



Foundations

Social Housing Insights

March 2019

Audit / Tax / Advisory / Risk

Smart decisions. Lasting value.

Welcome

Preparing for changes ahead

This has been a frustrating year in many respects, with a stalling housing market preventing many housing associations (HAs) from moving ahead with developments. The new rent settlement, although welcome, is not in place yet, while inflationary and regulatory pressures are mounting. Although it has seemed at times that there is only one news story, the demand for more quality, affordable housing remains a regular feature which periodically edges Brexit from the front pages.



In this climate of uncertainty and anticipation, this is an ideal time to ensure your organisation is ready for the changes ahead. The new requirements of Making Tax Digital for VAT, the recent updates to the Housing SORP, the reverse charge on construction services and the changes to IR35 will require most HAs to make some procedural changes. We discuss the changes that HAs will need to make in these areas.

Many HAs have successfully targeted frauds such as sub-letting and false suppliers. However, we discuss the new frauds only seems to increase, and how organisations need to be constantly evolving their procedures to try to keep ahead.

Despite recent stories of HAs having thousands of homes unsold, all HAs we speak to are planning to increase their development pipeline. With a renewed

focus on the quality of new buildings, we argue this is also the right time to rethink how construction and professional services are procured.

As this collection was published before the proposed date of the UK's departure from the EU, you are advised to check our website for updates.

Finally, the eagle-eyed may have spotted we have also had some changes ourselves over the last year, and are now simply called Crowe, both in the UK and globally.



Adam Cutler

Director, VAT and
National Head of
Social Housing

Making Tax Digital for VAT

What do HAs need to change to comply?

Complying with HMRC's new VAT return requirements should not be onerous, and provides an opportunity to improve processes says Adam Cutler

MTD is due to come into effect from 1 April 2019 and will affect almost every organisation that has to submit a VAT return. We know that organisations have been quoted four or five-figure sums for systems upgrades and compliance reviews among other requirements. The good news is that we expect most housing associations (HAs) are already close to complying with the new requirements and the additional cost of achieving full compliance should be small.

What is changing and when do I need to be ready by?

There are three requirements, each with their own deadlines.

1. Digital submission

The first change is that HAs will no longer be able to go into HMRC's online portal and type in the figures into the nine boxes of their VAT return. These figures will need to be submitted digitally. Various software providers are offering a solution that provides an 'application programme interface' (API)

link between HMRC's portal and the front page of a VAT return spreadsheet for less than £100 per annum. A list of providers whose API software has been tested is available on HMRC's website.

Many accountancy software providers are marketing their latest products as being MTD ready, or offering an upgrade to an earlier version. This is only really helpful to small businesses who can calculate and submit their VAT return using their accounting software alone. At Crowe, we are not aware of any HA that does this, and invariably they need to use a spreadsheet for areas such as partial exemption.

In conceiving MTD, HMRC's aim was for spreadsheets to be removed so VAT accounting is all in a main accounting system environment. This aim was watered down for the current version of MTD coming into effect this year so use of spreadsheets can continue. However, organisations should be aware that future developments in MTD may mean spreadsheets being phased out.

What is the right solution will depend on individual circumstances. However, both we and our clients have tested a number of software solutions and we would be happy to discuss the results.

There are now two deadlines for this requirement:

- The first VAT return commencing on, or after, 1 April 2019 for single entity VAT registrations; and
- The first VAT return commencing on, or after, 1 October 2019 for VAT groups and unincorporated non-profit entities.

In practice, for most social housing providers, this means:

- A HA that is registered for VAT on its own and is incorporated (whether as a community benefit society, co-operative, company limited by guarantee, or in some other way) will have to file its June 2019 VAT return digitally by 7 August 2019;

- A design-and-build subsidiary preparing monthly VAT returns will have to file its April 2019 VAT return digitally by 7 June 2019; and
- A housing group where several members are collectively registered for VAT as a VAT group will have to file its December 2019 return digitally by 7 February 2020.

It is possible to sign up to HMRC's pilot and submit VAT returns digitally before these due dates. While this has clear benefits in terms of testing procedures before penalties for non-compliance are in force, you should only do this if you are confident that you have the necessary software and processes in place to be able to submit return digitally.



