Crowe

Manufacture

Winter 2020

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Foreword

Welcome to our winter edition of Manufacture, Crowe's quarterly manufacturing newsletter.

The last three months have been dominated by politics and largely from our discussions, manufacturers have concentrated on production and operations, leaving investment and other strategic decisions until after the general election and Brexit.

Now, at last, we can see a clearer picture of what the future might hold politically and what that might mean for businesses going forward. With the first budget of a new conservative majority in March, there will be a clear steer (and hopefully incentives) for manufacturers. Knowing the implications for you and your business will be key and Crowe will be running events across the country on and around 11 March 2020 and providing tax planning guides afterwards too.

These and other events upcoming are listed on page 30, including details of how you can register.

During the winter we have been conducting our Manufacturing Outlook Survey, the events surrounding the announcement of the results are also included on page 30.

In addition, we include some headlines as a taster, on page 6. Talk of elections and Brexit has concealed other important changes due to come in from April on 'off Payroll' workers, many of whom, we know, work in manufacturing. Getting this wrong will prove expensive. Sue Daye and Caroline Harwood cover the detail on page 8.

Caroline Hunt has been a regular contributor to 'Manufacture', in this issue on page 14, she shows how smart manufactures can get relief twice. Certainly worth a read.

Not a week goes by without hearing of news of another instance of hacking or cyber ransom. As automation increases so does cyber risk, on page 18, Jim Gee outlines the results of his annual 'Financial Cost of Fraud' which is an essential but disturbing read for any business, especially manufacturers.

The need to be 'environmentally friendly increases relentlessly and financial imperatives are now joined by sustainability and reputational risks. Chris Mould addresses this on page 22.

Rounding off is the latest advisory piece on cross border trading VAT by Rob Marchant on page 24.

I hope you enjoy and are inspired by this edition; like you we remain passionate about manufacturing and want to help create lasting value in this sector. So, should any of the topics resonate with you, or if you have any comments, feedback or queries, please feel free to contact any of our specialist manufacturing team.

Johnathan Dudley
Head of Manufacturing

Our Manufacturing Outlook Survey – a sneak peek at the headlines

By Johnathan Dudley, Head of Manufacturing

Over late autumn and winter in conjunction with the Confederation of British Metalforming (CBM), we gathered the opinions of the manufacturing industry at a time of significant commercial and political change. The report is shortly to be released but we can now share the main headlines with you.

Many in the sector remain bullish about growth prospects in 2020, and it is clear that businesses are all looking to the same issues that will make-or-break their growth target ambitions for the year ahead. It comes down to three T's: trade, tax and talent.

Manufacturing businesses have complex and wide-ranging supply chains, that are not bound by geography and sector, so the picture is complex. Clearly the cost and supply implications of a major economic event like Brexit will need to be monitored, but it may be that reduced friction with non-EU trade partners could counterbalance any rise in friction in terms of EU trade.

On the policy front, our survey already shows that the government must do more. As well as an industry desire for export incentive reform to make the regime more effective, there is a 'communications job' to be done to fix awareness issues. HMRC stats show only 1% of companies are claiming R&D cash tax credits, it is clear that businesses are not taking full advantage of this valuable relief.

There also need to be effective incentives to encourage investment in modernisation and automation that are no longer linked to 'job creation' which has discouraged productivity improvement based investment, in the past and which is inappropriate in a sector with clear skills and manpower shortages and which could be bridged by embracing 'Industry 4.0' technology.

Whist skills shortage has impacted the sector over the last few years, it is clear that this has now progressed to become a major threat to growth. Limitations both perceived and real, largely driven by the possibility of more restrictive movement post-Brexit, on the one hand will be countered by wider access to non-EU nationals. This is subject of course to the detailed implementation of proposed 'points based' system included in the Conservative election manifesto.

Off-payroll working new rules and how they affect you

By Sue Daye, Partner, Private Clients and Caroline Harwood, Partner and Head of Share Plans and Employment Tax

It's not just high profile BBC presenters that have been caught by HMRCs crackdown on the use of the Personal Service Company (PSC). The issue applies equally to all workers who provide their services through a PSC or other intermediary to large and medium-sized businesses.

From our experience in advising manufacturing companies we are aware that many companies engage the services of PSCs, both on the shop floor and in administrative functions such as management and finance.

In July 2019, new draft off-payroll working rules were published, introducing changes to the current regime which is known as 'IR35'. The new rules take effect from April 2020. They require organisations engaging workers via an intermediary to check whether the individual providing the services should be treated as an employee or self-employed for tax purposes.

If these checks show that the relationship is effectively one off employment, and therefore IR35 will apply, the business will have to deduct PAYE and NIC from payments made for the worker's services.

Previously it was the responsibility of the PSC to make these deductions, but HMRCs view was that fewer than 10% of these organisations actually complied.

