

CLIENT PREVIEW

Meet Three Shires Ltd, a specialist in environmental contracting for the construction industry.



FEBRUARY EVENTS

We recently attended one of the East Midlands premier forums for entrepreneurs, The Real Entrepreneurs' Club.

BUSINESS SALES

With capital gains tax changes coming into effect in April 2025, business owners considering a sale should act now.

SUM'IT.

FEBRUARY 2025



WHAT'S THE BEEF WITH FARMERS' INHERITANCE TAX?

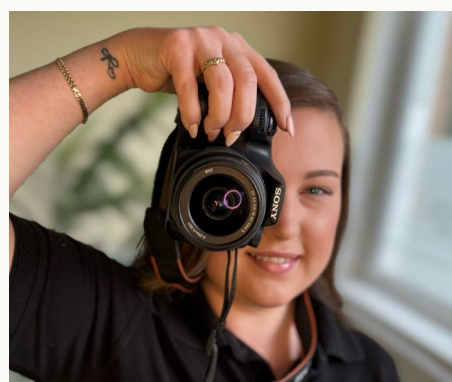
Read more on page 3



TRUMP'S TARIFFS SHAKE-UP

With Donald Trump's return to the White House, UK businesses should prepare for potential trade disruptions. Throughout his campaign, Trump proposed a universal 10-20% tariff on all imports, which could significantly impact UK exporters to the US.

Read more on page 2



STRIKE A POSE

At K2 Accountancy Group, we believe that great service starts with a great team. That's why we recently updated our professional headshots, giving our growing team a sharp new look!

Read more on page 2

TRUMP'S TRADE SHAKE-UP: TARIFFS ON THE HORIZON



With Donald Trump's return to the White House, UK businesses should prepare for potential trade disruptions. Throughout his campaign, Trump proposed a universal 10-20% tariff on all imports, which could significantly impact UK exporters to the US. If implemented, businesses may need to either absorb higher costs or raise prices, potentially reducing demand in the US market.

Key impacts for the UK

Export challenges

The UK exported £63 billion worth of goods and services to the US in 2023. A universal tariff could reduce competitiveness, particularly for manufacturing, financial services, and automotive industries.

Supply chain disruptions

UK companies relying on Chinese components could face higher costs, as Trump's plans also include 50-60% tariffs on Chinese goods, potentially making UK markets a "dumping ground" for cheap Chinese exports.

Economic ripple effects

The tariffs could trigger global trade tensions, potentially leading to retaliatory EU tariffs. With the UK balancing its post-Brexit trade strategy, this adds further complexity to negotiations with both the US and the EU.

Businesses should start reviewing supply chains, assessing cost impacts, and considering new market strategies. With uncertainty around how quickly Trump's administration will act, staying informed and prepared is key.

This is information, not financial advice or recommendation. Seek independent/professional advice when required. K2 are always at your service.

Company News

BIG KYM ENERGY: OUR NEW HEADSHOTS

At K2 Accountancy Group, we believe that great service starts with a great team. That's why we recently updated our professional headshots, giving our growing team a sharp new look! A big thank you to Creative Direction for capturing us at our best.

Our team is made up of Chartered Accountants, Management Accountants, Financial Controllers, Financial Directors, Bookkeepers, Payroll Clerks, and Business Specialists, all dedicated to providing tailored financial solutions for our clients. Beyond technical expertise, we share a deep passion for business, ensuring that we are approachable, responsive, and proactive in meeting your needs.

As K2 continues to expand, we remain committed to hiring the best talent, developing our apprentices, and strengthening our expertise to better serve businesses of all sizes. Head over to our website to see the team behind K2, and as always, we're here to support your business every step of the way!

Take a peek at our profiles on the K2 website - can you guess our interests?



Client Profile

A BUSINESS DIGGING FOR BRITAIN

Established in 1995, Three Shires Ltd is a trusted specialist in environmental contracting for the construction industry. Working with principal contractors, developers, consultants, and civil engineers, they provide nationwide enabling works, including forestry, fencing, landscaping, invasive weed solutions, and ecological consultancy and mitigation. Their expertise supports major infrastructure projects across all sectors.

Three Shires Ltd offers comprehensive in-house capabilities for all enabling works, from initial concept to completion. With expert contracting teams in Leicestershire and the Wirral, they deliver high-quality execution, project support, and solutions, backed by a specialist fleet of plant and equipment. Their in-house Ecology team, with over 15 consultants, provides expert guidance on ecological constraints, wildlife mitigation, biodiversity management, and surveys. Additionally, their Invasive Weeds department offers tailored control solutions for both domestic and commercial clients.

To be featured in one of our forthcoming newsletters, please email julie.proctor@ktoo.co.uk



Tax Update

Farmers & inheritance tax: what's the beef?

The Autumn Budget 2024 introduced notable reforms to the Inheritance Tax (IHT), particularly affecting Agricultural Property Relief (APR) and Business Property Relief (BPR).

Until now, estates could claim full relief on qualifying assets with minimal intervention. However, from 6 April 2026, a new £1 million cap will apply for 100% relief, with any value beyond this threshold eligible for only 50% relief. These changes could have a significant impact on succession planning for farming families, making it crucial to review estate plans well in advance.

Navigating inheritance tax changes with K2

Assessing your current position

Our team will help establish ownership splits, historical purchase values, and current valuations to ensure a clear starting point before implementing any changes.

Strategic succession planning

We work closely with you to develop a structured plan that aligns with short and long-term objectives while protecting the future of your business.

Tax-efficient structures

We identify the most tax-efficient ownership structures to maximise relief while adhering to the new IHT regulations.

This is information, not financial advice or recommendation. Seek independent/professional advice when required. K2 are always at your service.



FEB EVENTS ROUND-UP

We recently attended one of the East Midlands premier forums for entrepreneurs, The Real Entrepreneurs' Club. The guest speaker was Jake Karia, owner of the renowned Jake & Nayns. Jake's journey was nothing short of inspiring - transforming his brand from a local treasure in Leicester to a national sensation. From vending machines to football stadiums, Jake's story was a testament to strategic growth, brand expansion, and resilience.

Our Supper Club brought together clients and colleagues for an evening of great food, conversation, and connection held in the dining suite at our Toll Bar House office.

Supper Club guests: Nina Scott (2XL Commercial), Ethan Lewis (Evelyn Partners), Oliver Cook (OMC), Wendy Gibbs (Newson Gale), Kirsty Ralphson (Carrier), Jason Hallam (Hallam Wealth Management).



Selling your business

TAX-EFFICIENT BUSINESS SALES: NEW CHANGES COULD IMPACT YOUR RETURN

With capital gains tax changes coming into effect in April 2025, business owners considering a sale should act now to maximise their returns. Under the new rules, the tax rate on qualifying business disposals will rise from 10% to 14%. On a £1 million sale, this could mean an additional £40,000 in tax-making timing a crucial factor.

At K2, we help business owners navigate these changes with expert tax and transactional advice. HMRC's anti-forestalling rules mean that the disposal date is key, and tax liabilities are determined when the contract becomes unconditional. This makes strategic planning more important than ever.

To ensure a smooth and tax-efficient sale, our specialists can guide you through:

- **Professional Valuation.** Get a comprehensive assessment of your business's worth.
- **Financial Record Preparation.** Compile financial records to facilitate due diligence.
- **Tax Planning & Transaction Strategy.** Minimise liabilities and optimise net proceeds.

Selling a business is a major decision, and with tax rules changing, getting the right advice at the right time is essential.

