

E-NEWS

2 MAY 2017

WELCOME TO ENEWS, HAYSMACINTYRE'S REGULAR "E-NEWS ALERT" FOR CORPORATES AND PRIVATE INDIVIDUALS.

haysmacintyre
chartered accountants & tax advisers



THE HOKEY COKEY FINANCE BILL

As a result of the forthcoming General Election, the Government has dropped a number of key tax changes from the Finance Bill, in order to allow debate of a truncated Bill. The proposed tax changes dropped, for now, include the corporate interest restriction, corporate tax losses changes, Making Tax Digital ("MTD"), deemed domicile for long term residents and inheritance tax on UK residential property. Provided that they are re-elected, it is expected that the Government will seek to legislate all changes dropped early in the next Parliament when proper consideration can be given to them.

FRC NOTIFIES INVESTORS OF WHAT TO EXPECT

The [Financial Reporting Council \("FRC"\) has written to investors](#), in advance of the 2017 shareholder meeting season, setting out recent reporting developments. The letter covers: the overall aim of the annual report; the strategic report, including the use of alternative performance measures, risk reporting and Brexit; governance reporting; what the Audit Committee Report should disclose and discuss; additional disclosure on tax provisioning, dividends, accounting policies and significant judgements and estimates; and the impacts of IFRS 9, 15 and 16 which cover, respectively, financial instruments, revenue and leases.

FRC CONSULTS IN PRELIMINARY ANNOUNCEMENTS

The FRC has [issued a discussion paper](#) to seek views on ways to improve the value of preliminary announcements and the assurance provided by them. It is anticipated that this will result in a revision to the auditor guidance, contained in [Bulletin 2008/2](#), regarding preliminary announcements. The FRC believes that there is limited understanding of the auditor's role in the publication of preliminaries and the paper sets out ten possible options as to how the auditor should be involved which includes the requirement for the audit report to have been signed before release of the preliminary announcement.



TREASURY COMMITTEE WANTS TIME OUT ON MTD

Prior to the Government's decision to remove MTD from the Finance Bill, representatives from the CIOT, ICAEW and ACCA appeared before the Treasury Committee. The Committee had agreed with Andrew Tyrie's assertion, its Chairman, that MTD should not be included in the Finance Bill. The Committee has expressed concerns that the introduction of MTD is being rushed, imposes unnecessary burdens on small businesses and will give little benefit. [The Committee recommends](#): revising and improving the cost benefit analysis of MTD; delaying the introduction until 2020 to allow a full pilot; and re-considering which businesses should be included in the scheme.

CHANGES TO PSC NOTIFICATIONS

As from 26 June 2017, [details regarding people with significant control \("PSC"\)](#) will not be updated by means of the confirmation statement but by a specific notification to Companies House whenever there is a change. Entities required to make such PSC notifications will have fourteen days to update their own register and another fourteen days to update the information held at Companies House. This reflects the Government's ongoing drive for transparency in UK company ownership. Please contact your usual haysmacintyre adviser, or [Linn-Marita Sen](#), if you require assistance with your company secretarial matters.

CONSULTATION ON NEW AUDITING STANDARD FOR ACCOUNTING ESTIMATES

The International Auditing and Assurance Standards Board ("IAASB") is proposing significant changes in the way auditors [evaluate accounting estimates and the related disclosures](#). The proposed standard, which will replace the current ISA 540, "Auditing accounting estimates and related disclosure", will: mandate enhanced risk assessment by the auditor to address complexity, judgement and estimation uncertainty; require the auditor to adopt greater professional skepticism; and require a final review of the relevant audit work before it is complete.



HMRC UPDATES WINDING UP GUIDANCE

HMRC has updated its guidance regarding mandatory online filing when a company is being wound up. Whilst companies in a formal winding up, or administration process, are exempt from being required to file tax returns on-line, this does not extend to companies in an informal striking off or members' voluntary liquidation. The revised guidance sets out examples as to how HMRC will deal with agreeing outstanding tax liabilities. Failure to obtain HMRC's agreement with the company's final tax position can delay the striking off process.

PROPOSED CHANGES TO HMRC CLOSURE NOTICES

Although now included in the cull of the Finance Bill 2017, HMRC was proposing to replace the current closure notices, issued at the conclusion of an enquiry, with Partial Closure Notices ("PCNs") and Final Closure Notices ("FCNs"). However, it is expected that these will be re-introduced after the general election. A PCN can be issued to close an aspect of an enquiry without closing the whole enquiry but its issue will bring the tax liability associated with the matter previously under enquiry into charge. Please contact your usual haysmacintyre tax adviser, or [Nigel Landsman](#), if you require assistance with PCNs.

AND FINALLY..... HAYSMACINTYRE ARE HOPING ITS DOWNHILL ALL THE WAY!

As part of our CSR programme we support SANDS, the stillbirth and neonatal death charity which provides important support to bereaved parents and their families whilst funding research to reduce the numbers of babies dying. On 5th May, twenty-four staff and four partners will be cycling 100km from London to Brighton to raise funds for SANDS. If you would like to support the twenty eight's fundraising efforts, please visit our [Justgiving](#) page. Thank you for your support.



ABOUT HAYSMACINTYRE

We are a leading mid-tier firm of Chartered Accountants and tax advisers in central London, providing advice to entrepreneurs, fastgrowing and owner-managed businesses, charities and not for profit organisations across the UK and internationally.

As a mid-tier firm we're large enough to provide a wide range of services, yet small enough to offer a personal, responsive approach.

As a founding member of MSI Global Alliance, one of the largest and most respected associations of independent legal and accounting firms, we are ideally placed to advise you on international matters.



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haysmacintyre is registered to carry on audit work and regulated for a range of investment business by the Institute of Chartered Accountants in England and Wales.

A list of partners' names is available for inspection at 26 Red Lion Square, London WC1R 4AG.

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