AUDIT • TAX • ADVISORY

Real Estate Matters

Issue 20

Construction & Real Estate Newsletter

October 2021

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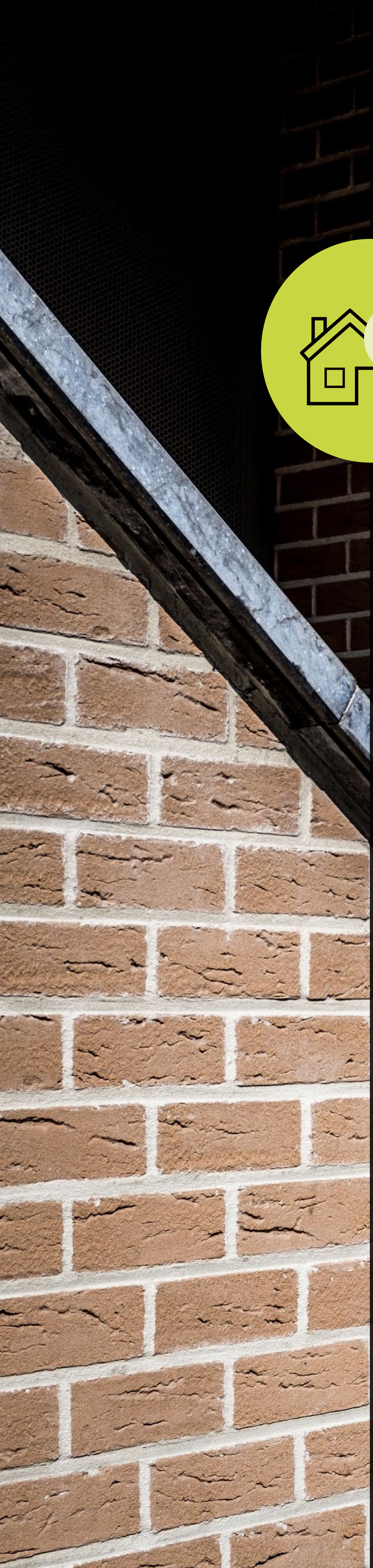


Introduction

Welcome to the latest issue of Real Estate Matters from MHA.

While house prices in the UK are still experiencing strong growth, construction growth has been slowing due to firms suffering severe disruption amid staff and material shortages together with increases in costs. Although we are starting to come out of the other side of Covid and Brexit, material shortages continue to have a significant impact on the Construction industry.

In this publication we take a look at several indirect tax issues of which businesses in the construction and real estate sectors should be aware, such as, 'Simplifying the VAT Land Exemption' and 'Removable Contents'.

We also share with you a client case study around real estate outsourcing services, explore the impending new tax, Residential Property Developer Tax (RPDT) and look in detail at IFRS 16 Leases issued by AASB which deals with the accounting for leases.

If there are any topics within this issue you would like further information on, please do get in touch. MHA Construction & Real Estate team.

MHA Construction & Real Estate team

Indirect Tax

VAT Matters

The headline news for a number of months has quite rightly focused on the material shortages and the adverse impact that this is having on lead times for the Construction industry, arising from the perfect storm of Covid, Brexit, and the lack of capacity in the transport sector.

These are business critical issues, and it is absolutely the case that businesses should be concentrating on managing the costs and commercial risks associated with these matters.

But there are a number of other indirect tax issues of which businesses in the construction and real estate sectors should be aware. The purpose of this article is to review some of the recent developments with respect to VAT and consider how businesses may wish to respond.

HMRC Consultation – Simplifying the VAT Land Exemption – Call for Evidence

On 23 March 2021, HMRC launched a consultation in relation to simplifying the current VAT treatment that applies to supplies of land, seeking input from stakeholders in relation to the current complexity of the regime, proposing a number of possible solutions to simplify the rules, and asking for ideas that have not been identified by HMRC to date.

It is widely recognised that the existing VAT rules are complex, and, given that property transactions tend to be large value, this VAT complexity can create material risk for businesses.

The complexity associated with the VAT treatment that applies to land transactions has increased significantly over the years. On introduction, the regime was quite straightforward – land transactions were exempt other than a limited number of specific exceptions. But it wasn't long before the list of exceptions to exemption increased, with exceptions to the exceptions coming into play. Different rates of VAT were introduced for different types of transaction, some of which are dependent on the use to which the property will be put, the status of the customer, and whether certification has been provided by the customer. The option to tax was introduced to make what would otherwise be an exempt supply taxable, and thereby allowing input tax recovery on costs. But this too increased in complexity, with the option being disapplied depending on the use to which the property would be put, whether the customer had notified the supplier, and whether complex anti-avoidance provisions came into play – which could happen even where there was no planned avoidance, but based simply on the facts. The option to tax also resulted in commercial uncertainty, relying on HMRC to formally acknowledge that an option to tax had been made before a purchaser would agree to pay VAT on the purchase of a property or a vendor transferring a business that includes property agreeing to that the transfer of the property was within the Transfer of a Going Concern provisions.

The time frames for obtaining this acknowledgement on a fast -moving transaction could result in delays to completion – an issue that has become even more fraught in recent times with HMRC's current estimated turn-around time being 90 days.

That there is a dire need for simplification is evident. VAT as a tax is administered by taxpayers, and should be simple for taxpayers to get right. This is clearly not the case when it comes to VAT on land and property.

