

15 July 2025

Corporate and Private Client eNews

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



Abridged accounts to go

Companies House has announced that **abridged accounts will be abolished from 1 April 2027** which will see micro and small companies being required to file their balance sheet and profit and loss accounts at Companies House. Small companies will be required to file a copy of their directors' report and auditor's report, unless an exemption has been claimed. The directors will also need to state which exemption is applicable if an exemption is claimed. We await the necessary statutory instrument to see the transition arrangements and to which accounting periods this will apply. Some commentators have noticed the Department for Business & Trade's comment that this is "the intention" which has raised doubts as to the timescale and whether the change will eventually happen.

The end of filed paper accounts

Companies House has announced that from 1 April 2027 all companies must file their annual accounts, including dormant, through commercial software with web and paper-based services being closed for such filings. Web services will remain open for other statutory filings. Companies House has already contacted the registered email address of companies giving notice of this change.



Dentist left in (tax) pain at Court of Appeal

The Court of Appeal has dismissed the appeal by **Marlborough DP Limited (MDPL)** against its use of a marketed aggressive tax avoidance scheme. The scheme involved, inter alia, making contributions to a trust from MDPL, on which corporation tax relief was claimed, and then the trust making loans to Dr Thomas, the dentist. Although most remuneration trust schemes have been closed down in recent years, this case acts as reminder that HMRC is still pursuing historic arrears where it believes tax is at stake. Please contact your usual HaysMac adviser or **Danielle Ford**, Partner and Head of Tax Disputes & Resolutions, if you require assistance in such matters.

HaysMac becomes an ACSP

HaysMac is pleased to announce that it is now an Authorised Corporate Service Provider (ACSP) which will enable us to handle identity (ID) verification requests for clients. Companies House introduced ID verification last April to reduce the risk of fraud and improve transparency, and started allowing verification last April. Mandatory ID verification will be required for new appointments and incorporations this autumn with all existing directors requiring to be verified by autumn 2026. Further details can be found in **our guide to ID verification** at Companies House. Please contact your usual HaysMac adviser or **Sara Shrouti**, Manager in our Company Secretarial department, for assistance.



AI guidance for auditors

The Financial Reporting Council (FRC) has published **guidance on how auditors should use artificial intelligence (AI)** in audit as well as a **thematic review** on how the six largest audit firms certify new audit technology. When using AI the FRC expects firms to document either centrally and/or on the audit file certain attributes such as a description of the tool, why it is considered appropriate and consideration of the outputs.

DBT consults on climate reporting

The **Department for Business & Trade (DBT)** is **consulting on minor amendments** to IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures before their introduction as UK Sustainability Reporting Standards (SRS) S1 and UK SRS S2. The consultation proposes six amendments to the equivalent international standards including transitional reliefs and the classification standard to be used. The Financial Conduct Authority (FCA) will hold a separate consultation as to whether to make the requirements mandatory for listed companies although it is expected it will affect SMEs in the supply chain of such entities. The consultation closes on 17 September 2025.



HMRC focuses on crypto users and providers

HMRC has announced that **UK crypto holders must provide personal details** to every crypto service provider that they use from January 2026 or face penalties of up to £300. This is designed to assist HMRC identify those taxpayers who have not been paying the correct amount of tax on their crypto profits and is part of HMRC's strategy towards tackling non-compliance. Any service provider that fails to report this information, or submits inaccurate or incomplete reports, to HMRC will also be liable to a penalty of up to £300 per user.

Mind the (tax) gap

HMRC has issued its **annual report on the tax gap**, the difference between the theoretical tax liabilities and that collected. This shows a gap of £46.8 billion or 5.3% of the total theoretical liability for 2023/24, slightly down from the previous year's 5.6% but up in absolute terms from £46.4 billion. The biggest share of the gap was, again, contributed by small businesses representing 60% or over £28 billion. The largest component of the tax gap by tax type was Corporation Tax with a 40% share, followed by Income tax, National Insurance contributions and Capital Gains Tax with a 31% share, and then VAT with a 19% share of the overall tax gap.



Skilled Worker Visa Changes

The Government has confirmed that, on 22 July 2025, it will be amending the **UK's Skilled Worker visa eligibility** list by increasing the qualification threshold from RQF level 3 to level 6, aligning visa eligibility with degree-level roles. This will remove c180 occupations, including chefs, bakers, and pub managers from the UK's Skilled Worker visa eligibility list. Businesses have limited time to adjust, with only applicants beginning the process before the deadline remaining eligible. The minimum salary threshold for new Skilled Worker visas is also expected to rise to £41,700 in April 2026.

And finally... FCA fines Monzo £21m

The FCA has **fined Monzo Bank Limited over £21 million** for inadequate anti-financial crime systems and controls and for breaching a requirement preventing it from opening accounts for high-risk customers between August 2020 and June 2022. Monzo onboarded customers based on limited and, sometimes, implausible data, such as residential addresses at 10 Downing Street and Buckingham Palace!



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Winner: Large Firm
of the Year 2023



An eprivaclient
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