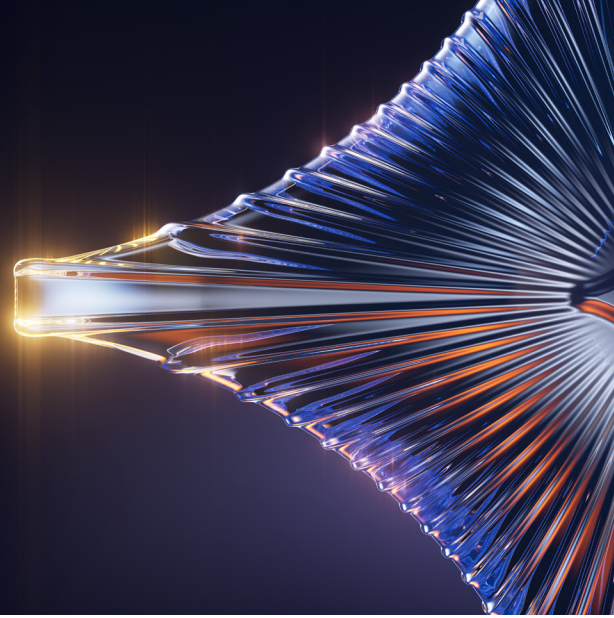


8 April 2025

Corporate and Private Client eNews



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



Spring Statement

On 26 March 2025 the Chancellor unveiled her Spring Statement. Although there were no major tax announcements, she did confirm reductions in access to welfare benefits to provide greater incentives to work, increases in defence spending and intended cuts to the civil service. HaysMac published its comprehensive summary of the Statement which can be read [here](#). Please feel free to contact your usual HaysMac advisor, or one of the Private Client Team, whose details are in the attached document.

Mandatory payrolling of benefits

The mandatory payrolling of benefits will commence in April 2026. Whilst we are waiting for the draft legislation and HMRC guidance, the clock is already 'ticking'. Employers will need to consider how they are going to manage the move across to reporting the provision of the taxable benefits provided to employees in real time, via the payroll. Please read our article [here](#) and speak with a member of our [Employment Tax](#) team for further information.



FRC issues summary on reporting size changes

The Financial Reporting Council (FRC) has published a [summary of the impact of the changes in reporting thresholds](#) that came into effect for accounting periods commencing on or after 6 April 2025. The changes are designed to reduce the reporting burden on small and medium sized entities.

Nudging online sellers

HMRC is cracking down on online sellers and side-hustlers who fail to report their income. Individuals are receiving nudge letters urging them to report their undeclared earnings from platforms such as Etsy, eBay, Instagram and TikTok, with 30 days to respond. Failure to respond to a HMRC 'One to Many' letter could lead to an enquiry and potentially higher penalties. Significantly, the Treasury has announced that they intend to increase the annual threshold for reporting from £1,000 to £3,000, but not until 2027/28. For further advice speak to [Danielle Ford](#), Partner, in our Tax Disputes and Resolutions team.



Increased rewards for whistleblowers

The Treasury has announced that HMRC will be launching [a new improved reward scheme](#) later this year for informants who tip off HMRC about tax fraud and evasion. The scheme was announced in a speech at the Chartered Institute of Taxation which reflected on the first twenty years of HMRC and looked forward to the HMRC of tomorrow.

HMRC riding Sky high

Ex-England and Liverpool footballer and Sky pundit, Phil Thompson, lost his appeal at the [Upper Tax Tribunal](#) that his contract whilst working for Sky was not one of employment. The income tax and national insurance liability at stake was c£300,000 for tax years 2013–2018, inclusive. Interestingly, none of the Sky Sports presenters have won their IR 35 cases, demonstrating the importance of properly drafted contracts which truly reflect the working relationship between the worker and engager. Please contact the [Employment Tax](#) team should you require any assistance with employment status of your off payroll workers.



Use your fingers!

We have previously written about Giant Marshmallows which can be roasted on skewers and turned into an American campfire snack called a s'more and whether from a VAT perspective this was confectionery, and subject to VAT, or whether they are food and zero-rated. Both the First and Upper-Tier Tribunals held they were food. The [Court of Appeal](#) has now sent the case back to the First-Tier Tribunal saying that the previous Tribunals had not asked the right question which was whether they were an item of sweetened prepared food which is normally eaten with the fingers! Please contact our [VAT team](#) if you require assistance on your VAT challenges.

Identity verification for Companies House coming

Following an aborted launch in late February due to IT gremlins, Companies House has [opened registration to be an Authorised Corporate Service Provider](#) (ACSP) for third party providers as part of its implementation of identity verification checks to deter fraudulent filings and other malfeasances involving companies. From 8 April 2025, company directors and people with significant control will be able to voluntarily verify their identity for Companies House. Mandatory verification is expected from autumn 2025 for new appointments and incorporations. HaysMac will be registering as an ACSP and will be able to assist clients with the identification process in due course.



FRC issues audit guidance for SMEs

The FRC has issued the first in a series of summary documents to help small and medium-sized enterprises (SMEs) engage with the audit progress in an effective and confident way. The [first document is an introduction to audit standards](#), setting out the role of International Standards on Auditing play in delivering transparent and accountable capital markets, as well as explaining the process for developing the standards in both the UK and worldwide.

And finally..... ICAEW issues factsheet on FRS 102 changes

ICAEW has issued a new factsheet providing [an overview of the FRS 102 Periodic Review 2024 Amendments](#). The factsheet summarises the key changes to FRS 102 as well as providing practical tips and guidance on the changes. The changes are effective for accounting periods beginning on or after 1 January 2026, although early adoption is permitted.



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