

4 March 2025

Corporate and Private Client eNews

Welcome to eNews, HaysMac's regular "e-news alert" for corporates and private individuals.



UKEB publishes UK adopted IASs

The UK Endorsement Board (UKEB) has published [a compendium of all the UK adopted International Accounting Standards \(IASs\)](#) on 1 January 2025. This is a useful reference tool for those involved in preparing financial statements in the UK under IASs.

FRC consults on SME audits

The Financial Reporting Council (FRC) has launched [a market study into how effective the audit market is in serving small and medium-sized enterprises \(SMEs\)](#) and to explore opportunities for reducing their reporting burden. The study has been launched in response to the Government calling for regulators to promote growth in the respective areas of their responsibility. The FRC is requesting feedback by 25 April 2025 and has indicated it expects to conclude the study before the end of 2025.



Get Ready for MTD for Income Tax

After many false starts, Making Tax Digital (MTD) for Income Tax will commence in April 2026, for the self-employed and landlords with income, from these sources, of £50,000 or more. MTD will require taxpayers to keep digital records and to file quarterly returns with HMRC. There will be very few exemptions from the new regime and preparing in advance is vital. HaysMac will be in communicating with all clients likely to be impacted by the MTD regime to agree next steps, but please contact [Katharine Arthur](#), Tax Partner, if you have any queries in the meantime.

FRC updates going concern guidance

The FRC has updated its guidance on the [Going Concern Basis of Accounting and Related Reporting, including Solvency and Liquidity Risks](#). The guidance brings together the various reporting requirements, whether from company law, accounting or auditing standards, listing rules or the UK Corporate Governance Code and includes summaries of the requirements by size of entity.



IR35 threshold changes

HMRC has confirmed that [changes to the company size thresholds](#) in the Companies Act 2006 from April 2025 will also apply for the purposes of the off payroll working rules (commonly referred to as the IR35 legislation). Where at least two of the following limits are exceeded, the engager will be responsible for considering the legislation: turnover £15m; balance sheet total £7.5m; and monthly average number of employees being 50. Otherwise, responsibility for considering whether the IR35 legislation applies rests with the worker. Please contact our [Employment Tax team](#) if you require assistance with IR35.

Interest rate on late tax payments cut

Following the reduction in bank base rate to 4.5% at the start of last month, [HMRC has cut the late payment interest rate](#) to 7.0% and the repayment supplement rate to 3.5% with effect from 25 February 2025. However, this will increase to 8.5% with effect from 6 April 2025 following the Autumn Budget 2024's announcement that the interest rate charged on unpaid tax liabilities would increase by 1.5% points to bank base rate plus 4%.



Government apprenticeships amended

The [Government has announced changes](#) to the apprenticeship programme in an effort to boost economic growth by reducing some of the requirements. Employers will now be able to decide whether maths and English qualifications will be required for those apprenticeships aged 19 and over when they start their course. The minimum duration of an apprenticeship will be reduced from 12 to 8 months. It is hoped that the changes will enable an additional 10,000 apprenticeships to qualify each year.

Revised advisory fuel rates

HMRC has slightly [amended the advisory fuel rates](#) for company users of petrol and diesel cars, with effect from 1 March 2025, while electric rates are unchanged. The changes increase the advisory rate per mile for petrol cars between 1,401 to 2,000cc and for diesel cars up to 1,600cc. The rates apply when reimbursing employees for business travel in their company cars or when requiring employees to repay the cost of fuel used for private travel. Please contact our [Employment Tax team](#) if you require assistance with reimbursing employees tax efficiently.



And finally...11.5 million Self-Assessment returns filed

HMRC has announced that it [received over 11.5 million Self-Assessment tax returns](#) for 2023/24 by the midnight deadline on 31 January 2025. Over 730,000 were filed on 31 January of which over 31,000 happened in the final hour. Taxpayers who did not file on time now face a £100 penalty, even if no tax is due, as well as interest on unpaid tax. Further penalties may be incurred depending on how late the tax return and/or the tax payment is.



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Winner: Large Firm
of the Year 2023



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in Adviser Ranking Listing