



Clear Advice in a Complex World

# CORPORATE SERVICES

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Rawlinson & Hunter is a leading firm of Chartered Accountants established in 1933, and through its international grouping now operates from 12 offices in 10 countries with over 50 partners and directors, over 500 staff and over 10,000 clients. The Firm offers taxation, accountancy and advisory services to individuals, families and businesses. Rawlinson & Hunter is also the largest firm of Chartered Tax Advisers in the UK.

This publication offers an insight into the Firm's approach to corporate client work, includes a short summary of the Firm's history and provides information about the following corporate services:

- Audit and Assurance
- Outsourced Financial Support
- Payroll and Employer Solutions
- Remuneration and Incentives Planning
- Litigation Support and Forensic Accounting
- Transaction Support
- Share and Business Valuations
- Start-ups and Growing Businesses
- Business Tax Services
- VAT Advice and Reporting
- Source of Wealth Support
- Corporate Secretarial Services
- Services to the Art Community



## RAWLINSON & HUNTER

### A BRIEF HISTORY

To understand the Firm's core values today and how they became inculcated into its DNA, one has to look back to its origins in 1933 and all that has happened since. The Firm has been shaped not just by events themselves but by the choices made in response to those events by the rich tapestry of individuals who have served the Firm as partners over the years. Rawlinson & Hunter LLP is rather unusual as an accountancy Firm dedicated largely to services to private clients, many of whom have been as unusual, eccentric and exceptional as the partners of the Firm. The Firm's rather individual history, from the early careers of its two founding partners up to the start of the first Coronavirus lockdown, has been recorded in detail in a private publication authored by partner Andrew Shilling, 'Rawlinson & Hunter 1919-2019 – Taking the Road Less Travelled'. Extracts from this publication are below. We hope that you find this interesting as historical background to the Firm.

The Firm was established in London in 1933 by Alfred Rawlinson and Robert Hunter. They were chalk and cheese. Hunter, who was a forceful and assertive character and a first class tennis player, dealt with the administration of the Firm and took most of the decisions, while Rawlinson was a quiet, gentle and unassuming personality who took no exercise as a result of injuries sustained in the 1914-18 war. Yet they found that they could work together very well and the practice flourished. In the early days of the practice, the Firm dealt with a combination of international corporate work for cases such as Nestlé together with a smattering of personal tax cases. In 1934, Felix Chivers, who had won the tax prize in the Institute's exams, was recruited to the Firm. He became a partner in 1941 and served as partner for 30 years.



*Above: Co-Founder Robert Hunter in 1945*

It was Chivers, rather than Rawlinson or Hunter, who was responsible for the Firm's orientation towards private client work for wealthy individuals. He began to advise in depth on Estate Duty and attracted many influential new clients to the Firm. This type of work led him to become involved in family trusts and trust work, which became an important part of the Firm's service offering, as it remains today. He was by all accounts a real character who was very closely and intimately concerned with the affairs of his clients. On one occasion he was left babysitting a client's young child and on another, he was responsible for arranging the repatriation from abroad of the body of a deceased client. The Firm offers a 'partner-led' service, and Chivers was perhaps the first proponent for this style of client relationship.



*Above: A deadly V-1 flying bomb attack on Aldwych on 30 June 1944, which damaged R&H's London office.*

During the Second World War, working conditions in London became difficult. Hunter recounts; 'We had hardly any staff left, and those we had were all arriving late or leaving early because of the threat of bombing. So I set out to find a refuge outside of London, and found an old house, Masons Farm, with 13 rooms in a small beautiful village in Oxfordshire. My family were installed there and the rest of the house was used as our offices.' We consider this to be an early example of working from home, 80



years ahead of its time. A few members of staff continued to work in the Firm's office in Aldwych, which survived intact in spite of damage caused by a V-1 flying bomb attack on 30 June 1944.

As the Firm emerged from WWII, it began to look beyond Britain's shores for business opportunities. A client asked the Firm to deal with the accounting affairs for his hotel in Bermuda. Work permits were obtained to enable staff to spend all year there, which led to the establishment of the Bermuda office in 1963. The partners continued to look for expansion opportunities and future senior partner, Peter Hetherington, spearheaded the establishment of the Jersey office in 1972 after his biggest client moved there to escape Chancellor Roy Jenkins' imposition of a 136% tax rate on investment income exceeding £15,000 (the highest tax rate in British history!).



*Above: Masons Farm in Oxfordshire*

The Firm's entrepreneurial spirit was demonstrated with the opening of offices in Cayman, BVI, Guernsey, Switzerland, New Zealand, Australia and, in 2013, in Singapore. This brought a significant number of international clients to the Firm and many of the London Firm's clients to this day are individuals with overseas aspects to their tax affairs. Partners

are encouraged to develop clients in sectors where they have a personal specialism or interest, and the Firm currently has a number of clients in the art world, motor sport and private equity, to name but a few.