It is estimated that this measure could raise as much as £1.3 billion in tax by 2023/24. This is something that businesses must be aware of and account for in their budgeting. The rules already apply to public sector employers, but the new rules will apply to all medium and large businesses in the UK from next April.

Small businesses will initially be exempt. A small business is defined as an incorporated body that meets two of the following three criteria:

a turnover of less than £10.2 million

a balance sheet of less than £5.1 million

fewer than 50 employees

However, an incorporated business need only exceed the £10.2 million turnover figure to be considered 'not small'.

Therefore, businesses nearing or planning to grow their turnover should really be preparing for when they do reach this threshold and start to identify and address issues with PSC's earlier rather than later. Given HMRC's expectations that this measure will be a key 'money raiser', its also fair to speculate how long 'small business exemption' will continue from this measure.

The new rules apply from 6 April 2020. It is essential that affected businesses take action now to ensure that they are ready to comply with the new regime from next April by identifying all off-payroll workers and reviewing the terms of engagement and the necessary policies and procedures put in place. This will include documenting the engagers' conclusions regarding the employment status of the worker and issuing a 'Status Determination Statement' to the worker, the PSC and any other intermediary (such as an agency) in the chain of engagement.

This is a good time to evaluate business strategies and consider whether current methods of engaging workers are compatible with the new legislation and whether the current practices still fit the business's requirements.

If a business establishes that the new rules will apply and that it should be deducting PAYE and NIC from payments made to a worker, it will need to evaluate the cost of the employer's NIC which will also apply as well as any Apprenticeship Levy payments. This will need to be built into budgets going forwards and many engagers may re-evaluate the rates they are prepared to pay freelance workers as a result.

If the business continues to engage with PSCs, remember it is the engager's responsibility to perform and evidence an employment status check on the individual. Employment status is a subjective area based on case law rather than legislative tests and, as a result, there is an embedded risk.

The risk of getting the status wrong is expensive. Not only would the engager be subject to interest costs and potentially penalties for failure to operate PAYE correctly, but it opens up the possibility of back taxes on the individual for four or six years, depending on the specific rules applied. NIC can be charged going back six years.

It is important to take time now to assess the implications of the changes to the IR35 rules as they affect PCS engagement. This should be done well ahead of the 6 April 2020 deadline.

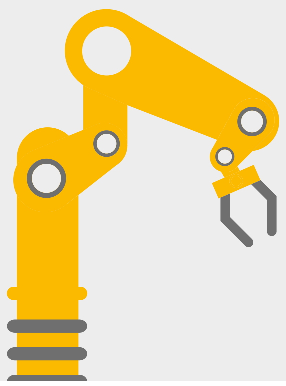
A call to (robotic) arms – why UK industry needs to increase its adoption of robots

By Mike Wilson, Managing Director KUKA UK & Ireland, Chairman British Automation & Robot Association

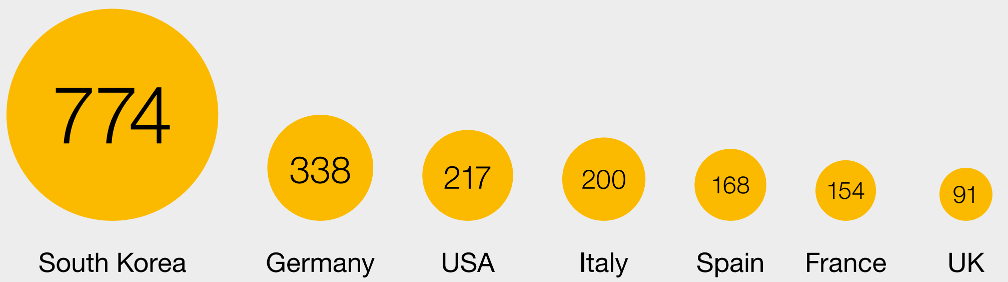
UK manufacturing is facing multiple challenges. Foremost among them is that competition from more productive countries is continuing to grow at a pace.

When compared with the United States, China, Germany, Japan, India, Poland and France over a 10-year period from 2006 to 2016, the UK was the only country where productivity per person per hour actually decreased (by 9%). All the other countries mentioned, saw an increase with Germany, for example, raising its productivity rate by 21%. The sector is also confronting other serious challenges, including a significant shortage in engineering skills, the rising costs of energy and raw materials, increasing demands for production flexibility, and the great unknown that is Brexit.

While there's no silver bullet for this scenario, the UK's manufacturing sector can go some way to resolving these challenges by using its labour and resources more effectively and working smarter by giving its staff the tools to do their jobs more efficiently – sweating the assets, not the people. Key to this is increasing the adoption of automation and, in particular, robotics to close the gap on our competitors. According to the International Federation of Robotics, robot adoption in the UK is significantly behind more productive countries; the UK ranks 22nd in the world with a robot density of only 91, below the global average of 99.



