

## CASE STUDY – MANUFACTURING COMPANY

We acted as advisers for a manufacturing company who specialise in supplying accurately cut panels, worktops and components to companies across the UK.

In developing their cutting equipment to develop seamless edging, the manufacturing company had made changes to their processes that were eligible for an R&D tax credit claim. Many think that products are at the core of a new R&D claim, but new equipment can be part of a valid claim.



The directors of the company were not immediately aware that the changes to their process were a qualifying claim. We looked at the challenges faced integrating the new equipment and saw the potential for a claim.

There is an embedding process when bringing in new machinery or equipment, especially if it has to work in unison with existing machinery or processes. With the manufacturing company, they had to ensure that the new kit delivered the results required as well as work seamlessly with the rest of the production process. This success of this wasn't known from the outset.



We helped them to understand that the challenges faced during the process of embedding their new equipment was eligible for an R&D tax claim. We then gathered all the information needed to be able to submit this to the HMRC.

Manufacturing companies such as this often have R&D tax claims in their business that remain uncovered. They may not see what they do as research and development as this has connotations of a specialist team wearing lab coats.

This manufacturing company were not aware that this was a project that would qualify. Now they make R&D a part of their ongoing business planning year on year.

The manufacturing company had the objective of cutting more accurately but didn't initially know how to achieve this.

They faced a series of uncertainties and challenges. If the solution was obvious or readily available, then this wouldn't have been eligible for an R&D tax claim. The fact that they had to develop and test their systems meant that there was a research and development element to their project.



It is by identifying claims in businesses such as this that we are able to help SME's get money back in their business. It proved to be a vital source of funding for the manufacturing company – and one that they didn't anticipate. We deal with all the hassle of a claim, so our clients can get on with running their business.

The manufacturing business knew that R&D tax claims could be submitted for new products and are now aware that new processes or equipment can also qualify for a claim.

We were able to work with the technical team to understand the work they had carried out and the uncertainties they faced embedding the new equipment. This allowed us to submit a comprehensive claim to the HMRC and secure the money first time.



This ensured that the manufacturing company got that cash back into their business quickly to reinvest. By using the cash from their R&D tax claim, the manufacturing company were able to expand and develop new solutions that helped the business and their customers.

R&D tax claims are one thing but having the plans in place to utilise the cash injection from this make it an even more powerful exercise.