

BIBA Fringe: Buying or selling an intermediary



Insights from the front line

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Today's speakers





 **John Needham**
Partner

 +44 (0)20 7516 2284
 jneedham@pkf-l.com



 **Tom Golding**
Partner

 +44 (0)7516 2413
 tgolding@pkf-l.com

Our experience



35

Due diligence and investigatory assignments carried out in the last 30 months.

Very few deals have been abandoned – where they have it's a regulatory or tax issue where the seller can't get comfortable.

-  Buy side and sell side
-  Platform deals and bolt ons
-  Equity / debt finance
-  Advised / non advised
-  Lock box / completion accounts basis
-  2 month – 12 month time periods

Finance & Client Money

John Needham, Partner – Transaction Advisory

Issues identified on financial DD



Data v systems



**Retention rates v
premium rates**



Back-office
infrastructure



**Revenue
recognition**



Reconciliations



PC or overrides



Missing balance
sheet items



Regulatory issues
surrounding dual
income & property
owners



Quality of earnings
adjustments



Concentration risks

Financial regulatory



Client money and risk transfer



Funding



Solvency

Tax

Tom Golding, Director – Corporate Tax

Common tax findings



Employment-related securities



EMIs



Benefit reporting



Salary sacrifice



Lifestyle expenses



Off payroll workers



Loans to directors



Overseas operations



Transfer pricing

Unforeseen VAT liabilities



Services received from
non-UK/loM suppliers



Non-core income



Charges between
group entities

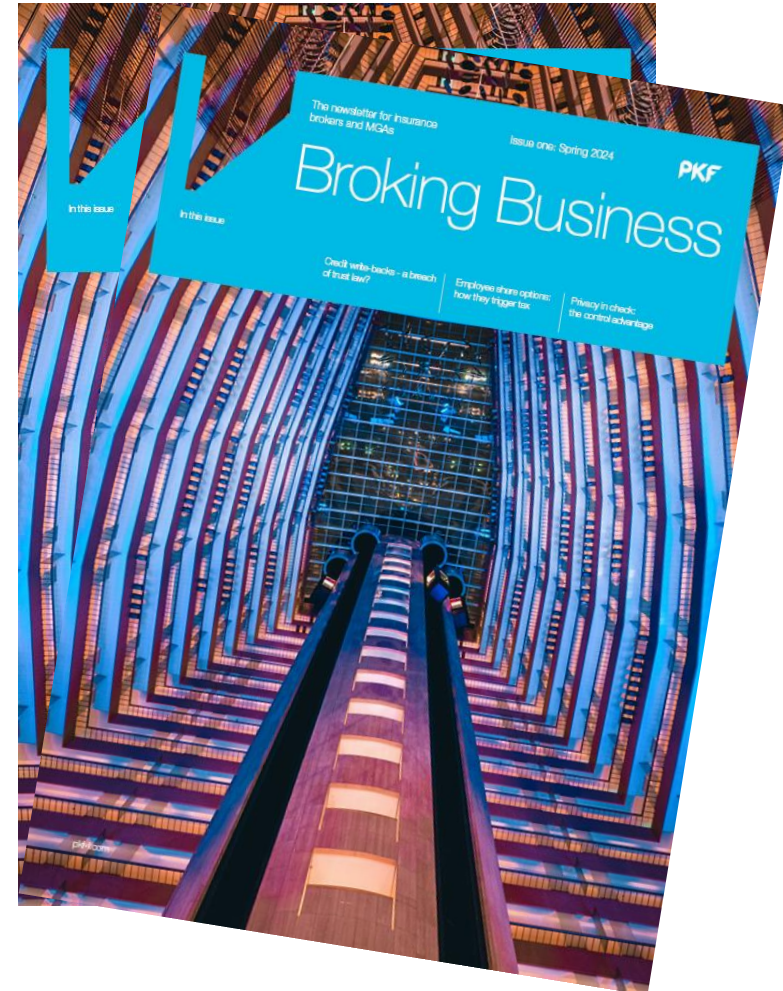
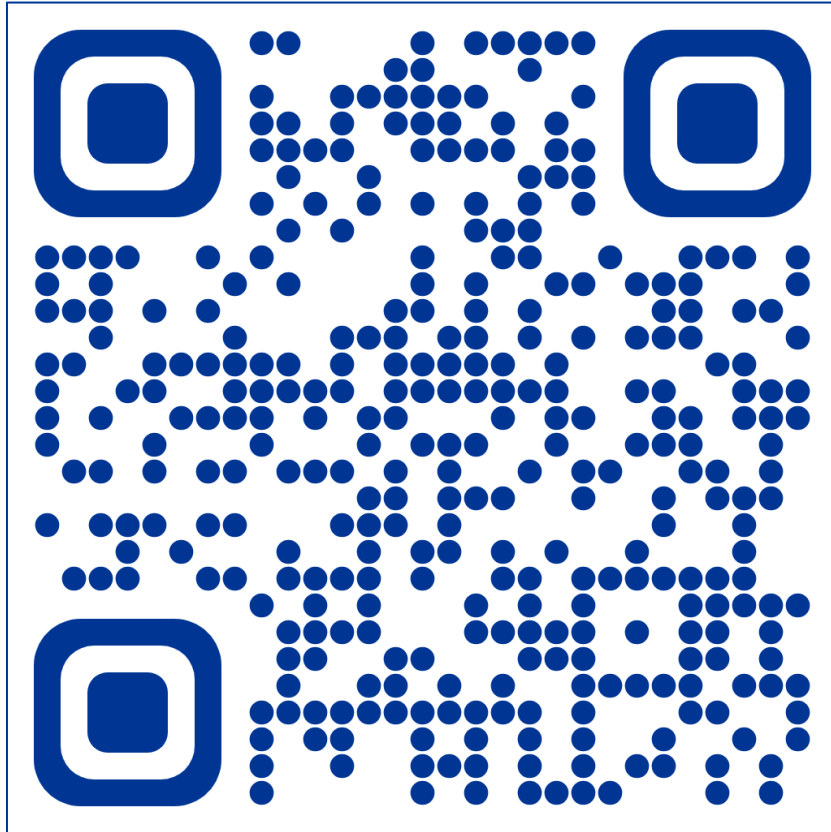
Round Up