2. Keeping records digitally

The second requirement is to keep all VAT records digitally, although it is likely that many HAs are doing so already. There could be some exceptions, such as transactions that take place outside of the main accounting system, where, for example, invoices are paid by solicitors and deducted from completion statements, rather than going through the normal accounts payable cycle.

Regardless of the type of entity, the deadline for this is 1 April 2019

3. Digital links between all data

The third requirement is that there must be digital links between the VAT return spreadsheets and the underlying accounting records. Over the last five years, most HAs have already acquired a tool that let them download information directly from their accounting software into Excel, rather than typing in figures, so again it is likely that no further changes are needed. Figures from non-accounting records, such as floor areas, can still be typed in.

Most HAs will probably need to address the VAT return spreadsheet itself. Under the final requirement, the figures will also need to link within the spreadsheet. Typing figures in, or copying and pasting, will no longer be allowed.

The deadline for this will be 1 April 2020 for single entity VAT registrations, and 1 October 2020 for unincorporated non-profit entities and VAT groups.

Preparedness

Crowe has held several MTD seminars and webinars over the last six months to increase awareness of these changes. During these webinars, we have asked attendees how prepared they were for the requirements of complying with MTD. In September 2018, 79% had either not yet started, or had only just begun to review their positions. In our February 2019 webinar, this had only reduced to 61%. It is clear then that many organisations are still not yet ready for the changes coming into effect.

An opportunity to make improvements

MTD should be seen as an opportunity to review VAT compliance processes and ensure that they remain fit for purpose.

Many organisations will be using an Excel spreadsheet that has been added to and amended by various people over the years and is now fairly unwieldy and hard to follow. MTD provides a good reason, and a clear deadline, to allocate some time to have a thorough review of the VAT return processes. Hopefully the time saved in the future will justify the investment now.

This blog post was originally published by Social Housing Magazine in October 2018 but has been updated and expanded for announcements since then.

We held a webinar on MTD for HAs on 6 March 2019 which can be watched again on our website.



Housing SORP

2018 update

The changes required under the latest update should be much less onerous than those required by the 2014 writes Jonathan Beasley

The Housing SORP has been around for many years and has been through a number of incarnations. It is intended to reduce the differences of accounting treatments within the Housing Sector by recommending preferred treatments and providing guidance over key areas.

The last iteration, Housing SORP 2014, included the transition to FRS102, something which many consider to have been largest change in accounting practice for a generation. The changes had a significant impact on the financial statements of Registered Providers and created a huge amount of work for finance teams across the country.

So, is the latest iteration something that will send shockwaves across the Registered Provider sector?

In a word, no, but there are a few things to consider.

When is the new SORP applicable?

It is compulsory for financial years starting on or after 1 January 2019, although early adoption is possible providing all aspects are adopted.

Who does it apply to?

The Housing SORP applies to all Registered Social Housing Providers (both charitable and non-charitable).

What about the Charities SORP?

For Registered Providers that are also charities, the Charities SORP makes it clear that where a separate SORP exists for a particular class that should be adhered to. Therefore the Housing SORP should be applied.

What caused the change?

The latest version reflects the changes resulting from the Triennial Review of FRS 102 issued by the Financial Reporting Council in December 2017.

What were the key changes?

Operating surplus

Change: The new SORP clarifies what is to be included, and excluded, from operating surplus.

Impact: It was obviously considered that this is an area where inconsistency arises and the SORP does provide some useful guidance as to what is, and isn't, expected to be included within operating surplus.

Particular comment is made that items should not be excluded just because they are irregular or unusual, for example:

- Profits or losses on sale of property, plant and equipment (including Housing Properties)
- Profits or losses on sale of investment property and intangible assets
- Restructuring and relocation expenses

All Registered Providers should review the guidance against their current practice to ensure that they are compliant.

Investment properties

Change: The exemption that existed of it being of "undue cost and effort" in valuing investment properties has been removed.

Impact: The previous SORP made it clear that, given Registered Providers normally invest in properties in the UK, it should, in almost all cases, be possible to measure the fair value of investment properties without undue cost or effort.

Therefore, in reality this exemption was not expected to apply and is likely to have little impact on Registered Providers.

Properties rented to group entities

Change: There is now a new accounting policy choice to carry property which is being rented to other group entities at either cost (less depreciation and impairment) or fair value.

