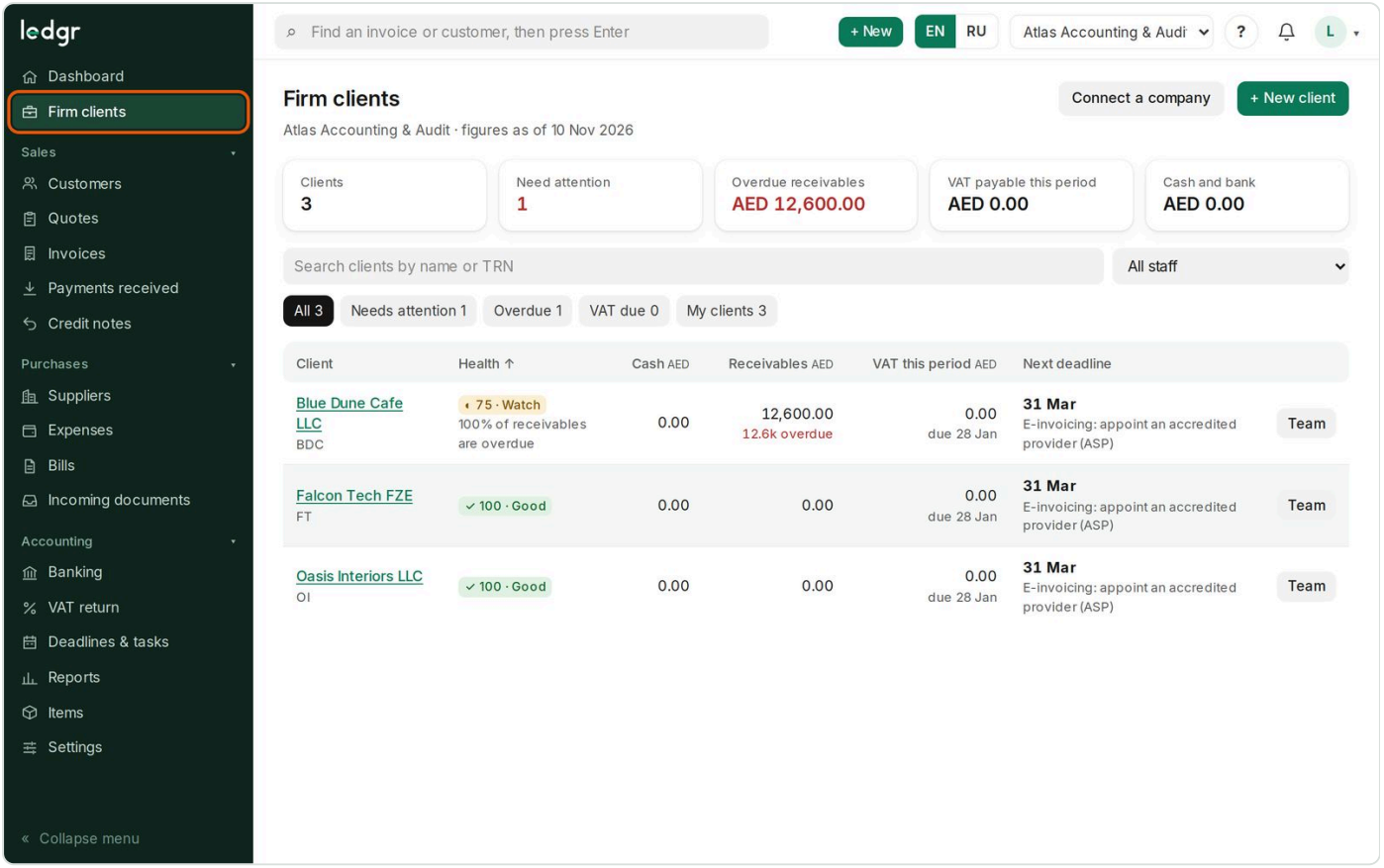
WHAT IT IS AND WHY

An accounting firm keeps the books of dozens of companies. It needs one screen showing which client has a problem: debts, overdue amounts, VAT to pay, upcoming deadlines, which staff member is responsible. That is the Firm clients workspace.

HOW IT WORKS IN LEDGR

- Each client in the list has a **health score** (for example, “100 · Good” or “75 · Watch”), cash, receivables and overdue receivables, VAT to pay for the period, the next deadline and the team.
- Filters: “Needs attention”, “Overdue”, “VAT due”, “My clients”; search by name or TRN; filter by staff member.
- Clicking a client opens their company with all Ledgr sections.
- A client can be created (“+ New client”) or an existing company connected with an access code (“Connect a company”); the firm can also send a request for the client to approve.
- **“Team”** — which staff members work on the client and in which role; staff see only their own clients.

Where to find it: “Firm clients” in the menu (for accounting firm users)
ledgr.hubrock.biz/ui/practice/



Firm clients: portfolio totals, filters, health, receivables, VAT, next deadline, team.

What to check

☐ **6.1** Working with several clients, a shared list of tasks and deadlines.

☐ **6.2** Roles: partner, accountant, assistant, client — who sees what.