Robot density per 10,000 employees



Source: KUKA

There are, of course, plenty of critics who claim that any increase in robots in the workplace will mean a reduction in jobs for people. But there is much evidence to show that, rather than resulting in job substitution, automation in fact leads to a re-allocation of tasks in which robots complement and augment human labour by performing routine or dangerous tasks. This in turn provides the opportunity for people to focus on higher-skilled, higher-quality and higher-paid roles.

In terms of productivity and quality, the benefits of robotic automation cannot be ignored, as the automotive industry can corroborate. The deployment of robots results in an increased yield and a better use of staff, of other equipment and of space and energy and delivers consistently high quality, with reduced waste and reworking.

Robotic automation also offers companies improved health and safety, extendable production hours and greater flexibility regarding quick changeovers and product redesign, while offering staff more rewarding jobs.

While a certain level of investment is required in equipment and training to start the automation process, UK manufacturing has to understand that maintaining the status quo or failing to start investing now is just going to widen the already existing gap in competitiveness with other countries. Therefore, I urge companies to begin the process as soon as possible and appeal to the UK government to lead and support the increased adoption of robots and automation technologies to enhance our productivity and competitiveness in an increasingly challenging global market.

It’s a win, win for innovative manufacturers

By Caroline Hunt, Director, Tax

According to the latest HMRC statistics (issued October 2019), some innovative manufacturers have been able to claim cash from HMRC twice over. Firstly, from R&D tax credits and secondly from patent box reliefs.

R&D tax benefits
R&D tax benefits are available on costs incurred during the development and testing phases of projects to develop new, or improved, products or processes.

For profitable SME companies, this is equivalent to an additional 24.7% reduction in tax liability over and above the 19% normally available i.e. a £43.70 reduction in tax liability for every £100 of R&D spend. Where a company does not pay any tax, either because it is loss making or a pre-revenue start-up, it can still benefit from making an R&D claim by cashing in its R&D tax losses at up to £33.35 for every £100 of R&D spend.

So making an R&D claim can improve a company’s cash flow whether or not it is making profits or losses.

Despite the benefits, HMRCs latest statistics indicate that there is still only about 1% of all active companies claiming R&D cash tax credits, with companies in the manufacturing sector making up approximately 25% of the total.

Our experience is that most manufacturers have to continually invest in new technologies in order to retain a competitive edge and thrive, and many rely on their annual R&D cash injection to finance this investment.

With the average R&D claim being worth around £50,000 of cash, and as a firm, Crowe’s clients receiving on average just under £70,000 per R&D claim, why is there still a sizable number of manufacturers that have not made an R&D claim?

The main barrier appears to be lack of awareness. As a rough rule of thumb, if a business is spending money on developing new, or improved products, or processes, including manufacturing processes, and there are technological challenges and uncertainties to be overcome, it is likely to be entitled to R&D tax benefits.

The Queen’s speech confirmed the Conservative’s manifesto proposal to increase the R&D tax credit from 12% to 13% for Large companies.

This is to be welcomed, especially given the fact that under the Labour manifesto the Large company R&D tax incentive would have been phased out. There are no plans to make any changes to the SME R&D scheme.

The net cash benefit of the proposed Large company increase is £10.53 for every £100 of R&D spend, which is only £0.81 (for every £100 of R&D spend) more than under the current regime. Given the fact that HMRCs latest R&D statistics (issued in October 2019) indicate that so far in 2017-18 only 6,555 companies have claimed R&D tax credits under the Large company scheme, the net impact of the proposed change is likely to be of limited value to a very small number of companies.

Typical R&D activities

Here are some examples of typical R&D activities in manufacturing businesses we have come across:

- Developing a more efficient, or more cost-effective way, of creating products or processes.
- Spending time testing, analysing and evaluating new or alternative products or processes.
- Seeking solutions to constraints and limitations in meeting customer specifications, such as tolerance, size, weight reduction, strength, material type or performance.
- Manufacturing a product in a fundamentally different way, or from a different material, to the standard product e.g. where an item was previously cast, and instead is to be formed and pressed.
- Seeking solutions to technical challenges in order to comply with new regulations, or changes in markets e.g. the development of electric vehicles and reaching zero emission targets.
- Investing in the development of unique software for use in the production or design process.
- Making prototypes or seeking alternatives to outdated tooling or products.
- Abandoning a design project because it is too technically challenging.

Patent Box tax relief

In contrast to R&D tax benefits, which are claimed on a project by project basis, patent box benefits are available for the whole of the life of the patent, which could be up to 20 years.