Impact: This was a strange situation that arose during the transition to FRS102, whereby properties that had been previously correctly valued at cost under "old GAAP" were now required to be shown at their fair value. This requirement brought little benefit in most cases, and often resulted in additional costs to the group.

This is therefore a welcome change.

Net debt reconciliation

Change: Attention is drawn to the requirement that a net debt reconciliation should be included as part of an entity's cash flow disclosures.

Impact: There is a new requirement to disclose a net debt reconciliation and therefore this will need to be applied to be fully compliant.



Conclusion

So, as noted previously the new Housing SORP is not a huge shift, but more of a minor refinement. However, I would still suggest that organisations take the time to read and digest this new version. The last version was full of change and was considered quite painful by many finance teams, but this is a good opportunity to review policies and treatments to ensure that they are fully supportable and following best practice.

The next triennial review is scheduled for 2020 and potentially could include measures to reflect some, or all, of the principles of the latest IFRS, and therefore the future could once again prove to be a challenging time.

But for now, let us enjoy the calm and focus on delivering housing to those who need it most.

New rules for VAT on construction, repair and maintenance services

HAs and their subsidiaries should not be affected by this, but there may be some additional compliance writes Adam Cutler

From 1 October 2019 some customers will have to account for VAT chargeable on a wide range of construction, repair and maintenance services received. The effects are likely to be felt hardest by smaller contractors, who might use the VAT they collect as working capital.

This does not apply to end-users, so most housing associations, subsidiaries

developing for open market sale, and other property investors and developers, and those occupying property for their business, should not be affected.

Most captive design-and-build and repairs subsidiaries should also not be affected. However, there remain challenges as to how such customers will confirm the relevant status to suppliers in practice.



Shifting responsibility

Normally, the supplier charges VAT to the customer. However, for certain sectors susceptible to missing trader fraud (where a supplier may disappear owing a large VAT bill to HMRC) there is a trend to shift the responsibility for accounting for VAT onto the customer.

This is being extended to the construction sector.

Affected services

The new rules will apply to 'construction services', which are defined in the same way as 'construction operations' for the Construction Industry Scheme (CIS). It is worth noting this is not the same definition as 'services in the course of construction' for building new homes etc. The definition is wider, and includes extension, alteration, repair, painting and decorating.

What does this mean in practice for HAs and their subsidiaries?

The starting point is whether the service is a construction operation within CIS and is subject to VAT. If it is, the supplier should then go a process to decide whether they will charge VAT, or their customer should self-charge VAT under the reverse charge.

The first question is whether the customer is VAT-registered. If they are not, the supplier must charge VAT as normal. This will be the end of the matter for many smaller HAs.

The second is whether the customer is CIS-registered. Many charitable HAs are exempt from operating the CIS, so their suppliers must charge VAT as normal.

However, design-and-build subsidiaries, open market sales subsidiaries, and some HAs will be CIS registered. These will have to certify to the supplier that they are end-users, or are only providing services on to other members of the group. Once the supplier has this confirmation, they should charge VAT as usual.

So for most housing groups, the result should be some additional liaison required with suppliers, but no changes to how VAT is dealt with in practice. The exception will be those housing groups who use construction services received to provide services to non-group members. These will not be able to give the certificate, and will have to put in procedures to ensure they are operating the reverse charge.

This alert was originally published in June 2018 but has been updated for the clarifications from HMRC that CIS registration will drive the decision-making process.

The hidden VAT cost on services from overseas

HMRC is assessing HAs for VAT on services that many did not realise were coming from overseas says Adam Cutler

Most housing associations (HAs) are surprised when I tell them they are probably buying goods and services from overseas, particularly from the Republic of Ireland. Even those organisations that are aware that they are purchasing some items from suppliers based outside of the UK tend to be underestimating the true extent of this. However, HMRC has access to this information from other tax authorities, and has begun using this to issue assessments on HAs.

Why is this the HAs' problem?

For international services, there are complex rules determining in which country the VAT is charged. For nearly all services that a UK HA would receive, these rules mean that the services are subject to VAT in the UK.

