

eNews

3 OCTOBER 2023

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

Update on FRS 102 revisions

The Financial Reporting Council (FRC) has [published an update on its periodic review of FRS 102](#) and other FRS's following the publication of [FRED 82](#) in December 2022. FRED 82 proposed various amendments including largely aligning the treatment of leases and revenue recognition with IFRS which, in particular, would see more leases coming onto the balance sheet. The FRC is reviewing the feedback it has received and now expects to issue final amendments in the first half of 2024, with an effective date not before 1 January 2026.



Autumn Statement announced

The Chancellor has confirmed that the [Autumn Statement will be on 22 November 2023](#). An economic and fiscal forecast from the Office for Budget Responsibility will be presented to Parliament alongside the Statement. haysmacintyre will be providing its insightful analysis which will be circulated to our clients and contacts following the announcement.

Is the ROE like a dam half way across?

[Research from the London School of Economics and the University of Warwick](#) has revealed beneficial ownership on 71% of, or 109,000, properties held by overseas entities in England and Wales remains unavailable despite the introduction of the Register of Overseas Entities (ROE). The research blames a combination of non-compliance and major gaps in the legislative scope of the ROE or, as the research says "no point building a dam half way across a river". The authors make ten recommendations including: reducing the threshold for registering beneficial owners from 25% to 5%; requiring trust information to be provided to Companies House when acting as trustees or nominees; and improving enforcement action on non-compliance.



Gala film scheme loses HMRC dispute

The partners in a film tax scheme, Gala Film Partners LLP, have lost a dispute with HMRC at the [First-tier Tax Tribunal](#) over whether its losses of £111 m for 2003/04 were a true interpretation of the trading position. The Tribunal found that the partners were not entitled to claim relief for interest paid on loans taken out and that the LLP had not accounted for the losses correctly. Please contact [Katharine Arthur](#), Partner and Head of Private Client, or [Danielle Ford](#), Partner and Head of Tax Disputes and Resolutions, if you require assistance with this or other tax schemes.

Treatment of PEPs

The [FCA has explained the issues its review](#) of the treatment of domestic Politically Exposed Persons (PEPs) by financial service firms will consider. The review follows concern that firms may not be treating customers in accordance with the legislation and FCA guidance and will cover how firms: apply the PEP definition to individuals; conduct proportionate risk assessments; apply enhanced due diligence and ongoing monitoring; decide to reject or close accounts for PEPs and their connections; keep their PEP controls under review. The review will be reported on by the end of June 2024.



IPSX to close

The International Property Securities Exchange ([IPSX](#)) has [announced an orderly wind down](#) of its operations as it no longer has "sufficient financial resources to operate as a Recognised Investment Exchange in accordance with FCA regulatory capital requirements". Whilst the market will continue to operate for now the three securities currently listed are thought to be looking at alternative listing platforms.

FRED 84 issued

The FRC has issued [FRED 84 which proposes amendments to FRS 102](#) regarding the disclosure of supplier finance arrangements. These arrangements involve finance providers paying the entity's suppliers to enable the entity to achieve extended payment terms or to pay them early. The proposal is for disclosure to be made regarding the terms and conditions of the arrangements together with details of the carrying amounts affected at the beginning and end of the period. The consultation is open until 31 December 2023 with final proposed amendments expected in the first half of 2024.

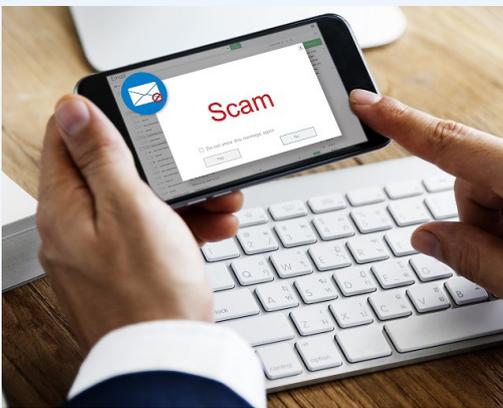


Online payment option for ECL

Last month HMRC launched an [online payment facility for the annual Economic Crime Levy](#) which, for [affected businesses](#), was due on 30 September. Penalties will be charged on late payments with a £250 charge if the levy is not paid within 30 days of the due date, rising to 5% of the levy due for payments over three months late.

FCA receptive to soft landing on new crypto rules

On 8 October new rules come into force designed to make the marketing of cryptoasset products clearer and more accurate and ban incentives like 'refer a friend' bonuses. However, the Financial Conduct Authority (FCA) has said it will [consider giving cryptoasset firms more time](#) to implement certain changes given the industry's current state of readiness. Firms could be given until 8 January 2024 to introduce features that require greater technical development, but must apply for the flexibility first which would then allow them time to make the required back-office changes successfully.



And finally... scam warning from Companies House

Companies House has [issued a warning regarding a scammer](#), operating as Trafsoft. com, which is trying to dupe directors into verifying their online identity. The scam e-mail uses the Companies House logo and is written to instill a sense that urgent action is required. Companies House's advice is not to reply to the email, open any attachments nor click on any links. It also recommends deleting the email from your inbox, including your deleted items.

haysmacintyre

haysmacintyre
10 Queen Street Place
London
EC4R 1AG
T 020 7969 5500
F 020 7969 5600
E marketing@haysmacintyre.com

www.haysmacintyre.com

[@haysmacintyre](https://twitter.com/haysmacintyre)

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Shortlisted 2019 National Firm of the Year



Shortlisted 2019 Tax Team of the Year



Highly Commended Partner of the Year



2021: Best auditor
2020: Best outsourced finance service



Winner: Audit Team of the Year



Top 15 auditor to quoted companies in Adviser Ranking Listing



An eprivateclient top accountancy firm 2022