*Above: The starting line up for the British Grand Prix held at Silverstone in 1965*

Rawlinson & Hunter is a Firm which is rich in history, a history which has shaped not just what we do but the core values which we apply in doing it. We are all, partners and staff, proud of the Firm, its independence, our clients and the quality of the service which we offer.



## CORPORATE SERVICES AT RAWLINSON & HUNTER

Rawlinson & Hunter is a firm of Chartered Accountants and Chartered Tax Advisers which was founded in 1933 and is based in central London. It provides a traditional range of corporate, accounting and tax services. The Firm is well-known in the profession for its award-winning services to private clients and their businesses. Many of our clients are entrepreneurs who require a broad range of our private client and corporate service offering.

Over the many decades of the Firm's existence, size has never been regarded as important. Indeed, the partnership ethos is central to the philosophy and values of the Firm and the basic credo of partners across the generations is that if the number of partners exceeds 20, that ethos begins to break down. The objective of each and every partner has been to focus on quality, not size. By this, we mean enhancing the quality of service delivery by ensuring that we as partners are as expert in our respective fields as we possibly can be, and that the staff who support the partners are professionally qualified and trained to the highest degree and have at their disposal the latest technology. This has enabled us, over time, to gain an enviable reputation in the profession for our services to the entrepreneurial client community in London and internationally.

One of the hallmarks of Rawlinson & Hunter's service is that it is genuinely 'partner-led'. Our partners are all specialists who lead the advice to our clients, supported by staff who are amongst the best in the profession. We aim to give clear and direct advice without 'fence-sitting'.

We work with corporate and entrepreneurial clients of all sizes and complexity. A complete range of services is provided for companies in all stages of development, from the smaller entrepreneurial business to the large international corporation. We consider that our approach is different in starting from the premise that our advice needs to address stakeholder concerns which are much wider than those which are obvious from the confinements of the corporate box. This holistic thinking along with the expertise and experience which we have to offer is what we believe our clients value.

The range of corporate services which we offer is broad. In addition to the standard services such as audit and assurance, company secretarial support, management accounting, VAT and payroll, we also provide a suite of advisory services. Our corporate partners have wide experience of operating in other environments, whether in Big 4 Firms or in industry and bring a wealth of expertise to the table. We often advise on corporate finance and other corporate transactions such as sales and acquisitions, and can advise comprehensively on the tax and VAT issues affecting entrepreneurial clients and their businesses. We can provide outsourced financial support and, where the project requires it, litigation support and forensic accounting services. Our range of services to entrepreneurial clients is very wide and our role in each case is driven by our clients' needs.

We are used to operating as part of a team of professionals and regularly collaborate with lawyers (in a range of disciplines and jurisdictions), investment managers, bankers and other advisers in a collegiate way in supporting our clients. Through this process, we have over time built up an extensive informal network of contacts, and where our clients require specialist support beyond our areas of operation, we usually have just the right person to refer them to.

We all understand here that we are never any better than our last piece of advice, and maintaining our standards is vital in maintaining our reputation. In this folder, we describe the corporate services which the Firm provides, all of which are delivered using the principles, values and approach explained above.



## Audit and Assurance

Rawlinson & Hunter has extensive experience of providing audit and assurance services to a wide range of companies and groups from many industries. Our clients range from start-up businesses to large listed international groups operating in sectors as diverse as entertainment, media, the arts, fund management, fashion and property investment.

Whilst audits are a statutory requirement in many of the jurisdictions in which we operate, in others they are not. We find many clients still request audits in those locations for a variety of reasons, such as to ensure that their affairs are correctly managed. Those clients often find that the local management's knowledge of, and involvement in, the audit process engenders stronger corporate governance and re-emphasises the importance of the entity's controls. Where the expense of a full financial statement or systems audit cannot be readily justified, we also regularly undertake limited scope procedures focused on those areas of higher risk which we and our clients identify as benefiting from enhanced external scrutiny.

Many would argue that an audit has its limitations and provides little real value prospectively. At Rawlinson & Hunter, we adopt a different approach and do not treat the audit merely as a statutory obligation. We strive to understand the way in which the business works and to help identify ways to improve it, with the aim of delivering added value to the shareholders. We try to involve our client in the audit process and, like all of our services, our audits are partner-led, ensuring our clients benefit from our extensive business advisory experience.

The audit and assurance services which we provide can therefore deliver demonstrable insights and real cash savings to our clients. The recommendations which we make enable decision makers to take confident, informed decisions about their business, reduce risk and take advantage of opportunities.

