

eNews

7 OCTOBER 2024

Welcome to haysmacintyre's regular 'e-news alert' for corporates and private individuals.



New FRSs issued

Following the recent [Periodic Review](#) and other amendments to UK and Ireland accounting standards, the Financial Reporting Council (FRC) has issued revised versions of [FRSs 100, 101, 102, 103, 104 and 105](#). The FRC has also revised the ["Overview of the financial reporting framework"](#). The changes to FRS 102 include the revisions made to leasing and revenue recognition which arose from the [Periodic Review 2024](#).

UK, US and Australia sign resilience pact

The UK, United States and Australia have signed a Memorandum of Understanding (MoU) to strengthen cooperation and address critical supply chains risks which establishes the [Australia-United Kingdom-United States Supply Chain Resilience Cooperation Group](#). This group will cooperate on data sharing and joint action to build resilience in priority supply chains and will develop an early warning pilot focused on the telecommunications supply chain which seeks to enhance knowledge of the vulnerabilities, criticality and residual risks to the telecommunications supply chain.



Hybrid partnership tax schemes

Late last year, [we reported](#) that HMRC was aware of a tax scheme being marketed at property businesses involving hybrid partnerships, such as Property 118 and Less Tax for Landlords, which "promised", inter alia, reduced Capital Gains and Inheritance Taxes. HMRC is actively investigating these schemes and we have had a number of recent conversations with landlords who were not aware that their structures were regarded as failed schemes by HMRC. If you are under an HMRC investigation, or believe you may inadvertently entered into such a scheme, please contact [Danielle Ford](#), Partner, Head of Tax Disputes and Resolutions.

Thematic reviews on offsetting and insurance contracts

The FRC has issued two thematic reviews, one on [offsetting in the financial statements](#) and the other on [IFRS 17 Insurance Contracts](#). The FRC regularly finds inappropriate offsets in financial statements that result in material errors, in particular, in the cashflow and incorrect offsets of banks overdrafts and bank balances and emphasizes the need for high quality disclosures when offsets have been made. The IFRS 17 review was a follow up from a November 2023 review which considered a sample of interim accounts where IFRS 17 had been adopted. Overall, the FRC found the quality of IFRS 17 disclosures to be good and were pleased that their comments on the interim reports had been addressed.



Abolition of FHL tax regime coming

As first announced in the [Spring 2024 Budget](#), the advantageous tax regime for Furnished Holiday Lettings (FHL) is to be abolished from April 2025. Following the issue of draft legislation in July 2024, haysmacintyre has recently [issued an insight](#) that provides further details of the changes and the likely increased tax liability for owners of these properties. Please contact [Duncan Cleary](#), Senior Manager, for further information and advice.

And finally... FRC issues annual review on corporate reporting

The FRC has published its [Annual Report of Corporate Reporting](#) which sets out its findings from its recent monitoring of accounts. Whilst the FRC found the FTSE 350 had maintained the quality of reporting there were signs of a widening gap in quality between the FTSE 350 and non-FTSE 350 companies. It was disappointed by the increase in the number of restatements to impairments and cashflow statements which will remain areas of focus for the FRC. The FRC expects for reporting in 2024/25 the following: a robust review process against the [top 10 issues](#) (on page 11) that are challenged; clear and consistent disclosure of uncertainty and risk; and ensuring the strategic report is fair, balanced and comprehensive.

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Winner: Large Firm of the Year 2023



An eprivateclient top accountancy firm 2023



Top 10 auditor to quoted companies in Adviser Ranking Listing