

# A practical printable pack for VAT, pricing, rates, and business maths

Built for freelancers, sole traders, and small UK businesses that want clearer everyday pricing decisions without finance jargon. This version is designed to be printed, kept nearby, and used during repeat checks rather than read once and forgotten.

<b>What is inside</b> <ul style="list-style-type: none"><li>• VAT quick formulas plus two worked examples</li><li>• Margin vs markup comparison and pricing prompts</li><li>• Percentage change formula, examples, and a fill-in check</li><li>• Hourly-rate worksheet with write-in planning fields</li><li>• Quote and pricing review checklist for real decisions</li></ul>	<b>How to use the pack</b> <ul style="list-style-type: none"><li>• Read the relevant page first so the logic is clear.</li><li>• Write on the worksheet sections when you are planning, not guessing.</li><li>• Use the live tools when you want the exact arithmetic done faster.</li><li>• Keep the final checklist page for quotes, price reviews, and quick sanity checks.</li></ul>
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## Why it is useful

The real value of this pack is not that it repeats formulas you could look up elsewhere. Its value is that it keeps the most common small-business pricing checks in one printable place: VAT basis, margin strength, percentage movement, hourly-rate planning, and final quote sense-checking.

That makes it more useful when you are pricing under time pressure, reviewing an old number, or trying to explain a figure clearly to yourself or somebody else.

<b>Best for</b> <p>Quick quote checks, comparing net and gross values, reviewing whether a rate still works, and making repeat pricing decisions less messy.</p>	<b>Not for</b> <p>Replacing professional tax, legal, or accountancy advice. Treat this as a practical support tool, not regulated advice.</p>	<b>Best habit</b> <p>Keep the number and the label together. Most business maths mistakes start when a figure is copied without its context.</p>
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# VAT quick formulas

VAT becomes much easier once you treat the figure as three linked parts: net, VAT, and gross. The point is not to memorise every line of maths. The point is to recognise what kind of number you are looking at before you act on it.

Task	Quick rule	What to remember
Add VAT to a net price	$\text{Net} \times (1 + \text{VAT rate})$	Use this when you already have the pre-VAT figure and want the final customer-facing total.
Remove VAT from a gross price	$\text{Gross} / (1 + \text{VAT rate})$	Use this when the figure already includes VAT and you need the original net value back.
Find the VAT amount	$\text{Gross} - \text{net}$	Useful when you need to see the tax layer on its own rather than only the total.

## Worked examples

<p><b>Example: add 20% VAT</b></p> <p>If your net price is £100, the VAT layer is £20 and the gross amount is £120.</p> <p>Useful when you are turning a base price into a customer-facing figure for a quote or invoice.</p>	<p><b>Example: remove 20% VAT</b></p> <p>If your gross figure is £120, divide by 1.20 to recover the £100 net amount. The VAT element is £20.</p> <p>Useful when a supplier price, old note, or stored figure already includes VAT.</p>
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## VAT reminders that prevent mistakes

Write net or gross beside every figure. Do not compare two prices until you know they use the same VAT basis. When in doubt, recover the net value first and rebuild the number from there.

## Mini worksheet

Use this when you want to write down the number chain before sending a quote or recording a price.

Quick check	Write-in
Net price	.....
VAT rate	.....
VAT amount	.....
Gross price	.....
What label will appear beside the figure?	.....

# Margin vs markup cheat sheet

These two percentages sound similar, but they answer different pricing questions. Markup measures profit against cost. Margin measures profit against selling price. Looking at both gives you a clearer view of whether the number really works.

Measure	Compared with	Best use
Markup	Cost	Useful when you are building a price from your cost base.
Margin	Selling price	Useful when you want to judge how strong the final price really is.

## Worked example

If something costs £50 and sells for £100, the profit is £50. Markup asks how that £50 compares with the cost. Margin asks how that £50 compares with the final selling price.

That is why the two percentages are not the same.

## Most common mistake

Using markup language when you really mean margin. A price can look healthier than it really is if you quote only one of the two numbers.

**Best habit: check both before approving a price.**

## Quick pricing prompt

Before approving a price, ask two simple questions: What is the markup from cost? and What is the margin on the final selling price? If you only know one answer, the picture is still incomplete.

## Percentage change examples

Percentage change is one of the most common business checks, but it only works properly when the starting value is clear. Keep the old number and the new number visible next to the final percentage.