The consultation on this matter is the start of a process. The consultation period ended on 3 August 2021 and is part of the first stage of setting objectives and identifying options. Following **Stage 1, Stage 2** will focus on determining the best option and establishing a framework for implementation. **Stage 3** will consist of drafting the legislation required to give effect to the changes, with **Stage 4** being implementation and monitoring. A further stage of post implementation review and evaluation will then be undertaken. It will take some time before any proposed change will take effect, and businesses in the sector will need to continue to manage their VAT risk based on the current complex VAT regime. We will continue to update you as this simplification process progresses.

Overages

The question of what VAT treatment should apply on the payment of an overage can be a contentious area, not least because of the lack of consistency applied by HMRC in their approach to this question.

Under the law, where a person sells land and at the time of the sale the total consideration cannot be determined, the land is treated a though it is separately supplied when a payment is received or an invoice is issued. From a practice perspective, it always seemed obvious that an overage was additional consideration that was not determinable at the time of the transfer, and therefore that the provisions outlined should apply. As a consequence, if for example an overage was payable on the purchase of a piece of land that had been opted to tax and the option remained effective when the overage was paid, VAT would also apply on the overage amount. Where an overage was payable on the purchase of a piece of land that had been opted to tax, but subsequently housing has been built and the option to tax therefore disapplied at the time the overage is paid, VAT would not apply on the overage amount.

HMRC however have not taken a consistent approach, in some instances asserting that the VAT treatment of the overage should only follow the VAT treatment that applied on the original transfer, and ignoring the tax point rules, and in other instances asserting that the overage is not additional consideration for the original supply at all, but is consideration for a separate supply altogether, and that supply is always subject to VAT.

It is understood that HMRC are due to update their position in relation to overages this year, which may help provide certainty on this matter. Sellers should, as a matter of course, ensure that the sale contract allows VAT to be charged in addition to any agreed consideration. This is particularly important if the seller intends not to account for VAT on the overage, but it later transpires that VAT should have been applied.

Where VAT is to be charged, sellers should anticipate purchasers seeking warranties in respect of the application of VAT to the overage and/or indemnities from the seller should the purchaser be assessed for claiming VAT as input tax where the VAT should not have been charged.

From a purchaser's perspective, the greatest risk exists where VAT is to be charged on the overage. Purchasers should obtain an indemnity from the seller against any possible assessment raised against the purchaser by HMRC (including penalties and interest) for overclaimed input tax in the event that VAT charged on the overage was charged erroneously.

Call Options

A recent tribunal case ("Landlinx Estates Ltd") considered the application of VAT to the surrender of a call option. The option was granted for a sum of £1 in relation to a parcel of land over which no option to tax has been made by either party. The grant of option is treated as an interest in the land, and subject to any option to tax exercised by the vendor. However, in the Landlinx case, rather than exercising the call option, Landlinx surrendered the option back to the vendor in return for a payment of £1.4m. Following the logic that the grant of an option is an interest in land, Landlinx treated the surrender of the option similarly, and as no option to tax had been made, as an exempt supply for VAT purposes. However, HMRC challenged this treatment arguing that under EU law, exemption only applies to supplies of the land itself, and should not apply to interests in land such as options. The tribunal however dismissed HMRC's arguments, deciding that the surrender was capable of being within the exemption. It should be noted that First Tier Tribunal decisions are only binding on the parties to the case, and do not have wider application.

It is understood that HMRC are not intending to appeal the decision and have since indicated that they accept that the grant of an option can be exempt if no option to tax is made. They have however not provided any further guidance on their policy in relation to surrenders of call options.

For any businesses involved in granting/receiving/surrendering options, the easiest way to obtain certainty from a practical perspective may be for the parties to opt to tax the property concerned, so that all supplies will be subject to VAT.

Removable Contents

We are aware of a case that has recently been heard in relation to the VAT treatment that should be applied to supplies of removable contents that are supplied with a new building. The decision in the case has yet to be released, but it could have significant implications for developers of properties that include free standing furniture where the sale of the property qualifies for zero-rating.

HMRC have a long-held policy that where a zero-rated sale of a building includes free standing furniture or other removable contents, those contents should be treated separately from the sale of the building and should be subject to VAT at 20%. This policy has always been questionable from a technical perspective, as established case law indicates that the furniture and the building should be treated as a single supply for VAT purposes. On that basis, zero-rating should apply to both the building and the contents. However, HMRC have never been challenged on this point in the courts – until now.

The case was heard at the First Tier Tribunal, and the tribunal decision will only be binding on the parties to the case and will not have wider application. However, whatever the decision of the tribunal, the expectation is that this will be appealed by one party or the other and will go to the higher courts. Decisions of the higher courts are binding generally.

For any business that has developed properties such as houses, student accommodation, care homes, etc. where free standing furniture and other removable contents have been included in the sale, consideration should be given to submitting protective claims in relation to VAT that has been accounted for on removable contents on the zero-rated sale or long lease of the development.

Builders Block

With the passage of time, items that were previously un-common have become common place in the construction of new build houses. As a consequence, the list of items that are or should be considered "building materials" has increased. There is scope that more of those goods should not be subject to the input tax block that applies to goods that are not building materials but that are incorporated into the building.

The most recent example of this was a case where a developer included manual window blinds in its build specifications and treated that blinds as building materials, claiming back VAT on the purchase of the blinds as input tax. HMRC considered that the block should apply, but the tribunal found in favour of the developer, finding that manual window blinds and shutters were goods that were ordinarily installed by builders in dwellings, and therefore the block did not apply. HMRC have updated their position accordingly.

> It is always worth reviewing the VAT position taken with respect to items included in a build to assess whether those items could be considered to be building materials of a type ordinarily installed, or whether the input tax block should be applied. In cases of doubt, take advice. There may be opportunities to claim back VAT that has been blocked in the past.

