

## Research and Development Case studies



**Steven Levine**  
Partner  
M: 07837 397033  
E: slevine@cvsdfk.com



**Peter Azu**  
Manager  
M: 07960 157487  
E: pazu@cvsdfk.com



**Claire Knight**  
Consultant  
M: 07534 951 657  
E: cknight@cvsdfk.com

The following case studies set out examples of previous work by the Research and Development team and the benefits to our clients.

### Case study one

X Plc is a UK-based developer of software which is used to help companies maximise the performance, productivity and value of their people.

Even though X Plc is audited by a "Group A" firm of accountants, claims for Research & Development (R&D) Tax Relief had never been made.

### How we helped

We had previously assisted one of the corporate providers of complementary software, with whom X Plc has a strategic alliance, with their claim for R&D Tax Relief, and they recommended that X Plc attended one of our seminars on this topic.

We met with X Plc after the seminar and were asked to assist with their claims for R&D Tax Relief. Even though claims for 2006 and 2007 were technically "out-of-date", our specialists spotted that HMRC had not carried out an earlier enquiry into the 2006 accounts in accordance with established Revenue procedures and we submitted claims covering not only the two in-time claims being 2008 and 2009 but also the out-of-date 2006 and 2007 claims.

The Revenue opened an enquiry into the out-of-time claims and offered an immediate settlement for the 2006 claim and suggested that the 2007 claim went through a formal appeal process.

As the claims for 2008 and 2009 were agreed at the same time, X Plc accepted, for expediency and for cash flow, the claims for 2006, 2008 & 2009.



### Benefits

The key benefits to these companies are:

- Achieving substantial cash benefits due to the submission of claims for R&D Tax Relief.
- Spotting an opportunity to submit claims for R&D Tax Relief that were technically out-of-time and achieving repayments for one of these periods.
- Certainty that the tax payments received from the Revenue were final and could not be recouped.
- No cost to the company if they do not receive their cash refund – we work on a no win no fee basis.

## Case study two

Company Z specialises in simulation engineering with customers in the civil and military sectors.

It was audited by a "Group A" firm of accountants who had already identified R&D savings amounting to around £80K.

### How we helped

Our corporate advisory teams had already assisted other companies within the wider group with tax planning and the Group Chairman arranged for us to meet the local Executive Director Team to see if we could improve their R&D claim.

After concluding our reviews we submitted revised R&D claims to HMRC, who subsequently opened an enquiry.

The enquiry concluded with no changes to our calculations and HMRC authorised further tax refunds of around £1.1 million.

We have subsequently been appointed as auditors for this company and have made further R&D claims amounting to around £600K. We have also assisted them in other tax work such as claims for capital allowances and restructuring their local group to take account of property ownership issues.

### Benefits

The key benefits to the company are:

- Timely, relevant and pro-active advice.
- Regular meetings and communication between key client staff and our service team.
- An understanding of their needs.
- Achieving substantial cash benefits from a variety of tax-focused services.
- Assurance that their affairs are dealt with properly and efficiently.
- Certainty that the £1M plus of R&D-related benefits cannot be recouped by the Revenue following the successful enquiry meeting.

## Who to contact

### London

Steven Levine  
020 7509 9000  
slevine@cvsdfk.com

### Birmingham

Suk Aulak  
0121 454 4141  
saulak@cvsdfk.com

### Brighton & Hove

Ken Touhey  
01273 421200  
ktouhey@cvsdfk.com

### Colchester

Dawn Lay-Flurrie  
01206 549303  
dlay-flurrie@cvsdfk.com

### Croydon

Richard Willis  
020 8633 9378  
rwillis@cvsdfk.com

### Leicester

Elliot Harris  
0116 247 1393  
eharris@cvsdfk.com

### Northampton

Debbie Ince  
01604 639257  
dince@cvsdfk.com

### Reading

Ian B Johnson  
0118 952 4700  
ibjohnson@cvsdfk.com

### Stevenage

Mark Stevens  
01438 741147  
mstevens@cvsdfk.com