Patent box relief is not available on the profits of products that are simply bought and sold, it is only available where a product has been substantially developed, and then patented, by the company. Under the patent box, patent box profits are subject to a 10% tax rate, which is a hefty 9% discount on the main rate of tax (currently 19%).

Despite the tax advantages, there are many reasons why businesses choose not to patent products they have developed. The main reason cited is that once a product is patented, its details are within the public domain. Even though there are protections in place to prevent infringement of patents, many businesses are wary of the impact of disclosing too much information for fear that their product can be more easily copied.

Some technologies, or new products, can become outdated quickly, and with the patent application process taking on average two years, there may be little benefit to seeking a patent. Also, the cost of making the patent application, together with the ongoing maintenance costs can put businesses off filing a patent.

HMRCs latest statistics (issued October 2019) bear out the above reservations with only just over 1,000 companies claiming patent box benefits in the last year. However, it is interesting to note that 50% of these companies are manufacturers.

Despite the poor uptake, our experience is that for those who can claim patent box relief, the tax savings over the life of the patent can be significant.

Conclusion

Given the fact that survival of many businesses is dependent on having a good cash flow, if your company is innovative, it is always worth checking to see if it can benefit from the free cash available by claiming either, or both, R&D or patent box benefits.

Cybercrime: a fact of life in 2019 – don't be a victim

By Jim Gee, Partner, Forensics

Fraud and cybercrime represent a significant cost. The recent 2019 *Financial Cost of Fraud Report*, researched by Crowe UK and the University of Portsmouth, found that global losses equate to £3.89 trillion annually – a figure which amounts to 6.05% of the world's GDP.

For the UK, this cost equates to £130 billion each year. It is also a cost which shows no signs of slowing. Since 2009, losses to fraud have risen by a drastic 56.5%.

For businesses, this cost can make the difference between profit and loss and be significantly damaging from both a financial and reputational point of view. Cybercrime is not a marginal, peripheral problem, but one which affects all industries and organisations, no matter the size or location.

With the advent of Industry 4.0 and the need for successful manufacturers to embrace digitisation and automation, the risks attached to cybercrime extend beyond the need to protect personal data. Exposure to 'industrial espionage', particularly for companies involved in developing new products and processes also is a cyber risk and of course, the 'connected factory' is especially exposed to cyber and ransomware attack.

Another recent report published by Crowe, *The Dark Web: Bad for Business*, uncovered the existence of attempts to target, attack and defraud 21 of the top 50 UK brands through online market places. While undertaking the research, we found fraudsters selling materials to facilitate attacks on organisations. These included fraud packs, template bank statements, utility bills and passports, UK bank account numbers and sort codes and documents providing advice on phishing. All of these materials could be used to commit identity theft against individuals and defraud legitimate businesses.

From the research, it is evident that fraud is evolving and becoming increasingly professional and organised, as cybercriminals collaborate and trade online to obtain the information and tools necessary to defraud businesses and commit crime.

One could be forgiven for assuming smaller scale organisations are more at risk of cybercrime than larger organisations, who are thought to have the infrastructure in place to deter and tackle such activity. However, our report, *The Dark Web: Bad for Business*, uncovered the extent to which large, well-resourced organisations reliant on technology with significant IT budgets to match, are vulnerable to cybercrime.

Despite their size, it was still possible for the organisations included in our research to be targeted by hackers, thus it is important for organisations of all sizes to think more realistically about their vulnerability to cybercrime.

The fact of the matter is, if an organisation is attractive enough to a cybercriminal – an attempt to hack is likely to be made.

Our research covered a range of sectors from banking and finance to retail and entertainment. Criminal cyber activity was consistently found against organisations, regardless of the category in which they fell.

In its nature, if not its impact, cybercrime is akin to coughs and colds – we should not have the unrealistic expectation of immunity – but we can minimise the number of times they affect us and the extent of their adverse impact on organisations. Management of both the problem and recovery is key – organisations need to think about managing an attack if and when it happens, recovering in the aftermath and mitigating financial, legal and reputational damage.

Where cybercrime is suspected, organisations should never assume that what they have found is the full extent of what has happened. They should be prepared to examine sources of digital evidence, such as computers and phones, in such a way to properly preserve evidence, uncover the full extent of the fraud and cybercrime that has taken place and be able to recover losses.

A first step to better protection is to understand your company's vulnerability to cybercrime and an easy, free way to do this is to use Crowe's Cybercrime Vulnerability Score card tool, developed and based on research undertaken with University of Portsmouth. This rates your organisation, identifies the major vulnerabilities and provides a checklist of things to do.

Go to **www.crowecybercrime.com** and find out more.

‘Environmentally friendly’ starts from the bottom up

By Chris Mould, Partner, Audit

Manufacturers are keenly aware of the ever-increasing need to provide their customers with environmentally friendly products, but the process of sustainability starts much earlier than the end user.