25 E-invoicing

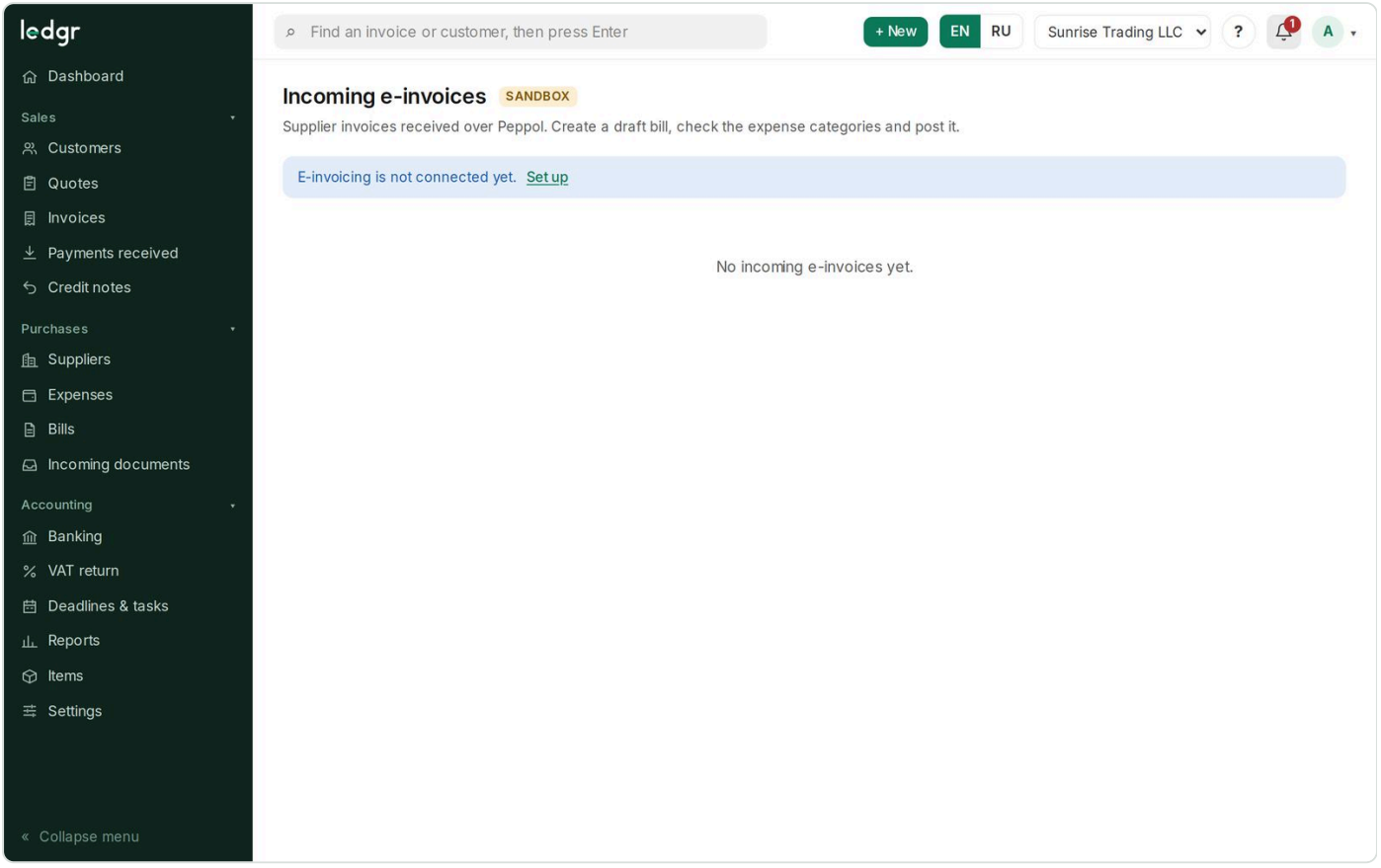
WHAT IT IS AND WHY

An e-invoice is not a PDF but structured data in the **PINT-AE** format, sent over the **Peppol** network from the seller's provider to the buyer's provider, with a copy of the data going to the FTA. Exchange happens only through an **Accredited Service Provider (ASP)**. The format has dozens of mandatory fields: party details, TRNs, addresses, item codes, rates. Timelines are in Part I.

HOW IT WORKS IN LEDGR

- **Setup** (Settings → “E-invoicing”): choose the provider, accept the terms, record the provider appointment date and the seller's address.
- Each invoice has an “E-invoicing” block: **“Check”** (build the XML, check mandatory fields and agree it to the books), **“Download XML”**, sending and the status from the provider.
- **Incoming e-invoices** from suppliers: one click turns an incoming e-invoice into a draft bill (the supplier is found by TRN).
- **Currently in test mode (sandbox)**, without a real provider: the ASP agreement is not signed yet.

Where to find it: Settings → “E-invoicing”; incoming — the “Incoming e-invoices” link on the Bills page
ledgr.hubrock.biz/ui/einvoices/



Incoming e-invoices (sandbox)

What to check

- ☐ **8.1** Which ASP the firm already works with or would like to.
- ☐ **8.2** PINT-AE mandatory fields are filled from the customer, item and invoice.
- ☐ **8.3** When e-invoicing becomes mandatory for the firm's clients.

PART III

Virtual CFO

The virtual CFO service in the UAE and how to deliver it on Ledgr

1. What a virtual CFO is
2. What the service includes
3. The monthly CFO cycle in Ledgr
4. Quarterly and annual tasks
5. How a firm runs many clients
6. What AI does and where a person must check
7. What the firm delivers to the client

26 What a virtual CFO is

A **chief financial officer** (CFO) is responsible not for journal entries but for money and decisions: will the cash last, where is margin being lost, how much can be paid out as dividends, how to get a loan, how to stay within the tax rules. Small and medium-sized businesses usually have no in-house CFO — it is expensive: in the UAE such a person costs roughly AED 40,000–90,000 a month.

A **virtual CFO** (fractional CFO) is the same function, outsourced: an experienced finance professional from an accounting or advisory firm works with the company a few hours or days a month. It is a service, not a job title or a legal status.

How it differs from bookkeeping

	Bookkeeping	Virtual CFO
Key question	“Is everything recorded and filed correctly?”	“What does it mean for the business, and what should we do?”
Looks	Back: what has already happened	Forward: budget, cash forecast, scenarios
Output	Books, returns, statements	Management pack, conclusions, recommendations, a meeting with the owner
Works with	Documents and the tax authority	The owner, banks, auditors, investors

In practice a CFO relies on good bookkeeping: without accurate, timely books there can be no conclusions. So firms usually sell both together — bookkeeping, and the CFO service on top.

Who needs it in the UAE

- small and medium-sized businesses with revenue of several million dirhams that now face Corporate Tax and cash questions;
- free zone companies that need to keep the QFZP regime (de minimis threshold, substance, audit);
- groups of companies (mainland plus free zone, several countries) that need one set of reports and control over intercompany deals;
- companies preparing for a loan, fundraising or a sale;
- companies with tight cash flow: customers pay late, seasonality, fast growth.

Demand is growing because of Corporate Tax, the QFZP rules, mandatory audits for some companies and the move to e-invoicing. **Market price guide**: entry level — AED 3,000–10,000 a month; typical — 10,000–25,000 for 2–3 days a month; part-time — 30,000–60,000 (from UAE firms' published prices as of November 2026; prices depend heavily on scope).

27 What the service includes

Area	What the CFO does	How Ledgr helps
Control of the books	Makes sure the books are complete and correct: bank reconciled, debts real, VAT right, period closed.	Banking and reconciliation, close checklist with automatic checks, audit trail.
Management reporting	Prepares the monthly pack: KPIs, variances, conclusions and recommendations.	Management pack, 12-month KPIs, AI draft commentary.
Budget and cash	Builds the budget, analyses budget vs actual, runs the cash forecast, warns about shortfalls.	Budget vs actual, 13-week cash forecast with scenarios.
Tax	VAT, Corporate Tax (in-year estimate, provision, return), QFZP, transfer pricing.	VAT return, CT computation, QFZP monitor, related parties and TP, deadlines & tasks.
Audit	Prepares the company for audit and answers the auditor's requests.	Audit and close: auditor's requests, lead schedules, trial balance, auditor access.
Banks	KYC when opening accounts, loan documentation, covenant monitoring.	Bank pack and covenant calculator.
Deals and structure	Advises on dividends, intercompany loans, structure (mainland plus free zone), tax grouping.	Group of companies, consolidation; the decisions are made by a person — the system provides the numbers.

> Ledgr is a tool for the CFO, not a replacement. The system gathers data, calculates and prepares drafts; conclusions, recommendations and responsibility stay with a person.

28 The monthly CFO cycle in Ledgr

Below is a typical month for one client. The days are indicative: working days after the month ends.