**'Our audit and assurance services and the recommendations which we make enable decision makers to make confident, informed decisions about their business, help reduce risks and of course identify opportunities.'**

### We can advise on areas which include the following:

- Audit in compliance with the requirements of the Companies Act 2006 or other statutory regulations
- Preparation of non-statutory accounts
- Bespoke assurance or independent examination engagements offering a similar level of confidence to a full audit, for branches, divisions, family offices or companies not legally required to have an audit
- Preparation or review of interim financial statements or other non-statutory reports
- Appraisal of the design and implementation of systems, controls and procedures and reporting thereon
- Royalties and grants assurance engagements





## Outsourced Financial Support

'Outsourcing' is the process which takes away the compliance and other administrative burdens from the executives and owners of a business and frees up their time to focus on longer term business strategy.

Modern companies are learning that running their own finance function is not always the right option. The best finance departments demand a wide variety of skills and experience, from accounting and payroll professionals to tax specialists. Finding and keeping the right mix of professionals to ensure that your finance department runs smoothly is an expensive business.

Companies which outsource their finance function to us are able to concentrate on the key areas of their business, safe in the knowledge that key financial tasks are in the hands of trained professional staff, leaving them to concentrate on their core business. We have many years of experience working with companies of all sizes, from sophisticated multi-national groups and large family enterprises to embryonic owner managed businesses, and have particularly close links with several overseas listed companies which have established operations in the UK.

We are able to receive, process and distribute information in electronic or paper form, allowing us to provide an efficient cost-effective service. We are often required to produce management accounts and group reporting packs to very tight reporting deadlines and have an excellent track-record of doing so. Our software can receive data directly from banks, custodians and other third parties and the recording and reconciliation of other financial transactions can also be automated to a large extent.

We do not have a standard reporting package which we expect our clients to adopt. Instead, we tailor our financial reporting to the particular needs of each

client so that the directors and frontline management team receive the information they need and are in the position to make well-informed decisions about tactical and strategic matters.

**'Our expert knowledge in this field allows us to offer a flexible, fast and reliable suite of outsourced services bespoke for our clients needs'**

**The outsourced services which we offer include the following:**

- Maintenance of accounting records
- Preparation of management accounts to meet the entities reporting requirements
- Receivables and payables ledger maintenance
- Cash flow reporting and budgetary analysis
- Preparation of annual financial statements
- Preparation and submission of VAT returns and VAT advice
- Sales invoicing, credit control and supplier payments
- Payroll services
- IT support, HR support and company secretarial services





## Payroll and Employer Solutions

Many of the Firm's clients are entrepreneurs with businesses in the UK that employ people. Many private clients also have staff to manage. This carries with it a whole host of real time PAYE tax compliance and reporting obligations, as well as liability to National Insurance contributions. We have a dedicated team of payroll specialists who can undertake this work and give complete peace of mind that all PAYE obligations are being met.

Running a payroll is a considerable and time-consuming responsibility which requires a sound grasp of complex tax legislation, National Insurance regulations and employment law. In administering PAYE schemes we deal with parental leave, sick pay, Apprenticeship Levy and student loan repayments. Depending on the clients' preferences, we can arrange payments to their employees through a client account, as well as making payments of PAYE tax and National Insurance to HMRC. We can deal with benefits and expenses reporting, agree and administer PAYE Settlement Agreements and advise on bonuses, ex gratia payments, termination packages and pension auto-enrolment. We can also provide full support with HMRC PAYE audits.

Beyond this essential offering, another area where we have considerable experience is with employee share schemes. Many of our entrepreneurial clients look to retain key employees through share incentives and we are able to advise on the options available in each situation and design and implement share schemes which align with their business strategy and objectives.

Some of our clients have an international profile and move between countries frequently, or have employees who are internationally mobile. We have a specialist tax team which advises in this area, with a particular emphasis on residence status, tax equalisation arrangements, overseas workday relief, social security contributions and ensuring that remuneration, including share incentives such as restricted stock units, is correctly allocated to different work periods so that the same remuneration

is not taxed in two countries. All of this is complex and requires familiarity with the operation of Double Taxation Agreements and social security agreements.

For inbound businesses, we also provide consultancy and compliance services in relation to special payrolling arrangements which may be available and appropriate for the intended business model.

**'Keeping on top of all of the challenges which employers and their employees face can be a daunting task, but our specialists have the skills and experience necessary to provide clear advice and professional support in these areas.'**

### The range of employment services which we offer includes:

- Comprehensive administration of PAYE schemes (including special arrangements)
- Assistance with pension auto-enrolment arrangements and compliance
- Advising on and reporting benefits and expenses and PAYE Settlement Agreements
- Advising on and administering share incentive arrangements
- Advising on salary and benefits packages
- Advising on employee secondments into the UK and overseas





## Remuneration and Incentives Planning

High calibre employees are central to the successful development and stability of a business. Employers need to attract and retain good quality personnel to achieve the optimum return for the owners of the business.

