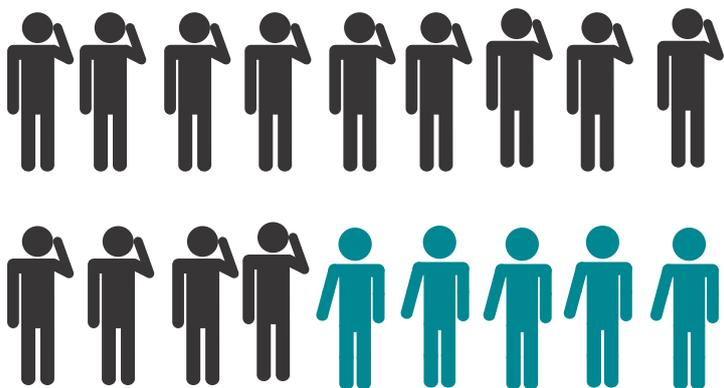




We recently conducted research to establish whether businesses share the same concerns regarding Brexit. A survey was sent to senior EU finance professionals and in-country tax advisors.

KEY FINDINGS FROM OUR SURVEY

While doubts around the outcome of Brexit negotiations continue to discourage many companies from future-planning, the survey shows that an increasing number are taking steps to mitigate the risks of this uncertainty.



25%

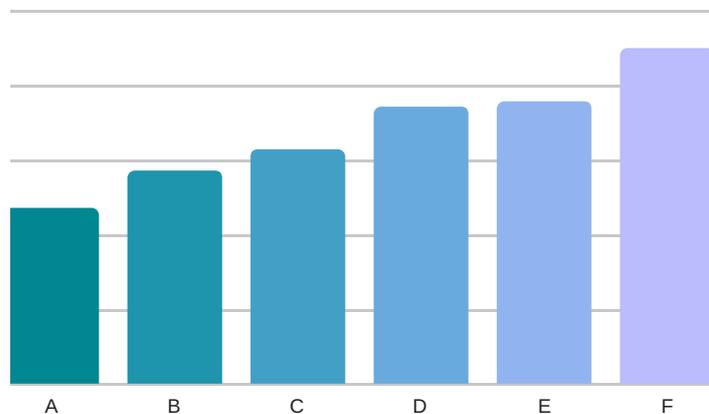
OF RESPONDENTS

said their company has a Brexit Strategy in place or is currently formulating one.

PRIMARY CONCERNS

Areas that companies are worried about:

- A: WORKING CAPITAL
- B: ERP SYSTEMS AND PROCESSES
- C: CONTRACTS WITH CUSTOMERS & SUPPLIERS
- D: FISCAL REPORTING AND REQUIREMENTS
- E: SUPPLY CHAINS AND LOGISTICS
- F: CUSTOMS PROCEDURES AND DUTIES



TOP INDUSTRY CONCERNS



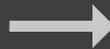
MANUFACTURING & DISTRIBUTION COMPANIES:



CUSTOMS PROCEDURES & DUTIES



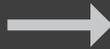
EVENTS & DISTRIBUTION COMPANIES:



CONTRACTS WITH CUSTOMERS & SUPPLIERS



TRAVEL COMPANIES:



FISCAL REPORTING AND REQUIREMENTS

CUSTOMS UNION & THE SINGLE MARKET



89%

OF RESPONDENTS

are in favour of continued membership of both the Customs Union and the Single Market, and many expressed low confidence in understanding the full implications for their business (a mean average of 4.3 out of 10 where 10 was the highest confidence level) in the event that the UK were to leave both.

CEO ADVICE

NICHOLAS HALLAM, CHIEF EXECUTIVE OFFICER AT ACCORDANCE

“The survey is a real eye-opener. It makes clear just how much Brexit presents a unique challenge for businesses – well beyond the scope of regular risk and impact analysis. It also shows how high level constitutional debates are neglecting critical business issues like working capital. We now have a situation where failure to achieve a comprehensive transition agreement will lead to the hardest of hard Brexits in March 2019. More and more companies are, wisely, planning for this contingency. Accordance specialises in facilitating trade through targeted commercial compliance advice and tailored scenario analysis. Governments aren’t listening to business; for us, it is paramount to address our clients’ concerns, and to support them through coming changes, whatever form they take.”

MEMBER STATES

Our network of country-specific tax advisors from across the EU also provided feedback on some of these areas of concern. The results showed that many of the relevant authorities are yet to give any definitive indication of their position.

With regard to indirect tax:

8 MEMBER STATES

Have highlighted potential reciprocity issues for 13th directive VAT Recovery claims after Brexit

18 MEMBER STATES

Have indicated that so far their government and tax authorities have not given any views to how they consider Brexit will impact on how VAT is accounted for in their country

YOUR NEXT MOVE | PLAN YOUR STRATEGY

1. **CONFIRM** VAT REGISTRATIONS
2. **REVIEW** YOUR SUPPLY CHAIN
3. **MAINTAIN** YOUR RELATIONSHIPS
4. **ASSESS** YOUR RECOVERY POSITION
5. **ANALYSE** EU OPERATIONS

