

11 November 2025

Corporate and Private Client eNews

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



Surveys find London resilient against a wider slump in confidence

The London Chamber of Commerce and Industry's **Quarterly Economic Survey** Q3 2025 has shown that London businesses returned to a positive outlook towards London's economic outlook, although their view on the UK's economic outlook remained in negative territory. The poorer outlook for the UK as a whole was also supported by ICAEW's **UK Business Confidence Monitor** which reported a fall in business confidence in the quarter from -4.2 to -7.3. Concerns about the tax burden, inflation and weak domestic and export growth were thought to be underpinning this decline.

Hippodrome loses its VAT appeal

The Court of Appeal has reaffirmed in the case of **Hippodrome Casino v HMRC** that the standard turnover-based method for apportioning residual input VAT remains the default position, unless a taxpayer can demonstrate a more precise and fairer alternative. The proposed floor-space method was rejected for lacking accuracy, especially in accounting for dual-use areas. This ruling has implications for businesses making both taxable and exempt supplies, such as in financial services, healthcare, education and property. Please contact **Dougie Todd**, VAT Partner, should you require expert advice as to whether you can move away from the standard method.



UK internationally tax uncompetitive

The Tax Foundation has issued its **2025 International Tax Competitiveness Index** which shows the UK falling to 32nd, out of 38 OECD countries, in its global tax competitiveness. The UK's property tax system was at 37th and described by the Foundation as having the highest real property tax burden in the OECD. Whilst the UK was found to have the broadest tax treaty network in the OECD, with 132 countries, the top rate of income tax on dividends, at 39.35%, and top rate of capital gains tax, at 24%, were well above the OECD average at 24.7% and 20% respectively.

R&D checker tool

HMRC has **launched an on-line tool** to allow businesses to gauge whether their projects might qualify as research and development (R&D) for tax purposes before filing a claim. HMRC says that some of the information will need to be provided by a competent professional and the average time to complete the check is about 10 minutes. A positive result from the checker does not guarantee the claim will be agreed by HMRC. When a negative result is returned the tool will explain why and might include insufficient information being submitted on which the tool can make a decision.



FCA to become AML regulator?

The Treasury has issued a **consultation document** suggesting that the Financial Conduct Authority (FCA) should become the anti-money laundering (AML) supervisor for accountancy, legal and trust and company service providers replacing the existing 22 professional bodies. The consultation document also suggests that estate agency and letting agency businesses might also be brought under the supervision of the FCA. However, the consultation has been criticised by the leading professional bodies believing such a move will increase the regulatory burden and that the FCA does not have the requisite expertise to effectively monitor AML at accountancy firms.

Applying fuel advisory rates to electric company car users

HMRC has issued **new guidance for employers** using the advisory electricity rates to reimburse drivers of electric company cars. HMRC says that for journeys where a company car is charged at both public and residential locations, fleets can apportion the mileage based on a fair and reasonable basis to reflect how much charging happens at each place. Please contact our **Employment Tax team** if you require assistance with this or other employment tax matters.



Corporate Reporting Authority to replace ARGA

The **Government has announced** that the Financial Reporting Council (FRC) will transition into a new regulator to be called the Corporate Reporting Authority (CRA). The proposed Audit, Reporting & Governance Authority (ARGA) name has been dropped as have proposals to introduce shared audits and new market share limits. The Government has also made changes to the definition of public interest entities (PIE), extending the PIE status to specific sectors as well as changing the voting right requirements of audit firms with a view to improving competition. A consultation on the proposals is expected imminently.

Companies House fees to increase

Companies House has announced increases to some of its fees with effect from 1 February 2026. A digital incorporation of a company will cost £100, up from £50, a confirmation statement will increase from £34 to £50 but a voluntary striking off digital fee will fall from £33 to £13. The new charges are available **here**. The income generated from the fees is used to publish accessible company information, querying and removing false and misleading information from the registers as well as funding The Insolvency Service's company investigation and enforcement activity.



Treasury sets out plans to simplify regulation

The Treasury has issued a **Regulation Action Plan** to improve the regulatory system by improving safeguards and protecting consumers and competition, whilst supporting investment and innovation. Amongst the business centric proposals are: an increase in the use of digital verification; increasing the size thresholds for micro, small, medium and large companies by about 50%; simplifying the directors' report and directors' remuneration report; and exempting medium sized companies from producing a strategic report.

No changes proposed to FRS 101

The FRC has issued **FRED 88: FRS 101 Reduced Disclosure Framework –2025/26 cycle** to consult on its proposal not to make any amendments to FRS 101 in this review cycle. This is despite several recent changes in disclosures in IFRS standards, such as with IFRS 19 Subsidiaries without Public Accountability: Disclosures, which are due to come into effect for accounting periods starting 1 January 2027, or the green electricity contracts rules. The consultation is open until 16 January 2026.



FRC issues two thematic reviews

The FRC has published thematic reviews on **investment companies** and **share based payment arrangements**. The reviews are designed to support high corporate reporting standards through providing key recommendations, commenting on areas for improvement and providing actual examples of good reporting.

And finally...join HaysMac's Inheritance Tax (IHT) webinar

We're excited to be collaborating with wealth managers, RBC Brewin Dolphin, on Wednesday 10 December, as we discuss upcoming changes to IHT. Our seminar will unpack the key announcements from the Autumn Budget, and what it means for IHT, where Chancellor Rachel Reeves is widely expected to raise taxes to help fill a £40 billion fiscal gap – on top of last year's substantial tax rises. As we prepare for the changes that have already been announced, such as the Business Property Relief reforms that take effect from April 2026, our panel of experts will review the IHT landscape and share their views on why proactive IHT planning is more critical than ever. Find out more and **register here**.



HaysMac⁺

10 Queen Street Place
London EC4R 1AG

T 020 7969 5500
E marketing@haysmac.com

haysmac.com



Ian Daniels
Partner
T +44 20 7969 5502
E idaniels@haysmac.com

© Copyright 2025 HaysMac LLP. All rights reserved.

HaysMac is the trading name of HaysMac LLP, a limited liability partnership. Registered number: OC423459. Registered in England and Wales. Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales. A list of members' names is available for inspection at 10 Queen Street Place, London EC4R 1AG. A member of the ICAEW Practice Assurance Scheme.

Disclaimer: This publication has been produced by the partners of HaysMac LLP and is for private circulation only. Whilst every care has been taken in preparation of this document, it may contain errors for which we cannot be held responsible. In the case of a specific problem, it is recommended that professional advice be sought. The material contained in this publication may not be reproduced in whole or in part by any means, without prior permission from HaysMac LLP.



Winner: Large Firm
of the Year 2023



An eprivateclient
top accountancy firm 2025



Top 10 auditor to quoted companies
in Adviser Ranking Listing