

## CLIENT PREVIEW

This month it's Dynamic, the leading provider of specialist end-to-end marketing and logistics solutions.



## VAT RECOVERY

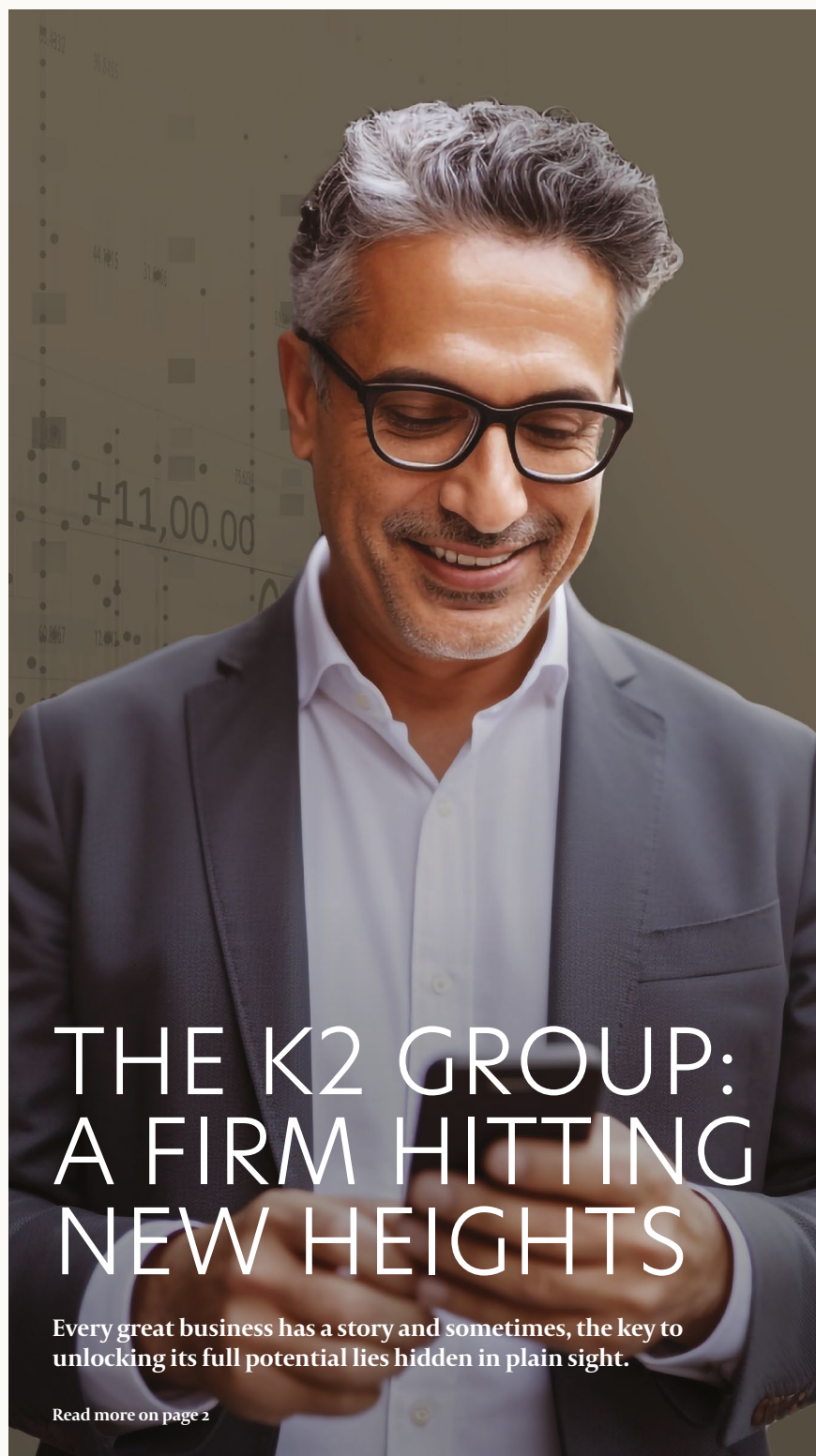
If your business operates in or works with the insurance sector, a significant shift in VAT recovery rules.

## WHO IS...

Get to know Laura Ellington-Wood, our accounting technician and payroll manager for the K2 Group.

# SUM'IT.

JUNE 2025



## THE K2 GROUP: A FIRM HITTING NEW HEIGHTS

Every great business has a story and sometimes, the key to unlocking its full potential lies hidden in plain sight.

