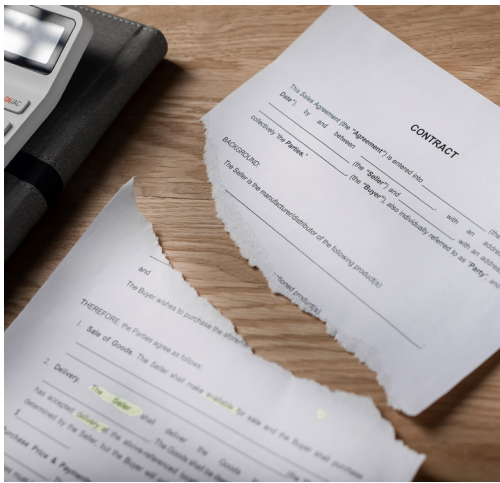
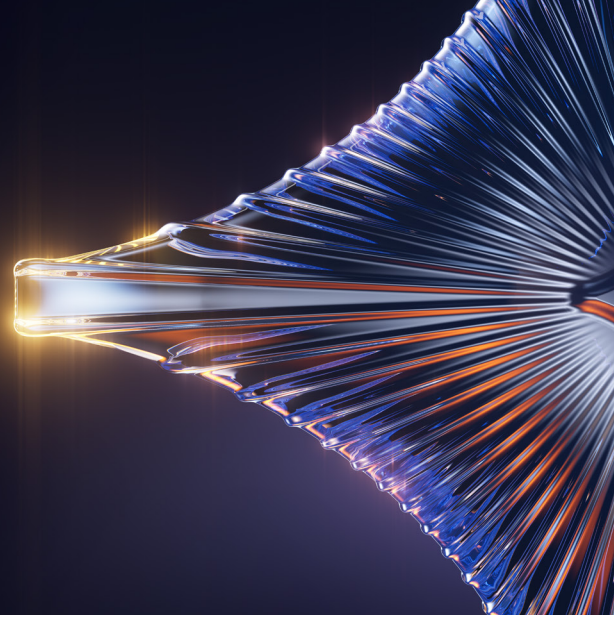


10 February 2026

## Corporate and private client eNews



### Audit Reform Bill axed

The Government has announced, in a [letter to the Chair of the Business and Trade Committee](#), that it will not be carrying forward the Audit Reform Bill. This would have seen, inter alia, the creation of the Audit, Reporting and Governance Authority to replace the Financial Reporting Council (FRC), increasing the scope of Public Interest Entities and greater accountability for directors in financial reporting. The letter cites several reasons for the change including: a lack of parliamentary time; additional cost on larger companies; a preference for economic growth and reduced regulation; and a belief that audit quality has improved since the collapse of Carillion in 2018. The letter also says that the Government will look to put the FRC onto a statutory footing but no date is given for this.

### 2026 Spring Forecast

The Chancellor has asked the Office for Budget Responsibility to prepare an economic and fiscal forecast ([Spring Forecast](#)) for publication on 3 March 2026. The Spring Forecast will not be an assessment of performance against the Government's fiscal mandate but will give an update on the economy and public finances. The Government will respond to the Spring Forecast through a statement to Parliament.



### Over 80% of English city buildings could be unlettable

[Research by the British Property Foundation](#) (BPF) has found that 81% of commercial buildings in seven major cities in England have an EPC below B. With no response having been published after a Government consultation in 2021 on minimum energy efficiencies, a suggested target EPC of C by 2027 and B by 2030 is seen by the BPF as unrealistic. However, the BPF is urging the Government to respond to allow the real estate industry sufficient time to make the necessary investment decisions and accelerate decarbonisation across the commercial property sector.

## U-turn or delay?

Companies House has [updated its website page](#) regarding changes to accounts and revealed that the proposed changes to accounts filing from 1 April 2027 will now not be introduced. The changes, including the ending of filleted accounts and mandatory online filing, are said to be still under review and a final decision will be “announced shortly”. The statement also said that companies would be given at least 21 months’ notice to prepare for any changes.