While the current generation of management recognises that sustainable sourcing in the supply chain is a positive and should be encouraged, for the next generation it is seen as an essential value that a company must be able to demonstrate.

Sustainable procurement is now seen as vital in the modern manufacturing environment. Pressure and demands around sustainability are growing, and the supply chain is perhaps the greatest unseen risk to which your company is exposed.

But how do you start the process? Launching or accelerating a programme to pursue a responsible purchasing policy is a major undertaking and a challenge for any business. Particularly for the biggest companies that may have set, established supply tracks and, much like the oft-quoted oil tanker, be very difficult to change direction.

While we all recognise the ultimate benefits of sustainable procurement, the hopes of today’s shareholders must also be recognised and so it is important to make the business case first.

Supply chain management is one of the most complex areas of business. Traditional supply chain management has always focused on low cost, high quality, reduced lead times and high service levels.

Now, in the present day, manufacturers need to take into consideration, not only supply chain issues of sustainability, but also the post-consumption phase of their products, the end of life phase.

How will your product ultimately be disposed of, and how recyclable is it?

There is a need to monitor and retain evidence of the environmental burdens and their solutions at all stages of the manufacture and supply process, including product transfer and through to disposal.

The brand owner is perceived by the general public, the end users, to be responsible for any environmental problems in the entire supply chain – from the sourcing base to end-of-life recovery issues.

When the above is all done correctly, the process and results are unfortunately invisible.

However, the other side of the coin can be seen by the problems besetting certain washing machine and tumble dryer manufacturers.

At what price and damage to the brand?

Supply chain sustainability is a business issue affecting a company’s supply chain or logistics network in terms of environmental, risk and waste costs. A sustainable supply chain can identify value creation opportunities and offer significant competitive advantages for early adopters and process innovators.

In other words, it pays to be first.

Another issue this raises is the feasibility of on-shoring the supply chain to enable transport and subsequent environmental savings, as well as the ability to monitor more closely quality and delivery issues.

VAT developments in cross-border sales of goods

Robert Marchant, VAT Partner

With so much recent focus on the impact of Brexit on international trade there are a number of changes to EU VAT law that UK businesses may not be aware took effect from 1 January 2020.

The VAT changes have been referred to as 'VAT Quick Fixes' and comprise four measures implemented in EU VAT legislation. UK VAT law has been updated and HMRC has issued updated information on the changes and some of the guidance has the force of law.

These VAT changes were introduced independently of the Brexit discussions and apply from 1 January this year. It remains unclear whether these new EU VAT rules will be applicable in the UK after the period of transition (currently to 1 January 2021) set-out in the Brexit Withdrawal Agreement as this will be part of the trade negotiations due to take place between the UK and EU.

These changes will be relevant to businesses selling goods between EU Member States, including to/from the UK while the UK remains in the EU.

1. Customer VAT number and European Sales List reporting

Many EU Member States, including the UK, already require the supplier to obtain a customer's VAT number as a condition of being able to zero-rate a cross border sale of goods. The VAT Quick Fixes harmonise this requirement across the EU Member States. For an intra-Community supply to be zero-rated (exempt with input tax credit), the following conditions must be met:

- there must be a transfer of the right to dispose of goods as owner
- the customer must be a taxable person
- there must be a physical movement of the goods to another Member State.

Suppliers in the UK will already have been familiar with a requirement to obtain a valid EU VAT number from the customer – it is recommended that the supplier uses the VIES database to check the validity of the number and retain evidence of the check having been carried out.

The Quick Fixes introduce a further condition for zero-rating – that the supplier correctly reports the supply in its European (EC) Sales List. Businesses may not feel that this is a 'fix' at all given zero-rating is not currently dependent on making a EC Sales List entry, but given that some organisations struggle to reconcile their VAT and EC Sales List reporting, this latter condition could require suppliers to have more robust procedures in place. There is also the potential for uncertainty for customers as they will likely be required by their local VAT laws to account for acquisition VAT when making an intra-Community purchase of goods, without knowing whether the supplier correctly included the sale on the EC Sales List; if the supplier did not, technically no acquisition VAT is needed.

2. Call-Off Stock harmonisation

Call-Off Stock is a VAT simplification operated by some, but not all EU Member States. The VAT Quick Fixes aim to resolve this by providing for Call-Off Stock to be available in all countries.

It is common for suppliers to store their own goods abroad, near or at their customer's location, so that they can be quickly made available to that specific customer when needed.

Some EU Member States require the overseas supplier to VAT register in the local country to account for VAT on a movement of their own goods and then a local sale.

Under certain conditions, and provided the goods are sold to the customer within 12 months, there will be a direct intra-Community supply of goods from the supplier to the customer and the supplier will not need to be VAT registered in the overseas location.

