

January 2026

Focus on Figures

Welcome to our latest monthly newsletter. We hope you enjoy reading this newsletter and find it useful. Please contact us if you wish to discuss any of the topics further.

Looking ahead to 2026: reflections for business owners

As we jump straight into 2026, you may already be starting to reflect on how 2025 unfolded in your business.

Your expectations may have been exceeded in some areas. Perhaps you found a new source of revenue that grew faster than you anticipated, or you had a new customer relationship that really took off. On the other hand, you might have found you were limited by rising costs, difficulties in finding staff, or changes in what your customers expect.

The economy itself has been far from predictable. While inflation does seem to have eased slightly in recent months, higher wage costs and shortages in skills have been significant factors for many businesses.

You may also be thinking about how the business has contributed toward your broader goals. For instance:

- Did it grow in the ways you planned?
- Did it give you the flexibility, resilience or capacity to pursue new opportunities?

These questions perhaps show where the business supported your ambitions, or where it might have held you back.

The festive break may have provided a natural opportunity to consider some of your strategic priorities in 2026, keep these thoughts in mind.

What can you do to build on this year?

Have you noticed which products, services, or client relationships drove the most growth this year - and where rising costs or staffing challenges stretched your business? Taking stock now can help set your priorities for the year ahead, using the data to spot trends.

How can you maintain resilience in the business?

The economic climate will keep influencing decisions in 2026. Where has your business shown resilience - managing rising costs, keeping customers loyal, or seizing new opportunities? These are strengths to keep building on.

What could be your goals for 2026?

As you plan for 2026, you might be looking to grow - by reaching new customers, expanding your team, or investing in technology to boost efficiency. Or perhaps this year is about consolidating the progress you made in 2025, focusing on what worked best and building a more streamlined, resilient business.

However you are thinking at this time of year, 2025 was a year of hard work and we hope that you have thoroughly enjoyed any time off you had at the end of the year.

The Self Assessment Tax deadline is approaching: are you ready?



The deadline for filing your 2024/25 Self Assessment tax return is fast approaching. You must submit your return and pay any tax due by 31 January 2026 to avoid penalties and interest.

To meet the deadline, you will need to make sure you have:

- All income details, including any employment, pension, self-employment, dividends, rental and savings income you received.
- Records of allowable expenses and reliefs.
- Details of any pension contributions or charitable donations.

Filing early can make the whole process far less stressful, giving you plenty of time to check your figures carefully, correct any issues, and plan ahead for any tax payments that may be due. If you would like help preparing and submitting your tax return, please get in touch as soon as possible.

We can help you ensure that your tax return is accurate, our team can take care of the details and guide you through every step, so you can file with confidence knowing everything has been handled professionally and on time.



UNICO TAX UPDATES



Making tax digital for income tax: an update

Making Tax Digital (MTD) for income tax will be mandatory for many self-assessment taxpayers from 6 April 2026, with further groups joining in 2027 and 2028.

Let's start with some good news! Late filing penalties will not apply to quarterly updates in 2026/27, although the annual tax return for that year must still be filed by 31 January 2028.

Taxpayers who currently report on the SA109 page will be deferred until April 2027. Budget 2025 also confirmed deferral until April 2027 for recipients of trust and estate income, those using averaging adjustments (such as farmers and artists), recipients of qualifying care income, and non-UK resident entertainers or sportspeople. Individuals under deputyship are exempt.

DID YOU KNOW?

All quarterly updates must be submitted before the annual return.

Advisory fuel rates: for company cars

The table below shows HMRC advisory fuel rates from 1 December 2025.

These rates can be used to reimburse employees for business mileage in company cars without creating a tax charge where the employer does not provide fuel. For hybrid cars, use the petrol or diesel rate. Fully electric vehicles are reimbursed at 7p per mile when charged at home and 14p per mile when using public charging.

Engine Size	Petrol	Diesel	LPG
1400cc or less	12p	-	11p
1600cc or less	-	12p	-
1401cc to 2000cc	14p		13p
1601cc to 2000cc	-	13p	-
Over 2000cc	22p	18p	21p



Employees using their own cars

Employees using their own vehicles can be reimbursed tax-free under AMAP at 45p per mile (plus 5p per passenger) for the first 10,000 business miles, and 25p per mile thereafter. For NIC purposes, employers may continue to reimburse at 45p per mile with no 10,000-mile limit.

Input VAT

The fuel element within the AMAP rates is shown in the table. Employers may reclaim input VAT at 20/120 of the fuel amount, provided a valid VAT receipt is held. For example, for a 1300cc petrol car, 2p per mile can be reclaimed (12p × 1/6).