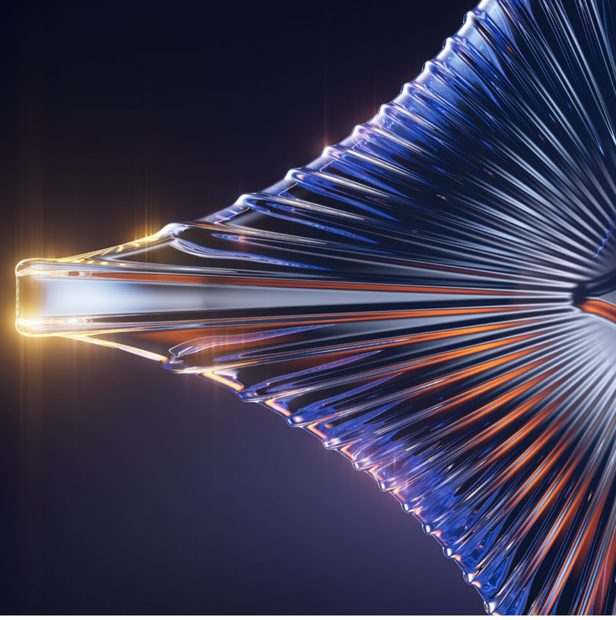
HaysMac

2 September 2026

Corporate and private client eNews



2026 Budget

The Chancellor of the Exchequer has announced the 2026 Budget will be held on Wednesday 28 October 2026. The notification to the Treasury Committee said the Budget would be one “that moves power and money out of Westminster, into every postcode in Britain”. It also confirmed that the Chancellor would abide by the fiscal rules. HaysMac will be issuing comprehensive analysis during and after the Budget speech.

Number of UK millionaires at lowest level since 2008

Analysis of data from the Office of National Statistics by the Adam Smith Institute has revealed the UK has the lowest number of UK millionaires since the 2008 financial crisis, with a fall of c7% since the 2024 General Election. The fall is linked to millionaires leaving the UK due to increases in taxation, with threats of further rises to come, the abolition of the non-dom regime and a culture that is perceived as hostile to wealth creators. Please contact Graeme Privett if you want to know more about tax advice before emigrating from the UK.

FRC issues insights on materiality

The Financial Reporting Council (FRC) has published insights on applying materiality in corporate reporting, emphasizing that annual reports should be a communication tool rather than a compliance exercise. The guidance encourages boards and preparers to focus on information that genuinely influences investor decision-making and avoids immaterial disclosures that can obscure key messages. Recognising that annual reports have become increasingly lengthy and complex, the FRC stresses that materiality is a matter of judgement and that directors should take ownership of reporting decisions. The publication includes practical guidance, FAQs and an illustrative process to help companies produce clearer, more concise and decision-useful annual reports.

MTD reaches its first quarterly return period

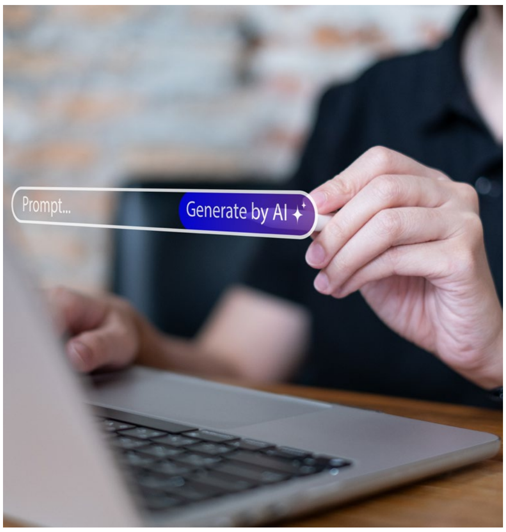
HMRC has announced that more than 436,000 sole traders and landlords have successfully submitted their first quarterly update under Making Tax Digital (MTD) for Income Tax, marking a significant step in HMRC's transition to digital tax reporting. Over 570,000 taxpayers have now signed up to the service, which became mandatory in April 2026 for those with qualifying self-employment and property income above £50,000. HMRC has confirmed that no penalty points will be issued for late quarterly updates during 2026/27, although existing penalties for late tax returns and payments remain. From September 2026, HMRC vwill begin automatically enrolling taxpayers who should already be using MTD but have not yet registered.

Gaps in NI records

HMRC is aware of gaps in National Insurance (NI) records potentially affecting taxpayers who became self-employed between 2015 and early March 2024 and who did not complete form CWF1 which notified HMRC of registration as being self-employed. The issue could be affecting 800,000 taxpayers with impacts on their state pension rights. Whilst HMRC says it has resolved the issue for 2024/25 onwards, it will initially be writing to approximately 160,000 taxpayers by the summer of 2027, who either are or are likely to be impacted shortly, allowing taxpayers to make voluntary NI contributions to fill in any gaps before contacting others. Please contact our Employment Tax team if you require assistance.