Outsourcing

Client case study

Real estate outsourcing services

Overview

The Axium (https://the-axium.com) is a 300 apartment property development in the heart of Birmingham City Centre. The project is part of the work that Anthony McCourt, CEO of Court Collaboration has undertaken in the Far East to attract inward investment to the UK and the West Midlands in particular.

Court Collaboration is the project manager for the development which has been funded primarily from overseas investment funds. As part of Court's offering to the investors, MHA MacIntyre Hudson LLP were engaged to provide ongoing financial reporting via Xero thus enabling the Board to monitor ongoing progress on a real time basis

Background and Project

Court were keen to find a solution that provided comfort to the overseas investors that their funds were being expended appropriately on project costs identified in the appraisal.

Ordinarily, this would be provided by way of quarterly financial reports prepared internally by the Court finance team but the overseas investors in this instance wanted more than this. Specifically they required:

- **a** Some form of independent overview of the financial performance of the project;
- **b** An ability to access the financial information at any time and in real time;
- **c** The information to be provided in a format that assisted in the efficient preparation of audited financial statements;
- **d** Support on the preparation of VAT returns and ongoing VAT advice;
- **e** Support on the preparation of Construction Industry Scheme returns

The MHA Real Estate team in Birmingham suggested that Xero accounting software could be seen as an appropriate solution in the circumstances, and after a demonstration of the software's capabilities, MHA were engaged to provide the support services to Court and the investors.

Based upon the above requirements, MHA delivered a pragmatic cost effective finance and accounting outsourcing solution for Court and the investors, including solutions for month end closedown Court's brief with the investors had some complex reporting requirements, and the MHA team supported Court in creating custom Xero reports to satisfy the demands of the investors as well as the third party accounting firms.

Chris Keogh, the director of development and operations at Court said "The reporting out of Xero is much more user-friendly than what we had previously. MHA have provided significant value in helping us in delivering the required financial information to our clients efficiently and cost effectively"

The project is now complete and a significant number of the apartments have now been sold. Court has secured high praise from its client on its project management role and MHA Real Estate Team are pleased to have played their part in a successful outcome for all concerned.

Residential Property Development Tax

The full impact of COVID-19 on the construction sector will not truly be known for years to come.

Whilst it seems that the residential property sector, in particular, remains robust as demand and prices continue to surge, commentators are concerned that any pandemic bounce back is endangered by a combination of materials shortages, rising materials prices and scarcity of skilled and unskilled labour.

Pressure is therefore on the industry to be proactive and work together in resolving the above issues and to free up supply to meet demand. There is concern that such external pressures are creating real uncertainty at this time and that materials and wage inflation is set to continue for the foreseeable future. It is against this back drop that residential property developers now only have a matter of months before a new tax, the Residential Property Developer Tax (RPDT) is implemented. The possibility of RDPT was announced by the issuing of a consultation document on 29 April 2021, with the stated aim of assisting the Treasury with the funding cost of remediation works to remove and replace unsafe cladding from high-rise buildings. The RPDT is considered by the government as a means for the industry paying 'its fair share' towards remedying a problem of its own creation. However, there will be many residential developers who were, in no way, involved in developments which used such unsafe cladding materials and will also be required to foot much of the cost of this new tax.

RDPT will be payable on top of a developer's corporation tax liability and it is known that it will be assessed on relevant profits in excess of £25m on residential property sales or build to rents. At the time of drafting, details of the final scheme and how it will operate, including the rate at which it will be assessed, are uncertain.

