



CCAB



For immediate release: Monday 10 October 2005

**CCAB AND THE LAW SOCIETY PROVIDE EVIDENCE OF POTENTIAL
HARDSHIP CAUSED BY UITF ABSTRACT 40**

The Consultative Committee of Accountancy Bodies (CCAB), together with the Law Society, has written a further letter to the Government about the tax problems that will be caused by UITF Abstract 40 – the new accounting statement which changes the way that service providers may need to account for revenue and work in progress.

Ian Morris, Chairman of the CCAB, the UK accountancy profession's umbrella group, said: 'Discussions on the case for a spreading relief are continuing. Following our letter of 8 June 2005, we have been in further correspondence and discussions with Government, HM Treasury and HM Revenue & Customs. We were asked to provide more evidence to support a spreading relief. Over the summer, the CCAB bodies, along with the Law Society, undertook some further work to identify the likely extent of the problem faced by businesses. We have now collated the information from those exercises and submitted it to Government as a joint response from the CCAB and the Law Society.'

Ian Morris continued: "Discussions have continued in a constructive manner and we are planning to have a further meeting soon with representatives of HM Revenue and Customs and HM Treasury to discuss the results. We will continue to press the case for a spreading relief to be made available to all businesses affected by UITF Abstract 40, but as yet we do not know whether a relief will be made available. We will provide a further update in due course."

A copy of the letter and memorandum is attached. It can also be found at <http://www.ccab.org.uk/documents.php> or the CCAB member bodies websites.

-ENDS-

Notes to Editors:

1. CCAB comprises the six major accountancy bodies in the United Kingdom and Ireland.
 - The Institute of Chartered Accountants in England and Wales (ICAEW)
 - The Institute of Chartered Accountants of Scotland (ICAS)
 - The Institute of Chartered Accountants in Ireland (ICAI)
 - The Association of Chartered Certified Accountants (ACCA)
 - The Chartered Institute of Management Accountants (CIMA)
 - The Chartered Institute of Public Finance and Accountancy (CIPFA)
2. CCAB provides a forum for co-ordinating views on a wide range of issues of interest to the accountancy profession as a whole.
3. The Law Society regulates and represents the solicitors' profession in England and Wales and has a public interest role in working for reform of the law.

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