To avoid the need for overseas suppliers to be registered for VAT in the UK, where a UK customer is VAT-registered, they are responsible for dealing with this VAT. A HA would do this by including the VAT due on a service in 'Box 1' of their VAT return, as if they had made a sale, increasing the net VAT due to HMRC. This is known as the 'reverse charge mechanism'.

Similarly (at least until the UK leaves the European Union) if a HA acquires goods from a supplier based in another EU member state, the HA has to account for the VAT on 'Box 2' of their VAT return. Again, this leads to an increase in the net VAT due to HMRC on the VAT return.

Those HAs which are not VAT-registered cannot completely ignore these rules. These overseas purchases count towards the VAT registration threshold. Consequently, many organisations have had to become VAT-registered purely as a result of obtaining services from abroad.

How can HMRC have a more accurate list of suppliers than we do?

Suppliers based in other EU member states will have had to submit lists to their tax authorities explaining why they are selling goods and services but not charging local VAT. In doing so, they will be quoting your UK VAT registration number. These lists are shared among the tax authorities, so it is very easy for HMRC to extract a list of suppliers to each VAT registration.

What are the common areas where HAs are incurring these costs?

The most common area is IT-related services. Many IT companies have set-up their European headquarters in the Republic of Ireland. Examples we have seen recently at Crowe include:

- design and hosting of the HA's website
- providing parts ordering systems for the mobile repairs team
- photocopier rental
- placing job adverts on social media platforms
- management software for the human resources team
- buying equipment from a small supplier through a fulfilment website based in Luxembourg.

A particular issue seems to be where the IT department is able to order items with a corporate credit card, rather than going through the Accounts Payable system. Even if the finance team runs a quarterly report on non-UK suppliers, these costs may not be picked up.

What should I do if I identify such items?

Not all purchases from abroad are subject to VAT and some services received from overseas may be zero-rated as advertising services to a charity. Where VAT is due, it may be recoverable, at least in part, in the same way as VAT charged by UK-based suppliers.

If VAT has been underpaid, an error correction should be notified to HMRC using 'Form VAT 652' for VAT underpaid in the last four years, and procedures should be changed to enable this VAT to be identified going forward. A proactive approach, and evidence of efforts made to avoid the risk of this oversight happening again, means HMRC is unlikely to issue any penalties. Additionally, if there is any confusion or uncertainty, HAs should seek specialist advice.

This blog was originally published by Social Housing Magazine in December 2018



Reform of the off payroll private sector

Following a consultation over the summer, the 2018 Autumn Budget confirmed the reform to off-payroll working rules (IR35). The changes bring the private sector in line with the public sector. Regardless of how the Office for National Statistics classifies HAs, therefore, they will be subject to these rules writes Susan Ball

Broadly speaking, the rules will require private sector businesses impacted to identify and review the employment status of all workers engaged through personal service intermediaries (personal service companies or PSCs). These include workers provided via an agency or third party and treat them as a deemed employee for tax and NICs purposes.

The government will reform the off-payroll working rules (IR35) in the private sector. Under the rules, the responsibility for operating the off-payroll working rules will move from individuals to the organisation, agency or other third party engaging the worker.

The good news is to give people and organisations time to prepare, this change will not be introduced until April 2020 and 1.5 million small organisations will be exempt, minimising administrative burdens for the vast majority of engagers.

Along with a further consultation on the detailed operation of the reform, which will be published in the coming months, the consultation will inform the draft Finance Bill legislation, expected to be published in summer 2019. HMRC will also provide support and guidance to medium and large organisations ahead of implementation.

HMRC estimates the cost of non-compliance to the Exchequer will reach £1.3 billion a year by 2023-24. The reform will bring the private sector in line with the public sector, where evidence suggests compliance has improved since the reform was introduced in 2017. HMRC estimates the reform has raised £550 million in income tax and NICs in its first year.

In summary what does the reform mean for organisations?

- From 6 April 2020, medium and large organisations will need to decide whether the rules apply to an engagement with individuals who work through their own company.
- Where it is determined that the rules do apply, the organisation, agency, or third party paying the worker's company will need to deduct income tax and employee NICs and pay employer NICs.
- The government has listened to business and will build on learnings from the introduction of the reform to the public sector. As a result, medium and large organisations will have **until April 2020** to implement the changes; **existing rules will continue to apply** to the 1.5 million smallest businesses.
- HMRC has developed the Check Employment Status for Tax (CEST) service to help businesses determine

whether the off-payroll working rules apply. HMRC will continue to work with stakeholders to improve further CEST and guidance before the reform comes into effect. HMRC has confirmed enhancements will be tested with stakeholders, operational and legal experts before the reform is implemented.