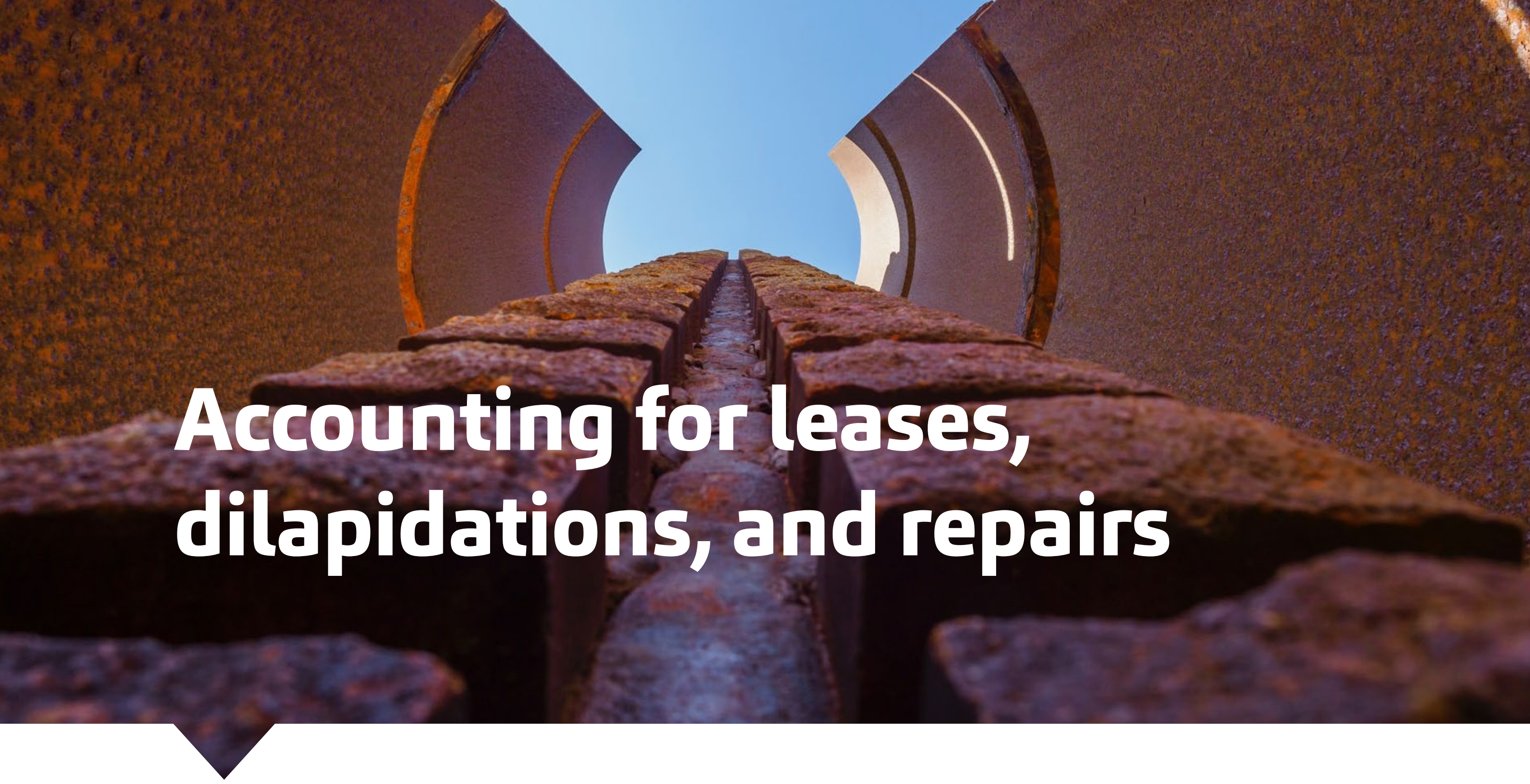
What we do know is that it will apply from 1 April 2022 and will be applicable for the following 10 years. Given that no relief will be available for financing costs it may well bring a lot more businesses into charge than one might suspect.

The RDPT in Outline

- It will apply to developers with annual groupwide profits in excess of £25m although the rate at which it is to be assessed is not yet known.
- It will also apply to developers who build their own rental portfolios. RDPT will be assessed on a deemed profit arising at the time of the first rental. The proposals are silent as to whether there would be a credit for such a deemed profit should there be an eventual sale of the affected property.
- The definition of residential property is expected to follow that used for Stamp Duty Land Tax (SDLT) which is broadly a house or flat that is considered as a single dwelling together with surrounding grounds or garden.
- Communal dwellings such as hotels or residential nursing homes will be excluded from the definition of residential property. It should be noted that other types of co-living developments such as student accommodation may also be excluded but this is uncertain.
- It has not been decided whether the tax will be assessed only on the profits arising on the residential development activity of the company, or upon the whole profits of a development company if a 'threshold test' is met.
- No relief will be available for funding costs in the calculation of the profits, although it is expected that there will be some allowance for 'RDPT losses' arising after April 2022.
- The RDPT is expected to be paid at the same time as a company's corporation tax liability and will be reported as part of its corporation tax return

Given that the Autumn budget is scheduled for 27 October 2021, there may be more clarity as to the operation of RDPT at the time of reading this article for which we apologise. No doubt any significant changes to the proposals set out above will be reported in our next edition however, given the tight deadline for its implementation, we thought our readers would appreciate a heads up on the Government's thinking.

For those of you who wish to undertake further research, the consultation can be found **here**



Accounting for leases, dilapidations, and repairs

In the UK accounts of companies not applying the micro-entities regime are prepared under one of three financial reporting frameworks:

1. UK-adopted International Financial Reporting Standards (IFRS)
2. FRS 101 Reduced Disclosure Framework; and
3. FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland

IFRS is mostly used by listed groups and a small number of companies out of choice. UK adopted IFRS is based on IFRS as published by the International Accounting Standards Board (IASB).

FRS 101 is the application of IFRS but with relief from various disclosures and is the usual choice in the individual accounts of certain subsidiaries and parents included in publicly available group accounts.

IFRS16 can be a very complex standard to apply in practice as it contains many detailed provisions around term, renewal and termination of a lease as well as the definition of a lease and the extraction of a lease from the host contracts. The standard also contains complex requirements for transition to and exemptions from its core requirements

The vast majority of UK limited companies apply FRS 102 which is a single standard covering most aspects of accounting. Both FRS 101 and FRS 102 are published by the Financial Reporting Council.

In January 2016 the IASB issued a new standard; IFRS 16 Leases. The standard is effective from periods commencing on or after 1 January 2019.

This standard requires tenants to recognise all contracts that meet the definition of a lease on their balance sheets. The balance sheet will now reflect the obligation to make the lease payments as well as the lessee's right to use an asset for the term of the lease as well as any associated costs.

The right to use lease asset consists of:

a. The present value of estimated future lease payments discounted using the rate implicit in the lease or if not readily determinable the tenant's incremental borrowing rate.

b. Any advance lease payments made less any incentives received

c. Any initial direct costs incurred by the tenant to enter into the lease

d. The tenants best estimate of the costs associated with dismantling and removing the underlying asset, restoring the site on which it is located, or restoring the asset to the conditions required by the terms of the lease.

Point d) above is commonly referred to in the industry as the dilapidation cost or dilapidation provision. IAS 37 Provisions, Contingent Liabilities and Contingent Assets will typically require the tenant to estimate and recognise a provision in respect of an obligation to perform such restoration activity in full when the lease is signed or at a later date where work is performed to modify the leased asset from its original condition.

