CLIENT PREVIEW

Introducing Pinnacle, a freight forwarding company with offices and warehousing facilities in the UK & US.

VAT ADVICE

VAT form was withdrawn on 8 September 2025 for error corrections.

WHO IS...

Get to know Amber Short, our Junior Accountant & Bookkeeper for the K2 Group.

SUM'IT.

SEPTEMBER 2025

THE GOOD, THE BAD & THE TARIFF

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ELEV8 CORPORATE TRACK DAYS

Tom Wood, our sponsored Aston Martin racing driver has just launched ELEV8 Track, the home of high-octane corporate events

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EMPLOYEE VEHICLE USE

As an employee, you cannot claim any capital allowances for cars, motorbikes or bicycles you use for work, but you may be able to claim for business mileage and fuel costs.

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K2 Accountancy Group

EMPLOYEES USING THEIR OWN CAR FOR BUSINESS PURPOSES

As an employee, you cannot claim any capital allowances for cars, motorbikes or bicycles you use for work, but you may be able to claim for business mileage and fuel costs.

For employees using their own cars for business purposes, the Advisory Mileage Allowance Payment tax-free reimbursement rate continues to be 45p per mile (plus 5p per passenger) for the first 10,000 business miles, reducing to 25p per mile thereafter.

Note that for NIC purposes the employer can continue to reimburse at the 45p rate as the 10,000 mile threshold does not apply.

Accounting

VALUE ADDED TAX ADVICE

Form VAT652 (Error Correction) was withdrawn on 8 September 2025. The form was used to notify HMRC of VAT return errors that could not be corrected on the next VAT return.

If you have discovered an error in a VAT return, the first step is to check whether the error can be amended in the VAT return for the period in which the error was discovered. Errors can be amended in the next VAT return if:

- The net errors, i.e. output VAT less input VAT errors, are less than £10,000; or
- The net errors are between £10,000 and £50,000 and less than 1% of the Box 6 figure for the VAT return in which the correction is being made.

HMRC have published a new service that allows taxpayers to check whether they need to notify HMRC of any errors on the VAT return. If the errors cannot be amended on the VAT return, they must be disclosed using HMRC's online error correction service. Those who cannot use the online service should notify the error to HMRC's Error Correction Team by post or by email.

If the error was a result of careless behaviour, HMRC is still entitled to charge penalties in the event that they discover it at a later date, even if it has already been adjusted on the VAT return. HMRC advise that including the adjustment on the return does not constitute a disclosure. This means that without also notifying HMRC using the online error correction service, unprompted penalties could still be charged.

Client Profile

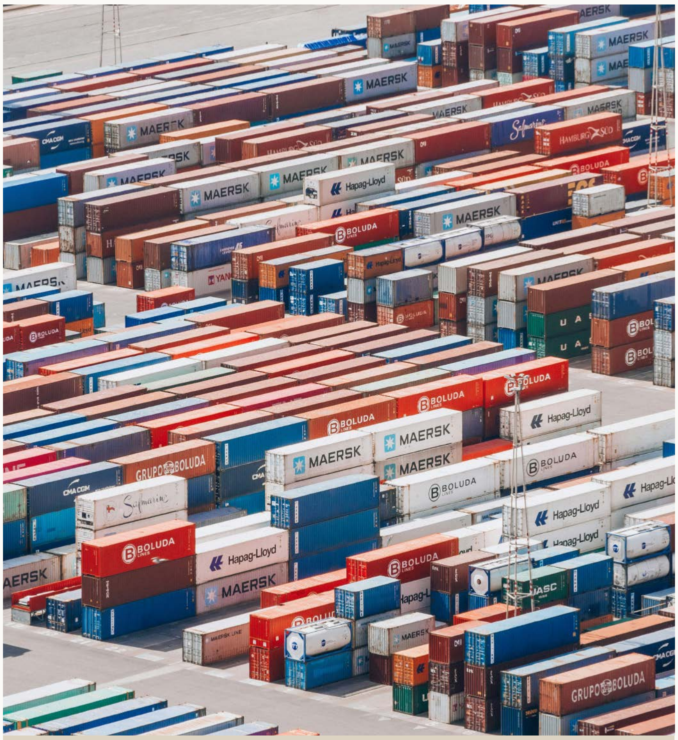
FREIGHT EXPECTATIONS

Pinnacle is a quality freight forwarding company with owned and operated offices and warehousing facilities in the UK and USA. Supporting businesses with their import, export, cross-trade, storage, and distribution of their valuable goods, they have been helping customers to succeed in global markets for over 50 years.

