

ASSESSMENT NARRATIVE - APS INDIVIDUALS MAY 2023

Identification and Application

The following are the relevant topics for assessment with their weightings:

1	35%	Issues relating to Hooper Ltd: Identify that phoenixing rules could be triggered by new contract Identify increase in tax on 2022/23 distribution No BADR for new company as not trading for 2 years HICBC for 2022/23 Identify impact on 2023/24 tax
2	35%	Issues relating to King Enterprises plc: Whether travel to Sheffield is tax deductible Optional remuneration arrangement (though benefit charge is higher in any case) HICBC going forward No private travel makes company car less beneficial No overall benefit from new role
3	30%	Issues relating to Valerie Close: New borrowing not deductible Relief for interest restricted Tax is higher than cash profit Transfer at MV for CGT PRR and its loss over time SDLT on transfer Impact of future plans for the property (eg will he live in it again)

A grade of 0,1,2,3, or 4 is awarded to each topic. The weighting is applied to that grade to produce a weighted average grade. This is then converted to a final absolute grade by rounding up or down to the nearest grade. Thus, scores in the range 2.5 to 3.49 will be a grade 3.

Relevant Advice and Substantiated Recommendations

The following are the topics for assessment with their weightings:

1	35%	Provide relevant advice and substantiated recommendations relating to the new health and safety contract, taking into account relevant issues identified. Advice should cover the impact on 2022/23 tax and 2023/24 and any actions Stephen should take.
2	35%	Provide relevant advice and substantiated recommendations relating to the promotion at King Enterprises plc, based on the tax issues identified.
3	30%	Provide relevant advice and substantiated recommendations relating to the incorporation of the property business for 12 Valerie Close

The final grade will be determined for this skill in the same way as for Identification and Application.