

# Project Deliver

## Corporate Simplification

### Business Situation

As a result of a detailed group tax review, a Japanese multinational wished to relocate the domicile of its European operations from the U.K. to Germany. As well as needing to incorporate a new German entity, the group also needed to ensure that contracts were transferred in an orderly manner, non-core trading activities were ceased, European VAT registrations were cancelled and that employee repatriations were coordinated to both Germany and Japan. Following this, the U.K. company was no longer required and was to be wound-up via a solvent liquidation.

### Engagement Description

Deloitte was engaged to assist with a Business Transfer and Corporate Simplification programme by:

- Assisting in the legal incorporation of a new German entity as well as dissolving a legacy Belgian Branch;
- Providing a detailed steps plan of matters to be dealt with by the company's Directors prior to their repatriation to Japan;
- Assessing the actions required to clean up the U.K. company's balance sheet prior to liquidation and ensuring a smooth transfer of business to Germany;
- Advising management on ad-hoc issues throughout the process especially in respect of VAT, PAYE, Corporation Tax and early lease termination.

### Critical Success Factors

- Assisting in ensuring business continuity following the transfer of business contracts to the new German operating company.
- Overseeing an orderly and cost effective office lease exit in the U.K.
- Providing a range of cross service line solutions as specific issues arose: Company Secretarial, Corporation Tax, VAT etc.
- Providing Japanese language support throughout the project via our in-house Japanese Services Group ("JSG").
- Ensuring key milestones met throughout the project: business transfer, entry into liquidation, VAT deregistrations etc.

### Results and Benefits

- Timeframes and work plans agreed with management and implemented in accordance with agreed project plan.
- Key bottleneck issues quickly identified and additional resource deployed as necessary to ensure critical milestones met.
- European wide Deloitte delivery given legacy VAT registrations and issues in Belgium, Austria, the Netherlands, Spain, Poland, the Czech Republic and Germany etc.
- Business transfer overseen in conjunction with orderly staff repatriation/exit.
- Tax efficient business transfer and winding-up of legacy U.K. entity.