

eNews

31 AUGUST 2021

Welcome to haysmacintyre's regular 'e-news alert' for corporates and private individuals.

## NEW AUDITING STANDARD FOR LCES?

The ICAEW has [welcomed the publication](#) of a draft audit standard by the International Auditing and Assurance Board (IAAB) which sets out [proposals for audits of less complex entities](#) (LCEs). The proposals are designed to provide an auditing framework which is proportionate to the nature and circumstances of LCEs and comes after several countries have developed their own auditing standards for LCEs. The consultation on the IAAB's draft will be open until 31 January 2022.



## HMRC'S PROPOSED TAX REFORMS CRITICISED

Following [HMRC's recent announcement](#) that it intends to amend the basis of assessment for the self-employed from 2023, [five UK tax and accounting bodies have written](#) to the Treasury expressing concern at the proposed speed of reform and urging it to allow sufficient time to introduce the necessary changes. The bodies are concerned that, following Brexit and COVID-19 the reforms could undermine the integrity of the tax system and will result in the earlier payment of tax for many which will need to be explained and budgeted for, particularly when business income may still be fragile.

## CJRS GUIDANCE UPDATED

With the Coronavirus Job Retention Scheme (CJRS) ending on 30 September 2021, [HMRC has updated its guidance for making claims](#). Claims for furlough days in August 2021 must be made by 14 September 2021, whilst claims for September 2021 must be submitted by 14 October 2021 with any amendments being made by 28 October 2021.



### MY ACCOUNTANT DOES NOT UNDERSTAND ME

HMRC has published a list of excuses used by employers in their explanation for failing to pay the National Minimum Wage. These include: where the accountant was blamed for speaking a different language and not understanding the employer, and it was claimed shop assistants were only on standby and were only paid when they were serving customers. HMRC is encouraging workers to get in touch if they believe they are being underpaid.

### HOME OFFICE PENALISED BY HMRC

The [Home Office's latest annual report](#) has revealed it has been assessed £29.5 million by HMRC after an enquiry into its compliance with the IR35 rules found it had incorrectly assessed contractors as being outside the scope of IR35. In addition, HMRC levied a £4 million penalty for being careless in its application of the off-payroll working rules, suspended for three months. This is a further example of the difficulties in applying the IR35 rules. Please contact our [employment tax team](#) if you require assistance with IR35 and other employment taxes issues.



### ICAEW SUPPORTS REFORM OF ADDRESS ABUSE

The ICAEW has [backed calls for boosting Companies House's powers](#) to quickly correct any false business registrations at a professional firm's address. This follows increasing evidence of companies using addresses of accountancy firms as their registered office without permission and Companies House's inability to take prompt corrective action. The Government is expected to publish the results of the consultation it carried out earlier this year on whether Companies House's powers should be extended.

### FRC ISSUES EXAMPLE AUDIT REPORTS

The Financial Reporting Council (FRC) has issued an [updated Bulletin of Illustrative Auditor's Reports](#). The examples have been updated to reflect legislative changes arising after the end of the EU exit transition period.



### AND FINALLY... I HEARD IT ON MY RADIO

Research commissioned by HMRC has found that radio advertising was the most effective medium for promoting awareness of self-assessment deadlines and changes to payment terms amongst businesses and individuals. The research also found that, in about 15% of cases, hearing the adverts had encouraged the taxpayer to contact their accountant sooner than they would otherwise have done.

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Shortlisted 2019 National Firm of the Year



Shortlisted 2019 Tax Team of the Year



Highly Commended Partner of the Year



2021: Best auditor  
2020: Best outsourced  
finance service



Winner: Audit Team  
of the Year



Top 15 auditor to quoted companies  
in Adviser Ranking Listing



An epriveclient  
top accountancy firm 2020