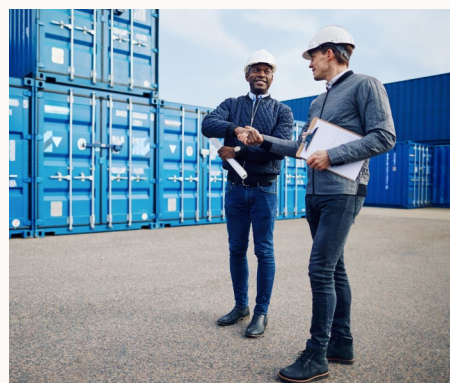
Read more on page 2



### IS THAT KYMI ANTONELLI?

The K2 team joined forces with Hilton Cannon, Hilton Bodill, Piper Windows and Three Shires for a sponsors track day at Donington Park.

Read more on page 2



### VAT TAKES THE BISCUIT

As more ambitious UK businesses eye international expansion, tax complexity often takes a backseat to growth plans. But if you're looking to scale abroad, understanding your cross-border tax position is vital from day one.

Read more on page 4



## REAL TORQUE

The K2 team joined forces with Hilton Cannon, Hilton Bodill, Piper Windows and Three Shires for a sponsors track day hosted by none other than our favourite British GT driver Tom Wood.

But it wasn't an Aston Martin tearing up the tarmac... it was the fastest Suzuki Swift in the world! With Tom behind the wheel, guests had the chance to experience true racing precision and performance from a surprisingly fierce little machine.

It was a brilliant day and a great reminder of how strong partnerships, both on and off the track, can really take you places.



## Cracking the code: the K2 brand unlocked

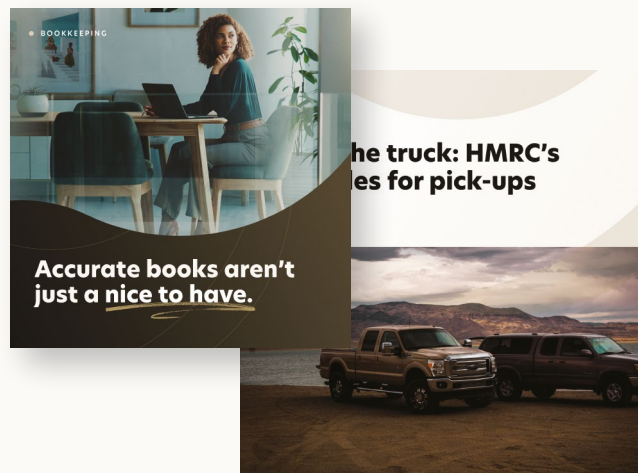
Every great business has a story and sometimes, the key to unlocking its full potential lies hidden in plain sight.

For years, K2 Accountancy operated through four distinct but connected firms, each with its own history, personality, and area of expertise. It worked well. But as our clients' needs evolved and the world moved faster, we asked ourselves a simple question: could we serve better by working smarter together?

The answer? A resounding yes. What followed was a strategic rebrand, not a change of logo or letterhead, but a shift in structure, mindset and mission. We brought all four firms together under one unified banner: K2 Accountancy Group. Like assembling pieces of a complex puzzle, each element fit perfectly, forming a stronger, more agile and more comprehensive offering for our clients.

Today, K2 Accountancy isn't just one firm. It's a collective of seasoned professionals working seamlessly across offices in Nottingham, Ilkeston and Grantham. Whether you're an ambitious start-up, a growing SME, or a well-established company, our team brings you clarity, consistency and insight across advisory, tax, payroll, bookkeeping, statutory accounts, and much more.

And the best part? We haven't lost what made each brand special, we've simply combined their strengths under one roof, to give our clients more than the sum of the parts.



Client Profile

## DY-NA-MIGHTY

In this edition of our K2 newsletter, we're proud to shine the spotlight on one of our incredible clients – Dynamic, a trailblazing force in the world of end-to-end marketing and logistics solutions.



Founded in 1992 by the very same directors who remain hands-on today, Dynamic has grown into a powerhouse partner for some of the world's most recognisable consumer brands. Combining the energy and flexibility of a boutique agency with the scale and infrastructure of a global operator, Dynamic is anything but ordinary.

Their secret? A unique, synergistic business model that blends creativity with logistical precision. From product design and procurement to e-commerce, fulfilment, and everything in between, they offer a truly integrated solution that simplifies complexity and energises marketing campaigns. Their default response is "yes" – backed by innovation, insight, and a can-do culture that keeps clients coming back.

### The K2 Partnership

As Dynamic experienced significant and sustained growth, they recognised the need for extra support within their finance function. Rather than building out an in-house team, they turned to outsourcing.

Since joining forces, the relationship has been, in their words, "nothing short of revolutionary." Our team – led by Kym and supported by Georgia and the wider K2 crew – has helped Dynamic streamline systems, sharpen decision-making, and strengthen internal capabilities.

