

## CLIENT PREVIEW

Introducing Ultimotion Direct, a specialist UK manufacturer of high performance access control & automation systems.



## MAKING TAX DIGITAL

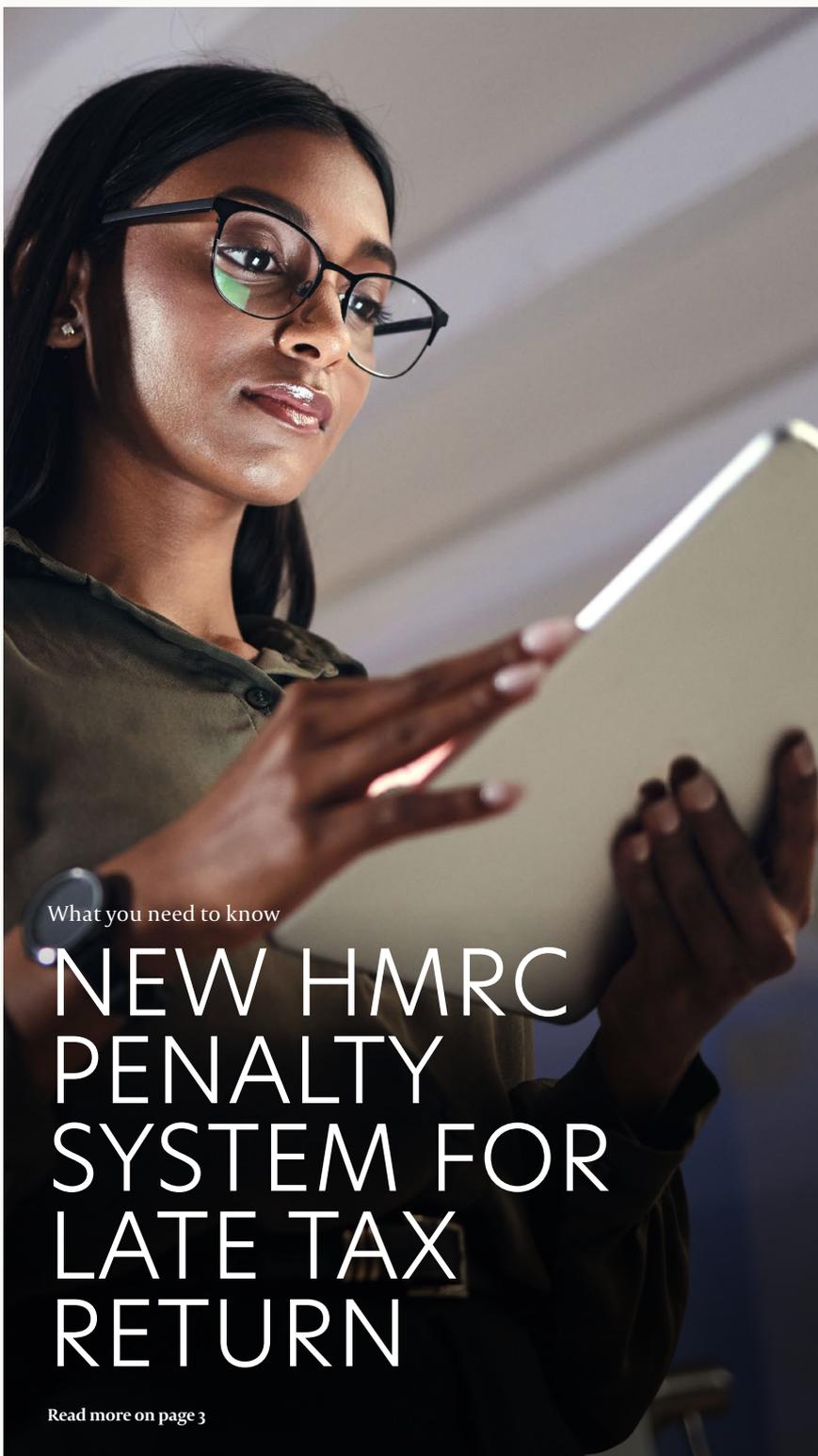
864,000 sole traders and landlords will be required to move to digital tax reporting from 6 April 2026.

## WHO IS...

Get to know Elliot Turner, our bookkeeping accounts assistant for the K2 Group

# SUM'IT.

FEBRUARY 2026



What you need to know

## NEW HMRC PENALTY SYSTEM FOR LATE TAX RETURN

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## NEW TEAM MEMBERS

We're delighted to welcome several new colleagues to the K2 Accountancy Group team.

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## JMR INTEGRATION COMPLETES

It has now been several years since Jackson JMR became part of K2 Accountancy Group, marking an important milestone in the firm's continued regional growth. The integration is now fully complete and the brand will be marketed and recognised as K2 Grantham.

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Shaun



Shaun, Sarah & Kristen join the group

## Welcome to our new team members

We're delighted to welcome several new colleagues to the K2 Accountancy Group team.