Change	Quick example	Why it is useful
Price increase	£100 to £120 = 20% increase	Useful for checking whether a new selling price is materially different from the old one.
Cost increase	£40 to £50 = 25% increase	Useful for spotting when supplier movement may justify repricing.
Revenue drop	£1,000 to £850 = 15% decrease	Useful for trend checks and simple performance reviews.

## Mini percentage-change formula

Percentage change = (new value - old value) / old value x 100. The old value matters because it is the base you are comparing from.

# Percentage-change fill-in check

Use this page when you want to slow the comparison down, write the numbers clearly, and explain what changed rather than only quoting the final percentage.

Fill-in check	Write-in
Old value	.....
New value	.....
Difference	.....
Percentage change	.....
Why does this change matter?	.....
What decision might this affect?	.....

## Common mistakes to avoid

Using the new value as the base instead of the old value, confusing the absolute difference with the percentage change, or quoting the percentage without the real numbers beside it.

### Best practical habit

Keep the old value, new value, and final percentage together in one note. That makes the result much easier to explain and stops the number being taken out of context.

### Useful for

Price updates, cost movement, revenue changes, quote comparisons, and quick performance checks.

# Hourly-rate planning sheet

A stronger hourly rate usually comes from working backwards from your target income, your overheads, and realistic billable time. Busy does not always mean profitable, so this page is designed to slow the logic down into something you can check.

<p><b>Step 1 - target annual income</b></p> <p>Write down the annual income you want the work to produce for you.</p>	<p><b>Step 2 - annual overheads</b></p> <p>Add the business costs that need paying before your rate becomes real income.</p>
<p><b>Step 3 - billable hours per week</b></p> <p>Use a realistic estimate, not an ideal one. Admin, sales, revisions, and gaps reduce the paid total.</p>	<p><b>Step 4 - working weeks per year</b></p> <p>Allow for holidays, illness, quieter periods, and any planned time off.</p>

Planning field	Write-in
Target annual income	.....
Annual overheads	.....
Billable hours per week	.....
Working weeks per year	.....
Target revenue needed	.....
Total billable hours	.....
Suggested hourly rate	.....

## Worked example

If you need £45,000 in income, have £5,000 in overheads, expect 25 billable hours per week, and plan to work 46 weeks, you first combine income and overheads, then divide by the realistic annual billable hours. The goal is not to memorise the arithmetic. The goal is to base the rate on something real.

## Common underpricing traps

- Assuming every working hour will be billable.
- Ignoring admin, sales, revisions, and unpaid gaps.
- Forgetting software, subscriptions, insurance, and other overheads.
- Using confidence or market pressure instead of real numbers.

# Simple quote and pricing checks

Use this page before sending a quote, updating a price, or reviewing whether an existing number still works. It is built to catch common issues before they become awkward conversations or weak commercial decisions.

Check	Why it matters
Is the figure clearly net or gross?	This prevents VAT confusion before the quote is sent.
Have you checked both margin and markup if relevant?	This helps reveal whether the price is genuinely strong enough.
Does the rate cover overheads as well as target income?	A busy diary can still hide underpricing.
Have your costs changed materially since the old price?	Percentage change can help justify whether an update is needed.
Could you explain the number in one sentence to a client or to yourself?	If not, the pricing logic may still be too vague.

<p><b>Before you send the quote</b></p> <ul style="list-style-type: none"> <li>• Check the VAT basis.</li> <li>• Check the rate or selling price still works after costs.</li> <li>• Check whether the number is easy to explain.</li> <li>• Check that any discount or change has not weakened the margin too far.</li> </ul>	<p><b>Before you change the price</b></p> <ul style="list-style-type: none"> <li>• Review both margin and markup.</li> <li>• Use percentage change to compare the old and new price.</li> <li>• Sense-check the result against your target revenue or profit goals.</li> <li>• Write down the reason for the change so the decision stays clear.</li> </ul>
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## Final write-in box

Decision notes	Write-in
What number are you checking?	.....
What changed?	.....
Why does the new number still work?	.....
What should you label clearly on the quote or note?	.....

## Final reminder

The strongest business tools are the ones that make the next decision clearer. Use this pack as a working reference, then move to the live Aurecima Business Tools calculators when you want the exact numbers.