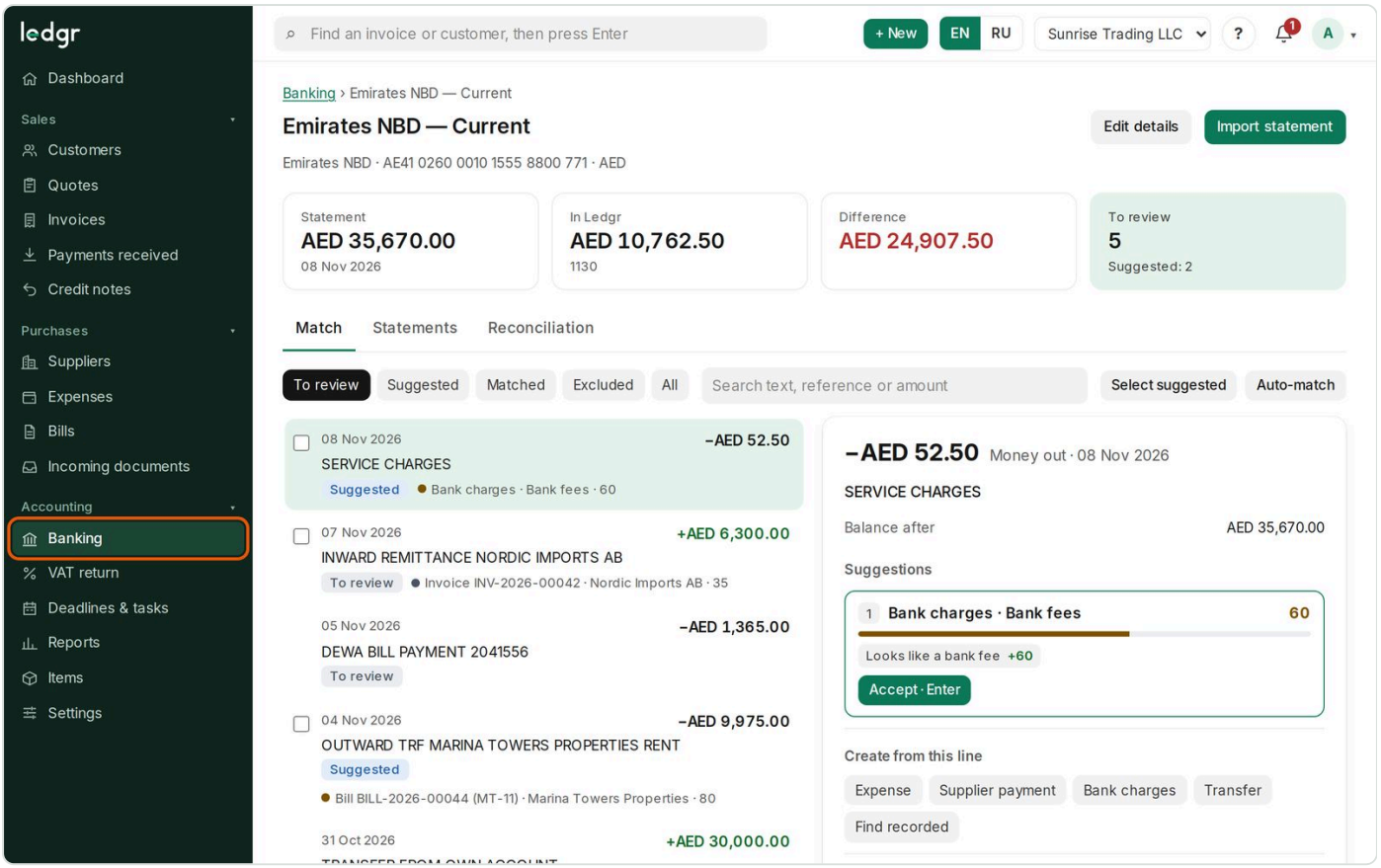
1

DAYS 1–3

Everything entered

Import statements from every bank, match the lines, process incoming documents (supplier bills and receipts), check that every customer invoice has been issued.

In Ledgr: Banking → “Import statement”, “Match lines”, “Auto-match”; “Incoming documents”.



Matching statement lines

2

DAYS 3–5

Reconcile and close

Reconcile the bank to month end, check receivables and payables for anything “stuck”, check VAT, review the P&L for odd amounts, close and lock the month.

In Ledgr: Banking → “Reconciliation”; “Who owes you” / “What you owe suppliers”; “Audit and close” → “Start checklist” for the month, lock the period.

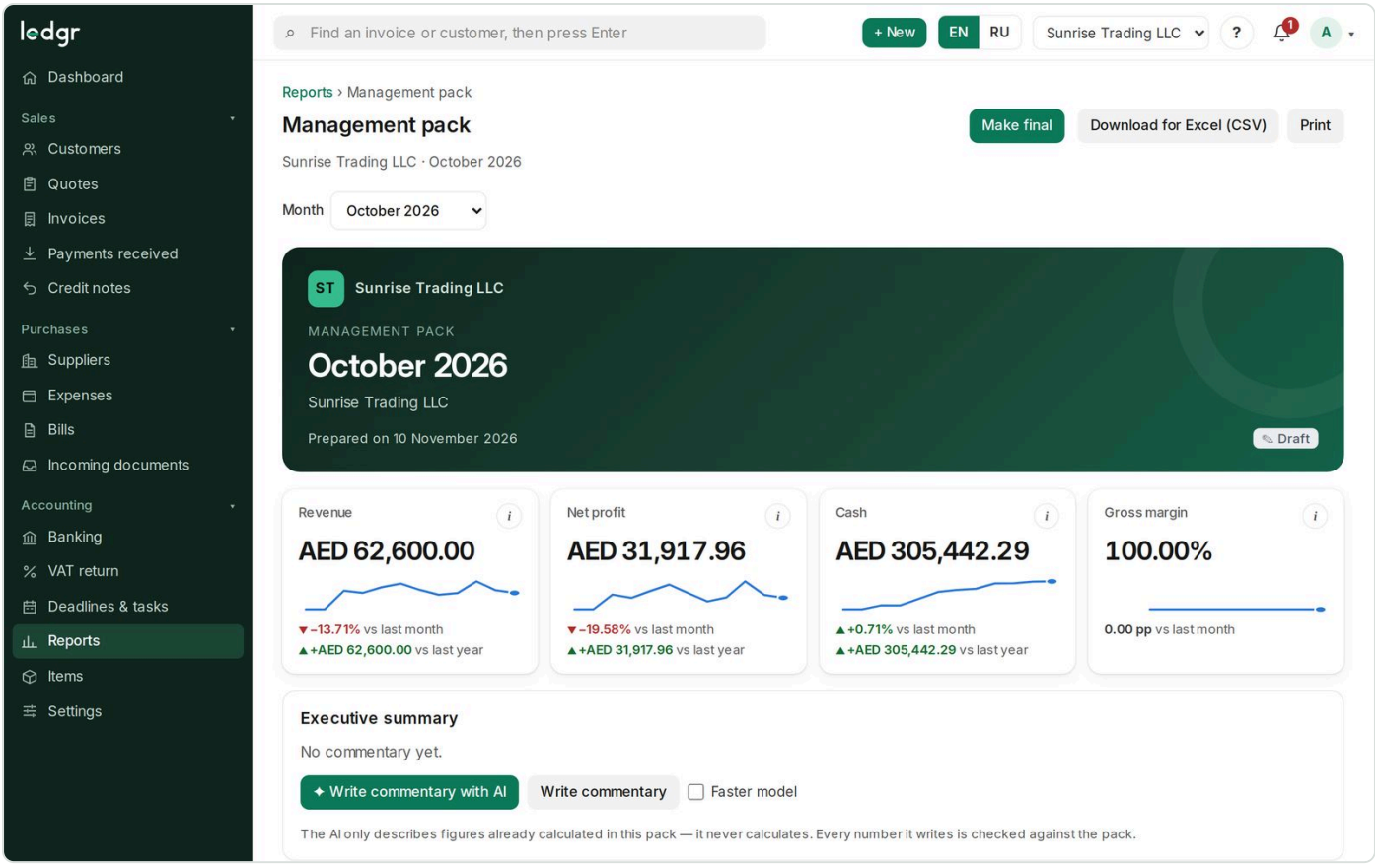
3

DAYS 5–8

Pack and commentary

Produce the month's management pack, review KPIs and variances against budget, write the commentary: what happened, why, risks, what to do. The AI drafts it, the CFO edits it and makes the pack final.

In Ledgr: “Management pack” → “Write commentary with AI” → edit → “Make final” → “Print” to PDF; “Budget” → “Budget vs actual”.



Management pack

4 DAYS 8–10

Meeting with the owner

30–60 minutes: go through the pack, discuss decisions — prices, costs, hiring, collections, dividends. Record what was agreed as tasks.