BCC introduces Cost Stack Calculator

The British Chambers of Commerce (BCC) has launched an online Cost Stack Calculator to help businesses measure the cumulative impact of government policy-driven costs on their operations since 2016. The tool estimates changes in costs such as employers' National Insurance, National Living Wage increases, business rates, pensions and regulatory compliance requirements. BCC's modelling suggests that domestic policy-related costs for a typical SME have risen by more than 70% since 2016, with around a quarter of that increase occurring since the Autumn 2024 Budget. Businesses can compare their own position and contribute anonymously to support the BCC's evidence-gathering ahead of the forthcoming Budget.



FRC publishes Annual Enforcement Review

The FRC's Annual Enforcement Review 2026 has highlighted a number of recurring weaknesses in financial reporting, audit quality and firms' systems of quality management, whilst emphasizing its focus on driving improvements across the market. The key themes arising from its investigations included insufficient professional scepticism, revenue recognition issues, fraud risk assessment failures, ethical compliance shortcomings and inadequate audit evidence. The review also notes increasing scrutiny of firm-wide controls, governance and record preservation, including Teams, instant messaging and AI-related communications. The FRC has also introduced reforms to its enforcement process aimed at achieving faster, more proportionate outcomes while ensuring lessons from investigations are shared promptly to strengthen audit quality and public confidence.

Companies House delays filing ID requirement

Companies House has published an updated timeline for incorporating the Economic Crime and Corporate Transparency Act which shows a delay in the introduction of presenter identity verification requirements until at least November 2027. However, Companies House has committed to providing at least six months' notice before the requirements take effect. The delay has been blamed on the scale and complexity of reforms required under the Economic Crime and Corporate Transparency Act. The existing identity verification requirements for directors and persons with significant control remain unchanged and should be completed by the end of 2026.

CIOT and others criticise proposed criminal offences

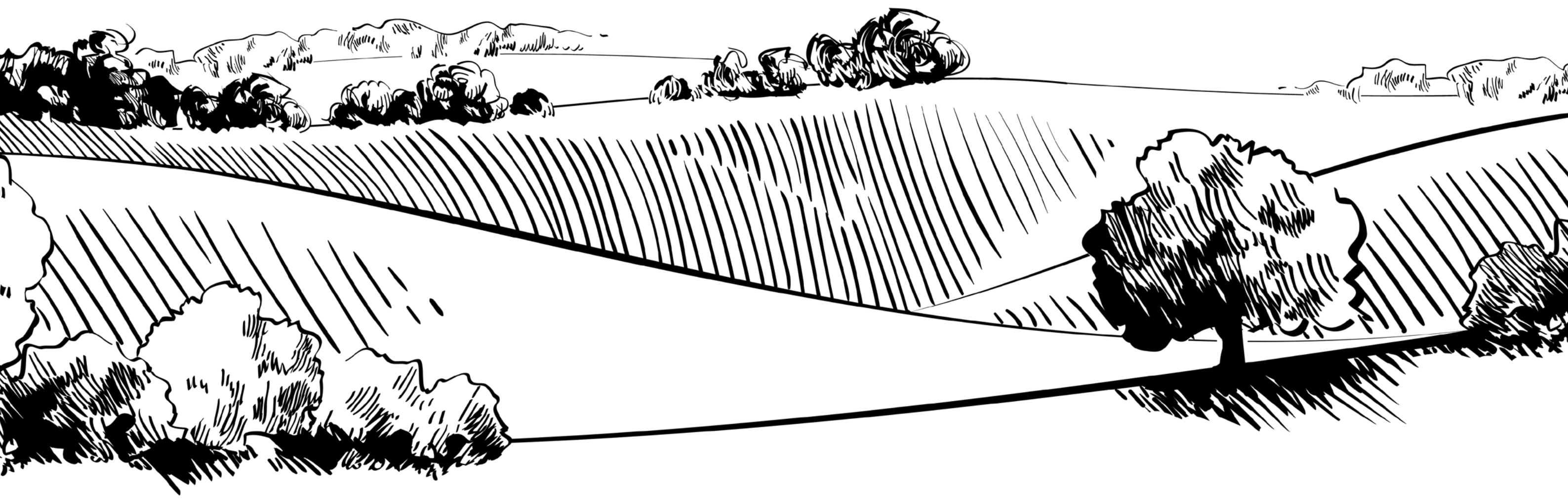
The Chartered Institute of Taxation (CIOT), along with the ACCA and the Low Incomes Tax Reform Group, has strongly criticised HMRC's proposals to introduce a criminal offence for providing "reckless, untrue statements" to HMRC in its feedback. The CIOT does not support the proposals because it blurs the line between deliberate wrongdoing and genuine mistakes, creating uncertainty for those operating in complex areas of tax law. It also does not believe the Government has made an adequate case for extending criminal liability.

