A quarterly newsletter
from CBSL Accountants | **Spring 2025**

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cbsl accountants

the number

Welcome to the latest edition of our Newsletter.

Louise Osselton, Director

After the early summer weather and a late Easter, we are settling into the new tax year with a real focus on tax planning and changes in policy have encouraged many of our clients to concentrate on succession and retirement planning. The consultation on the current inheritance tax reforms closed in April and we are awaiting the detail to be released over the summer. However the majority of our client meetings are focusing on looking to the future - really encouraging you to consider what you want and then we will give options on how it can be achieved as tax efficiently as possible & reviewing the whole tax position and not just potential inheritance tax. If you would like to get to start a conversation on this or any other matters, please do get in touch.

In this Newsletter, we catch up with two of our team – a week with Helen Riley, showing how varied her role is and that there is no such thing as an 'ordinary' day!

As our many of our families head into exam season, our team (& many of you) become anxious parents, as well as tutors, chefs, PAs, taxis etc etc to support A levels, GCSEs & SATs all starting over the last fortnight. We have quick fire questions on Dan Pugh (many of our audit clients will have met him already), who is completing his last stage of ICAEW exams over the summer. We wish him & all those sitting exams this summer lots of luck!

We also update you on the latest stage of the Making Tax Digital process that brings in many sole traders and landlords from April 2026. As well as key points for the 2025/26 tax year and our usual updates and reminders.

We hope you enjoy this edition and please do contact us if you want to discuss anything further.

Best wishes,
Louise Osselton Director

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Save the date!

We'd be delighted if you'd join us for our annual event in September.

An evening of drinks, canapes and socialising at Glou Glou,
in Shrewsbury town centre.

It's on Thursday 18th September 2025 from 6pm to 9pm

Invites to follow.

Helen Riley A week in the life

Hi everyone, Helen here! It's been a busy and exciting year at CBSL, with plenty of projects keeping me on my toes. The highlight has been working closely with several large clients as they navigate the sale of their businesses. It's always incredibly rewarding to play a role in such a major milestone—offering guidance and support through what can often be a complex and emotional process. One of the things I love most about my role is that no two weeks are ever quite the same! Here's a snapshot of what I've been up to this week:

1. **Client Visit & KPI Design.** I visited a client to help their new accountant compile a management pack for the Directors, and we also designed a tailored set of reporting KPIs to focus on the company's key performance drivers.

2. **Completion Accounts Review.** I analysed completion accounts for a business I was involved in selling last year. Having prepared the initial sale information, I had a great foundation to spot potential issues and better understand the numbers.

3. **Monthly Accounts Visit.** I did my regular monthly visit to a client to prepare their management accounts and compile their supplier payment list. I really enjoy catching up with clients and hearing what's new with them.

4. **CPD Time!** This week's continuing professional development focused on AI in Sage accounting software. The session explored how AI can help drill into management data and even forecast stock levels and cash flow. I'm not sure whether to be excited or slightly terrified—but I'm looking forward to trying it out on some real data!

Outside of work, things have been just as lively. I recently adopted a new four-legged family member—Holly, an 18-month-old Chihuahua-Pug cross from Battersea Dogs & Cats Home in Old Windsor. She's full of personality and has already brought so much joy (and chaos!) to my life.

Last weekend, I treated my mum and dad to a lovely lunch at The Boathouse in Ellesmere. Afterwards, we took a walk around the mere, with Holly joyfully chasing ducks into the water—she definitely kept us entertained!

Spotlight on Dan Rising Star at CBSL Accountants

Q: Can you tell us a bit about your background and how you came to work at CBSL Accountants?
A: I have a degree in accounting from Manchester Metropolitan University, and I've always had a passion for numbers and helping businesses thrive. I joined CBSL Accountants three years ago after being drawn by their commitment to client service and professional development.

Q: What are your primary responsibilities in your current role?
A: As an Audit and Accountants trainee, I assist on audits and prepare draft accounts and tax computations, ensure compliance with regulations, and help mentor newer team members, which I find incredibly fulfilling.

Q: What achievement are you most proud of since joining CBSL Accountants?
A: I'm particularly proud of carrying out audit work and providing clients with valuable feedback which is very satisfying knowing that your work contributes to the client's success.

Q: How do you stay updated with the latest trends and changes in the accounting industry?
A: I attend industry webinars, take online courses, and participate in professional groups. Additionally, I enjoy connecting with colleagues to share insights.

Q: What do you enjoy most about working in accounting?
A: I love the problem-solving aspect of accounting. Each client presents unique challenges, and I take pride in being able to provide them with tailored solutions.

Q: Can you share a fun fact about yourself that your colleagues might not know?
A: Absolutely! Outside of work I've recently started playing golf. I find it challenging but extremely rewarding – there's a satisfying feeling when I finally hit the ball well or make a good putt.