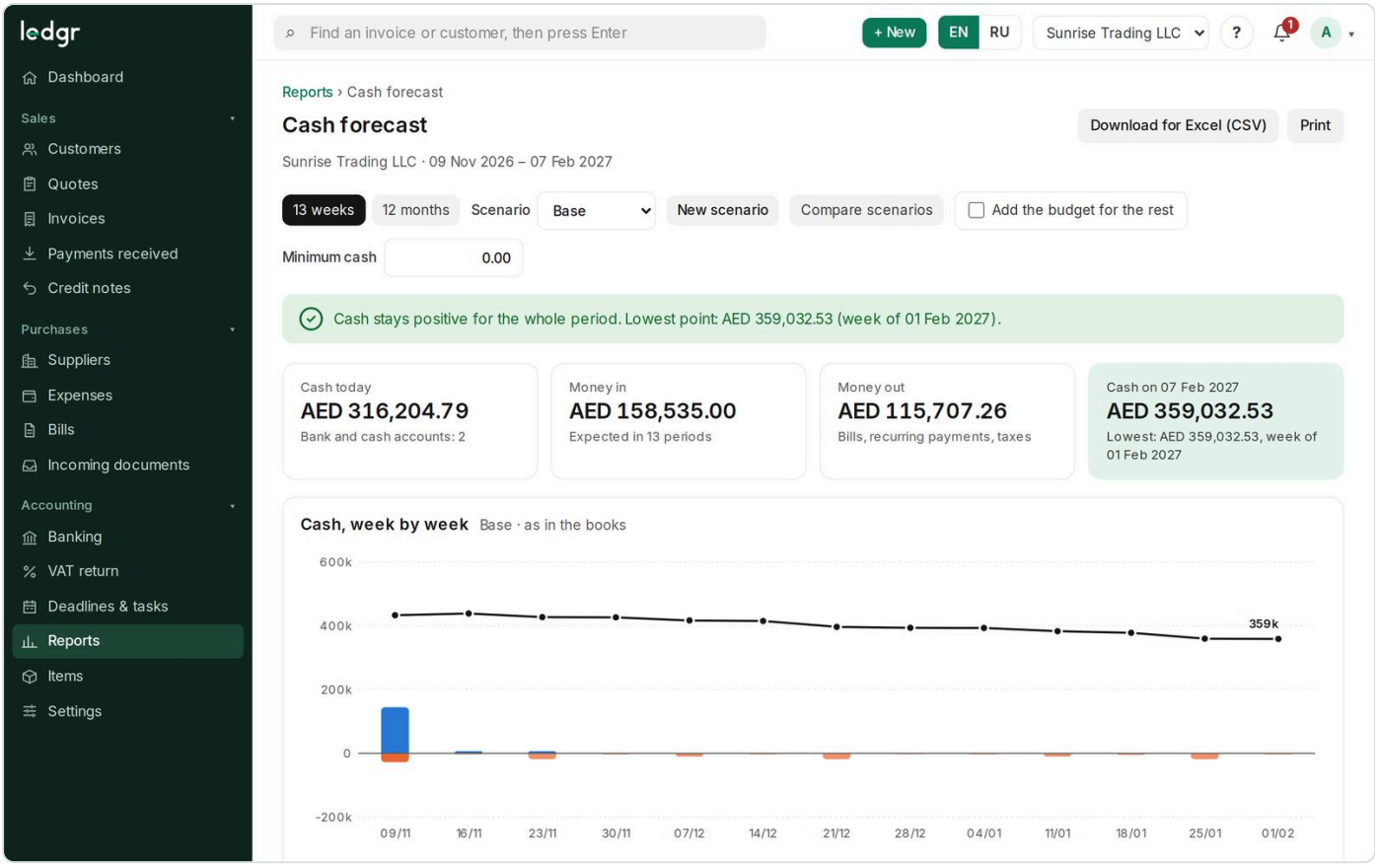
In Ledgr: The pack on screen or as a PDF; tasks — “Deadlines & tasks” → “+ Task or reminder”.

5 EVERY WEEK

Cash

Update the 13-week cash forecast: which customers are late, which large payments are coming, will cash stay above the minimum. “What if” scenarios.

In Ledgr: “Cash forecast” → 13 weeks, scenarios, “Minimum cash”.



13-week cash forecast

6

ONGOING

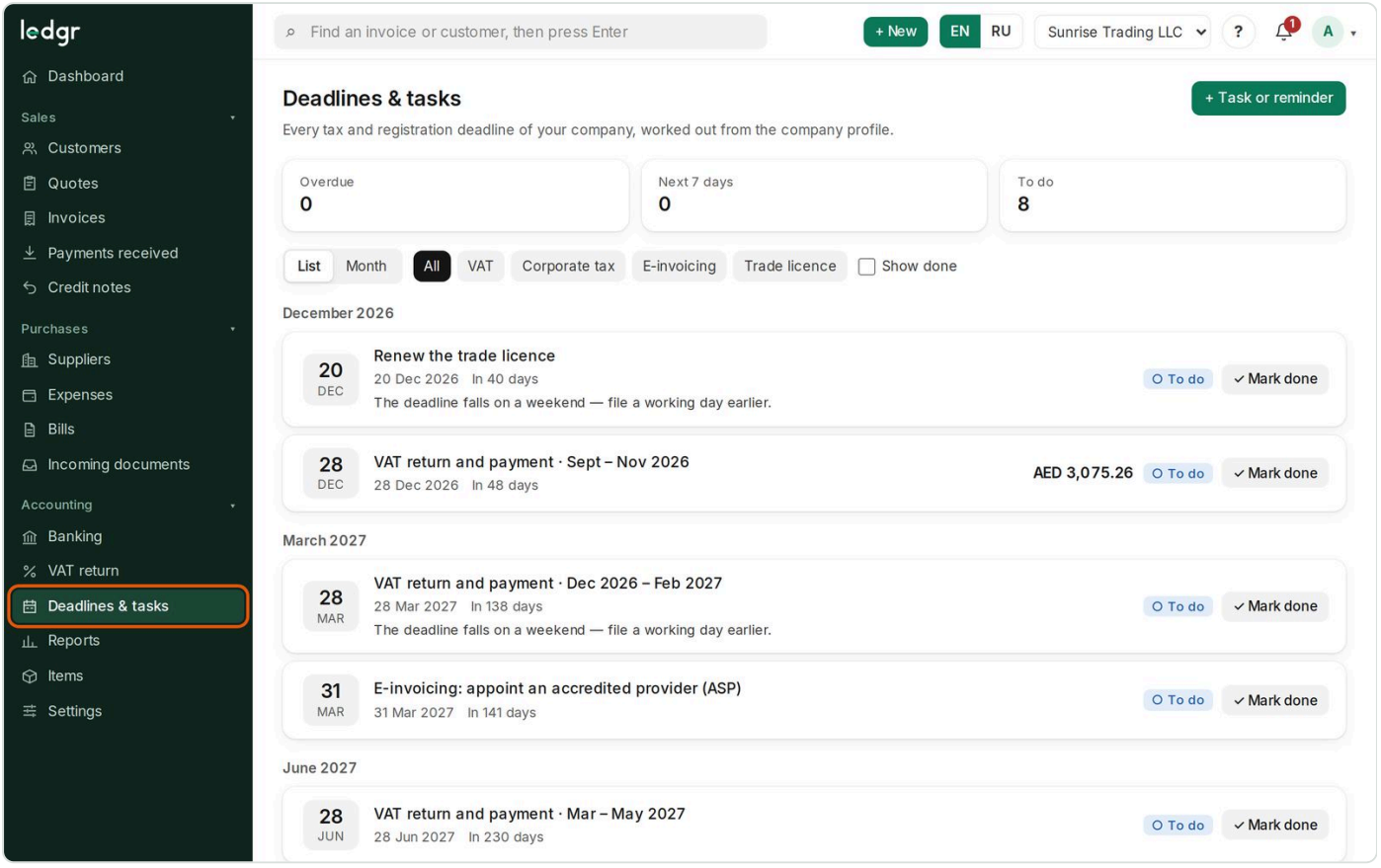
Tax calendar and risks

Watch every client's deadlines, the QFZP headroom and the Corporate Tax provision; act on notifications.