The conditions

A sale occurs under a Call-Off arrangement to an identified VAT registered customer.

The delivery to the customer occurs within 12 months of the shipment of the goods.

The supplier does not have a fixed establishment in the country to which the goods are sent.

Note that there will be no change to the principle that the Call-Off stock simplification cannot be applied when the supplier is keeping inventory in the local country that is not for an identified/specific customer.

3. Identification of who makes a supply with transport in chain transactions

A frequent area of VAT difficulty is the treatment of chain transactions i.e. where goods are sold through a chain of parties, each located in different Member States, but with a single cross border movement of the goods being sold. There has been case-law arising from differences of interpretation between the EU Member States as to how to identify the sale which benefits from zero-rating as a cross-border sale, and which transactions take place in a Member State and probably require VAT registration and local VAT to be charged.

From 1 January 2020, the new measures require the starting point in the VAT analysis to be that the cross-border sale will be where the supplier (for example company A) has a contractual obligation to transport the goods, regardless of who actually arranges it. However, if that entity's customer (i.e. customer B) is already VAT registered in the country of departure, then the transport will be assigned to the subsequent sale by the customer (i.e. customer B to customer C) entity.

4. Evidence of shipment

A key condition to be able to zero-rate the intra-Community sale of goods is that the supplier holds valid commercial evidence of export. The evidence of shipment has been another area of frequent practical difficulty for businesses engaged in cross-border sales, with this being a high profile risk area. With effect from 1 January 2020, the presumption will be that transport is proved only if the supplier seeking to apply the zero-rate holds two or more documents, issued by independent parties, that evidence the shipment of the goods. There are detailed documentary requirements which businesses should review to ensure they are able to meet the conditions for applying zero-rating.

Businesses will need to ensure they have robust processes in place and liaise with their freight agents to ensure that the relevant documentation is retained, and within the right time periods.

Next steps

New UK law to implement the EU VAT law changes has been published and HMRCs guidance updated. Businesses engaged in intra-Community trade should review these provisions in detail to assess whether any changes to their arrangements are necessary. For example, users of the Call-Off Stock simplification will need to maintain a Call-Off Stock Register and may need to update their sales contracts to include a Call-Off Stock Agreement. All businesses selling goods cross-border will need to ensure that their EC Sales List processes are robust given that inclusion of the sale in the EC Sales List becomes a requirement to apply zero-rating to the sale.

The updated guidance on Call-Off Stock can be accessed **here**.

The updated guidance on intra-EU chain transactions and zero-rated goods is available **here**.

Crowe can support you by reviewing your existing legal and physical supply chains to help you identify where the Quick Fixes will require changes to your current VAT accounting processes, to either guard against unexpected VAT costs arising or to enable you to benefit from the simplifications for the first time to reduce complexity and compliance costs.

Dates for your diary

Outlook for Manufacturing businesses in 2020

On Wednesday 5 February we will announce the results of our recent Manufacturing survey over breakfast.

Crowe Head of Manufacturing, Johnathan Dudley will be joined by Geraldine Bolton, Chief Executive at the Confederation of British Metalforming (CBM), Rachel Eade MBE, and Tim Warrington, CEO of Bots.co.uk, a first of its kind robot hire scheme.

Johnathan and guest speakers will discuss what the future holds for the manufacturing industry and on which key areas businesses should focus their efforts in 2020.

When
Wednesday 5 February 2020
08:30 Registration and breakfast
09:00 Discussion and survey results
10:30 Close

Where
Confederation of British Metalforming
49 Birmingham Road
West Bromwich
B70 6PY

IR35 – your journey to April 2020 Seminar invitation

The government reformed off-payroll working rules for engagements in the public sector in April 2017 and they are looking to extend them to the private sector from 6 April 2020.

So what should your organisation be doing to ensure it's fully prepared?

We are delighted to invite you to a seminar where we will be discussing how you can prepare for the new changes to IR35 in April 2020.

What we will cover
This seminar will cover the following topics:

- an overview of the new rules and what it will mean for most organisations
- how to identify key stakeholders and off-payroll workers
- how to assess your risk and organisational needs
- how to plan for change.

Who should attend
The seminar will be of value to all medium and large organisations which engage off-payroll workers. The attendees may be from finance or HR functions.

If you would like to attend please RSVP to lucy.harrison@crowe.co.uk

Locations
London - Thursday 20 February 2020
Midlands - Tuesday 25 February 2020
Manchester - Wednesday 5 February 2020
Thames Valley - Thursday 6 February 2020

Timings
08:30 Registration
09:00 Seminar starts
10:00 Q&A session followed by networking

Dates for your diary

Budget 2020 live and lunch

Join us to watch Chancellor Sajid Javid deliver his first Budget and the first Budget post-Brexit where he will launch what he is promising will be a new era of investment across the country.

