

eNews

11 JANUARY 2022

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

A Happy New Year to our readers

As this is the first eNews of 2022, we would like to say thank you to all our readers for your support during 2021 and to wish you all a happy, healthy and prosperous 2022.



Revised LLPs SORP issued

CCAB has issued a revised [Statement of Recommended Practice – Accounting by Limited Liability Partnerships](#) (LLPs SORP) which is effective from 1 January 2022. The revisions include: changes to definitions relating to profit division; analysing participation rights between liability and equity elements; re-ordering the SORP to improve readability; a requirement to disclose an accounting policy for classifying profit distributions in the cashflow; and disclosing 'profit or loss for the financial year before members' remuneration and profit shares' on the face of the income statement with any members' remuneration charged as an expense being disclosed separately and deducted from this balance.

Time to Pay arrangements

On 21 December 2021, the [Government announced HMRC has been instructed](#) to support businesses, particularly those in the hospitality and leisure sectors, through Time to Pay arrangements. Agreement will be on a case by case basis, which might be a short delay of payment or agreeing payment in instalments. We recommend you contact HMRC before any tax liabilities become payable. If you require any assistance please contact [Danielle Ford](#), Head of Tax Disputes and Resolutions.



Spring 2022 forecast date

The Chancellor of the Exchequer, Rishi Sunak, has [commissioned the Office for Budget Responsibility \(OBR\)](#) to produce an economic and fiscal forecast for Wednesday 23 March 2022. The OBR will be releasing the latest outlook for the economy and public finances on this date.

FCA fines HSBC £64m over its AML controls

The [Financial Conduct Authority \(FCA\)](#) has [fined HSBC Bank plc](#) nearly £64m for failings in its transaction monitoring systems over an eight year period. HSBC used automation to monitor hundreds of millions of transactions per month but the FCA found these did not consider money laundering or terrorist financing risks until 2014 and had not performed timely risk assessments for new scenarios after 2016. Other failures included not testing and updating the parameters designed to indicative potentially suspicious activity and not checking the accuracy and completeness of the data within monitoring systems.



HMRC defers Self Assessment penalties

HMRC has announced that late submission penalties will not be charged if the 31 January 2022 tax return filing deadline is not met, provided it is submitted by 28 February and no late payment penalty will apply provided payment is made, or a Time to Pay arrangement is agreed, by 1 April. However, interest will be charged from 31 January and filing your tax return after 31 January will extend HMRC's enquiry window to, at least, 30 April 2023. We therefore encourage readers to meet the 31 January deadline. Please contact [Katharine Arthur](#) if you require assistance with personal tax issues.

HMRC increases interest rates

Following the increase in the Bank of England's base rate, [HMRC has confirmed](#) that with effect from 4 January 2022, HMRC late payment interest rate will rise to 2.75%. This is the first increase since March 2020 when the first lockdown saw rates cut. HMRC has confirmed that repayment interest rate, at 0.5%, will remain unchanged.



Government departments get IR35 wrong

Further illustrations of the difficulty in assessing the appropriate employment status of workers has come with HMRC finding the Ministry of Justice owing over £70m and the Department for Environment, Food & Rural Affairs owing nearly £20m for non-compliance with IR35 rules. The assessments arose after HMRC compliance visits challenged these government departments over their interpretation of contractors' work status, in particular, over the ability to send substitutes to undertake the work requested. Please contact our [Employment Tax Team](#) if you require assistance with IR35, or other employment tax matters.

And finally... driving home the tax return for Christmas!

[HMRC has announced](#) that on 24, 25 and 26 December it received over 31,000 Self Assessment tax returns with nearly 20,000 submissions on Christmas Eve alone, or 'elf assessments' as HMRC festively described them!

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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 eprivateclient top accountancy firm 2021