Formulating an attractive and flexible suite of incentives is key to attracting top quality employees in a recruitment environment which has never been more competitive. Cash remuneration of course remains important, but this is often now viewed as just one part of the holistic remuneration offer. Devising a range of complementary benefits which appeals to the modern worker and satisfies their expectations of working for a socially responsible employer is compulsory and should no longer be seen as optional. At Rawlinson & Hunter, we have gone to considerable lengths to develop a benefits policy which embraces not just the financial wellbeing of our employees but their physical and mental health, their work/life balance and their preparations for retirement. The development of an enhanced and flexible benefits system is therefore an area where we have direct experience and are often called upon to advise our clients.

Beyond this, bespoke planning for key executives will usually require long term incentives. Bonus planning is of course an important part of this. Offering the potential for a participation in the business, perhaps as a reward for loyalty over a period of time, can help to bind the executive to the employer and create a sense of mutual direction and alignment of goals. There are various choices available in terms of long term share incentives, or indeed with structuring the offering of an immediate share incentive. This is an area which we advise on frequently for our clients, and this includes more complex cross-border issues which reflect the international flavour to the Firm's client base.

Of course, advising in these areas and then assisting with the implementation of incentive arrangements is an important part of what we do. However, this will

in all cases leave a trail of complex but necessary reporting to the tax authorities. We have a team in-house which is dedicated to payroll and employee tax reporting, so we are well positioned to provide hands-on support with any arrangements which are put in place in consequence of our (or indeed anyone else's) advice.

**'Rewarding key people is critical to every business, but is subject to a host of taxes. We develop remuneration strategies for our clients that align tax efficiency with their commercial objectives, and provide appropriate incentivisation for the individual.'**

### The range of incentive planning services which we offer includes:

- Development of flexible benefits packages
- Executive remuneration, including pay reviews, bonus planning and long term incentive planning
- Advising on and implementing share schemes
- Advising on the employment aspects of corporate restructuring, MBOs etc.
- Advising on redundancy and termination payments, compromise agreements etc.
- Dealing with HMRC investigations into PAYE and employment arrangements, negotiating settlement
- PAYE health-checks
- Full PAYE and employment arrangement reporting service



## Litigation Support and Forensic Accounting

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When things go wrong (whether in business or personal life), a dispassionate and objective but empathetic review of transactions and assets may be required. Having experience in understanding the situation and expertise in assessing the scope and nature of the review is crucial, and we regularly act in this type of situation.

We are all aware of the effect that fraud can have on a business. Undertaking forensic accounting to detect and expose suspected irregularities and quantify their financial effect (or provide comfort that there are no such irregularities and put suspicions to rest) is an area where we have significant experience and expertise.

However, fraud is not the only hazard waiting to trip up a healthy business. The lives of owners and their businesses are intrinsically linked and personal issues such as divorce can have an enormous effect on the drive and focus of the owner and the success of the business. We can advise on preventing, quantifying and retrospectively addressing a wide range of potential difficulties, providing valuation and forensic accounting support to assist with potentially difficult decisions.

We regularly act as expert witnesses in contentious cases, often appointed by both parties as an independent expert. This is most commonly in relation to the valuation of a business interest in the context of divorce, but we have experience in advising and supporting with a range of accounting, valuation and tax services in a litigation context.

**‘Dealing with litigation, whether personal or business related, is often highly stressful and distracting. We understand that your business needs to carry on during the process, ensuring that our work is performed in an efficient and unobtrusive manner.’**

### Our services include the following:

- Litigation support, including expert witness appointments
- Company valuation issues
- Divorce settlement issues
- Commercial dispute quantification
- Fraud investigations
- Fraud prevention measures
- Insurance claim quantification





## Transaction Support Services

We act for publicly quoted and private companies, as well as entrepreneurs and shareholders, to offer an extensive range of transactional and advisory services.

Successful businesses are constantly growing, changing and expanding, whether organically or by acquisition. Our bespoke approach provides timely and succinct reports to directors, shareholders and finance providers and has given us a reputation for delivering real value at a cost effective price.