Together, we've enhanced their stock control, refined warehousing processes, and provided expert guidance that has allowed their team to grow in confidence and capability. For Dynamic, standing still simply isn't an option – and we're thrilled to be on the journey with them as they continue pushing boundaries.

Staff Spotlight

## Who is... LAURA ELLINGTON-WOOD

**What's your role at K2 and what does a typical day look like for you?**

Very busy! Especially because I'm working towards my ACA-CTA qualifications. I work in a variety of accounting areas, but I currently specialise in payroll and I am the CIS expert at K2.

**How long have you been with the company?**

10 years next year!

**What do you enjoy most about working at K2?**

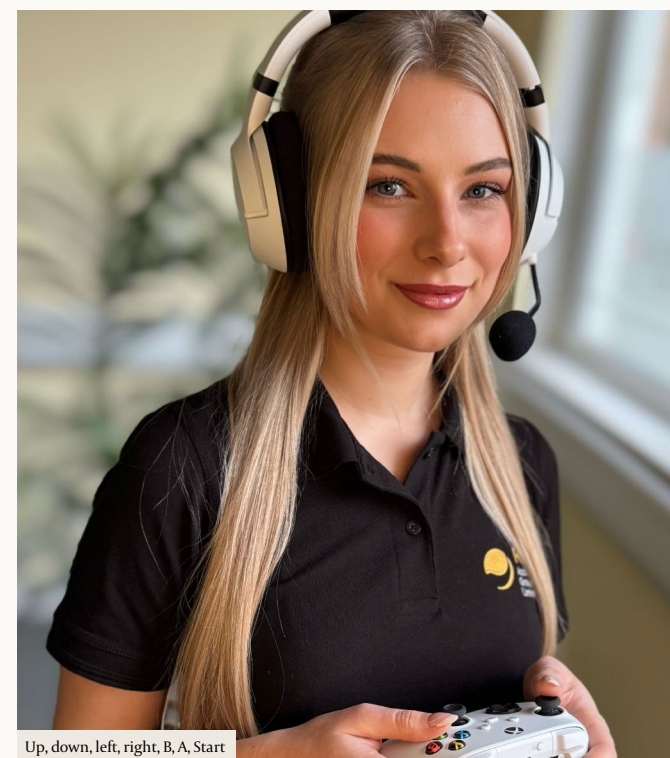
The variety and flexibility, my colleagues and the company culture.

**What do you like to do when you're not working?**

Spending time with my husband and family. Playing on my Xbox

**Do you have any hidden talents or hobbies?**

I love skiing and yoga - I have been perfecting my headstand! I also enjoy anything art and design related, in particular interior design.



Up, down, left, right, B, A, Start



## EXPANDING GLOBALLY? UNDERSTAND CROSS- BORDER TAX POSITION

As more ambitious UK businesses eye international expansion, tax complexity often takes a backseat to growth plans. But if you're looking to scale abroad, understanding your cross-border tax position is vital from day one.

Why? Because once you start trading internationally, new tax risks come into play. Questions arise around corporate structure, local compliance, VAT, and sales taxes, and transfer pricing. Failing to get these right early on can lead to costly headaches later.

One of the biggest issues for scale-ups is "permanent establishment", where overseas activity unintentionally triggers tax obligations in another country. Something as simple as hiring a local salesperson or holding regular meetings abroad can do it.

At K2, we help growth-minded businesses lay solid tax foundations, making sure expansion doesn't lead to unplanned tax bills. Whether you're dipping a toe in international waters or launching a full-scale overseas operation, our advisory team can help you structure for success.



*VAT takes the biscuit*

## VAT RECOVERY CHANGES FOR THE INSURANCE SECTOR



If your business operates in or works with the insurance sector, a significant shift in VAT recovery rules is worth your attention.

HMRC has updated its policy following a landmark case (Hastings Insurance), tightening how businesses can reclaim VAT on shared costs across taxable and exempt services. In short, if you're trying to claim VAT on overheads used in both your taxable and exempt activities, the rules just got tougher.

This is a particular concern for insurers and financial services providers, where exempt activities are common. But it could also impact any business with a mix of taxable and exempt income, especially where services are supplied across group entities.

The upshot? More scrutiny from HMRC, and potentially smaller VAT recovery rates if you don't have the right apportionment method in place.

The good news is there's time to act. These changes aren't being enforced retrospectively, so now is the moment to review your approach, tighten your records, and make sure your VAT recovery strategy stands up to the challenge.

Not sure where to start? K2's VAT specialists can help you review your setup, spot risks, and stay compliant, whether you're in financial services or just share services across your group.

Let's make sure you keep more of what's rightfully yours.