

Research & Development Tax credits

The R&D Tax Relief Scheme was introduced by the government in 2000 as a specific tax incentive to encourage UK companies to invest in research and development (R&D), allowing innovation to grow within the UK. R&D Tax Credits are essentially cash awards for businesses who undergo work to innovate in any sector.

A majority of businesses related to Sport still remain largely unaware of the scheme. Of those who are aware, many assume it won't apply to their business, not recognising their own activities as qualifying R&D or innovation. Yet more don't claim because their accountants haven't identified their eligibility because of limited specific R&D Tax Credit knowledge or experience of dealing directly with HMRC.

The biggest challenge isn't in claiming, it's recognising eligibility in the first place. If you can answer yes to any of the following, you may be eligible:

- Have you created, developed or introduced new or improved products (or modified existing ones), processes, systems or services to achieve efficiency improvements, increased outputs, reduce wastage or to comply with new legislation or regulations?
- Have you applied innovation creating bespoke new products, systems or processes for your clients?

Don't just think R&D, think innovation. In principle to qualify, you just need to be able to show that your business has undertaken a project or activity where an immediate solution wasn't readily available, or that you've taken a risk, done trials or tests aimed at a technical or commercial breakthrough.

Qualifying criteria in simple terms are:

- There has to be a scientific or technological advance overcoming existing uncertainties.
- Project aims must be about finding improvements or solutions so that new things can be done, existing things can be done more efficiently or effectively.
- Any advancement or breakthrough sought should be through an advance in science or technology not currently achievable or available.

What costs can potentially be claimed for?

- A proportion of the costs for employees involved in costs of R&D activity related staff (including salaries) and costs of associated external freelancers/sub-contractors
- Consumables/materials and utility costs directly connected with the process or processes
- Any specially commissioned materials, parts, processes or systems
- Specifically developed, commissioned or adapted software
- An appropriate level of variable light & heat costs

TJBarry Consulting in conjunction with one of the leading Tax Credit experts RandD UK (<https://www.randduk.com/>) will offer an unrivalled service through a hands-on

approach, specialist tax & technical knowledge and a strong relationship with HMRC. This award-winning formula is used on a daily basis to identify R&D Tax Credits eligibility for UK businesses across a broad range of industry sectors but as yet professional sport has not widely accessed this opportunity despite undertaking a range of research and innovation in science and technology.

We will offer six simple steps to help you secure your tax credits.

1) A brief no obligation initial consultation for us to understand and get to know your business, ideally face-to face but over the phone if you prefer. You'll also get to know us and this ensures you're happy with the process outlined and happy to move forward.

2) Once we agree that there is potential for a claim and you are happy for us to proceed, TJBarry Consulting will construct the R&D report and RandD UK will deal with the accountancy side of the claim. RandD UK has been operating since 2008 and has secured over £65 million for over 1000 customers. They have a 100% success rate, so if we agree there is merit in a claim, it's a good sign we're confident we can secure your Tax Credits. It is important for you to remember that we don't charge you any fees for doing this so you don't have any costs to worry about. We will only deduct the percentage fee we have agreed with you from any successful claim.

3) TJBarry Consulting will interview key staff and gather all the important information needed to write the main body of the R&D report, and RandD UK will create the financial plan stating your case to HMRC. For clarity and expediency, we use a bespoke template which makes it hassle free for you as RandD UK will extract all the necessary financial data. Typically this can be done within 2-4 hours.

4) Completion and submission. We are experts in the 'technical uncertainty' surrounding your R&D activities which is key to gaining approval from HMRC for your claim. We submit your R&D Tax Credit claim to HMRC and they aim to process all applications within 30 days of submission.

5) Facilitation. RandD UK longstanding and successful direct working relationship with HMRC allows for any dialogue to be efficient, and they will be their main contact so you've no need to worry. RandD UK deal with any questions to ensure they're satisfied and the claim is successful.

6) A successful claim and you get the cash, to use as you wish. This is also the ideal time for us to liaise with you to collate any additional information in support of future claims to be made in subsequent years. As long as your future innovation investments qualify, you can claim year after year.