

Case Study

Client: More London Developments
Value: Analysis of circa £41m
development expenditure
Services: Capital allowances
Sector: Commercial | Offices

Plot 4 More London, London Borough of Southwark, United Kingdom

Challenges

- Provision of pre-commencement estimate of all the tax reliefs available based upon an outline cost plan.
- Analysis of management contract costs in preparation of financial year-end claims.
- We had to establish if the building had a ventilated façade, enhanced capital allowances were available but not claimed because the client was unable to utilise the first year allowances in the early years of development.
- Our detailed knowledge and understanding of building procurement and construction was essential in maximising available tax benefits.

Solutions

- We are able to break down construction costs to best effect.
- We have a clear identified approach.
- One of the largest cost databases in the industry is at our disposal, we benchmark all our figures.
- Low risk for HM Revenue & Customs - we are a 'safe pair of hands'.
- Frequent meetings and more detailed reports were issued in the early days.

Results

- Financial year end claims were prepared and submitted over a four year period.
- The shell and core expenditure yielded approximately 21 per cent in capital allowances.
- A cash benefit of around £2.5m was derived from these allowances.
- Timely and accurate reporting assisted the client with their financial cost modelling and estimation of future corporation tax liabilities.
- Our low risk status with HM Revenue & Customs also means we can deliver greater certainty, helping future tax planning.

Reflections

- We were able to deliver the best outcome for the client because we worked closely with them from the start in order to understand their requirements.
- Our low risk approach ensures that issues are flagged up early, addressed sensibly and acted upon accordingly.
- HM Revenue & Customs acknowledge our systems and approach.



"The expertise, hard work and 'can do' attitude of the tax team have been of great assistance to us and we look forward to working with them in the future."