

Case Study *Lite*

# VATflow Service Success

Liaison Financial has successfully partnered with a large London Acute Trust to deliver its VATflow service.



## The Challenge

NHS bodies are expected to complete Partial Exemption (PEX) and Business Activities (BA) adjustments as a requirement from HMRC. Working with their previous advisors, this exercise was only being completed on a simplified and estimated basis with no approved methodology. This ultimately meant that the Trust were over declaring PEX and were missing out on potential BA savings.

## The Solution

We identified this risk/opportunity with the outstanding historic BA and PEX reviews.

By working closely with the Trust to obtain all necessary data and information, we developed an understanding of the Trust's past and current activities. We then created a financially beneficial and tailored methodology for the way in which the Trust conduct their BA and PEX reviews for which we gained HMRC's approval, ensuring the Trust are compliant with current legislation.

Having this method approved by HMRC not only delivered historic savings in relation to overpaid PEX and previously missed BA, but it also ensured that greater ongoing savings could be achieved through use of the approved method going forward in future years.

As a result, we identified and delivered an additional £2.3m savings for the Trust in relation to prior years, together with savings of £1.6m over the period of Liaison being incumbent advisors to the Trust. Savings will continue to be achieved through the use of this methodology.

## Result



**£3.9m**  
in total savings to date



HMRC approved methodology to ensure compliance



Historic and ongoing savings being achieved



Changing the global health economy