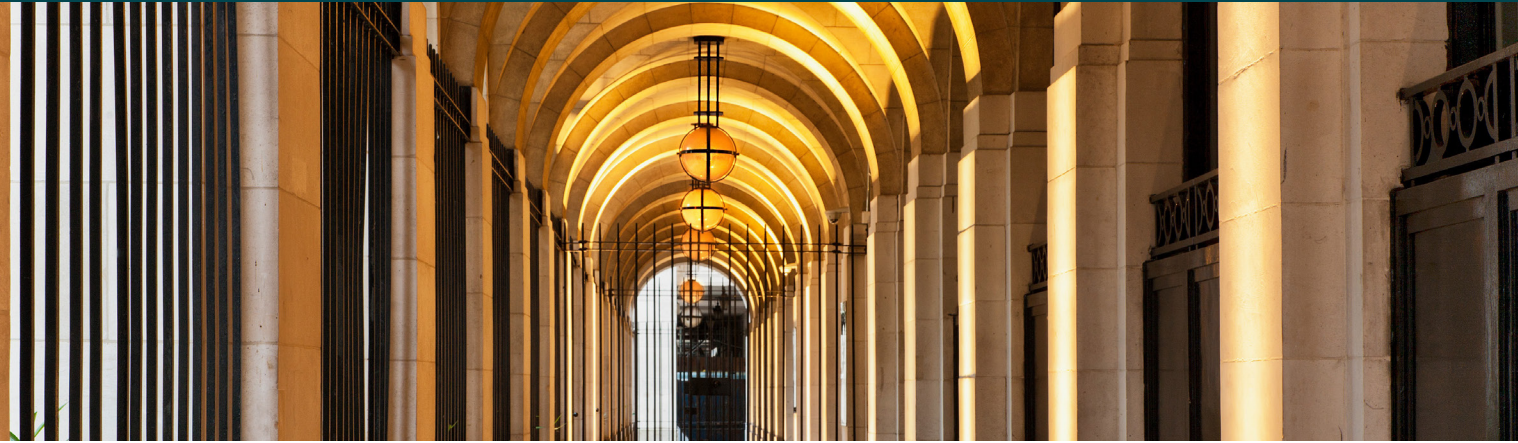
We offer comprehensive advice on how to structure transactions tax efficiently, such as acquisitions, disposals, restructuring, mergers, demergers, reconstructions and IPOs. We also have a great deal of expertise in obtaining clearance from HM Revenue & Customs for transactions where appropriate. Buying and selling a business or part of a business can prove a huge distraction to the investors, targets and the management team. This tension inevitably distracts focus from the day to day operations. Our multi-disciplinary team of experienced partners and staff can ease some of this burden while ensuring that a calm eye is kept on the financial and commercial opportunities which these changes inevitably bring.

Our approach to all transactional due diligence work is to ensure that our partners and senior staff fully participate in the project, ensuring that our subsequent advice focuses on the key issues that we see facing the transaction and is provided by those with sufficient experience to give such advice.

**‘The purchase or sale of a business is a critical moment for our clients, where speed and accuracy is of the essence. Our experienced M&A team provides proactive advice in order to maintain momentum throughout the deal process to ensure that tax considerations do not hinder the commercial process.’**

### The areas where we typically might provide support include:

- Transaction advice and support
- Acquisition and disposal related tax and VAT advice
- Pre-disposal health checks
- Financial and tax due diligence (for vendor or buyer)
- Drafting tax indemnities and warranties
- Drafting and negotiating tax clearances
- Exit route planning for investors
- Management buy-outs and buy-ins
- Post-transaction tax and accounting support
- Key employee retention and incentivisation and succession planning



## Share and Business Valuations

We have a number of Partners and Directors who are experienced in valuation work. They are members of the Valuation Special Interests Group of the Institute of Chartered Accountants in England and Wales, and they draw upon many years of in-depth experience, including work as Independent Experts for court proceedings.

There are many reasons why it may be necessary to value a business, or shares in a company conducting a business. There may be commercial reasons for the valuation, or family reasons such as divorce, or tax reasons such as on the making of a gift. There may be Inheritance Tax reasons, including death (with the business interest falling into an estate) or a ten year anniversary charge within a trust. It may be necessary to agree a valuation of shares with HMRC for the purposes of issuing employee shares. There may be a dispute between parties over the valuation of a business where an expert opinion is needed. All of these situations, and many more, may require a valuation to be performed. In most cases involving valuations relevant to a tax situation, it will then be necessary to negotiate and agree the valuation with HMRC.

Whilst there are several recognised valuation methodologies for businesses in different sectors, the correct approach is likely also to be influenced by the size of the shareholding or business interest. Valuing a business is not a precise science and it is necessary to consider each situation with an open mind in order to identify the relevant factors. With a commercial valuation, our experts will work closely with management to fully understand how the business operates, identifying the issues which influence income streams and capital growth. With tax valuations, it is often necessary to consider generally available financial data and consider quoted company comparators operating in the same sectors.

We are experienced in engaging with HMRC on valuations where there are tax consequences, and obtaining successful outcomes for our clients where there are contentious aspects to the valuation.

**‘We bring a commercial and cost-effective approach to these assignments, quickly considering our clients’ key issues and the appropriate valuation methodologies to apply in order to arrive at an independent valuation.’**

**We offer a range of business valuation services, including the following:**

- Valuation of business assets to support litigation
- Share valuations to establish fair value for commercial and tax situations
- Valuations of shares to establish market value for employee share and option schemes
- Negotiating and agreeing share valuations with other parties, including HMRC
- Valuations for tax purposes, including:
  - for Inheritance Tax and probate purposes
  - for trust 10 year anniversary charges etc.
  - for CGT gift relief and open market value purposes





## Start-ups and Growing Businesses

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New businesses need to concentrate their efforts on the development of their product or services and on the protection of valuable IP. However, it is just as important to ensure that the venture as a whole is going to be commercially viable in the short and medium term. Our outsourced finance function platform will greatly aid your control of the back office fundamentals whilst delivering real time reporting and related tax advice which is relevant to you and other stakeholders.

