



Case study

Rural and agriculture sector

We establish a valuable relationship with the client.

Have you ever been so busy running your business that you have not had a chance to collate your paperwork to start the book work let alone meet a VAT deadline? Have you got to the point where you are so behind you no longer know where to start and the letters from HMRC just keep stacking up?

This happens to many people and we understand that running a business and maintaining the books can be a burden. Although it is extremely important to meet these deadlines, your business succeeding is equally as important. Sometimes these tasks can take up valuable time when you are needed at the helm; we can help you reduce this burden.

Recently a client came to us in need of assistance. They were five years behind with their VAT submissions and had not prepared any accounts for these periods. They were being chased by the VAT office to submit the returns, had an impending inspection and were also receiving correspondence regarding action to seize assets due to the estimated liability owing for the returns.

THE PROCESS

We allocated a dedicated individual to the case who met the client face to face to discuss the records. We work efficiently and effectively, so we not only got to grips with the vast amount of information being presented to us but also got to understand the client and their business in depth.

We then contacted the VAT office to explain the situation. This involved introducing

ourselves as the agent and taking over as the primary contact. We successfully negotiated extensions to the deadlines to give us time to complete the necessary work and ensured we were copied in on all future correspondence so we could respond promptly to HMRC requests. We liaised regularly with the designated VAT inspector; which led to requests for further extensions being granted as we were proactive, providing him with timely updates on our progress.

We worked systematically through the records, pulling the information together to form the accounts and then meeting with the client to sit down and discuss the figures for each year. Over these meetings we established a valuable relationship with the client; strengthening our knowledge of them and their business whilst providing a greater business understanding for the client themselves. We understand that some clients are completely comfortable with the accounts and understand them with ease but to others it is not so clear. We want all our clients to understand exactly what we have prepared for them and the details of what the accounts show, from a general overview to specific points. As the client had slipped so far behind we understood the necessity of addressing all of the client's queries whilst clarifying the previous five years' records with them.

Once we had prepared the accounts we were ready to make the VAT submissions. We registered online for VAT at the outset, as the client had not done so, and we know this can take some time to set up and

authorised by HMRC. This meant that when we were ready to submit, there were no further delays.

We returned the books to the client and provided yearly packs containing the accounts and the associated VAT returns with full back up documentation in time for the rearranged VAT inspection. Over the inspection period we were on hand to answer any of the VAT inspector's queries, to minimise any stress to the client and ensure all matters were dealt with promptly.

Following the inspection of the multiple VAT quarters, a trivial amount of less than £30 was flagged for adjustment on the next return which the client was extremely pleased with.

GOING AHEAD

With everything up to date, we wanted to prevent this situation occurring again for the client, so we devised a plan suited to their needs going forward.

Although we have a bookkeeping department that could maintain the client's affairs, we agreed that it would suit their financial situation to prepare the bookkeeping and quarterly VAT workings themselves.

We have ensured that we are available when needed to assist with any query that they had.

We sent the client a template to get them started and helped them understand how to complete it.

We also liaised on the completion so they have the confidence going forward to prepare themselves. Once prepared, we tweaked the schedule explaining what we had done and then did the submissions for the client.

In the future this is something we anticipate the client will do once they feel ready; for all other times we are on hand to step in. A benefit of this process for both parties has been that the client does the various reconciliations and can see ways of improving their manual records.

Looking to the future is now something that the client finds possible after years of being haunted by the past and we are glad we were able to provide the assistance they needed to get them through this tricky period. We are happy we are helping their business to move forward and grow, and feel this is a strength that we try to apply to all cases, not just the extreme situations.

THE NEXT STEP

For further information or to arrange a meeting to discuss your specific requirements, please contact one of our specialists:
<http://rural-and-agriculture.uhy-uk.com>.



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