



Rewarding Innovation & Development

Process

IMPROVEMENT?

Service

IMPROVEMENT?

Product

IMPROVEMENT?

R&D Tax Relief

- Any progressive, process driven company irrespective of sector should consider whether they have a claim
 - Significant cashflow benefits
 - Continued Government and HMRC goodwill to make this tax relief work. A key policy of the government is to raise R&D investment to 2.4% of GDP by 2027
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R&D Tax Relief

Company A – Land, Property & Construction Sector

- Total tax saving over 2 years - £47,307.28
- Headcount – 16
- Turnover – 905k

The company is a leading practice of professionals providing project management, quantity surveying and CDM services to clients within the housing, community and education sectors.

Project; sought out to appreciably improve existing building design layouts and plantroom and sprinkler system within a non-standard building environment

R&D Tax Relief

Company B – Land, Property & Construction Sector

- Total tax saving over 2 years - £23,637.70
- Headcount – 7
- Turnover – 500k

Industry pioneers in the North West for providing strategic, informed advice on all strands of sales, leasing and investment agency to landlords and occupiers. Providing its unique services on a regional and national basis.

Project: ongoing design and development of an advanced surveying platform and supporting technologies.

R&D Tax Relief

Company C – Land, Property & Construction Sector

- Total tax saving over 2 years - £73, 534.43
- Headcount – 11
- Turnover – 383k
- Loss making company

Property Management company specializing in the student lettings sector, offering positive resolutions by developing software automation to streamline the daily processes between student lettings tenants, property management agencies, landlords and maintenance providers.

Project: development of a bespoke property lettings application system, generating more customer focus between tenants, agents, landlords and maintenance providers.

R&D Tax Relief

Company D – Land, Property & Construction Sector

- Total tax saving 1 year - £134,205.60
- Headcount – 42
- Turnover – 2.5mil

Local family business that is a national provider of professional technical services, delivering economical design solutions covering both new build and refurbished structures across a widespread range of sectors. With civil and structural engineering services at its core the company, through use of sophisticated software, provides conceptual design and feasibility studies, structural inspection and analyses, innovative foundation engineering solutions and design of structural repair works.

Projects;

- Process re-engineering and evolution of a multi -tier QMS incorporating attainment of ISO9001:2015
 - Creation of innovation surface water drainage solutions
 - Bespoke development of modular construction used in different industries
 - Introduction of a dedicated department looking into R&D Technology
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R&D Tax Relief

Company E – Land, Property & Construction Sector

- Total tax saving over 2 years - £133,428.22
- Headcount – 22
- Turnover – 14.3mil

The company has always been involved in building services and maintenance and is a specialist in its field, it has diversified in its sectors to provide commercial, retail and leisure refits; as well as refurbishment contracts on a local and national scale. It also provides facilities management and specialist telecommunications services, with its in-house team providing bespoke solutions and project management on an end-to-end level.

Projects;

- Enhancement of the design and install process of an advanced shower pod system
 - Development of a functional cloud-based client portal
 - Ground up rebuild of an extension utilizing environmentally innovative materials and processes, within legislation
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R&D Tax Relief

Things to consider

- Use R&D tax relief to fund future innovation:
 - Recruit graduates as key R&D operatives
 - Invest in website upgrade to facilitate multi-device access, e-commerce platforms, client portals
 - Build an R&D facility
 - Bring in-house subcontracted R&D Activity
 - Additional capital allowance - RDA
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R&D Tax Relief

Legal and Insurance Case Studies

- Document sign up company (legal and financial sectors): Turnover £2.5m, headcount 14, tax savings £32K
 - Family run Insurance company: Turnover £1.9m, headcount 21, tax repayment £42K.
 - Solicitors: Turnover £5m, headcount 58, tax reduction £16K.
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R&D Tax Relief

Legal and Insurance Case Studies

- Latent defects insurance provider- Turnover (Group) £66M, headcount 347, additional losses available to carry forward £1.8M
 - 2 Solicitors: Turnover £6.2m, headcount 78, tax repayment £225K.
 - Solicitors: Turnover £9.2m, headcount 84, tax repayment £62K.
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R&D Tax Relief

Manufacturing and construction Case Studies

- Specialist groundwork engineers: Turnover £5m, headcount 28, total tax reduction of £18K.
 - 2 companies within multidiscipline group: Group turnover £9m, headcount 82, tax credit of £25K for the construction company and tax reduction of £84K for the electrical systems company. Total tax saving of £109K.
 - Specialist oil and gas heat exchanger manufacturers : Turnover £2.5M, headcount 22, payable credit £93.4K
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R&D Tax Relief

Manufacturing Case Studies

- Specialist automotive air-brake system manufacturer and wholesaler: £19M turnover, headcount 55, tax savings £106K
 - 2 company group: design, manufacture and hire of generator solutions (ranging from 6 – 2,250kVA): Turnover £35M, headcount 236- repayment of £254K tax paid and a payable credit £312K, total tax savings of £566K
 - Precision engineering company: aerospace supply chain - Turnover £4.8M, headcount 40 – loss making company – payable tax credit £248K
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R&D Tax Relief

IT / Software Dev Case Studies

- Small IT consultancy: 2 year claim – Turnover £528K, Headcount of 10 – y1 tax repayment £17K, y2 tax repayment £23K and a payable tax credit of £7.7K – total tax savings £47K
 - Virtual desktop hosting company: Turnover £2.5M, Headcount 14 – tax repayment of £78K
 - Insurance software providers: one division of a 6 company group – Group turnover £66M, headcount 347 – total tax saving £394K
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R&D Tax Relief

IT/ Software Dev Case Studies

- Manufacturing and WMS software providers: group of 2 companies – Group turnover £10M, Headcount 91
 - Company 1 – payable tax credit £167K
 - Company 2 – reduction in tax to nil from £68K
 - Total tax savings – £235K

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 - Digital signage software solutions: Turnover - £2.97M, Headcount 41 – loss making company – payable tax credit of £117K
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R&D Tax Relief

Recruitment case studies

- Data analytics recruiter: Turnover £1.9m, head count 16, tax reduction of £85K.
 - IT and digital recruitment agency: Turnover £200K, headcount 4, tax credit of £8.9K.
 - Technology and business change recruiter: Turnover £6.9m, head count 15, tax repayment of £22K.
 - Retail recruitment specialist: Turnover £1.62m, headcount 37, tax repayment of £25K.
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R&D Tax Relief

Warehousing/ supplier case studies

- Tattoo equipment supplier: Turnover £20m, headcount 58, tax saving £125K.
 - Professional salon supplier: Turnover £10m, headcount 74, tax repayment of £36K.
 - International freight forwarding company: Turnover £33m, headcount 36, tax saving £52K.
 - Road-based freight transport company: Turnover £5.7m, headcount 59, tax repayment of £27K.
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Any Questions?