In Ledgr: “Firm clients” → “Needs attention”; “Deadlines & tasks”; the bell; “Free zone (QFZP)”; “Corporate tax” → estimate to date.

29 Quarterly and annual tasks

When	Task	Where in Ledgr
Every quarter (or month) — by the 28th after the period	VAT 201 return and payment	“VAT return”; task in “Deadlines & tasks”
Every quarter	Corporate Tax estimate and provision; QFZP threshold check; quarterly pack for the board or bank	“Corporate tax” → estimate; “Free zone (QFZP)”; “Bank pack”
Year end	Year-end close, audit preparation, answering the auditor's requests	“Audit and close” → year close, “Auditor's requests”, “Auditor access”
Within 9 months of year end	Corporate Tax return and payment; related-party disclosure form	“Corporate tax” → “Return (EmaraTax)”; “Related parties and transfer pricing”
Annually	Audited financial statements (QFZPs, groups, revenue above AED 50 million)	“Audit and close”, lead schedules, trial balance
Annually	Next year's budget	“Budget” → “New budget”, approval
By the licence date	Trade licence renewal	“Deadlines & tasks” (reminders 60, 30 and 7 days before)
2026–2027	Moving to e-invoicing: choosing an ASP, setup	“Deadlines & tasks”; Settings → “E-invoicing”

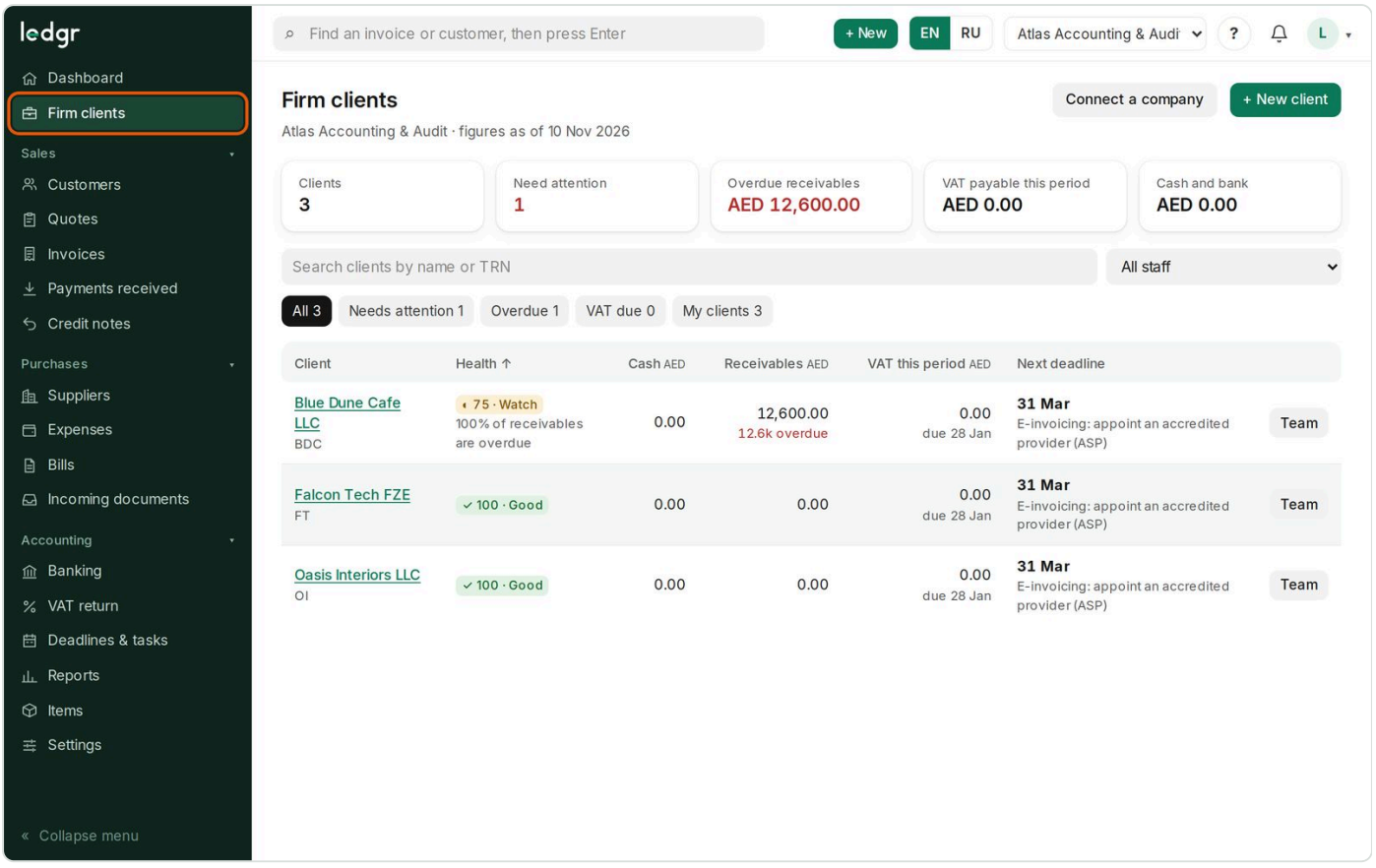


Deadlines & tasks: the client's tax calendar

30 How a firm runs many clients

The CFO service pays only if one professional handles many clients. That is what the **Firm clients** workspace in Ledgr is for.

- **The whole portfolio on one screen**: each client's health score, cash, overdue receivables, VAT to pay, next deadline, team. The “Needs attention” filter shows where to start the day.
- **Teams**: the firm's partner assigns staff (accountant, assistant) and a manager to each client; staff see only their own clients.
- **One click into a client**: every Ledgr section works exactly as it does for the client.
- **Connecting clients**: create the client's company yourself or connect to an existing one with an access code; the client can remove the firm's access at any time.
- **Client groups**: if a client is a group of companies, the firm builds the consolidation across all the companies it keeps.



Firm clients: the portfolio

What the client sees

The client works in their own company with their own users and roles: they see the same invoices, reports, packs and deadlines the firm maintains. It is convenient to give the owner the “View only” role: they see everything but cannot change anything by accident. The client's staff (for example, an office manager) can issue invoices and upload receipts themselves — the firm reviews and posts.

31 What AI does and where a person must check

Task	What AI (Claude) does	What the software does	What a person does
Incoming documents	Reads photos, scans and PDFs and transcribes the fields	Recalculates amounts and VAT, finds the supplier and duplicates, suggests the account	Checks and creates the document; posts the draft
Pack commentary	Drafts the text from figures already calculated	Calculates every figure; checks every number in the text	Edits the text, approves the pack
Banking	— (reads unknown PDF statement layouts)	Suggests matches and rules, auto-matches confident ones, checks running balances	Accepts or chooses matches, reconciles the balance
Tax	—	Calculates VAT, CT, QFZP, TP thresholds, deadlines	Reviews treatments and adjustments, files returns

Ledgr's rule: AI never calculates money — every amount, VAT figure and total is calculated by code. Everything AI prepares is a draft; only what a person confirms goes into the books or to the client.

