

Are you ready for Brexit?

Follow our three-step approach
to prepare your business for the
opportunities and challenges ahead.



The Government plans to trigger Article 50 by the end of the first quarter of 2017, beginning a formal two-year process of the UK leaving the EU. The Prime Minister has set out the UK's priorities for Brexit negotiations and confirmed the country will leave the European single market.

Two years is not a long time to prepare for such a fundamental change, and our strong advice is to start your contingency planning now, in the spirit of 'planning for the worst and hoping for the best'. The three-step approach contained in this document is designed to help you begin that process.

The range of issues that potentially have to be covered by any meaningful plan is extensive. That is why we have assembled a team of experts, both here in the UK and across the EU, who can help you prepare and, if necessary, implement a plan tailored to your unique circumstances.

You should regard any costs incurred now as an insurance premium to safeguard the security of your business. Doing nothing may well cost you more in the long run. Can you afford to run the risk?

Step 1 - Analyse your business risks and opportunities

Consider the impact of the following on your business:



Income

- Introduction of tariffs

Key points

- Loss of passporting arrangements

Key points

- Relocation of your client base

Key points

- Impact from changes in VAT and other indirect taxes both on sales and partial exemption schemes

Key points

- The requirement to be regulated in other EU territories

Key points

- Major currency fluctuations

Key points

Costs

- The effect of tariffs introduced by the UK

Key points

- Changes in indirect taxes charged by non-UK suppliers

Key points

- Major currency fluctuation

Key points

- Security of supply chain

Key points

People

- Restriction on inward immigration

Key points

- Visa requirements on non-UK employees

Key points

- Visa requirements imposed by non-UK territories

Key points

- Impact on employment legislation

Key points

- Alternative sources of staff resources

Key points

Step 2 - Preparation of Plan

Plan your response to the identified risks and opportunities of Brexit. Consider the following:



Change in level of business activities

- Changing your resources to cope with expected increase or decrease of activities

Key points

- Recruitment/redundancy costs

Key points

- Liquidation of surplus trading entities

Key points

- Rationalise trading structures

Key points

Relocation of trading activities

- Total/partial

Key points

- Choice of location

Key points

- Tax jurisdiction

Key points

- Correct trading structure company/branch etc.

Key points

- Language barriers

Key points

- Regulatory considerations

Key points

- Timescale

Key points

- Availability of government/regional grants

Key points

- Effect on current employees

Key points

- Office accommodation

Key points

Step 3 – Implementation

Review and prepare a timeline and implement time-critical actions now. The following will take time, so start your implementation in good time:



Finding accommodation

Key points

Recruitment of local resources

Key points

Relocation of key employees

Key points

Applying for regulatory approval

Key points

Registration with local tax and other authorities

Key points

Remember to keep your contingency plan up to date and review it on a regular basis and take professional advice throughout the process.

Our expert team can help you understand the impact of the Brexit on you and your business.

To find out more, please get in touch with your PKF Littlejohn partner or contact a member of our Brexit team:



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