

THERE'S NEARLY £3BN IN R&D TAX CREDITS TO BE WON.

Forget the artwork, forget the compelling storylines, forget the enthralling soundtrack, a modern game is a masterpiece of software development, just as likely to hide serious software research and development as the most sober business or technical application.



The video games and interactive entertainment industry has a clear strong link to high-tech Research and Development (R&D).

R&D IS AN INTEGRAL PART IN THE DEVELOPMENT OF ORIGINAL INTELLECTUAL PROPERTY AND THE UK IS RECOGNISED GLOBALLY AS A LEADING SOURCE OF ORIGINAL COMPUTER GAMES CONCEPTS AND DESIGN.

The UK is at the forefront of a number of global trends driving the digital games market, especially the spread of social, massive multiplayer online (MMO) and mobile games variants. The increased availability of super-fast broadband infrastructure, tablets and smartphones is supporting this growth.

Access to finance is a priority for the video games and interactive entertainment industry in the UK. The R&D tax relief scheme encourages developers to engage in technological innovation that can bring huge benefits to the industry.

Jumpstart wants to ensure that game development and interactive entertainment companies take full advantage of the potential financial gains.

This guide sets out how your organisation could benefit from claiming R&D tax relief.



Jumpstart were very clear at the outset about what was achievable and what was not. That was very reassuring, as they knew what HMRC needed to see from us. It was quickly obvious they were experts. They ran the entire process for us, liaising on our behalf with HMRC. We had input but Jumpstart took us through each stage. I would absolutely recommend them.

| NIGEL ECCLES
| CEO AND CO-FOUNDER
| HUBDUB (FANDUEL)



We understand. Deeply.

We believe that your company gets the best results by using people who understand the science behind what you do.

That's why every member of our Delivery Team has a first or postgraduate degree in a relevant area of technology.

Our people are computer scientists, software engineers, system developers, AI and machine learning specialists and enthusiasts. We even have the occasional closet mathematician.

Our Technical Analysts are not only industry sector experts, but equally knowledgeable when it comes to the scheme legislation, guidelines and clauses.

IF YOU HAVE ELIGIBILITY, NO ONE IS BETTER EQUIPPED TO FIND IT FOR YOU.

Always techies. Never accountants.

As much as we don't like to blow our own trumpet, there are several great reasons to use Jumpstart. There are two main approaches to making a claim for R&D tax relief: the accountancy-only approach offered by...well, accountancy firms, and the technology based approach such as the one offered by Jumpstart. So what's the difference?

In an accountancy-only approach, you, the client, are usually pointed in the direction of the rulebook - 400+ pages of small text. When you have read the rules, collected your expenditure and justified your claim, your accountant may be able to tell you how much you can expect back, based upon that figure. That can be a lot of work on your part for a small return.

Another disadvantage of this approach is that many Managing Directors and Technical Directors miss projects that are less obviously eligible, or inadvertently over-claim for things that they shouldn't. Other technical staff can also be left in the dark on the programme's intentions and criteria, meaning that accountancy-only claims can be technically weak and easily challenged or overturned by HMRC.

IN OUR APPROACH, HOWEVER, YOUR PROJECTS AND TECHNOLOGIES ARE AT THE CENTRE OF THE CLAIM.

We talk with your technical people, in their own language, to engage them in the application process from the start. We show them how the legislation applies to their area of expertise and make an effort to understand what they were seeking to achieve.

We match our skill-sets to your own to sift the eligible from the ineligible and help your staff learn about the finer points of the programme's intent and criteria. This means that our technology-based claims can identify more eligible activity, are more robust and protect you from the risk of undue attention from HMRC.

Are you eligible? Let's find out.

HMRC's guidance on the programme runs to 400+ pages, so there's a lot to consider! At Jumpstart, however, we like to keep it as simple as possible. By taking the 30-second test opposite, you may be able to gauge whether your company would benefit from a more detailed assessment of its projects.

APPROACH TO TECHNOLOGY

I would say that my company attempts to develop new technology, as opposed to just using it. Some of our attempts to do so have failed for technical reasons, as what we were trying was surprisingly difficult to achieve. **Yes or No?**

APPROACH TO IMPROVEMENT

I would say that my company tries to make measurable, objective and significant improvements to the design and implementation of its products. **Yes or No?**

APPROACH TO PROBLEM SOLVING

When faced with a challenging technical problem, my company uses internal, qualified and experienced staff to design the solution, using sub-contractors to perform easily defined and non-challenging tasks. **Yes or No?**

IF YOU HAVE ANSWERED YES TO ANY OF THE ABOVE, PLEASE CALL US - THERE'S A GOOD CHANCE THAT WE'LL BE ABLE TO HELP YOU.





Jumpstart delivered exactly what they said they'd deliver. And at the end of it, we got a lovely big cheque from HMRC. We're doing a lot of cutting edge stuff here at Navmii and now getting the money back for it, which is as it should be.

| JOHN BOARDMAN
| COO
| NAVMII



You wouldn't be the first.

Many software and games development companies have been able to make successful claims for work to:

- Overcome the performance limitations of current technology stacks, development environments and mobile devices;
- Overcome the challenges involved in attempting to process huge volumes of data in real or near real time;
- Develop more effective game and rendering engines to make better use of limited processing power or memory;
- Improve the speed with which games perform on a variety of platforms;
- Develop better methods of porting games between platforms, and to;
- Develop the capabilities of open source platforms and technologies.