32 What the firm delivers to the client

How often	Deliverable	Where it comes from in Ledgr
Monthly	Closed and reconciled books	Banking → reconciliation; period close
Monthly	Management pack (PDF) with commentary	Management pack → final → print
Monthly	Budget vs actual with a list of variances	Budget
Weekly or monthly	13-week cash forecast	Cash forecast (print, CSV)
Quarterly	VAT return, Corporate Tax estimate, QFZP status	VAT return, Corporate tax, QFZP
On request	Bank pack, covenants	Bank pack
Annually	Annual financial statements, auditor pack, CT return, TP disclosure, budget for the year	Audit and close, Corporate tax, Related parties and transfer pricing, Budget

PART IV

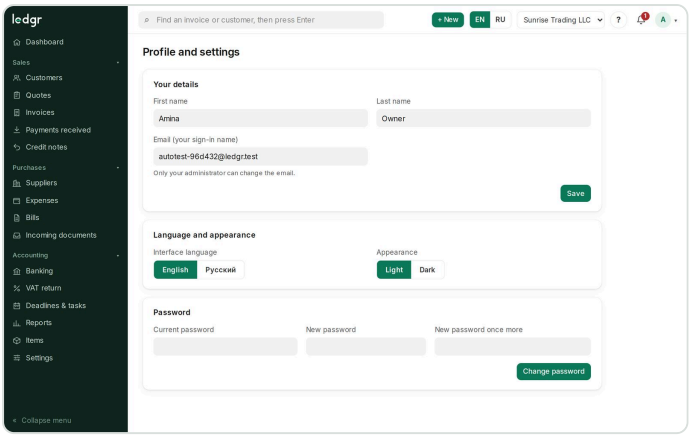
Administration and security

Access, data, AI, limitations

1. Access, passwords, sessions
2. Data: separation, audit trail, retention, export
3. AI in Ledgr
4. Known limitations

33 Access, passwords, sessions

Where to find it: user menu (the initial at the top right) → “Profile and settings”
ledgr.hubrock.biz/ui/profile/



Profile: name, language and appearance, password change

In the profile each user changes their name, interface language, appearance (light or dark) and password. The email is the login; only the company's administrator can change it.

- **Password** — at least 8 characters. Stored only as a strong hash (Argon2): nobody can read it, developers included.
- **Changing the password** signs the user out on all other devices; resetting it via “Forgot password?” closes all sessions.
- A **session** (sign-in on a device) lasts up to 30 days, then you sign in again. “Sign out” in the user menu ends the session immediately.
- **When someone leaves** — “Turn off access” in Settings: their sessions in the company end immediately, their records stay.
- An **accounting firm** gets access only with the company administrator's consent and loses it with “Remove access”.
- An **auditor** gets read-only access for a limited time.

34 Data: separation, audit trail, retention, export

- **Company separation**: each company's data is isolated at the database level (row-level security). Even if the software had a bug, a query from one company would not see another's data.
- **Audit trail**: who created, changed, posted or cancelled what, and when. Journal entries are never deleted or rewritten: corrections are made only with a new entry (reversal, credit note). The audit trail export for a period is protected by a chain of SHA-256 checksums — it cannot be altered unnoticed.
- **Period lock**: once a month or year is closed, nothing can be posted into it with a back date.
- **Retention**: records and attached documents are kept for at least the UAE statutory periods — 5 years for VAT, 7 years for Corporate Tax.
- **Documents**: files (supplier bills, receipts, statements) are attached to records and open from them.
- **Export**: every report has “Download for Excel (CSV)” and “Print” (PDF); the trial balance, general ledger and audit trail are under “Audit and close”.

> **Not yet available.** Export in the FTA Audit File (FAF) format and full company export/import (migration from Zoho Books, QuickBooks, Tally) — see the partner checklist, section 9.

35 AI in Ledgr

- AI is used for **reading incoming documents** (and unknown PDF statement layouts) and for the **draft commentary** in the management pack.
- The model is **Claude** by Anthropic (USA). When a document is read, the file (or its text) is sent to Anthropic's service; for the commentary, a fact sheet is sent — figures and labels from the report.
- Until the Claude key is connected, Ledgr uses local models on its own server: they are slower and less accurate. Once Claude is connected, one strong model is used for every task.
- **AI calculates nothing**: amounts, VAT and totals are calculated by the software; numbers in the commentary are checked against the report, and mismatches are highlighted.
- **Everything AI prepares is a draft**: only what a person confirms goes into the books or the client's report.
- Before working with real clients a firm needs to decide whether client documents may be sent to an external AI service and whether client consent is required (see the partner checklist, section 10).

36 Known limitations

Ledgr is moving fast; here is an honest list of what is missing or partial today (November 2026):

- **Server** — still a test server. Before real clients Ledgr moves to a dedicated, secured server with backups.
- **E-invoicing** — test mode, no real ASP: the provider agreement is not signed yet.
- **Currency**: invoices and bills are in AED only (only bank accounts can be in a foreign currency); Central Bank rates for currencies other than USD are not downloaded automatically — they are entered by hand.
- **Opening balances**: there is no screen for opening balances; migration from other software is not available either.
- **Banking**: Emirates NBD, DIB and Wio PDF statements are tested on real files; the ADCB, FAB, Mashreq and RAKBANK templates are built from published descriptions and not yet tested on real statements; unknown PDFs are read by AI (requires the Claude key).
- **Not available**: payroll and WPS, a fixed asset register with depreciation, inventory and cost of sales, purchase orders and debit notes, a cash flow statement in reporting format, FAF export, data migration from other software, recurring customer invoices.
- **Returns** are not filed by Ledgr: figures are copied to EmaraTax by hand.

APPENDICES

Glossary · Partner checklist

A — terms with the original English. B — checklist for partner firms.

A Glossary

Term	Meaning
Accounts payable (AP)	What you owe suppliers on bills received.
Accounts receivable (AR)	What customers owe you on invoices issued.
Accredited Service Provider (ASP)	A company on the UAE Ministry of Finance list through which e-invoices are sent and received.
Accrual basis	Income and expenses are recognised when they arise, not when money moves.
Aging	Breakdown of debts by how overdue they are: not yet due, 1–15, 16–30, 31–45, over 45 days.
Arm's length principle	Related-party transactions must be on market terms, as between independent parties.
Assets	Everything the company owns that has value: cash, amounts owed by customers, inventory, property.
Audit trail	A record of who changed what in the books, and when.
Audited financial statements	Annual statements reviewed by an independent auditor; mandatory for QFZPs, tax groups and revenue above AED 50 million.
Balance sheet	A statement at a date: assets = liabilities + equity.
Bank reconciliation	Checking that every statement line is in the books and the book balance equals the bank balance.
Bank statement	The bank's list of movements on an account for a period.
Bill	A supplier's invoice to be paid later; it creates accounts payable.
Blocked input tax	Input VAT that cannot be recovered: entertainment for non-employees, cars available for private use and others.
Budget	A plan of income and expenses for the year by month.
Cash basis	Income and expenses are recognised when money actually comes in or goes out.
Cash flow forecast	Expected receipts and payments by week or month.
Chart of accounts (COA)	The list of accounts, with codes and groups, that entries are sorted into.
Consolidation	Combining the statements of group companies as if they were one company.
Corporate Tax (CT)	UAE tax on profits: 0% up to AED 375,000, 9% above.
Cost of sales (COGS)	The cost of the goods and services sold.
Covenant	A financial condition in a loan agreement (for example, debt no more than 3× EBITDA).
Customer advance	Money received from a customer in excess of invoices issued; it settles their next invoices.
Days sales / payables outstanding (DSO / DPO)	Average days until customers pay you / until you pay suppliers.
De minimis	For a QFZP: non-qualifying revenue must not exceed 5% of total revenue and AED 5 million.
Debit / credit	The two sides of a journal entry. Assets and expenses increase with debits; liabilities, equity and income with credits.
Double entry	Every transaction is recorded as a debit to one account and an equal credit to another.
E-invoice	An invoice sent as structured data (PINT-AE) over Peppol through an ASP.