Tom Golding, Partner – Corporate Tax

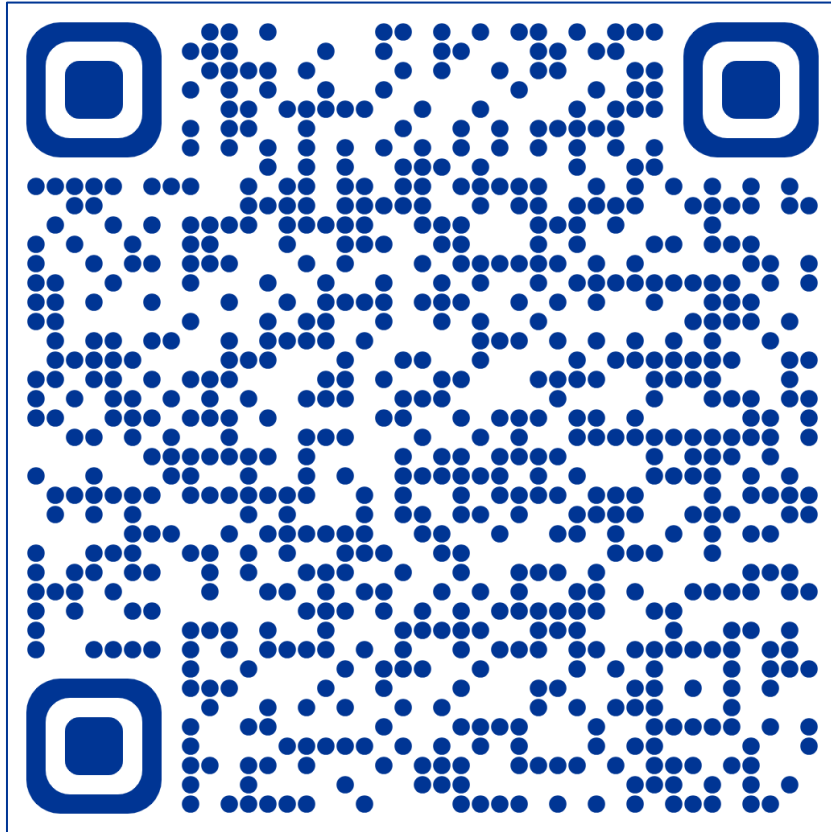


Any questions?

■ Sign up to receive regular technical bulletins and invites to our events



► Watch our recent webinar on buying or selling an intermediary, featuring a panel of experts



Listen to our experts discuss:

- **VAT** - how to ensure that unforeseen VAT liabilities do not delay / derail a business sale,
- **Technology** - good practices that can be employed whether you are selling, or just improving, your day-to-day operations,
- **Regulatory and financial** - financial and client money issues and solutions,
- **Tax** - why addressing these before a transaction starts can make the sale process easier.



PKF Littlejohn LLP

15 Westferry Circus,
Canary Wharf, London
E14 4HD

Tel: +44 (0)20 7516 2200

11 York St,
Manchester
M2 2AW

Tel: +44 (0)161 552 4220

pkf-l.com

Third Floor, One Park Row,
Leeds

LS1 5HN

Tel: +44 (0)113 244 5141

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