

October 2025



VAT UPDATE: BREAKING DOWN THE LATEST DEVELOPMENTS

We know tax updates can sometimes feel overwhelming, so here's a clear breakdown of the most important VAT and stamp duty developments you should be aware of – along with the potential opportunities they may open up.

Care homes

If you're a care provider and part of a VAT group, HMRC has recently published guidance on VAT arrangements for care homes. The rule changes have huge implications.

Our VAT team have already been in touch with those affected, but we welcome more questions.

Welcome to our first newsletter after the Summer break.

We hope you have all been able to take some well-deserved rest. Our team have remained busy with client work throughout this period, and we have shared highlights below.

From a professional standpoint, with the date of the next Budget now confirmed, rumours of possible changes are abound.

There have however been a number of key developments that have taken place recently. Our team have already been supporting on a number of these, with some successful outcomes to date.

Please do reach out if you have any immediate questions, and we would be very happy to discuss these.

Fundraising events

Charities and qualifying bodies running fundraising events should be aware of a useful update:

- Events with more than one primary purpose can still qualify for VAT exemption, provided the main aim is fundraising and it's promoted as such.
- The exemption applies to standalone events only (not ongoing trading).
- Each charity or body is still limited to 15 fundraising events per location, per year.

Where there's more than one purpose, you'll need to retain evidence.

Defined Benefit Pension Schemes

If your business uses a defined benefit pension scheme, HMRC's latest Revenue & Customs Brief 4 (2025) could make a real difference:

- Employers can now recover input VAT on certain investment advice and management costs – something previously disallowed.
- This may open the door to historic VAT reclaims.

VAT Threshold in the Spotlight Ahead of the Autumn Budget

With the Autumn Budget set for 26 November 2025, there's heightened speculation around the VAT registration threshold. Currently at £90,000 (following

the Spring 2024 increase), rumours suggest two possible directions:

- Raising to £100,000, easing the compliance burden for small businesses and encouraging growth.
- Reducing to £30,000, significantly widening the VAT net, pulling in sole traders and microbusinesses, but adding compliance and cashflow pressures.

This comes as many small businesses are already preparing for Making Tax Digital for Income Tax, due in April 2026.

Our advice: until the Budget announcement, continue planning under current rules. Acting on speculation could create unnecessary complications.

Stamp Taxes – Why Specialist Advice Matters

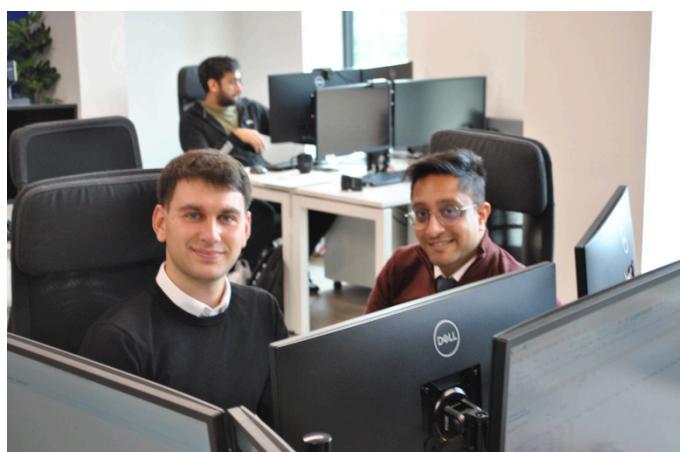
Stamp taxes (SDLT in England and Northern Ireland, LBTT in Scotland, and LTT in Wales) are often viewed as a routine step in buying property, but the reality is much more complex.

Recent press coverage has highlighted the risks of insufficient advice. With rules that change frequently, multiple exemptions and reliefs, and case law that can turn on very fine distinctions, even small oversights can lead to unexpected liabilities, penalties, and disputes with HMRC.

How we can support you

Tax changes – especially around VAT and stamp duties, can have big implications.

Whether you're managing compliance, exploring reclaim opportunities, or navigating a property transaction, we're here to provide clear, practical advice.