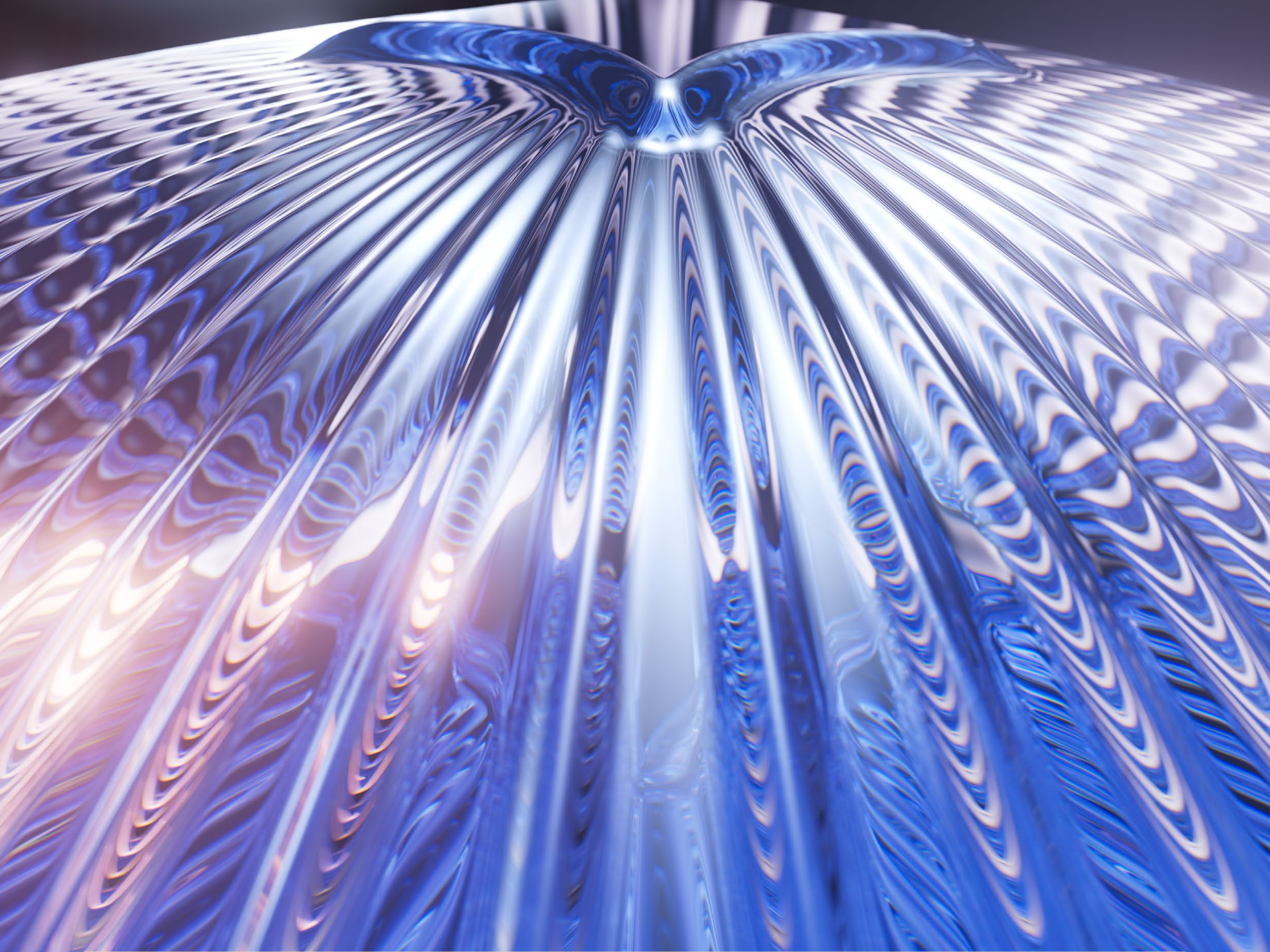
The end of the cheque?

Research from UK Finance has shown a further decline in cheque usage with just 77 million cheques being written in 2025, comprising 0.2% of payments, a decline of 16% from 2024 levels and an 86% decline from 2015. Debit cards were used in over half of all payments with cash still being used in 8% of all payments.

And finally… your business has outgrown its finance function. What are your options?

Read our practical guide for founders, boards and finance leaders assessing whether their finance function is ready for scale, what the options are, and what each one costs.





HaysMac

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

10 Queen Street Place
London EC4R 1AG

T 020 7969 5500
E marketing@haysmac.com

haysmac.com

© Copyright 2026 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.

THE SUNDAY TIMES
Best Places to Work 2026
BIG ORGANISATION

BRITISH BUSINESS EXCELLENCE AWARDS
WINNERS 2025
LLOYDS

eprivateclient
Top Accountancy Firms 2025
An eprivateclient top accountancy firm 2025