Like the lease liability component, the dilapidations component will need to be revisited and remeasured at each reporting date with corresponding adjustments made to the carrying amount of the Right of use asset.

> The right of use asset will be amortised (expensed) to the P&L over the expected useful life of the right of use asset which is usually but not always the term of the lease. The dilapidation provision will be released once any claim by the landlord is settled. The effect of this treatment being that the true cost of the tenancy will have been spread over the term of the lease.

FRS102's approach retains the differing accounting approaches for Finance and operating leases with the former being reflected on the balance sheet while the latter are reflected in the profit and loss only as annual rentals.

There is however no difference between FRS102's and IAS 37's approach to the measurement and recognition of dilapidation provisions. Under FRS 102 where a tenant makes a significant modification to the leased asset and that modification enhances the use of the asset the costs of the modification (and the associated restoration costs) will be recognised as a leasehold improvement asset which will be depreciated over the term of the lease. It is important to note that where the changes in the provision relate to the costs of maintaining or restoring the asset to the conditions set out in the contract it is unlikely that these costs will meet capitalisation criteria and will have to be expensed immediately. A provision should be made to reflect the best estimate of those repair obligations at the balance sheet date.

Given the implications for the accounting the allocation between restoration costs and maintenance and repairs is always an important issue. Clearly this must be an estimate and is probably best performed by an experienced and qualified surveyor. As noted above this will need to be regularly reassessed during the lease term. The restoration costs will not be allowable against corporation tax to the extent they are capital in nature. Stamp Duty Land Tax should not usually apply, but the VAT position should be reviewed as HMRC's views on this are evolving.

For those companies that have not applied the accounting standards fully there is an opportunity to look at the costs of restoration and make a provision for future maintenance thereby taking a cash flow advantage with tax relief. One has to recognise the responsibility of directors to prepare accounts showing the true financial position of a company complying with company law and accounting standards.

News bites

Planning overhaul to be scrapped

Following a backlash from Tory MP's and voters it has been mooted that the reforms designed to assist ministers hit a target of 300,000 new homes, in the Governments planning shakeup, by 2050, is to be reduced. It is expected to be replaced by the introduction of a zonal system which will give councils mandatory house building targets. Removing the homeowners right to object to new houses will also be replaced with more limited changes. The request to designate 'growth sites' could still be put to councils where there is a presumption in favour of development and planning applications will be fast tracked.

All new homes to have EV chargers

A new legislation is to be introduced by the Government requiring all new-build properties in England be installed with charging points on by the end of the year. To ensuring batteries can be charged without overloading the grid, the chargers will have a legal requirement to be "smart" devises. A promise to install charging points in every new residential building with a parking space, had been previously agreed. Any upgrades to existing residential blocks with over ten parking spaces would have to include the installation of charging cables running to each parking space, and one new charging space for every five parking spaces will be required for office blocks. Changes will be made to existing building regulations to enforce the legislation.

Construction firms suffering severe disruption

Construction firms saw "sustained and severe" disruption in August, according to the Chartered Institute of Procurement and Supply, causing a near-record cost increase. Staff and material costs 'went through the roof', said CIPS Director Duncan Brock, affecting Concrete, fuel, steel and timber. Jewson has also warned customers that in September, a range of goods rise in cost by as much as a fifth, due to the ongoing supply chain disruption.

'Record amount' of London office space to open in 2023

Despite low commuting levels compared with other British cities, and signs that remote working is likely to continue, Savills have predicted that London could open a record number of new offices in 2023. If the planning decisions and construction timetables are met, developers are scheduled to complete 7.5m sq ft of space,. the highest figure since 2017, compared to 5.5m sq ft this year, breaking all previous records for office development, as investors still believe in London's commercial property market. Some workers have been reluctant to return to the office, but developments have proved popular with 19% of planned offices already let, some as far as four years in advance. London's West End, which has high demand, is set to break annual development records this year.

Second Homes

Ministers preparing crackdown on second homes. Warnings that second homes in rural and costal areas are putting pressure on housing supplies has forced Ministers to plan a crackdown. Communities Secretary Robert Jenrick is planning a range of reforms to give councils powers to ban the building of new homes aimed at "incomers" looking for a holiday home and insist developers build more starter homes. If certain types of homes are deemed to be damaging to the local community councils would have the power to impose such bans without the need to hold, and win, a local referendum on the issue.

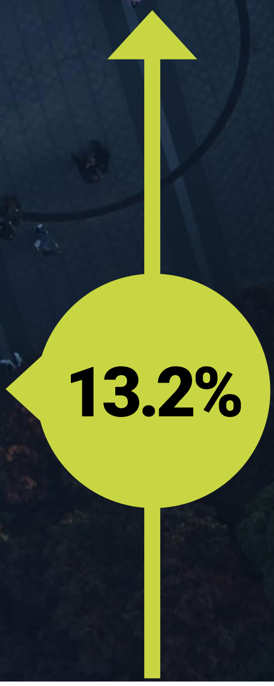
Areas such as Cornwall, The Lake District and the Cotswolds all experience high numbers of second homes, the moves are designed to offer respite to these communities and will be included in planning legislation this autumn. Robert Jenrick has just been replaced by Michael Gove, it will be interesting to see if this policy comes to fruition.