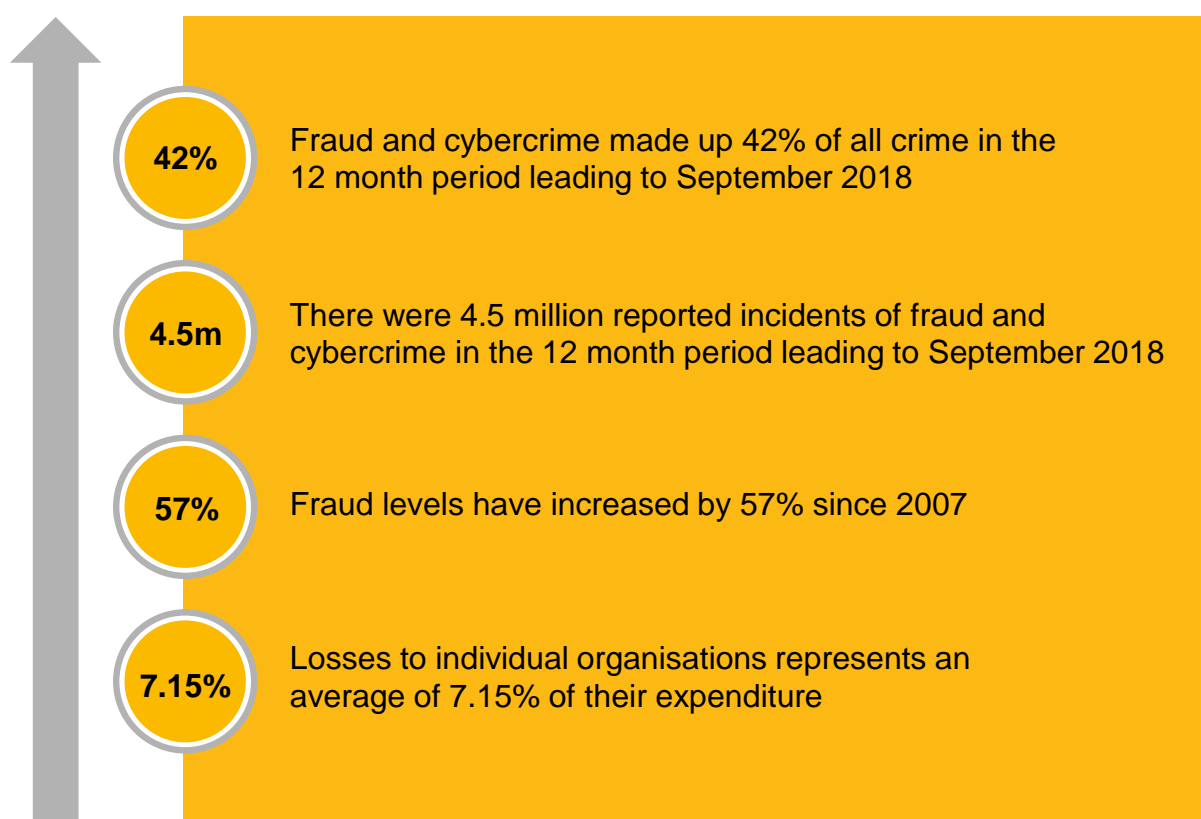
- HMRC will provide **extensive support and guidance** to help businesses implement the off-payroll working rules to ensure they apply them correctly, and will ensure the guidance is appropriate to the needs of the private sector, which are more diverse than those of the public sector.

What is clear from the public sector roll out in April 2017 is that planning, training and introducing new processes is key to enabling engagers to implement this change effectively - the earlier they start the better!