## Updated Strategic Report guidance

The FRC has updated its [Guidance on the Strategic Report](#) to help UK entities produce reports that are clear and proportionate to their size and complexity. The revisions reflect recent legislative and regulatory changes, including the 2024 UK Corporate Governance Code, and emphasizes the need for concise, balanced reporting that supports shareholders’ understanding of the business. It includes good-practice suggestions, updated scoping tables and improved structure. The FRC says the changes aim to enhance the quality of corporate reporting and provide better insight into companies’ performance and future prospects.

## PCRT issue guidance on using AI ethically

The UK’s seven Professional Conduct in Relation to Taxation (PCRT) bodies have [issued guidance on the ethical use of artificial intelligence \(AI\) in tax work](#), stressing the importance of transparency and disclosure on its use. The document recommends engagement-letter disclosures regarding the potential use of AI tools. It highlights risks such as bias, inaccuracies, confidentiality breaches and reputational harm and urges members to apply due care, understand AI limitations and avoid over-reliance on its outputs. The guidance provides examples of risk, safeguards and practical considerations to help tax professionals use AI responsibly.



## HMRC winds up tax avoidance promoter

The High Court has made its first ever order winding up a tax avoidance promoter under legislation which allows HMRC to make a petition where it is in the public interest to protect the public revenue. In the case of [HMRC v Purity Limited](#), an umbrella company was operated for agency workers who were paid a small PAYE salary with the balance of the income being paid as a long-term loan with the intent to avoid PAYE and national insurance contributions. Please contact your usual HaysMac adviser or [Danielle Ford](#), Partner and Head of Tax Disputes & Resolutions, for assistance on your tax matters.

## FRC sets out its 2026 focus

The [FRC has announced that in 2026](#) it will continue to focus on serving the public interest and supporting UK economic growth through high standards in governance, reporting, audit and actuarial work. It will pursue five priorities being: strengthening investor confidence; reducing unnecessary burdens on business; deepening market insight; identifying future trends; and supporting professional skills. The FRC welcomes the Government’s commitment to placing it on a statutory footing and will continue to evolve to remain fit for purpose. It will issue guidance for SME audits, advance work on innovation, including AI, and reduce reporting requirements.



## Companies House delays identifying document presenters

Companies House has delayed the introduction of identity verification and registration requirements for document presenters until November 2026. The postponement allows more time to complete identity checks for directors and persons of significant control and to respond to stakeholder feedback. From November 2026, anyone filing on behalf of companies must either verify their identity or be registered as an Authorised Corporate Service Provider. Companies House is also proposing expanded reporting for limited partnerships, full identity verification for all individuals on the register, increased data cross-checking and rejecting filings by disqualified directors by the end of 2026.

## UK Mandatory E-invoicing from 2029

The UK Government confirmed in the Autumn Budget that mandatory electronic invoicing (e-invoicing) will apply to all Business-to-Business (B2B) and Business-to-Government (B2G) VAT invoices from 1 April 2029. This forms part of the wider national digitalisation programme aimed at improving efficiency, reducing errors, tackling late payments and strengthening VAT compliance. While 2029 may feel some distance away, Finance and Tax teams that start preparing early will be far better placed to avoid disruption, control costs and implement change on their own terms.

[Find out more in our latest article here.](#)



## A busy tax filing season

HMRC has announced that 11.48 million 2024/25 self-assessment tax returns were submitted before the filing deadline on 31 January 2026, with over 475,000 being submitted in the final 24 hours. HMRC estimated that over 12 million tax returns were expected. Late tax returns will now be subject to a late filing penalty of at least £100. Any unpaid tax will attract interest and a 5% penalty if unpaid at 30 days, with further 5% penalties after 6 months and 12 months. If you are struggling to pay your tax liability you maybe able to agree a time to pay arrangement. Please contact [Danielle Ford](#), Partner and Head of Tax Disputes & Resolutions, for further details.

## And finally... join our Making Tax Digital webinar!

Making Tax Digital (MTD) for Income Tax becomes mandatory from 6 April 2026 for sole traders and landlords with qualifying income over £50,000, with over 860,000 individuals required to use software for quarterly reporting. We will be hosting a webinar on 26 February to talk through the changes and how we can assist.

[Click here to register your spot.](#)

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