



## Goal

- Understand the global trade tax impact resulting from corporate restructuring and make sure the approaches and decisions for both the UK-based Company and the U.S. owners were taken into account
- Collaborate with an accounting firm that had expertise in both UK and US accounting regulations

## Approach

- Partner with Dyke Yaxley to serve as US advisor
- Develop integrated relationship to serve client's best interests while expanding Lucraft's knowledge base of fundamental UK/US issues to watch

## Results

- Client pleased with final outcome and collaboration displayed between two accounting firms
- Lucraft strengthened its international network of advisors while maintaining the existing client relationship

Data  
Bank

**LUCRAFT  
HODGSON  
DAWES**

<b>COMPANY</b>	Lucraft Hodgson & Dawes
<b>NATURE OF BUSINESS</b>	Accounting firm
<b>MAIN PRODUCT</b>	Accountancy & Bookkeeping, Audit, Personal & Business Taxation, VAT, Payroll, Company Secretarial, and Business Plans & Consultancy
<b>CUSTOMERS</b>	Small to mid size businesses in a broad spectrum of industries
<b>LOCATIONS</b>	Brighton, East Sussex, UK Rustington, Sussex, UK
<b>WEB SITE</b>	lucrafts.co.uk

## Successfully Managing the Balancing Act of Corporate Restructuring Across the Atlantic

Lucraft Hodgson & Dawes, a 70 year old accounting firm with two offices in the UK and comprised of three partners and 25 members, assists small to mid size businesses navigate and address their tax and business accounting requirements. While the firm represents a wide variety of sectors, its core business focuses on the creative and manufacturing industries.

The company's cloud-based accounting solutions offer its clients access to live data and provide real time solutions as opposed to solely relying on year end statutory solutions. In addition to the general accountancy services, Lucraft assists clients with business development and specialist tax services.

## Overview

**Lucraft's client, a commercial manufacturing company based in the UK with US locations, was restructuring and needed to comprehensively address the reporting impact on the overall Company as well as the family members associated with the US division of the Company.**

## Challenge

Due to the nature of global trade and the corporate restructuring requirements, Lucraft needed a business partner that understood the UK and US impact of these issues and could effectively and holistically address the situation, including the needs of its constituents – the Company and the US business owners.

## Approach

Due to an existing relationship the client had with Dyke Yaxley, an introduction was made and qualifications were vetted. Not only did Dyke Yaxley have the technical expertise with both the US and UK accounting/tax systems, but both Lucraft and Dyke Yaxley had a common approach to business – developing and strengthening personal relationships to serve the best interest of each client.

Since members of Dyke Yaxley's team spend time in the UK, they were available and able to meet with Lucraft and the client at the client's office in the south of England. This in-person participation allowed for discussions about the complex transaction to be held face-to-face so the issues that needed to be resolved could be hammered out while all parties involved were present at the same table.

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“ I really enjoy working with Rob. His expertise has enabled us to offer services to our clients beyond our skill set and as a result, strengthen our client relationships. ”

— Adam Hickie, Partner, Lucraft, Hodgson Dawes

The firms conducted detailed discussions about UK-US residency issues from both corporate and individual perspectives. In addition, Dyke Yaxley had to address and resolve UK-US income tax issues as well as UK-US inheritance and estate tax matters.

Dyke Yaxley demonstrated their expertise in understanding and addressing both sides of the transaction. With the combined UK-US tax and accounting knowledge of Lucraft and Dyke Yaxley, all facets of the transaction could be discussed during the meetings. There were no miscommunication concerns between UK and US rules or issues missed due to linguistic or terminology differences between the UK and US.

## Results

The restructuring was successfully orchestrated.

The client was pleased, satisfied with the end results and with knowing that all parties involved were in compliance, had a good understanding of the revised structure and were well positioned to successfully operate within the tax implication parameters. This deal created a foundation of recognizing the pertinent issues from the joint UK-US perspectives – identifying opportunities, challenges and relevant issues – for Lucraft.

Dyke Yaxley's expertise with both US and UK jurisdiction accounting and tax systems provided them with the unique insight to handle the matter. Lucraft is now able to effectively offer a wider range of services to its client by being able to initially identify issues and have a UK-US specialist as a business partner. Lucraft also expanded its international network of advisors by providing coordinated guidance while still assisting and maintaining

their existing client relationship. There has never been any suggestion, risk or concern that Dyke Yaxley would poach Lucraft's client.

Lucraft also found in Dyke Yaxley a partner that proposed ideas to benefit the client in the current situation as well as beyond the assignment. Dyke Yaxley also demonstrated its ability to be a collaborative resource for Lucraft to bounce ideas. Like Lucraft, Dyke Yaxley's business style is tailored to developing personal relationships, which resulted in these two firms developing friendships and enjoying working together.

“I really enjoy working with Rob. His expertise has enabled us to offer services to our clients beyond our skill set and as a result, strengthen our client relationships”, says Adam Hickie, Partner, Lucraft, Hodgson Dawes



At **Dyke Yaxley LLC**, we are uniquely positioned to understand the challenges and rising costs facing companies with international operations, as well as the complexity of planning and preparing taxes for individuals living and working abroad.

With offices on both sides of the Atlantic, we offer a highly experienced team that specializes in international tax planning and compliance. We don't just prepare your taxes. Instead, we start with strategic planning to put you in the

best possible tax position for both the short and long term. Whether you're a UK or US expatriate, dual citizen or owner of a small or midsize business, you can rest assured that we are committed to providing you with an exceptional

level of responsive and personal customer service and a “no surprises” approach to fees.

- **US & UK Business Tax Services**
- **UK VAT Tax Planning & Compliance**
- **US & UK Individual Tax Services**