



CASE STUDY

BRIDGING THE TAX KNOWLEDGE GAP

THE CHALLENGE

Part of a successful and rapidly expanding group into international markets, this UK-based media and advertising company wanted to ensure all their finance staff had up-to-date tax knowledge. This was particularly a concern because it had been some years since many of them had qualified.

The Finance Director also wanted the team to be able to identify issues that must be considered as a result of their overseas activities, which were becoming an increasingly important element of their group.

Another important issue for the staff to understand was whether some of the work being undertaken might fall into the definition of R&D, and if so, qualify for the additional tax reliefs currently on offer.

OUR SOLUTION

We analyzed the structure of the group to identify where the UK Company would be likely to have tax issues on the various structures being used in the UK and overseas.

We also considered the experience of the delegates to plan which areas would need greater attention in the course.

Using this information, we designed a course to inform delegates about any changes that would be relevant to the group's corporation tax liabilities.

We also addressed the UK tax implications of operating overseas, including:

- Branch versus subsidiary
- Transfer pricing
- Financing the overseas activities
- Controlled foreign companies

The course included details of how certain expenditures could qualify for the additional R&D relief currently available to UK companies and the interaction of the rules with the accounting standards.

THE RESULT

After the course, delegates reported an increased ability to manage the UK corporation tax liabilities of the various group companies.

They were also able to understand the implications of the overseas trade and its impact on the group tax liabilities.

Following the course, the group's accountant determined that they would also benefit from being brought up-to-date regarding the changes to accounting standards and any potential impact to the group.



Kaplan provided a course on International Financial Reporting Standards (IFRS) and the changes that had arisen over the last few years.