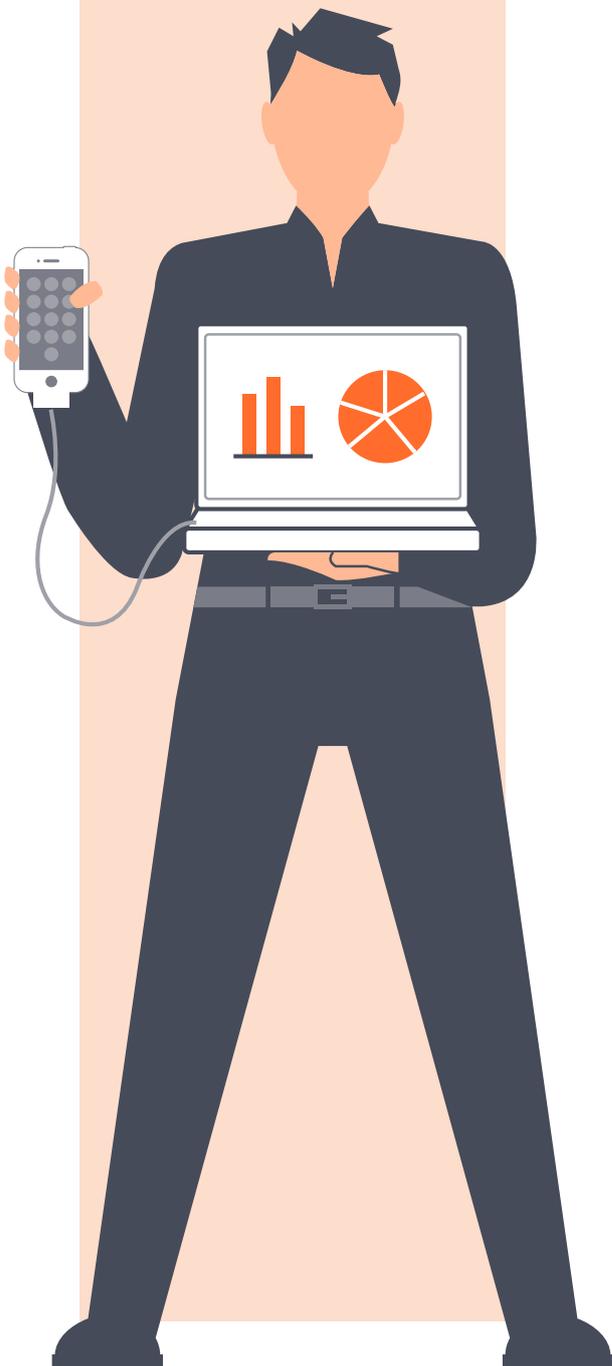
Games development is one of the richest fields of technological development in the UK and there are many more examples of where eligible work can be found. Just talk to us to find out more about how your work could qualify.

Be optimistic. Be very optimistic.

In our experience, there are a number of myths that surround R&D tax relief. It gives us great pleasure to debunk a few of the most common misconceptions about the programme.

WE DON'T PAY TAX, SO WE CAN'T CLAIM.

This one's easy. The good news is that you don't need to be paying tax - you just need to be liable to pay corporation tax. That's pretty much every limited company or PLC in the UK. The Government recognises that many companies will go through a few lean years before they start to generate profits, and it is at this crucial stage that the programme's support is at its strongest.



WE'VE RECEIVED GRANT FUNDING, SO WE CAN'T CLAIM.

Again, not true. You can apply for R&D tax relief on any grant-funded project – it just changes the mechanics of the application and the type of benefit that you get back.

OUR PROJECT WASN'T A COMMERCIAL SUCCESS, SO WE CAN'T CLAIM.

Happily this isn't actually relevant – what the project was trying to achieve from a technical perspective is far more important.

OUR PROJECT FAILED FOR TECHNICAL REASONS, SO WE CAN'T CLAIM.

Yikes. No one likes to try something new and get their fingers burned. In this context, however, technical failures can often be strong indicators that what you were trying to achieve was technologically difficult – and therefore potentially eligible for R&D tax relief.

The good news. In percentages.

The precise size of the tax credit will depend on the size of your company, its tax rate, and how many of your activities are eligible.

In short, though, SMEs can recover up to 25% (if in profit) and 33.35% (if loss-making) of their eligible costs, while large companies (those over 500 people) can claim back up to 10%.

Expect the best results.

Great results are not just about the size of a claim. Working with an advisor who minimises the time, effort and risk associated with completing the claim, means that you can focus on your business.

The claim process can expose you to business risk, if not managed correctly. HMRC's assessment of claims is becoming increasingly diligent, so it's more important than ever to ensure your claims are accurate to avoid enquiries.

Why Jumpstart?

Jumpstart only see half a dozen out of over 500 claims submitted annually being spot-checked by HMRC. This is entirely due to our well-trained, experienced staff and our quality processes. These guarantee a robust, persuasive narrative and properly assessed figures.

We've defended each and every queried claim successfully, achieving a 100% strike rate for our partners and clients. This means that we maintain an excellent reputation with HMRC, who see us as experienced, knowledgeable and reliable when writing persuasive narratives for R&D relief claims.

Let's get things moving

You can find out more by calling 0370 218 7506, by dropping us a line at helpinghand@jumpstartuk.co.uk or by visiting www.jumpstartuk.co.uk.

Remember!

EVEN IF YOU HAVE ALREADY MADE A CLAIM YOU MAY STILL BE ABLE TO REVIEW YOUR CLAIM AND INCREASE THE VALUE OF YOUR RELIEF.

There is no substitute for experience and expertise. Experience gained through years of daily involvement in putting together thousands of successful R&D tax claims. Expertise built through a detailed programme of training and study, maintained and regularly enhanced.

JUMPSTART YOUR R&D TAX CLAIM TODAY.

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