EBITDA	Earnings before interest, taxes, depreciation and amortisation; the basis of the CT interest limit and of covenants.
Elimination	Removing transactions and balances between group companies in consolidation.
EmaraTax	The FTA's portal for registration, returns and tax payments.
Equity	What the owners invested plus accumulated profit.
Exempt supply	A supply outside the VAT charge; input VAT on it cannot be recovered.
Exchange difference (FX gain/loss)	Income or expense caused by a change in exchange rate between the document date and payment.
FAF (FTA Audit File)	An export of accounting data in the FTA's format for a tax audit.
Federal Tax Authority (FTA)	The UAE federal tax authority.
Financial year	The 12 months for which annual statements are prepared and Corporate Tax is calculated.
Foreign-currency account	A bank account in a currency other than the functional currency; it has a balance in that currency and in AED.
Functional currency	The currency in which the books are kept; in the UAE usually AED.
General ledger (GL)	All journal entries by account; the basis of every report.
Gross profit	Revenue minus cost of sales.
IBAN	International Bank Account Number; in the UAE, AE followed by 21 digits.
IFRS	International Financial Reporting Standards; the basis of financial statements and Corporate Tax in the UAE.
Imported services	Services from a foreign supplier; VAT is accounted for under the Reverse Charge.
Input VAT	VAT charged to you by suppliers; recoverable if the conditions are met.
Journal entry	One double-entry record: debit and credit lines with equal totals.
KYC (Know Your Customer)	A bank's checks on a client: documents, owners, activity, financial statements.
Lead schedules	Breakdowns of financial statement lines by account, compared with the prior year — for the auditor.
Liabilities	What the company owes: to suppliers, for taxes, on loans.
Management accounting	Bookkeeping and reports for the owner's decisions rather than for the tax authority.
Management pack	The monthly management report: KPIs, statements and commentary.
Master File / Local File	Transfer pricing documentation for large groups and companies.
Matching	Linking a bank statement line to a document in the books.
Ministry of Finance (MoF)	The UAE ministry responsible for tax laws, decisions and e-invoicing policy.
Non-controlling interest (NCI)	The part of a subsidiary's equity and profit owned by others, not the group.
Output VAT	VAT you charge customers; payable to the FTA.
PBC (prepared by client)	The list of documents and schedules an auditor asks the company for.
Peppol	An international network for exchanging electronic business documents, used in the UAE.
Period close	Checking that a month or year is complete and locking it against changes.

PINT-AE	The UAE e-invoice format, based on Peppol International (PINT).
Profit and loss (P&L)	Income minus expenses for a period.
Qualifying Free Zone Person (QFZP)	A free zone company meeting the conditions for 0% Corporate Tax on qualifying income.
Reconciled to	On this date the book balance agreed with the bank and every line was dealt with.
Related parties	Owners, group companies, directors, their relatives and companies under common control.
Reversal	An opposite entry that cancels an earlier one; the original record is not deleted.
Reverse Charge (RCM)	The buyer accounts for and recovers the VAT instead of the foreign supplier.
Revaluation	Restating the AED value of a foreign-currency balance at the rate on a date; the difference is an exchange gain or loss.
Simplified tax invoice	A tax invoice with fewer details; for an unregistered buyer or amounts up to AED 10,000.
Small Business Relief (SBR)	Corporate Tax relief for revenue up to AED 3 million.
Stagger	The individual VAT period schedule assigned by the FTA.
Substance	For a QFZP: an office, people, expenditure and management in the free zone.
Tax credit note	A document that reduces an issued invoice: return, discount, correction.
Tax group	Several companies of one owner filing a single Corporate Tax return.
Tax invoice	An invoice in the prescribed form with TRN and VAT; without it the buyer cannot recover VAT.
Tax period	The period for which tax is calculated and filed (quarter or month for VAT, financial year for CT).
Transfer pricing (TP)	Rules for pricing transactions between related parties.
Trial balance (TB)	Balances and turnover of every account for a period.
TRN (Tax Registration Number)	The 15-digit UAE tax registration number.
VAT 201	The UAE VAT return; filed on EmaraTax by the 28th after the period.
Variance	The difference between budget and actual.
Virtual CFO	An outsourced finance director working a few hours or days a month.
Zero-rated supply	A supply taxed at 0%; input VAT on it is recoverable (exports and others).

B Partner checklist

1 What we need from partners

Without these the key things cannot be checked: test data is no substitute for real data.

	No.	What to send	Why
☐	1.1	Bank statements from **ADCB, FAB, Mashreq, RAKBANK** and other banks the firm's clients use, for 1–3 months, in the formats clients actually download (PDF, CSV, Excel), including foreign-currency accounts (USD/EUR). PDF samples already received: Emirates NBD (USD), Dubai Islamic Bank (AED), Wio (AED and USD in one file).	Emirates NBD, DIB and Wio PDFs are already read and tested on these samples. Other banks are built from published descriptions and not yet tested on real statements
☐	1.2	20–30 real source documents: supplier bills (in English and Arabic, PDFs and phone photos), till receipts, imports with a customs declaration, services from abroad (Reverse Charge), credit notes	To test document reading accuracy
☐	1.3	1–2 pilot clients: trial balance at the switch-over date, list of customers and suppliers, open invoices. Which system they are moving from: Zoho Books, QuickBooks, Tally, Excel	Opening balances and a first real month in Ledgr
☐	1.4	Samples of what the firm gives clients today: monthly management report, auditor pack, bank pack (loan, KYC), Corporate Tax computation	To compare with Ledgr's output and bring it up to your standard
☐	1.5	A completed VAT 201 return and CT computation for one client for a past period (with the source data)	To agree our calculation with yours to the fils

2 VAT

	No.	What to check	How
☐	2.1	**VAT 201** return: sales by emirate, zero-rated, exempt supplies, imports, Reverse Charge, adjustments, input VAT recovery	“VAT return”: enter the transactions from 1.5 and compare every box with your return
☐	2.2	Tax periods: staggered quarterly and monthly, return due on the 28th after the period	“Settings” → company profile: enter the registration date and FTA schedule, check the Dashboard and the “VAT return”
☐	2.3	Tax Invoice: all mandatory details, seller's and buyer's TRN, Arabic text, simplified invoice, credit note referencing the original invoice	Create an invoice and a credit note, open the printout / PDF
☐	2.4	VAT rounding (per line or per document), discounts, foreign-currency invoices: VAT conversion rate to AED	A USD invoice with several lines and a discount
☐	2.5	Blocked input tax: entertainment, private use of cars, costs without a Tax Invoice	Enter such costs and see whether VAT was recovered
☐	2.6	Reverse Charge on imported services and goods: charged and recovered in the same period, shown in the return	A bill from a foreign supplier