Shaun Torrance – Statutory & Tax Accountant  
Kristen Hamilton – Payroll Clerk  
Sarah Potter – Administrator

Each brings valuable experience and expertise to their role, further strengthening our ability to support clients with high quality, reliable service.

We're excited to have them on board and look forward to the contribution they will make as we continue to grow.



Kristen



Sarah

## K2 Accountancy Group strengthens regional presence as JMR integration completes

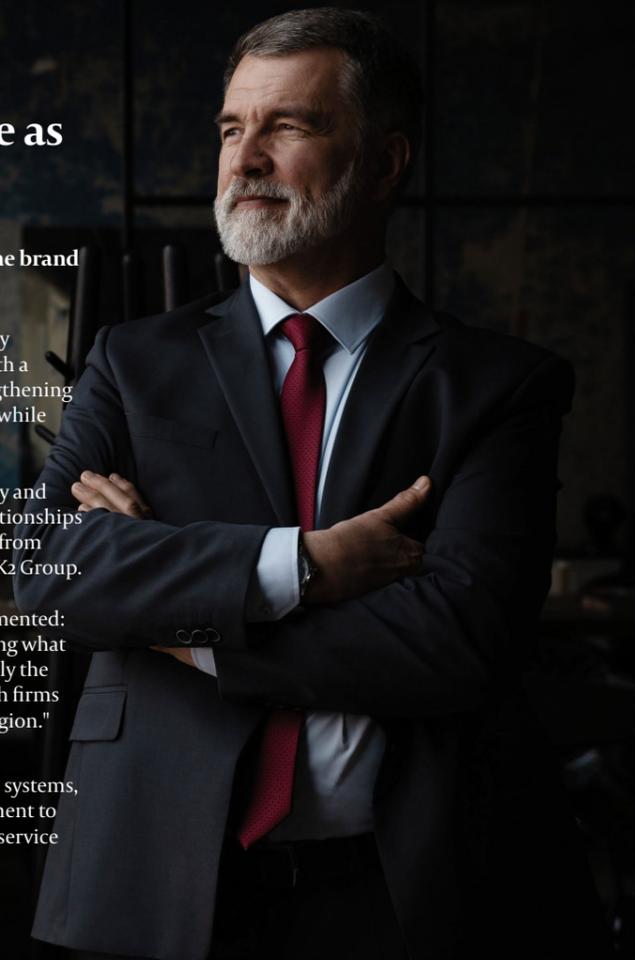
The integration of Jackson JMR is now fully complete and the brand will be marketed and recognised as K2 Grantham.

Jackson JMR built a respected reputation in Grantham, particularly in specialist tax services and traditional accountancy delivered with a modern outlook. Its integration into K2 was a strategic step, strengthening the Group's presence across Nottingham, Ilkeston and Grantham while enhancing the depth and breadth of expertise available to clients.

Since the transition, the focus has remained on continuity, stability and long term value. Former JMR clients have retained the trusted relationships and service standards they were accustomed to, while benefitting from access to the wider advisory capabilities and infrastructure of the K2 Group.

Kym Ellington, managing director at K2 Accountancy Group commented: "The integration of Jackson JMR into K2 was always about protecting what clients valued most. Several years on, we are proud of how smoothly the transition has progressed and how the combined strengths of both firms have created an even stronger offering for businesses across the region."

The merger has reinforced K2's specialist tax expertise and aligned systems, processes and service standards across the group and its commitment to strengthening regional expertise while maintaining the personal service and trust that has defined both firms for decades.



### Client Profile

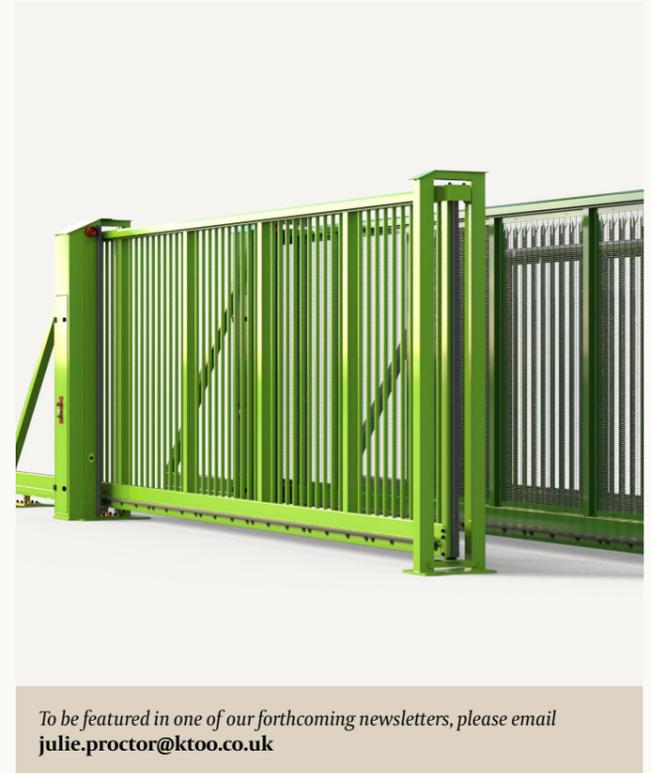
## ACCESS ALL AREAS: A VIP SERVICE

Based in Newark-on-Trent, Ultimation Direct is a specialist UK manufacturer at the forefront of high performance access control and automation systems, including gates, barriers, turnstiles, traffic control solutions and bespoke entrance products.