Fraud and cybercrime

An epidemic of fraud and cybercrime is taking place. The latest Home Office crime statistics, for the 12 month period up to the end of September 2018, reveal that they comprised 42% of all crime – 4.5 million incidents – and easily more than any other type of crime. The percentage of people directly experiencing fraud or cybercrime is two and a half times more than for any other offence writes Jim Gee



The cost of fraud has also increased (turbocharged by digitisation) with the latest research showing an increase of 56% since 2007 and losses for individual organisations representing an

average of 7.15% of their expenditure. Globally fraud is estimated to cost £6.1 trillion and over £200 billion of that is in the UK. And this is a real problem in the housing sector.

the latest figure for the cost of fraud affecting social housing tops £1.8 billion

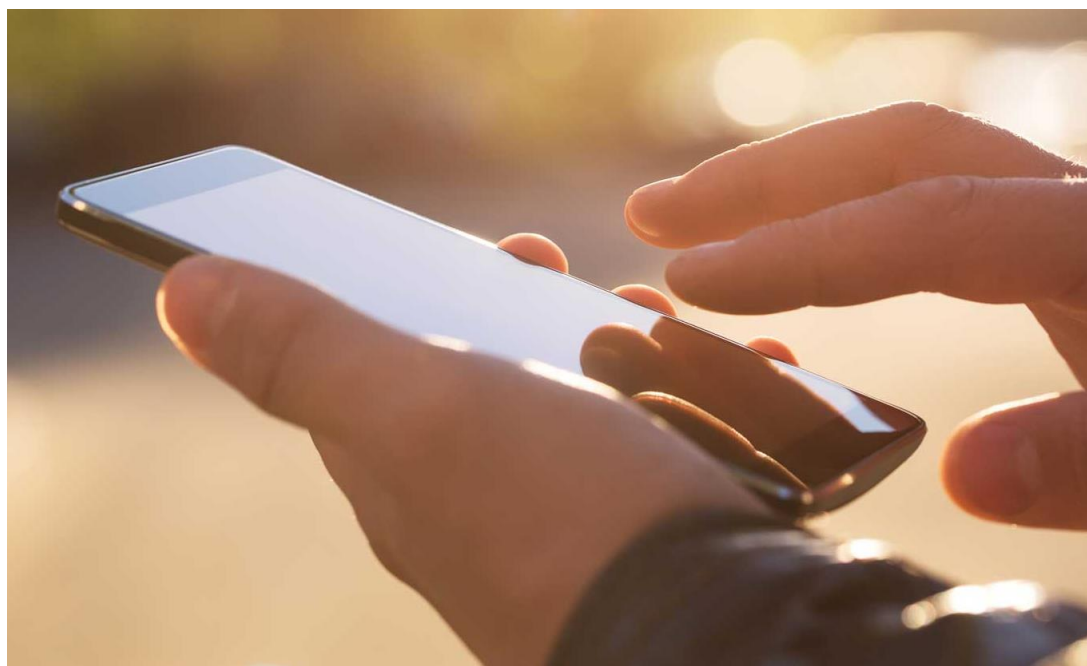


Property fraud is on the rise, with increasing numbers of properties being sold or mortgaged fraudulently. So concerned is Land Registry that it has recently organised a Scams Awareness Month. Fraud arises in many different ways in property transactions. Recent cases include:

- Properties being sold by fraudsters claiming to be the registered owners of the property.
- Property owners being the victims of identity theft where fraudsters apply to a lender purporting to be the owner of a property in order to obtain a mortgage. The real owner only discovers the fraud when mortgage payments are requested by the lender.

Recent research also found that in 2017 the construction sector experienced the greatest year-on-year increase in fraud incidents across all sectors. 83% of respondents in the construction sector reported that they had experienced a fraud in the previous 12 months, an increase of 13 percentage points from the 2016 report. The study indicated that more than a third of respondents (34%) reported losses of seven per cent or more of company revenues from these fraud incidents – losses that can be crippling in a sector operating at low margins. Furthermore, the resulting reputational and relationship damage can also have a devastating impact on future revenues.

All this when the latest figure for the cost of fraud affecting social housing tops £1.8 billion.





Fraud is not a marginal, peripheral problem but one which affects all organisations of any size. Private companies are less profitable and financially healthy than they would otherwise be; public sector fraud denies us the quality of public services that we pay our taxes to get; and even charities are denied the full value of the donations which are made. The quality and availability of housing is less than it would otherwise be, as this pernicious 'cost' has its impact.