3 Corporate Tax (CT)

	No.	What to check	How

☐	3.1	Tax calculation: 0% up to AED 375,000, 9% above; Small Business Relief (revenue up to AED 3 million; extended to tax periods ending by 31 December 2029, Ministerial Decision No. 131 of 2026)	“Reports → Corporate tax”: compare with your computation from 1.5
☐	3.2	Adjustments to profit: entertainment 50%, interest limitation (30% of EBITDA, AED 12 million threshold), fines, donations, exempt dividends and participation income, losses brought forward (up to 75% of taxable income)	Adjustment suggestions on the CT screen: are all the needed ones there, is the wording right
☐	3.3	Deadlines: return and payment within 9 months of year end, registration, calendar reminders	“Deadlines & tasks”, the notification bell
☐	3.4	**Free zone (QFZP):** splitting qualifying and non-qualifying income, de minimis threshold (5% of revenue or AED 5 million), substance requirements, mandatory audited financial statements, consequences of losing the status	“Reports → Free zone (QFZP)”: headroom monitor and alerts
☐	3.5	Related parties and transfer pricing: who counts as related, the disclosure form with the return, Local File / Master File thresholds	“Reports → Related parties and transfer pricing”

4 Bookkeeping and financial statements

	No.	What to check	How
☐	4.1	Default chart of accounts: does it fit your practice and IFRS / IFRS for SMEs, which accounts are missing, which are unnecessary	Accounts are visible in “Profit and loss” and “Balance sheet”; we will send the full list
☐	4.2	Profit and loss and balance sheet: line structure, format, period comparison	“Reports”: on the pilot client's data
☐	4.3	Receivables and payables by age (aging), statements of account with counterparties	“Reports → Who owes you / What you owe suppliers”
☐	4.4	Period close: no edits in a closed month, audit trail (who changed what and when), export for an FTA tax audit	“Reports → Audit and close”, document history
☐	4.5	Record keeping: 5 years for VAT, 7 years for CT. Can everything for a period be exported in readable form on an FTA request	Assess whether the exports are sufficient

5 Virtual CFO services

	No.	What to check	How
☐	5.1	**Monthly management pack**: KPIs, charts, AI commentary. Is it clear to a business owner, are there wrong conclusions, is the tone right	“Reports → Management pack” → “Write commentary with AI”, print to PDF
☐	5.2	Budget and budget vs actual: is it easy to enter, are the right breakdowns there	“Reports → Budget”
☐	5.3	13-week cash forecast: method, recurring payments, VAT and CT, scenarios	“Reports → Cash forecast”
☐	5.4	Group consolidation: intercompany eliminations, currency translation, non-controlling interest	“Reports → Group of companies”: two related test companies
☐	5.5	Auditor pack and bank pack: do they contain what UAE auditors and banks actually require	“Reports → Audit and close” and “Bank pack”, compare with the samples from 1.4

☐	5.6	Deadlines calendar: VAT, CT, TP disclosure, licence renewal, audited financial statements, e-invoicing. Which deadlines are missing (UBO, AML/goAML, WPS, insurance and so on)	“Deadlines & tasks”

6 Accounting firm workspace

	No.	What to check	How
☐	6.1	Working with several clients: switching, a shared list of tasks and deadlines across all clients	“Firm clients”: set up 3–5 test clients
☐	6.2	Roles and access: partner, accountant, assistant, the client. Who sees and can change what, inviting a client	Invite a colleague and a “client” by email
☐	6.3	Daily work: how fast invoices, payments and expenses are entered; what is less convenient than Zoho Books or your current system	Run one real month of a pilot client in Ledgr

7 Banking and source documents

	No.	What to check	How
☐	7.1	Statement import (PDF, CSV, Excel, MT940/CAMT): are all lines read, do balances agree; auto-matching to invoices and payments, balance reconciliation	“Banking” → import statement: statements from 1.1 and your clients' statements
☐	7.1a	Foreign-currency accounts (USD): converting lines to AED at the rate, exchange differences when AED invoices are paid, USD → AED transfers between own accounts, revaluation, reconciliation in the account currency	“Banking” → USD account, “Exchange rates”: import a USD statement and post the lines
☐	7.2	Document reading: are supplier, number, date, amount, VAT and expense account correct; how it copes with Arabic and poor photos	“Incoming documents”: upload the documents from 1.2 and note every error
☐	7.3	Duplicate protection: the same bill uploaded twice, or arriving both by email and as a photo	Upload one document twice

8 E-invoicing

	No.	What to check	How
☐	8.1	Which Accredited Service Provider (ASP) the firm already works with or wants to. We are considering Qvalia and Flick	Partner's answer. Sending currently works in test mode, without a real provider
☐	8.2	PINT-AE mandatory fields: are they all filled from the customer, item and invoice	“E-invoicing”: invoice readiness check
☐	8.3	When e-invoicing becomes mandatory for the firm's clients (large businesses with revenue from AED 50 million from about 2027; others later)	Client list by go-live date

9 Not in Ledgr yet: mark what the pilot needs

These features are missing or partial. Mark which ones the pilot cannot do without and which can wait.

	Feature	Needed for the pilot?

☐	Payroll and WPS (Wage Protection System), end of service benefit accruals	yes / later / not needed
☐	Fixed asset register with automatic depreciation	yes / later / not needed
☐	Inventory and stock, cost of sales	yes / later / not needed
☐	Purchase orders and debit notes	yes / later / not needed
☐	Cash flow statement in reporting format	yes / later / not needed
☐	FTA Audit File (FAF) export in the FTA format	yes / later / not needed
☐	Automatic download of UAE Central Bank rates for currencies other than USD	yes / later / not needed
☐	Opening balances and migration from Zoho Books / QuickBooks / Tally: balances, contacts, open invoices	yes / later / not needed
☐	Customer invoices and supplier bills in foreign currency (USD, EUR): currently AED only. Foreign-currency bank accounts already exist (see 7.1a)	yes / later / not needed
☐	Excise tax, VAT profit margin scheme, tourist VAT refunds	yes / later / not needed
☐	Anything else the firm uses every day: please add	

10 Data, confidentiality, contract

	No.	Question	What we need from partners
☐	10.1	May client documents be processed by an AI service outside the UAE (Claude, Anthropic)? Is client consent needed, and what should the contract say	The firm's position under the UAE Personal Data Protection Law (PDPL) and free zone requirements (DIFC, ADGM)
☐	10.2	Data residency: is a server outside the UAE acceptable, or do clients require data to stay in the UAE	Requirements of banks, auditors, large clients
☐	10.3	Allocation of responsibility: who is liable for an error in a return — the firm, the client or the software provider	Draft contract terms

11 Website, copy, pricing

	No.	What to check	How
☐	11.1	Website copy on UAE taxes: any inaccuracies or promises that must not be made (for example, “compliant with FTA requirements”)	ledgr.hubrock.biz: every page, especially “Solutions” and “Tax guides”
☐	11.2	Pricing: how much clients will pay for the software and for the CFO service; pricing for the firm itself	Partner's proposal
☐	11.3	How the firm will sell the service: under its own brand or Ledgr's, who owns the client relationship	Discussion with the owner

✓ How to send back results

- An answer for every item: **correct** / **error** / **needs work**, with a comment. Errors with a screenshot and “expected …, got …”.

- You can work right in this list or in a shared spreadsheet. Send urgent items as you find them: fixes usually ship the same or the next day.
- Order: sections 1, 2, 3 and 7 first (taxes and source documents decide whether the pilot can start), then 5 and 6, then the rest.

Ledgr is software for bookkeeping and preparing tax calculations. Final review of returns and responsibility for filing rest with the accountant or tax adviser.