Mr Javid is pledging billions of pounds of investment, particularly in the Midlands and the North, while prioritising the environment and helping hard working people with the cost of living. How will the government do this and balance the books on day to day spending?

With a triple lock on income tax, VAT and National Insurance rates, we look forward to seeing how manifesto pledges are honoured particularly on reforming Entrepreneurs' Relief, increasing the National Insurance threshold and providing rates relief for retailers.

We welcome you to join us over lunch as we watch the Budget live and discuss the key outcomes and how they might impact you and your business.

There are limited places for these events. Please register by emailing elodie.dao@crowe.co.uk to reserve your place.

When
Wednesday 11 March 2020
12:00 Registration and lunch
12:30 Budget speech begins*
13:30 Close

*Budget speech usually starts at 12:30. If this changes, we will confirm.

Where
Crowe
Black Country House
Rounds Green Road
Oldbury
B69 2DG

Crowe
Carrick House
Lypiatt Road
Cheltenham
GL50 2QL

Cost
There is no cost to attend this event.

Year end tax planning Gloucester

When
Friday 20 March 2020
08:00 Registration
10:00 Close

Where
Hatherley Manor Hotel
Down Hatherley
Gloucester
GL2 9QA

RSVP
Joy.Hillier@crowe.co.uk

Year end tax planning West Midands

When
Wednesday 18 March 2020
08:00 Registration
10:00 Close

Where
TBC

RSVP
Nathan.Sanghera@crowe.co.uk

Our Manufacturing team

The manufacturing industry has long been an barometer of the health of the UK economy. Our specialists are passionate about the industry and focused on your future success and experience. By making smart decisions today we can create lasting value tomorrow.

We are committed to our clients
We want to be your partner in business. To achieve this, we work with you and your business, applying our technical expertise and specialist knowledge through clear, independent, working relationships. Our ambition is to be your long-term trusted advisors and help you answer tomorrow's questions today.

For more information on how we can help you please start the conversation.

We help:

- privately owned companies
- family business
- partnership and LLPs
- sole traders
- listed companies and funds.

Who are engaged in:

- heavy vehicle manufacture
- construction
- surveying and rail
- oil and gas systems
- robotic systems and software development
- automotive
- aerospace
- food and beverage
- domestic
- mechanical
- pharmaceutical.

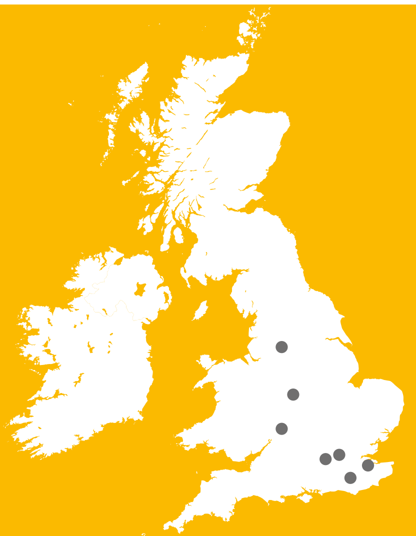
With:

- statutory audit and accounting
- taxation compliance and advisory
- financing
- corporate finance
- advice for shareholders and directors
- VAT
- international services
- personal and exit planning
- employer advisory
- regulatory compliance
- growth strategies
- overseas growth
- acquisitions
- capital allowances
- R&D claims
- patent box claims
- consulting
- waste reduction and profit improvement
- a wide range of other advisory services.

Crowe

We are a national audit, tax, advisory and risk firm and the UK member of the world's eighth largest accountancy network – Crowe Global. We pride ourselves on our tailored and personal service which is why we see our clients stay with us year after year. Close working relationships are at the heart of our service delivery.

Through our global network we have access to more than 42,000 people in 130 countries and across 782 offices globally.

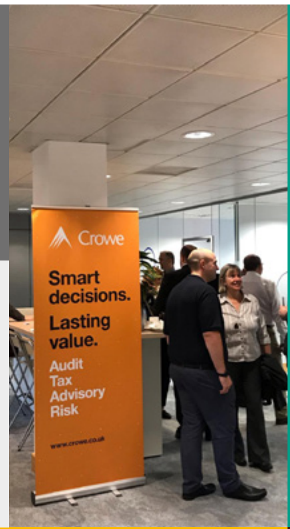


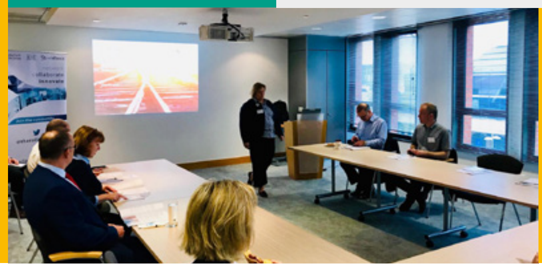
7 UK offices

>80 Partners in the UK

>900 people in the UK

8th AIM and Main Market auditors





9th largest UK audit firm[1]