Construction growth slows amid shortages

While there remains growth in the construction market, the pace of this growth has notably slowed due to a shortage of skilled staff and materials. The IHS Markit/Cips UK construction purchasing managers' index dropped from a 24 year high of 66.3 in June to just 58.7 in July. Tim Moore, economics director at IHS Markit, said: "The loss of momentum spanned all major categories of construction work and was most pronounced in the housebuilding sector." Martin Beck, senior economic adviser to the EY Item Club, blamed the loss of momentum to supply-side constraints, and not a reduction in demand.

House price growth

The latest house price data published on GOV.UK by HM Land Registry for June 2021 show that average house prices in the UK increased by 13.2% in the year to June 2021, up from 9.8% in the year to May 2021, which is the strongest annual growth since November 2004.

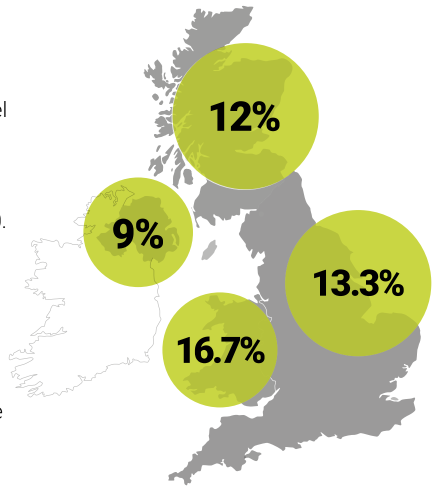


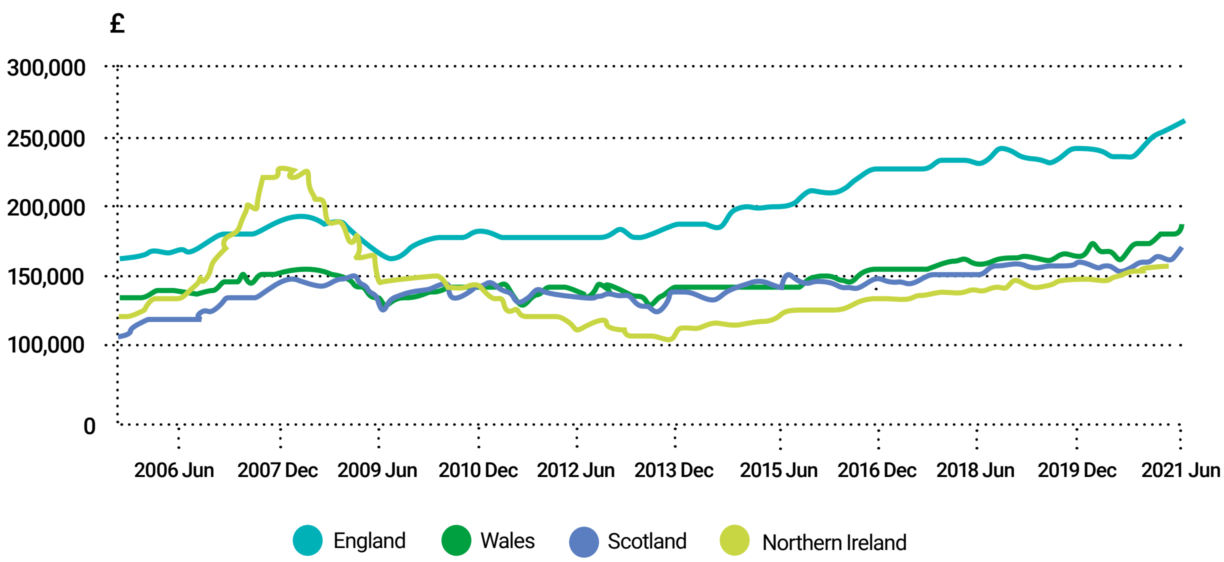
Monthly house prices changes across the UK and Ireland

The UK average house price for June 2021 was £266,000; this has now surpassed the previous record of £256,000 seen in March 2021.

England house prices remain the highest in the UK

- England increased by 13.3% over the year to June 2021, up from an increase of 9.4% in the year to May 2021, with the average house price in England now at a record level of £284,000.
- Wales increased by 16.7% over the year to June 2021, up from an increase of 14.7% in May 2021, with the average house price in Wales now at a record level of £195,000.
- Scotland increased by 12.0% over the year to June 2021, up from an increase of 11.1% in the year to May 2021, with the average house price in Scotland now at a record level of £174,000.
- Northern Ireland increased by 9.0% over the year to Quarter 2 (Apr to June) 2021. Northern Ireland remains the cheapest UK country to purchase a property in, with the average house price at £153,000





Because of the impact of the coronavirus (COVID-19) pandemic on both the number and supply of housing transactions, we might see larger revisions to the published House Price Index (HPI) estimates than usual. Although the number of processed transactions feeding into the UK HPI has improved over recent months, the monthly property transactions statistics published by HM Revenue and Customs show that the number of transactions in June 2021 was the highest on record, resulting in a reduction in the proportion of transactions available for the June 2021 estimate compared with previous months.

As a result, there may be increased volatility in this month's estimates, particularly at the lower geographical levels where transaction volumes are smaller. On 8 July 2020, the Chancellor of the Exchequer announced a suspension of the tax paid on property purchases with immediate effect in England and Northern Ireland. The suspension came into effect slightly later, on 15 July in Scotland and 27 July in Wales. In England and Northern Ireland, properties up to the value of £500,000 would incur no tax, while the thresholds for Scotland and Wales were £250,000. These changes in the tax paid on housing transactions may have allowed sellers to request higher prices as the buyers' overall costs are reduced.