We have extensive experience of providing accountancy and tax support to spin-out and other early stage businesses across many sectors. We provide crystal clear advice to the founders and to the business itself throughout the start-up phase and beyond to ensure that all are able to maximise the benefit of their endeavours. We appreciate that cash management is critical for early stage businesses so we work with our clients to produce a cost-effective and fee-certain tailored package of services which suits their needs and enables us to bring our extensive experience to bear from the outset.

We can provide as much assistance as is required. In the early stages we would typically look after payroll, VAT, management accounting, financial reporting, company secretarial and direct tax compliance issues. Other services we can provide include facilitating banking arrangements, treasury management, supplier payments and credit control. Naturally, as the business grows, the services we provide can adapt to the changing needs.

**‘We are passionate about helping embryonic and early stage businesses grow and provide the founders with the highest quality tax and accounting support early on, when it is critically important but often overlooked due to cash flow constraints.’**

### Some examples of the services we would typically provide are as follows:

- Shareholder tax planning, business structuring and Business Asset Disposal Relief advice
- Outsourced accounting support, including management accounts, payments management and VAT
- Payroll services
- Audit, accounting and corporate tax compliance
- Company secretarial support
- Investor tax planning including Enterprise Investment Scheme (and SEIS) advice and implementation
- Share scheme planning (approved and unapproved), valuations and compliance
- Employee incentivisation and remuneration planning





## Business Tax Services

The Firm provides a comprehensive suite of tax services to its business clients, handling all of their tax compliance requirements while at the same time offering a tailored tax advisory service across the full range of circumstances in the life cycle of a business.

The ever increasing quantity and complexity of tax legislation and reporting obligations places a significant burden on management time. Taking sufficient care to ensure that your tax compliance is correct is an important obligation. Rawlinson & Hunter can provide as much assistance as you require: providing ad-hoc technical advice or handling your tax compliance obligations completely, thereby allowing management to concentrate on the heart of the business.

HMRC is becoming increasingly aggressive with tax payers as it seeks to plug the UK's fiscal deficit, and the cost of getting it wrong has never been higher in terms of penalties. We aim to ensure that our clients' dealings with HMRC are conducted as smoothly and as efficiently as possible. In terms of tax reporting, our services include preparation of corporation tax returns and partnership returns, reviewing tax returns and tax provisions prepared in-house or by third parties, advising on tax liabilities and the monitoring of due dates for payments of tax and preparation of Employment-Related Securities returns.

Sometimes, HMRC will enquire into a tax return, an increasingly frequent event. Rawlinson & Hunter can assist with all aspects of tax investigations. We will guide you through the investigation process, alleviating the stress, and aiming to achieve the most favourable outcome. We are proud of our good relationship with HMRC who know that when we are involved, we will bring technical excellence and clear objectives to the process. Our tax investigation expertise covers corporation tax, income tax, employment taxes, VAT, property taxes and Customs and Excise duties.

It is with our tax advisory services over the full range of corporate events where we can really add value. We are always mindful that our proposals must fit with your commercial and strategic objectives. Our advice is therefore bespoke and our recommendations unique to you and the circumstances of your business.

**‘We assess the commercial objectives of our clients, and develop planning strategies that suit their circumstances and commercial objectives.’**

**Our team of experienced advisers can provide support in many areas, including the following:**

- Tax effective structuring of business acquisitions and sales
- Structuring of earn-outs and share based incentive arrangements
- Financial and tax due diligence, tax indemnities and warranties
- Applying for and negotiating HMRC clearances
- Long term exit strategies
- Preparation of business plans to secure financing
- Structuring of employee options and share incentives
- International advice on transfer-pricing, debt cap and thin capitalisation etc.
- Tax efficient structuring of flotations, MBOs etc.
- Post-transaction tax and accounting support



## VAT Advice and Reporting

VAT is one of the most significant and wide-ranging taxes and it affects almost all businesses. Indirect tax legislation is fast evolving and becoming more complex, even more so with the UK having left the European Union. Getting it wrong can prove extremely costly.

Rawlinson & Hunter provides advice on the most VAT efficient way to structure a transaction, be it an acquisition, a disposal, a reorganisation or a property deal. We will help you avoid the potential pitfalls and ensure the necessary steps are taken to minimise the VAT liability. We often assist clients when setting up new ventures. Other common areas of advice for us include international transactions, imports and exports, financial services and land and property. With our wealthy private client base, we also advise frequently on luxury assets such as works of art, aircraft and yachts.