130 countries

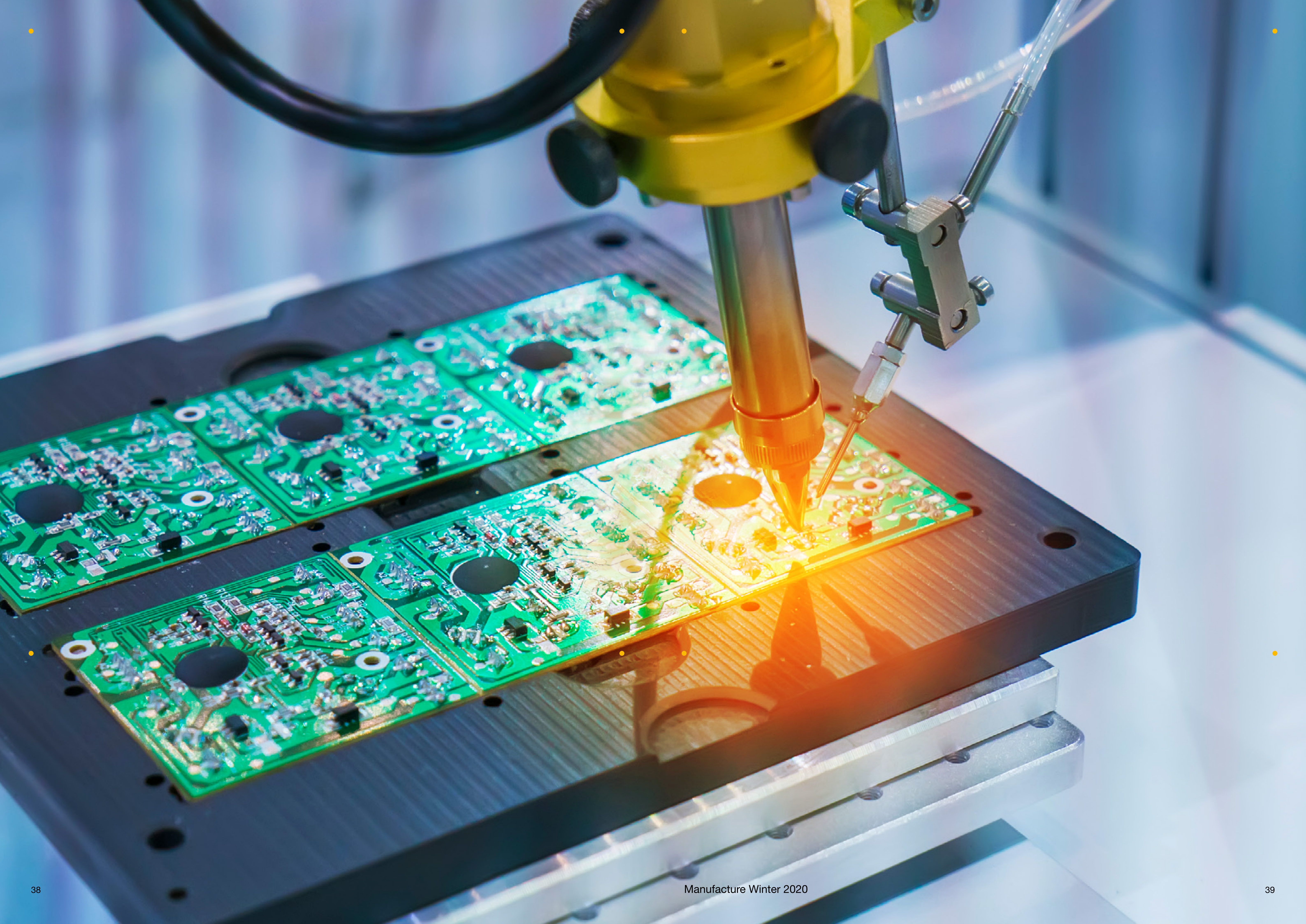
42,000 people globally

>4.4bn revenue (US$)

>780 offices globally

>200 independent member firms globally

1 FRC Facts and Trends



Start the conversation

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About Us

Crowe UK is a national audit, tax, advisory and risk firm with global reach and local expertise. We are an independent member of Crowe Global, the eighth largest accounting network in the world. With exceptional knowledge of the business environment, our professionals share one commitment, to deliver excellence.

We are trusted by thousands of clients for our specialist advice, our ability to make smart decisions and our readiness to provide lasting value. Our broad technical expertise and deep market knowledge means we are well placed to offer insight and pragmatic advice to all the organisations and individuals with whom we work. Close working relationships are at the heart of our effective service delivery.

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