A key differentiator is Ultimation's fully integrated, in house manufacturing model. Design, fabrication, automation, finishing, assembly and testing are all carried out at its purpose built facility

Around half of the site is dedicated to fabrication, where the majority of structural components are produced internally using advanced CAD and CAM technology. Larger products are finished in a brand new state of the art automatic powder coating facility capable of delivering an automotive grade finish, while heavy duty steel construction ensures long-term durability in high traffic environments.

Support extends throughout the product lifecycle. From site surveys and specification advice to telephone technical assistance and structured installer training, Ultimation provides comprehensive backup to trade and end user clients. A preventative maintenance focus protects reliability and warranty compliance, while strong spare parts stockholding ensures rapid dispatch and minimal disruption.



To be featured in one of our forthcoming newsletters, please email [julie.proctor@ktoo.co.uk](mailto:julie.proctor@ktoo.co.uk)



## New HMRC Penalty system for late tax returns

HMRC is introducing a new penalty regime as part of the wider Making Tax Digital rollout, changing how late tax returns and late payments are treated from April 2026.

The familiar automatic £100 late filing penalty will be replaced with a points-based system designed to distinguish between occasional errors and repeated offence

Under the new rules, taxpayers will receive a penalty point each time they miss a filing deadline. A financial penalty will only be charged once a set threshold is met. For annual filers, this threshold will be met after two missed deadlines within a two-year period. For those required to submit quarterly updates under Making Tax Digital, the threshold will be four missed deadlines within two years. Once the threshold is met, a £200 penalty will apply.

Points will expire after 24 months, providing no further deadlines are missed. If the threshold has been triggered, taxpayers will need to demonstrate a period of compliance before points are reset.

Late payment penalties are also changing. Rather than a fixed system, penalties will increasingly reflect how long tax remains unpaid. Interest will continue to accrue from the first day payment is overdue.

Making Tax Digital for Income Tax will be introduced in stages. From April 2026, sole traders and landlords with income above £50,000 will be required to maintain digital records and submit quarterly updates to HMRC. The threshold will reduce to £30,000 in 2027 and £20,000 in 2028.

Our advice remains consistent: accurate record keeping, proactive planning and meeting deadlines on time are essential. As Making Tax Digital approaches, now is the time to review your systems and ensure you are prepared for quarterly reporting.



Why was the cricketer so good at maths? *He knew all the angles.*

### Staff Spotlight

## Who is... ELLIOT TURNER

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

My role at K2 is largely bookkeeping work which involves me keying invoices, reconciling banks, reconciling Debtors & Creditors. I'm also working towards level 4 AAT which will allow me to develop my knowledge further.

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

I have been with K2 since 2021 - time has flown by!

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

Definitely the people that I get to work with it is such a warm environment and everyone is so friendly. It makes going to work much more enjoyable.

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

Cricket is my biggest passion and I play football in winter to keep me active. Something going on at the cricket club most nights in the summer, as it is run by volunteers I try my best to help where I can. I also try and play golf when I can!

### Do you have any hidden talents or interests?

Not necessarily hidden, but I love karaoke and some people have said that I'm good so I will take that as a talent.

## 864,000 sole traders and landlords must prepare for Making Tax Digital

HMRC has confirmed that more than 860,000 sole traders and landlords will be required to move to digital tax reporting from 6 April 2026.

The first phase of Making Tax Digital for Income Tax will apply to those with qualifying income above £50,000 from self-employment or property during the 2024-25 tax year.

Under the new system, affected taxpayers will need to:

- Keep digital records using recognised software
- Submit quarterly summaries of income and expenses
- Continue filing an annual tax return

HMRC has stressed that quarterly updates are not additional tax returns. Instead, they are intended to spread tax administration throughout the year and reduce the traditional January rush.

### The rollout will continue in stages:

- April 2026 – income above £50,000
- April 2027 – income above £30,000
- April 2028 – income above £20,000

More than 20,000 quarterly updates have already been submitted successfully during voluntary testing. To support the transition, those entering the regime in April 2026 will not receive penalty points for late quarterly updates during their first 12 months.



### Why this matters now

With implementation just months away, those likely to fall within scope should begin preparing now. This includes reviewing record-keeping processes, selecting suitable software and understanding how quarterly reporting may affect cashflow and administration.

Early preparation will help ensure a smooth transition and minimise disruption once the new requirements take effect

If you believe these changes may apply to you, or would like guidance on preparing for Making Tax Digital, please speak to a member of the K2 team.