Our aim is to provide commercially realistic advice and practical solutions to your VAT problems. We also encourage businesses to think about VAT planning as part of their overall corporate strategy. Our services include performing VAT 'Health Checks' to conduct a review of your business, which can result in useful planning tips. We provide practical interpretations of new and existing VAT legislation and offer VAT planning for specific transactions. Where the circumstances arise, we provide full support during a VAT inspection and negotiate and resolve disputes with HMRC.

Our VAT team has extensive experience of all areas of VAT, obtained over many years both within HMRC and in private practice. Our specialists ensure that our clients comply with their VAT obligations whilst also maximising opportunities to ensure VAT savings wherever possible. Quarterly VAT reporting is a fundamental part of the service which we provide for many of our business and corporate clients, giving them confidence that their VAT affairs are up to date and have been dealt with accurately.

**'The government now generates more than twice as much from VAT compared to corporation tax. VAT is therefore a real cost for businesses to manage effectively, and avoidable mistakes can often have material bottom-line effects.'**

### Our VAT services include the following:

- Domestic, international and cross border transactions
- VAT 'health checks', including reviewing compliance procedures and providing VAT saving tips
- Identifying and advising on potential problem areas and proactively minimising the risk of HMRC investigations
- Registration, making taxable supplies and managing VAT cashflow
- Advising on partial exemption issues
- Assisting with day-to-day VAT accounting and reporting procedures, and negotiating and resolving disputes directly with HMRC
- VAT advice for specific transactions, including business acquisitions and disposals, financial services, and property and artwork transactions
- Reviewing and restructuring arrangements to ensure that a business is VAT efficient





## Source of Wealth Support

Financial service providers such as banks and investment advisers face a series of legal and regulatory challenges in the process of taking on a new client. In the UK, the Proceeds of Crime Act 2002 together with the complementary Money Laundering Regulations place a requirement on service providers to satisfy themselves as to the source of the prospective client's funds.

This process is not necessarily straightforward in an increasingly complex financial world, with wealth creation originating from geographical regions around the globe and from numerous new sectors and activities, not all of which are widely understood. This can turn the whole process into a time consuming and stressful endeavour for the client prior to opening accounts, facilities and making investments. As a practice of Chartered Accountants with our particular expertise at investment and forensic accounting, Rawlinson & Hunter is strongly (if not uniquely) equipped to provide support in this area. We are frequently asked by clients to analyse the origin of funds and produce Source of Wealth Reports in order to answer the compliance requests of third party providers.

Drawing upon the combined expertise residing within our assurance services and wealth reporting teams, we are able to forensically analyse the source of funds for individuals with typically complex affairs across a number of jurisdictions. Whether there are a few bank and investment custody accounts or a multiplicity, we will agree an approach with the client and then work independently to produce a complete and accurate picture. In so doing, we will work to the standards required by the law and regulations with a view to satisfying the requirements of the third party.

**'By utilising the expertise which the Firm has across its assurance, forensic accounting and investment reporting teams, we are able to offer a comprehensive Source of Funds Reporting service to our clients.'**

**The Firm's services in this respect include the following:**

- Review of all transactions on a cash basis
- Forensic approach taken to tracking investment contributions, withdrawals, income and gains, in order to establish their full schedule of global assets and history of wealth creation
- Liaison with providers for missing information and investigation of reconciliation breaks
- Production of income and capital gain analysis reports
- Production of a personal balance sheet report as necessary
- Meeting to present the findings and the report to the client
- Production of Source of Wealth Report or Letter for submission to the third party provider





## Corporate Secretarial Services

Companies and Limited Liability Partnerships are required to adhere to an ever-increasing list of filing requirements and registration deadlines every year. Keeping up with it all is a challenging task and demands energy and time which would be better spent focused on building and developing the business. We can take on this burden on your behalf.

The Companies House reporting obligations are ever-expanding. This now includes the requirement to provide and annually verify data for the register relating to Persons with Significant Control. This operates alongside a host of other events for which standard documentation has to be completed and then filed, including annual compliance statements, accounts, change of name, change of accounting date etc.

Beyond filing requirements, good corporate governance demands that board meetings and shareholder meetings are properly convened and documented. Share transactions and transfers have to be documented and share registers maintained. Rawlinson & Hunter can assist with the responsibilities of running and maintaining a company's statutory records including attendance at and minute-taking for board meetings amongst other support services.

In addition, in certain cases we are able to provide services as company directors, with appropriate Rawlinson & Hunter Partners bringing their extensive business experience to the wider board.