Hot topics and record-keeping

In recent months, we have seen a number of client issues where the absence of invoices and/or other issues has resulted in challenges from HMRC.

For example, we have seen situations where large claims to recover VAT do not have a complete chain of supporting documents, and this is a common area for HMRC to target when looking in detail at a business.

Our approach at VPC is always to partner with our clients and ensure that they are using an appropriate accounting software/platform that can support in maintaining the documents that are needed.

Whichever approach is taken, it is key to ensure that it allows documents to be uploaded easily and efficiently, and is a system that can be utilised equally by your advisers.

With our deep expertise of HMRC investigations and disputes, we can help to identify easily these areas of risk, and work with you to mitigate them.



Firm and Team News

We're delighted to share some of the latest developments here at VPC Accountants – it's been a busy and exciting time for our team, and we're thrilled to bring you along on the journey.

Welcoming Our New Graduate Intake

We are proud to officially welcome five new graduates to VPC Accountants. Each of them will begin their ACA studies with us this month, and we're looking forward to supporting them as they grow and develop their skills. At VPC, we've always placed a strong emphasis on nurturing talent, and we're confident this group will make a fantastic contribution to our clients and the wider team.

A New Home for VPC

After four memorable years in Borehamwood, we are excited to announce that VPC Accountants will soon be moving to a brand-new location in Harrow on the Hill. This move represents a significant step forward for us, as we continue to expand and create the best possible environment for both our people and our clients. Renovations are currently underway, and we look forward to opening the doors to our new office in February 2026. The new space has been carefully planned to provide a modern, welcoming, and professional setting – a place we hope our clients will enjoy visiting just as much as we will enjoy working in.

A Special Celebration

On a more personal note, we're delighted to share some wonderful news from within our leadership team. Our co-managing partner, Prashant Chauhan, and his wife have recently welcomed the arrival of their beautiful baby daughter, Leela Chauhan. We wish them every happiness as they embark on this exciting new chapter in their lives. Of course, in true VPC spirit, we've already joked that Leela might one day follow in her father's footsteps and become part of the VPC team herself!

Looking Ahead

The coming months promise to be full of progress and change – from supporting our new graduates as they take their first steps into the profession, to preparing our new Harrow on the Hill office for its grand opening. As always, our focus remains on delivering the highest standard of service to our clients, while fostering a supportive and forward-looking environment for our people.

We look forward to welcoming you to our new offices in February 2026 and sharing the next stage of our journey with you.

CLIENT SPOTLIGHT

RYAN ASHFORD-SMIT

This month we spotlight our client, Ryan Ashford-Smit, the pioneering Managing Director of the OsteoStrong centre in Tunbridge Wells.

For those not in the know, OsteoStrong is a ground-breaking bone-strengthening system that uses brief, once-a-week, high-intensity, low-impact exercises on proprietary machines to apply osteogenic (bone-building) forces. The key focus of the exercise is to improve the health of the skeletal system, which is the foundation for the body and is arguably one of the most critical systems we have inside us.

OsteoStrong was brought to the UK in 2023 after its success in the US, with the Tunbridge Wells centre opening later that year as the first centre in the UK with a mission to bring this revolutionary approach to skeletal strength to the local community.

Working in conjunction with his co-owner (and wife!), Victoria Ashford-Smit, Ryan has brought a background in business and technology to the undertaking, with Victoria providing her health and fitness experience to ensure their clients have the best treatment. Supported by session coaches, Ryan and his team have gone from strength

to strength, and are continuing to grow their centre in Tunbridge Wells.

Ryan has been a client of VPC now for about two years, and we collaborate on a number of areas. From supporting Ryan with his business performance and growth, to ensuring his compliance is watertight, we are proud to have worked with him in what is an innovative area.

In Ryan's own words, "VPC have been on hand since the outset as we have grown our centre, and continue to support me in a number of areas from accounting to VAT, to ensure I can focus my attention where it is needed. I look forward to continuing our work relationship for the coming years".