Privately owned since 1972, Pinnacle is underpinned by the desire to always provide personalised, professional, and expert-led service. Investment in world-leading shipping and warehouse management systems helps our experienced teams to deliver in line with customer's goals.

Pinnacle offer freight transportation services for a variety of cargo including out of gauge and heavy items. They also provide warehousing, ecommerce fulfilment services, an in-house, high-quality export packing service and can handle dangerous goods including radioactive cargo.

Pinnacle is perfectly placed to help your transatlantic business succeed.



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

News Update

Elev8 corporate track days

Tom Wood, our sponsored Aston Martin racing driver has just launched ELEV8 Track

Elev8 have recognised that every business has different goals from their corporate activities. Some want to reward top performers, others aim to build stronger teams, and many are simply looking for an experience that their clients will never forget. That's why the corporate track day packages are built with flexibility in mind.

And you can choose to drive a selection of cars ranging from the fastest Suzuki Swift in the world, BMW, Porsche or of course an Aston... all packages are tailored around the client.

Elev8 will also be offering a premium service designed specifically for automotive manufacturers and dealerships. Drawing on extensive experience in the manufacturing industry, the team know that nothing drives a sale quite like the thrill of getting behind the wheel. These tailored experiences allow potential customers to truly connect with vehicles, providing a unique and memorable way to showcase performance, luxury, and innovation.

K2's very own Maid Marian

Staff Spotlight

Who is... AMBER SHORT

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

I'm a Junior Accountant & Bookkeeper! My normal day looks very mixed – mainly bank reconciliations, looking after a clients sage, doing monthly preps for VAT and CIS returns

How long have you been with the company?

I've been with the company since May 2024, but have been involved in the industry for the last 5 or so years.

What do you enjoy most about working at K2?

The people and our culture.

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

Myself and my partner compete nationally in archery, so we spend a lot of our time either training at the field, in the gym or travelling around the UK competing! I recently won a World Record Status event and have finished the National Tour season in 28th out of 60 alongside currently sitting in 38th out of 151 athletes in the UK National Rankings for 2025!

Do you have any hidden talents or interests?

I recently found out that I can recite the Irish national anthem word for word – I have no idea where this has come from!

The Dark Tariff Rises

Donald Trump has announced proposals to impose a 100% tariff on films produced outside the United States, declaring them a "national security threat" and criticising other countries for offering tax incentives that lure Hollywood productions abroad.

While no definitive plan has yet been implemented, the threat has already generated alarm on both sides of the Atlantic, given the deep interdependence in film production, finance and talent between the US and the UK.

In the UK, industry bodies and workers' unions have warned that such a tariff could be a "knock-out blow" for an industry still recovering from the disruption of the pandemic and writers'/actors' strikes. Much of the UK's film and TV sector depends on inward investment, especially from US studios, which often shoot or partly shoot their productions here to take advantage of UK tax relief schemes, skilled crews, established studios, and favourable costs. The uncertainty created by the tariff threat risks chilling that investment, hurting freelance workers, reducing production volume, and potentially leading to some projects being relocated or cancelled.

However, there are serious questions around how such a tariff could be enforced and what its precise effects would be. Because many films are co-produced across several countries, or have mixed production assets (UK filming, US financing, etc.), drawing clear lines over what counts as a "foreign-made film" is legally and practically complex. Also, while the tariff proposal is politically potent, the US government has not yet published the full legal or trade framework that would give such a measure force. For the UK, the line of action now includes pushing in UK-US trade talks for protections, ensuring continued attractiveness of UK tax relief, and advocating that any trade policy does not dismantle the mutually beneficial partnerships in global film production.