

TAKING ACCOUNT

Welcome



Welcome to the Autumn 2025 edition of the Rustrick Accountants Newsletter!

As the summer fades and the leaves turn it gives us time to stop and reflect on what's been for most, another successful and productive summer period, we're pleased to bring you another edition packed with updates, tips and guidance to help keep your business on solid financial footing.

This year has continued to present a mix of opportunities and challenges for many of our clients. While inflation has eased and we've seen cautious optimism with interest rates, many businesses are still navigating the knock-on effects of rising operational costs and changing consumer habits. Staying agile and informed remains key - and that's exactly where we aim to support you.

With the new Making Tax Digital (MTD) requirements for Income Tax Self Assessment edging ever

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HMRC Targets Side Income



HMRC has increased its focus on undeclared earnings from side hustles and online platforms. If you sell goods online, rent out property via short-term lets, or earn through digital platforms (like Etsy, Airbnb, or Deliveroo), you may need to declare this income, even if it's occasional. The threshold for the trading allowance remains at £1,000, but above that, income must be declared. If you're unsure what needs reporting, don't hesitate to get in touch – we are more than happy to advise.

Dividend Tax Reminder

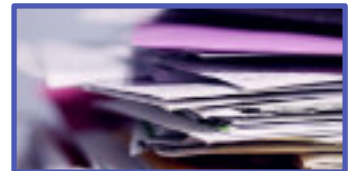
The dividend allowance was reduced again this year to just £500 (down from £1,000 in 2024). This means that company directors taking income as dividends will see more of their payout taxed at the applicable dividend rate. If you rely on dividend income, now is a good time to review your tax strategy, especially with the upcoming changes potentially affecting personal tax thresholds. Contact us for more advice.



Client Spotlight Cleaning with Meaning

Cleaning with Meaning started out in June 2021 when owner Kelly saw a gap in the market for an eco-friendly cleaning service. She has seen her business grow from strength to strength by offering an excellent service that uses only handmade, refillable and planet safe products. Kelly and her team provide both domestic and commercial cleaning services in Maidstone and the surrounding areas. Their unwavering commitment to delivering a professional, reliable service, whilst maintaining the highest standards of quality has led to outstanding results and a rapidly growing client base. It has been a pleasure for us to work along side and support Kelly with her growing business and accountancy needs and of course, we are one of her many clients so can confirm without a doubt the service and attention to detail is second to none!

For more information and to find out how Kelly and her team can support you and your cleaning requirements contact enquiries@cleaningwmeaning.co.uk or call Kelly on 07718 209479.



Changes To Accounts Filing with Companies House

From 1 April 2027, all companies will need to file their annual accounts using commercial software. This means that Companies House will be closing their web and paper-based systems for account filings from this date. From this point forwards, all accounts filing will need to be made via appropriate software.

If we already file your accounts for you then no action is required, however if you file via the web or paper or know anyone that does, then do not hesitate to contact us for support.

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closer, now is a good time to review your record-keeping systems and speak to us if you're unsure what steps to take. As always, we're here to help ensure you're prepared well in advance and without any last-minute stress.

We know running a business is more than numbers; it's about people, passion, and perseverance. Just as your clients and customers rely on you, you can rely on us to be that dependable team in the background, quietly keeping things on track, so you can focus on growing and thriving.

If there's a topic you'd like us to explore in a future issue, or if you'd like to share feedback on how we can better serve you, we're always keen to hear from you.

Sean

Sean Rustrick, Director

£10,500 Employment Allowance – Are You Claiming It?

If you're an employer with a Class 1 National Insurance bill, don't forget to check if you're eligible for the Employment Allowance. This allowance reduces your National Insurance liability and is especially beneficial to small businesses. If you've recently taken on your first employee or started running payroll again after a break, it's worth checking your eligibility or asking us for advice.

Autumn Statement Watch

With the date for the Autumn Statement set for 26th November, we will be watching closely and will send out a summary of key takeaways and how they affect you!



Corporation Tax Planning: Use It or Lose It

With Corporation Tax rates now tiered (19% for profits up to £50k, up to 25% for £250k+), it's more important than ever to ensure profits are managed efficiently. If you've had a stronger trading year, consider reviewing allowable expenses, capital investments, or pension contributions before your year-end to reduce your tax liability. Proactive planning can make a real difference and we are here to help – just give us a call.

REMEMBER....

From 18th November 2025, it is mandatory for all UK company directors and persons with significant control to verify their identity with Companies House.

We can do this on your behalf – if you would like us to, please let us know.

Rustrick Accountants In the Community

Rustrick Accountants were very proud to support a recent event hosted by the Weald Harness Club. Established in 1977, the club covers a wide area from the Weald of Kent including parts of Kent & Sussex and has a real passion for carriage driving. They host several competitions where their members are encouraged to aspire to more technical competitions. The club is always very welcoming of new members and spectators to their events and social occasions. For more information visit www.wealdharnessclub.co.uk



Making Tax Digital for Income Tax – Exemptions for the Digitally Excluded

From April 2026, sole traders and landlords with income over £50,000 will need to follow the rules of Making Tax Digital for Income Tax (MTD IT). This includes using compatible software to keep digital records and submit updates to HMRC every quarter. However, some people may qualify for an exemption.

Who might be exempt?

- HMRC allows exemptions for those who are "digitally excluded", meaning it's not reasonable for them to use digital tools. This may apply if you:
- Are of an age or health condition that makes using software difficult
- Have a disability that affects your ability to use technology
- Hold religious beliefs that limit technology use
- Live in an area without reliable internet access

What you need to do

- If you believe you might qualify for an exemption, please get in touch with us as soon as possible. We can apply on your behalf, and early applications are encouraged so HMRC has time to make a decision before April 2026.
- As your accountants, we're here to help make the process smooth – whether that's registering you for MTD or applying for an exemption.

Company Cars – Is Leasing the Smarter Tax Option?

If you're thinking about a new company car, leasing might offer some useful tax advantages – but it depends on the car and how it's used. Key points to consider are:

Personal Tax:

If the car is used privately (even just for commuting), you'll pay Benefit in Kind tax based on its emissions and list price. Lower emissions = lower tax.

Company Tax:

- Buying: You can claim capital allowances, but relief is slow (6–18%). Fully electric cars bought new before 31 March 2026 can be fully deducted in year one.
- Leasing: The company can deduct 85% of lease costs, or 100% if emissions are 50g/km or less.

VAT:

- Bought cars: Usually no VAT reclaim.
- Leased cars: You can reclaim 50% of VAT, plus 100% on maintenance if itemised.

In short, leasing can offer better tax relief and VAT recovery, especially for low-emission or electric cars.

If you need any advice on the best route for your business, we're here to help.