The nature of fraud makes it difficult to counter. It is mostly high volume, low value and that makes it hard to detect, and, if detected, it is easy for organisations not to understand its significance because they are unaware of the volume of similar incidents. It continually mutates and changes, as a fraudulent minority seeks the greatest benefit for the least risk, which means that the traditional approach of putting in

place 'controls' to address traditionally static risks does not work as well. Research also shows that a faster pace of business life means that controls lag further behind the threat and a decline in adherence to social and moral norms does not help either!

Nevertheless, where organisations take an all-round approach – mobilising and growing the honest majority, deterring and shrinking the dishonest minority and preventing fraud by designing the weaknesses out of processes and systems which represent opportunities **as well as** detecting potential fraud using data analytics and reacting with professional, legally compliant investigations – then substantial reductions in the cost of fraud are possible. There are numerous examples where reductions of up to 40% within 12 months have been achieved, delivering savings of 2.5% of expenditure or more.

Like fraud, cybercrime should be seen as akin to a clinical virus, continuously evolving and changing. It is not possible to be secure but you can be as secure as possible. With the White House, the Pentagon and the CIA building all being hacked in recent years and Government statistics for 2018 showing 43% of all organisations suffered cyber breaches (including 64% of medium size organisations and 72% of large ones), this is clear. But this is not just a problem for someone else.

The latest research, undertaken by Crowe and the Centre for Forensic Studies at University of Portsmouth, provides a way to assess your organisations vulnerability to cybercrime and to protect yourself better. Crowe have turned this in to a free online Cybercrime Vulnerability Scorecard tool which takes only a few minutes to complete. It assesses how

attractive an organisation is to cybercriminals, what damage would be done if a cyber-attack took place and the extent to which an organisation is cyber secure **and** cyber resilient (i.e. able to manage an attack if it happens and to respond and mitigate legal and reputational damage). Users get a downloadable report which rates their vulnerability and provides a checklist of necessary action. Go to <https://crowecybercrime.com> to use the tool.

Crowe and the Centre for Forensic Studies at University of Portsmouth have also recently published ground-breaking research concerning the Dark Web and how this is used to organise fraud and cybercrime. Go to <https://bit.ly/2TsAvYa> to find out more.



Design-and-build

Time for a re-think?

Following recent events, and given future plans, HAs should consider bringing design-and-build in-house argues Adam Cutler

It has become increasingly common for housing associations (HAs) to procure design-and-build contracts from builders, rather than employing various professionals directly. They can be cheaper and reduce much of the risk of a development. They also provide some of the VAT savings that would be achieved by the HA operating its own design-and-build subsidiary, without the associated set-up and running costs. However, recent events should cause HAs to reconsider if this is the right approach.

Two themes have dominated my conversations with HAs over the last few months. Firstly, many have uncovered significant defects with some of their properties that have been built, with poor quality materials used and corners cut. In most cases, these have only been uncovered in the aftermath of the Grenfell tragedy; several HAs have reported that they took remedial action to remove potentially hazardous materials from their buildings only to find the sub-structure crumbled away when the cladding was removed. Stories of defective mortar, inadequate safety features, unsafe foundations and other aspects being 'not fit-for-purpose' have been reported regularly in Social Housing and other publications in the last few months.

Once the immediate emergency is repaired, talk inevitably turns to how to ensure there is better quality control on future builds. Suggestions include having a more extensive service from the employer's agent, and/or a return to having a clerk-of-works on site.

There are also recommendations to re-think procuring design-and-build contracts from builders. While these provide the benefit of outsourcing much of the risk of cost overruns, it can mean the HA has less visibility over the quality of materials, workmanship and professionals involved. Without the professionals working directly for the HA, the question becomes, 'who watches the watchers?'

Professionals working directly for a HA will have to charge VAT. However, most developing HAs have set-up a design-and-build subsidiary which can recover this VAT. Those HAs who have held back on creating these, or do not use them for all developments because they are using design-and-build contracts with builders, should reconsider this.

Having your own in-house design-and-build company does not stop you going for design-and-build contracts with builders, and these may still have their place for certain developments. However, if one procurement route will immediately cost 20% more, it could lead to decisions being made for the wrong reasons.