**'A sound company constitution and well maintained public records are critical to a modern business. Our corporate secretarial services provide you with peace of mind that the company statutory records are up to date and fully compliant.'**

### The areas where we can provide support include the following:

- UK and non-UK company incorporation and the provision of off the shelf companies and same day incorporation where possible
- Change of company name
- Change of director and other appointments
- Preparation of Memorandum and Articles of Association
- UK and non-UK fiduciary services
- Completion and filing of annual compliance statements and company accounts
- Maintenance and filing of the Persons with Significant Control register
- Share issues and transfers. maintenance of share registers and holding of certificates
- Liaison with Companies House
- Company searches
- Hosting of board meetings, including minute taking
- Holding of Declarations of Trust and nominee agreements
- Provision of director services in certain circumstances



## Services to the Art Community

Rawlinson & Hunter has been at the forefront of the provision of tax and accounting advice to the art world since our formation ninety years ago.

We act for leading artists, galleries and dealers on their underlying businesses and specific transactions. Many of our private clients are also avid collectors of art and we advise them regularly on transactional practicalities. A number of our partners and senior staff are specialists in this field and have a special interest in it. The team recognises that the art world is a complex area when determining the tax, VAT and accounting treatment of transactions. Not many industries face the complexities of consignment arrangements, shared ownership structures and complex agency arrangements with the international nature of transactions thrown into the mix. To read about our services to the art community in more detail, scan the QR code below to visit our micro-site.

We provide intelligent, well thought out and practical advice on the financial aspects of art transactions. Our unrivalled experience in advising on complex issues, often involving a number of jurisdictions with their associated tax implications, has given us a unique understanding of the requirements of those at the business end of the art world, as well as collectors. Our experience has shown that having an in-depth knowledge of the UK and EU VAT rules relating to art, and an understanding of our clients' affairs, assists in tailoring transactions to meet the needs of each client. Fundamentally however, whilst art is increasingly seen as an 'asset class', it is principally there to be enjoyed and we never lose sight of this in providing our pragmatic advice.

**'The Firm has a long and rich history of involvement with the art world, acting for artists, galleries, dealers and auction houses, with Partners serving as trustees for national museums and charitable trusts owning art collections.'**

**The Firm provides a comprehensive range of advisory services to businesses, including the following:**

- The structuring of trusts and other holding vehicles for the acquisition and long term ownership of art
- IT support for the creation and maintenance of complex art (and other asset) databases for businesses and also individual collectors
- Tax advice on international cross-border aspects of art related transactions including, amongst other things, complex VAT analysis, personal tax considerations for non-domiciled individuals and transfer pricing issues for international gallery groups
- VAT and ARR mitigation advice relating to the purchase/ sale of works of art both within the EU and outside the EU
- Routine work such as accounting and tax compliance support for art-related businesses, ranging from full day-to-day involvement in management accounting, payroll and VAT services through to the annual audit and corporate tax process



Scan the QR code to  
visit our dedicated art  
website





## Contact Us

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For further details of how we can help you, please contact one of our team:

**Craig Davies**

**Partner**

T: + 44 (0)20 7842 2136

Craig.Davies@rawlinson-hunter.com

**Kulwarn Nagra**

**Partner**

T: + 44 (0)20 7842 2130

Kulwarn.Nagra@rawlinson-hunter.com

**Catherine Thompson**

**Partner**

T: + 44 (0)20 7842 2028

Catherine.Thompson@rawlinson-hunter.com

**James Randall**

**Partner**

T: + 44 (0)20 7842 2131

James.Randall@rawlinson-hunter.com

**Hiral Kanzaria**

**Partner**

T: + 44 (0)20 7842 2102

Hiral.Kanzaria@rawlinson-hunter.com

**Katharine Haggie**

**Partner**

T: + 44 (0)20 7842 2153

Katharine.Haggie@rawlinson-hunter.com

**William Watson**

**Partner**

T: + 44 (0)20 7842 2111

William.Watson@rawlinson-hunter.com

**Yueling Wei**

**Partner**

T: + 44 (0)20 7842 2098

Yueling.Wei@rawlinson-hunter.com

**Karen Doe**

**Director**

T: + 44 (0)20 7842 2151

Karen.Doe@rawlinson-hunter.com

**Sharon Gillies**

**Director**

T: + 44 (0)20 7842 2161

Sharon.Gillies@rawlinson-hunter.com

**Salma Khan**

**Director**

T: + 44 (0)20 7842 2070

Salma.Khan@rawlinson-hunter.com

**Claire Osborne**

**Director**

T: + 44 (0)20 7842 2021

Claire.Osborne@rawlinson-hunter.com

**Louise Catt**

**Director**

T: + 44 (0)20 7842 2019

Louise.Catt@rawlinson-hunter.com

**Emma Huo**

**Associate Director**

T: + 44 (0)20 7842 2099

Emma.Wheatley@rawlinson-hunter.com

**Julian Morelli**

**Associate Director**

T: + 44 (0)20 7842 2092

Julian.Morelli@rawlinson-hunter.com