Q: What's a piece of advice you would give to someone considering a career in accounting?
A: Be curious and proactive in your learning. The accounting field is always evolving, and staying engaged with new developments is key to success.

Making Tax Digital (MTD)

Get ready for MTD for income tax – for sole traders and landlords.
From April 2026 HMRC are phasing in Making Tax Digital for Income Tax. This will apply for all individuals who received income from self employment and/or property where gross income from those sources combined is above a threshold of £50,000. This reduces to £30,000 from April 2027. Threshold is based upon turnover for the year ended 5th April 2025.

The rules do not cover partnerships at present but it is expected to follow in future.

Sole trades and landlords that come into MTD for Income Tax will be required to:

- Maintain digital accounting records in a software product or spreadsheet – paper records will no longer be acceptable.
  The current income tax rules continue to apply & the detail for the quarterly submissions is no more than a current income tax return submission.
  Note – this doesn't mean that all records need to be stored via scans/digitally – just that each individual transaction must be recorded & stored digitally. You can still maintain paper copies of invoices, bank statements etc.

- Submit quarterly updates to HMRC and then finalise their tax position after the end of the tax year (with a final declaration due by 31st January following the end of the tax year) – updates will need to be submitted via compatible software (most, if not all of the main software providers will be compatible). HMRC have indicated that there will be free software available to make submissions although this won't be their own software.

MTD for income tax starts from 6th April 2026 – the first quarterly update will be for the quarter 6th April to 5th July 2026, which will be due for submission by 7th August 2026. Businesses can elect to report for calendar quarters, eg. the 1st quarter being 1st April – 30th June.

Agents, ie CBSL, will be able to maintain & submit this information on your behalf. HMRC will be writing to people they expect to be affected from mid 2025. It is likely to be easier to keep your sole trade/landlord transactions through a separate bank account for business transactions only – no personal transactions – many of the compatible software can have a direct link to import transactions from a bank account, making it easier to manage. MTD does give you a firm idea of the tax liability as the tax year progresses.

Tax payment dates aren't changing & will still be due 31st January and 31st July each year.

National living wage rates

- **For those aged 21 and over – and the National Minimum Wage (for those of at least school leaving age).**

Year	21 and over	18 to 20	Under 18	Apprentice (under 19 or in first year of apprenticeship)
April 2025	**£12.21**	**£10.00**	**£7.55**	**£7.55**
April 2024	£11.44	£8.60	£6.40	£6.40

Look out for our latest **updates for business** on our regular emails and blog posts. If you haven't already signed up for them please let us know and we'll make sure you get them.

Key points for 2025/26 tax year

- Personal allowance remains at £12,570 (the standard tax code for PAYE remains at 1257L).
- The higher rate tax threshold stays at £37,701 for tax at 40% and the upper rate threshold for 45% tax reduces to £125,140. Different rates and thresholds apply to Scottish taxpayers.
- The dividend allowance stays at £500 & dividends will be taxed at 8.75%, 33.75% and 39.35% respectively.
- The savings starting rate allowance of £5,000 (ie taxed at 0% if within this) continues to apply if your total taxable non-savings income is less than £5,000. If you're in the basic rate band, you will receive a £1,000 personal savings allowance for interest and £500 if you are in the higher rate band. No change to ISA limits.
- The capital gains tax exempt amount remains at £3,000. Business asset disposal relief (entrepreneur's relief) applies a tax rate of 14% (up from 10%).
- Annual pension limit remains at £60,000.
- Employment allowance increases to £10,500 and there is no restriction on this based on the employer's size. Employer's National Insurance rate has increased to 15% and this also applies to Class 1a NIC.
- VAT threshold continues to be £90,000.
- Corporation tax rates remain at 25% for profits in excess of £250,000 – there is a small profits rate of 19% for profits less than £50,000 and a marginal rate applicable between the two profit levels. For associated companies, these profit limits are divided by the number of non-dormant companies.
- Capital allowances – The annual investment allowance stays at £1m. There is a 'full expensing' (no limit) relief for qualifying expenditure – assets must be new and used by the company ie not hired. Integral features will have a 50% deduction where they qualify under the same rules. The writing down allowance remains unchanged at 18% on plant & machinery, 6% for integral features and 3% for the structures and buildings allowance.

Updates and Reminders

Updates and Reminders

PAYE
Employees should receive their P60 by 31st May.
P11d needs to be prepared for 24/25 tax year – to be submitted by 6th July 2025 and paid by 19th July 2025.

Personal tax
You should receive a notice if you are required to file a tax return for 2024/25 shortly after 5th April 2025;
Second payment on account for the 2024/25 tax year is by 31st July 2025.

What would you like to see from us?

If there is anything you would like to hear about in a future edition, please let us know and we will do our best to include it.

Please email **enquiries@cbslgroup.com** with any comments or questions.

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