On 3 March 2021, the Chancellor of the Exchequer announced an extension to the Stamp Duty holiday in England and Northern Ireland. This meant that the tax holiday was extended until 30 June 2021 after which the threshold decreased to £250,000 until 30 September 2021. From 1 October 2021, the Stamp Duty thresholds will revert to what they were before 8 July 2020. The tax holiday for Scotland ended on 31 March 2021. The tax holiday in Wales ended on 30 June 2021.

As the tax breaks were originally due to conclude at the end of March 2021, it is likely that March's average house prices were slightly inflated as buyers rushed to ensure their house purchases were scheduled to complete ahead of this deadline. This effect has been further exaggerated in June 2021, in line with the extension to the holiday on taxes paid on property purchases in England, Wales and Northern Ireland. Monthly property transactions statistics published by HM Revenue and Customs show that the seasonally adjusted number of transactions in June 2021 was estimated to be 198,240. This is higher than the previous record of 183,830 transactions completed in March 2021.

Regional variation

The North West was the region with the highest annual house price growth, with average prices increasing by **18.6%** in the year to June 2021. This was up from **14.2%** in May 2021.

The lowest annual growth was in **London,** where average prices increased by **6.3%** over the year to June 2021, up from **5.2%** in May 2021.

London's average house prices remain the most expensive of any region in the UK at an average of **£510,000** in June 2021.

The **North East** continued to have the lowest average house price at **£150,000.**

London remains the region with the lowest annual house price growth

All dwellings annual house price rates of change, by English region, year to June 2021

MHA Construction & Real Estate Team

Our Construction & Real Estate experts understand the challenges and opportunities within the sector, which remains a vital part of the UK economy.

A national Construction & Real Estate team with local specialists that understand the sector in your area.

Our service is partner-led and we aim to build a strong working relationship with you to understand your business and goals.

We have a wealth of experience in providing professional advice to a diverse range of clients within the property and real estate arena, including commercial and residential investment, facilities management, developers, and property-related service providers.

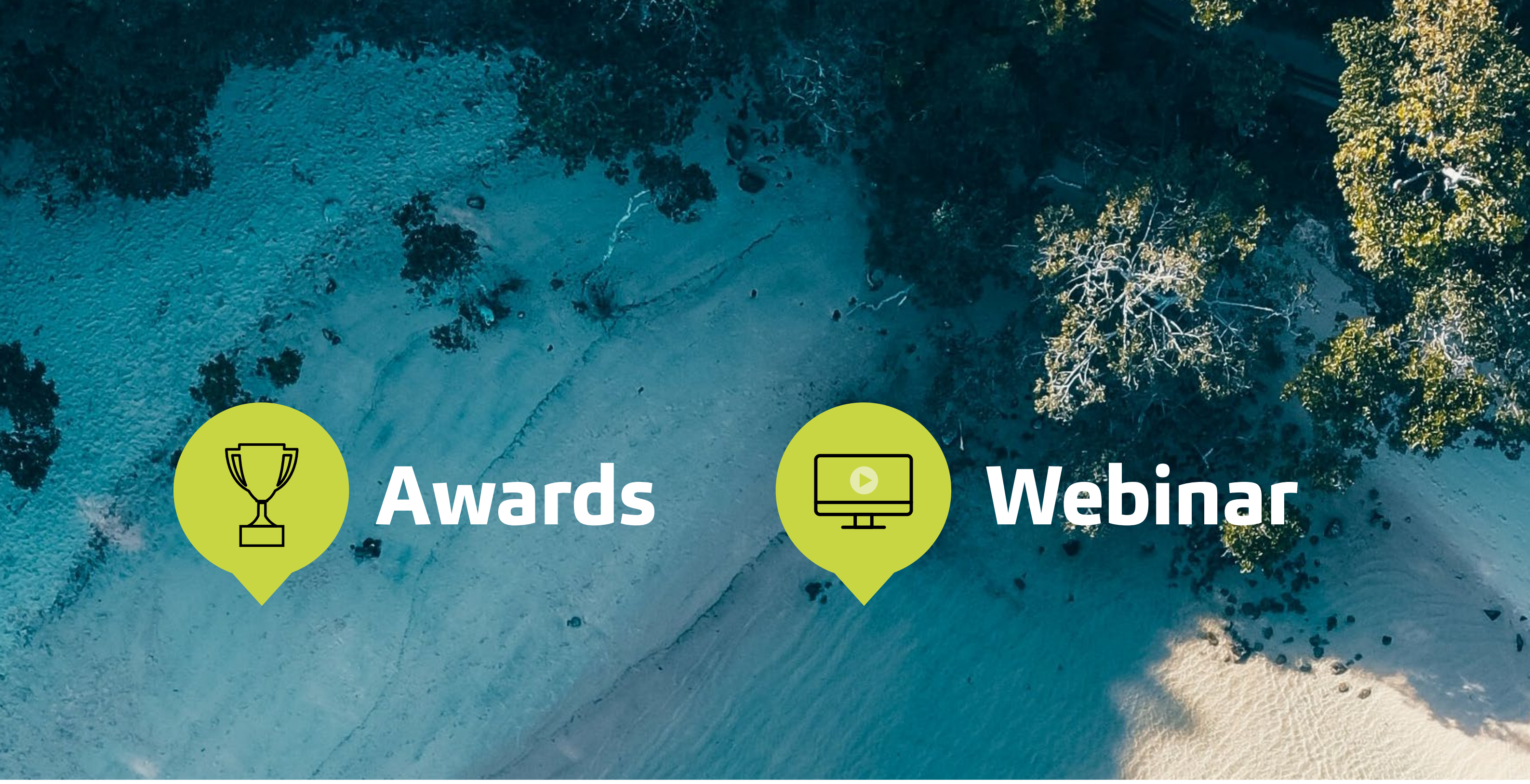
Our experts understand the issues that face the construction industry and have an enviable reputation for providing advice and support to clients across the sector including civil engineering, house building and developing, as well as the various construction trades and support services.

