

eNews
8 MAY 2024

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



Q1 Capital 500

Last month the London Chamber of Commerce and Industry published its [Q1 2024 Quarterly Economic Survey](#) which gave a mixed outlook for London businesses. Whilst individual business confidence remained at its highest since the end of 2021, cost pressures were a concern coupled with a slight reduction in profit expectations. The economic outlook for London returned to positive territory for the first time since the start of 2022 and remains above that of the UK as a whole.

Yes, we have changed banks

Last December we switched banks and clients should have received notification of our new bank details. However, in an age of banking frauds we can understand reluctance to change our banking details but would ask all clients to now use the new account. Our new bank details are included on our fee notes but should you wish to verify the change please contact your usual haysmacintyre contact or [Jim Driver](#), [Alexander Ehizojie](#) or [Pat McCormack](#) in our finance department. Thank you for your assistance and caution.



VAT fraud alert

A new VAT fraud has emerged whereby fraudsters submit paper VAT484 forms to HMRC to change bank account resulting in VAT refunds being redirected into fraudulent accounts. Now that HMRC is aware of this scam it is expected that HMRC will withdraw the paper version of the VAT484 form and will ask large businesses to confirm the genuineness of any requested changes. We strongly advise businesses, especially those in a VAT refund position to check their online VAT accounts to ensure that the bank account details lodged with HMRC are correct and have not been changed. Please contact [Stephen Patey](#), Senior VAT Manager, if you require assistance.

IASB issues IFRS 18

The International Accounting Standards Board (IASB) has published [IFRS 18, Presentation and Disclosure in Financial Statements](#), which is intended to improve the usefulness of information presented and disclosed in financial statements. IFRS 18 introduces three new requirements. Firstly, improving comparability between income statements by having three defined categories: operating, investing and financing with new subtotals. Secondly, requiring companies to better explain management-defined performance measures and, thirdly, by improving guidance on where information should be disclosed. IFRS 18 applies for periods beginning on or after 1 January 2027 with early adoption being permitted.



Walkers pop back for another bite

Following HMRC's success at the First Tier Tribunal (FTT), which found Walkers' Sensations Poppadoms should be standard rated for VAT purposes ([eNews 6 February 2024](#)), it is understood that Walkers will be appealing the FTT's decision. This follows HMRC's original decision back in June 2021 which the FTT supported in January 2024 and illustrates the uncertainty that can arise in correctly categorising products and services for VAT purposes. Please contact either [Dougie Todd](#), VAT Partner, or [Stephen Patey](#), Senior VAT Manager for VAT advice and assistance.

HMRC's revises LLP salaried members' guidance

The salaried members' rules are anti-avoidance provisions to tackle "disguised remuneration" through LLPs by removing the presumption of self-employment for some members of LLPs. HMRC has recently changed its guidance with regards to an LLP member's capital contribution to the business (Condition C), which if satisfied can ensure that an LLP member is subject to tax and national insurance as a self-employed individual, rather than as an employee. For further details of how the changed guidance may affect you are available [here](#). Please contact our [Employment Tax team](#) for assistance.



IESBA issues global ethical standards

The International Ethics Standards Board for Accountants (IESBA) has launched a set of [tax planning global standards](#) to strengthen the ethical framework for professional accountants providing tax planning services. These include guidance regarding giving due consideration to the reputational, commercial and wider economic consequences of their tax advice and follows behaviours that, whilst not illegal under the letter of the law, were not regarded as ethical. The guidance is designed to create a consistent point of reference for tax advisers.

Timing is everything

The Court of Appeal has published its decision involving [Prudential Assurance Company](#) which considered the order in which the Time of Supply and VAT grouping rules should be applied. The case concerned the continuous supplies of services (taxable when payment is received or an invoice issued) agreed when the parties were in a VAT group but paid after one had left the VAT group. The Court found the Time of Supply rules must be considered first before determining the liability of that supply meaning the investment management services supplied to Prudential were subject to VAT. Please contact [Dougie Todd](#), VAT Partner, for further advice.



No more tax returns for some

Taxpayers earning between £100,000 and £150,000 will not be required to file a tax return if they are paid through PAYE and have no other income in 2023-24. HMRC is writing to taxpayers who submitted 2022-23 tax returns showing such income informing them of the change. However, such taxpayers will be required to file a tax return if they have other income, such as untaxed income over £2,500, are a partner in a business or are self-employed with gross business income over £1,000. Please contact [Katharine Arthur](#), Partner and Head of Private Client, for advice and assistance on your personal tax matters.

ORI stays at 2.25%

HMRC has confirmed that the [official rate of interest](#) (ORI) for beneficial loan arrangements, such as director's loans, will remain at 2.25% for 2024/25. Where an individual is paying interest on a loan provided by reason of their employment at a rate of, at least, the ORI no further benefit in kind will arise. Although such an interest rate may appear attractive as a way of providing a cheap loan, consideration needs to be given as to whether the loan would give rise to S455 tax at 33.75%. Please contact our [Employment Taxes Team](#) for further advice and consideration.



And finally... Inflation hits Companies House

From 1 May 2024, Companies House has increased its fees, some significantly. For instance, the cost of filing company incorporation documents has increased to £50, from £10, when using software, or £12 when filed online and from £40 to £71 when filed by post. Annual confirmation statements filed electronically have increased from £13 to £34 and from £40 to £62 when filed by post. The increases have arisen from the additional costs arising from enforcing its new powers under the Economic Crime and Corporate Transparency Act. A full list of fees can be found [here](#).

haysmacintyre

haysmacintyre
10 Queen Street Place
London
EC4R 1AG

T 020 7969 5500
F 020 7969 5600
E marketing@haysmacintyre.com

www.haysmacintyre.com

[@haysmacintyre](https://twitter.com/haysmacintyre)

A member of



Independent legal & accounting firms



Committed to Sustainability

haysmacintyre, 10 Queen Street Place, London EC4R 1AG
Tel: +44 (0) 20 7969 5500

© Copyright 2024 Haysmacintyre LLP. All rights reserved.

haysmacintyre is the trading name of Haysmacintyre 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.

Haysmacintyre LLP is licensed by the Institute of Chartered Accountants in England and Wales to carry out the reserved legal activity of non-contentious probate in England and Wales. Details of our probate accreditation can be viewed at <https://rls.icaew.com/search> under the reference number C006489278.

Disclaimer: This publication has been produced by the partners of Haysmacintyre 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 Haysmacintyre LLP.



Winner: Large Firm of the Year 2023



An eprivateclient top accountancy firm 2023



Top 10 auditor to quoted companies in Adviser Ranking Listing