The second theme has been that while projects are temporarily stalling due to Brexit uncertainty, plans to ramp-up development are still in place – and, if anything, are getting more ambitious. Whatever the outcome of the political stalemate, its eventual resolution seems likely to unleash pent-up demand.

So if you wanted to change your arrangements so that the professionals on the build are working for a subsidiary of the HA, rather than the builder, this temporary period of calm provides an ideal opportunity to get your corporate structure ready. I recommend:

- If you concluded a few years ago that a design-and-build subsidiary was not viable, work through the figures again with your updated assumptions on how many homes you plan to build in the next five years, and how you will ensure the quality of these units.
- If you already have a design-and-build subsidiary set up, but have not used it for some time (and you would be surprised how many HAs have gone through the trouble of setting one up only to never use it in practice), get this up and running again. If someone decided that the costs of running this were too high, look at these figures again in the light of your new assumptions.
- If you have been through a merger and find yourself with two or more such companies, have a plan for rationalising these and ensure that everyone knows which one to use for future developments.
- If you are unsure about which arrangement might be the most suitable for existing or future projects, consider seeking specialist advice.

This blog was originally published by Social Housing Magazine in February 2019



Meet the team

60 seconds with Olivia Larson



Olivia joined the Crowe Social Housing team in November 2018 and has quickly proven herself as a trusted advisor to many of our clients

How did you end up in tax?

My parents owned their own tax business in the U.S. where I would help scan and file documents relating to personal and small business taxes. When I was old enough to get my tax preparers license, I started to fill in and file the forms to the IRS and then eventually, taking appointments with clients on my own and advising on certain matters. I haven't been able to get out of the tax industry since!

What is your connection to housing?

I have worked with a variety of clients over the years in different tax areas however, always had an interest in VAT. When I was presented with the opportunity to join the Social Housing team on VAT matters here at Crowe, I jumped at the chance. I did not realise all the intricacies Housing Associations face with VAT and really enjoy learning of these different challenges from each piece of work we take on.

What are you working on at the moment?

I am helping Adam with lots of different things. We get queries everyday on taxable supplies and applicable rates –

we want to make sure our clients are recovering VAT wherever they can. We are requesting permission for partial exemption special methods for a couple of our clients. And there is plenty to do on MTD.

What's your view on HMRC?

HMRC's job is to collect the right amount of tax at the right time. Generally speaking, I think that they do a fair job for most tax payers. However, I do think that dealing with HMRC can be frustrating especially in the face of departmental cuts. I can see how some organisations feel that HMRC's treatment of them is heavy-handed, which is where seeking specialist advice is invaluable.

Tell us a secret about yourself?

I'm a bit of a clean freak...anti-bacterial wipes are one of my favourite inventions!

What do you do in your spare time?

I love to stay active and be outdoors, walking, running, swimming and stay fit in the gym when the weather is not permitting. I equally enjoy eating good food and curling up on the sofa with a glass of wine, or two!

Dates for your diary

Introduction to VAT for housing associations

Our popular course examines how VAT affects housing associations and assumes that delegates have no prior knowledge. It includes updates on topical issues such as making tax digital, cost sharing groups and the reverse charge for construction services.

What we will cover

Morning session: how the VAT system works

- The VAT treatment of the main activities of housing associations.
- When should VAT be charged.
- The requirements for VAT incurred to be recovered.
- Partial exemption methods and calculations.
- VAT compliance and how this is changing under Making Tax Digital.

Afternoon session: focussed around a development activity, including

- When will VAT be incurred on land and what are the strategies to deal with this
- VAT treatment of construction, conversions and refurbishment projects, including design-and-build arrangements
- VAT treatment of the various types of tenure.

Dates and locations

London – Tuesday 16 July 2019

Manchester – Wednesday 23 July 2019

Time

09:30	Registration
10:00	Course starts
11:15	Coffee break
11:30	Course resumes
12:45	Lunch
13:30	Course resumes
15:30	Course ends

Cost

£300 + VAT for the first delegate. £100 + VAT for each subsequent delegate from the same organisation.

Can't attend this location?

We hold these courses regularly in other locations around the country, both in our own offices and at the offices of housing organisations. If you would be interested in a course at another venue please contact us.

Register to attend

email us on VAT@crowe.co.uk





Start the conversation

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About us

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