A wide range of tailored services: assurance, tax, compliance, advisory, training and more, delivered with practical understanding.

Worldwide specialist sector support through our independent membership of Baker Tilly International.

mha | hub

MHA Hub offers clients and contacts a diverse programme of professional events, training, and publications that has been created to offer the latest in best practice, good governance, and regulatory updates and insights,



Awards

Award event - 18th November

The National Building and Construction Awards, is a credible opportunity to support and share in our vision to raise the profile of industrious, hardworking and enterprising building and construction businesses.

> MHA MacIntyre Hudson are delighted to be sponsoring the National Building and Construction Sustainability Award.
>
> The industries goal for sustainable construction provides both impact and opportunity for the future of the construction industry. Sustainable construction requires the sector to minimise its effect on the environment not only during the build by utilising renewable and recyclable materials, but also, completed buildings should achieve a reduced carbon footprint by promoting a decrease in the energy consumption of structures. We are excited to be part of this positive forward move and for our input judging this category.

Webinar

Low Carbon Construction Webinar Wed 20 Oct, 13:00 – 14:00

Join us at our webinar on Wednesday 20 October to hear from experts about the following:

- What are you doing to make construction lower carbon?
- What are the key challenges to construction achieving?

  A) Significant short term carbon savings

  B) Achieving Net Zero by 2050
- How can major contractors achieve carbon savings through their supply chains and what part can SME's play?
- How low carbon can construction in the future actually be? There will always be waste, inefficiencies and embedded carbon in construction materials. How different will construction in 10 years be?

Register here

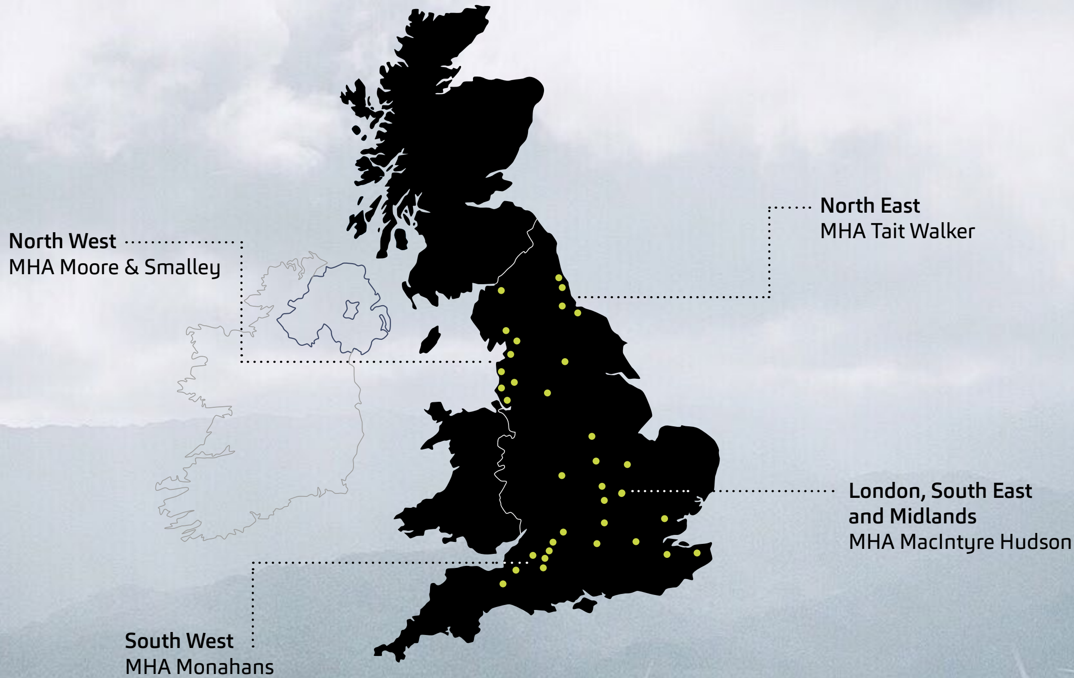
About MHA

MHA is an network of progressive and respected accountancy and business advisory firms with members across the UK.

Our member firms provide both national expertise and local insight to their clients. As an independent member of Baker Tilly International, a top 10 global advisory network, MHA offers clients unparalleled access to a broad range of in-country international specialists where overseas projects are on the horizon.

Our Sector Approach

MHA allows clients to benefit from in depth sector knowledge in addition to specialist accountancy services and expert business advice. Construction & Real Estate is a key sector for MHA, and our industry experts understand the challenges and opportunities within the sector. With MHA's sector experience, and local, national and international knowledge, our team is well placed to provide leading advice.



National Reach

136
Partners

1,375
Staff

£121.9m
Combined turnover

4
Independent accountancy firms

33
Offices nationwide

International Reach

148
Territories

US$4.04bn
Combined member firm revenues

An independent member of bakertilly INTERNATIONAL

37,000
Partners & Staff

MHA Construction & Real Estate Contacts

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Disclaimer

MHA Hub offers clients and contacts a diverse programme of professional events, training, and publications that has been created to offer the latest in best practice, good governance, and regulatory updates and insights.

@mha_uk

MHA UK

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mha-uk.co.uk