

A background image of a restaurant interior with a wooden table. In the foreground, a burger with lettuce and tomato is on a white plate. To the left is a condensation-covered glass bottle. In the background, there are fries in a metal basket, a ketchup bottle, and another burger.

FOOD FOR THOUGHT

VAT and Franchising

Take-away food is a complex area of VAT and the subject of much litigation. As HMRC continue to increase their focus on this industry sector retailers should carefully consider their VAT position to maximise opportunities and avoid unnecessary costs.

As a firm we at Smith Cooper understand franchise. Smith Cooper's Corporate Finance division is already well-known in the franchise industry, being one of the leading deal managers of franchise transactions.

Smith Cooper has a team of full time VAT specialists and more than 19 years experience of this sector. We have extensive experience of dealing with HMRC. From negotiating assessments to dispute resolution, appeals and litigation, our in-depth VAT health check reviews can not only mitigate exposures to VAT but may also highlight opportunities for hot food retailers to reduce their VAT liabilities, and for franchisors to maximise sales royalties. We can also provide seminars/training to franchisees and franchisors.



HMRC ENQUIRIES

In addition, we can also assist retailers with all aspects of HMRC enquiries. From preparing a business for a VAT inspection, dealing with queries raised by HMRC through to dispute resolution and litigation. We have extensive experience of dealing with HMRC at all levels.

REVIEWS

ZERO RATING

Analysis of zero rated sales to ensure mitigation of VAT liabilities and reduction of unnecessary VAT costs.

- Is zero rating applied to all relevant supplies, even where VATable and non VATable items are sold together?
- Where blended rates of VAT are used do these reflect the value of products sold?
- Are methodologies adopted and staff training robust enough to withstand challenge from HMRC?

VOUCHERS AND PROMOTIONS

How are discounts and other money off promotions accounted for at point of sale? We can determine whether promotions and offers are VAT efficient and whether there are any opportunities for VAT savings.

VAT REPORTING PROCESSES

Review of accounting processes and procedures from a VAT perspective, from point of sale to cash through to preparation of a VAT return. We know best practices and have industry insights to ensure VAT accounting systems more are robust going forward.

CONSULTANCY ON SPECIFIC ISSUES

We can offer advice on all aspects of VAT and other indirect taxes.

Please do not hesitate to contact us to discuss your requirements or to find out more about how Smith Cooper can support you in this area.

Get in touch

To discuss your exact requirements, get in touch with one of our experts using the details below:



Gavin West

Head of VAT and Indirect Taxes
† 01332 332 021
e gavin.west@smithcooper.co.uk



John Farnsworth

Corporate Finance Partner
† 01332 374 419
e john.farnsworth@smithcooper.co.uk