



# *Brexit checklist:*

Practical considerations for business  
August 2020

# *1: Have you got enough cash?*



- a) Do key managers understand actions that boost or deplete cash?
- b) What does working capital cost you?
- c) What is best for: costs; revenues; cashflow?
- d) Where would you look externally to raise cash?

## *2: Can you access new markets?*



### **How to sell overseas**

- a) Do your research
- b) Find finance
- c) Plan
- d) Find customers

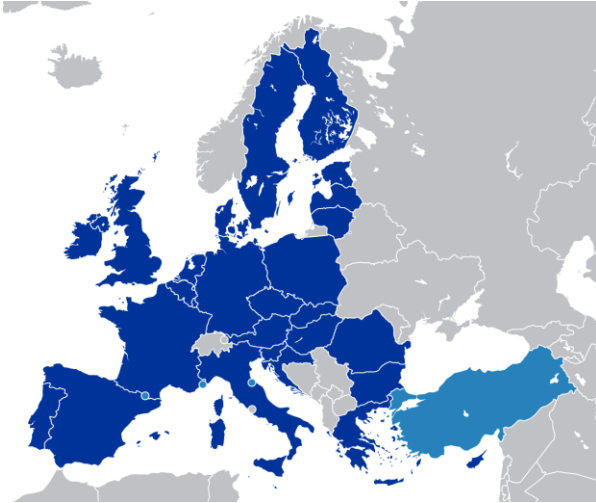
# *3: Have EU/EEA/Swiss-nationals registered for the settlement scheme?*



**They need to provide:**

- a) Basic personal information
- b) Proof of identity
- c) Proof of residence
- d) Criminality check

# *4: How would tariffs affect you?*



- 
- UK trade with the EU
  - Tariffs
  - Importing and exporting under WTO rules
  - Features of WTO system
  - UK/EU tariff regime
  - NI/UK mainland border
  - ‘Deal or no deal’ customs are changing!

# *5: Are you ready for customs? Have you got your EORI number?*



## **Are you ready for customs procedures?**

- a) Your GB EORI number?
- b) Your importer's EU EORI number?
- c) Who will make export declarations?
- d) Can you use 'transit'?
- e) What you need for the type of goods you export?
- f) When you need a 'certificate of origin'?

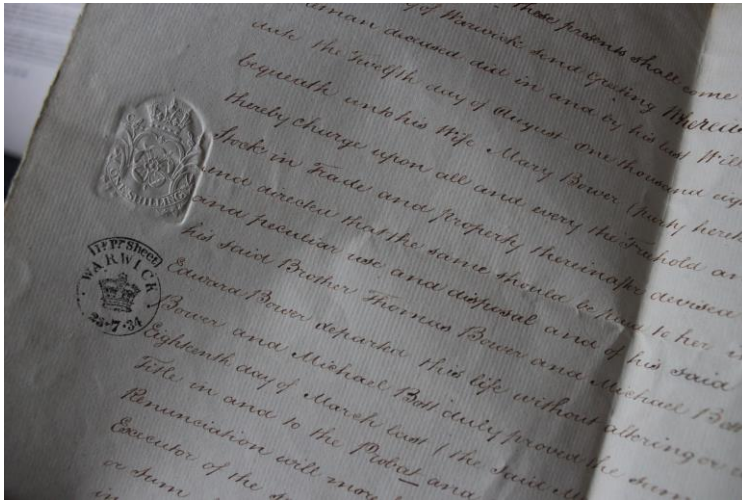
# *6: Are you eligible for simplified import procedures?*



## **Do you know?**

- a) The UK tariff rates for 'most favoured nations'
- b) Your GB EORI number
- c) Who will make import declarations?
- d) How you can apply to make importing easier?
- e) Whether you can benefit from duty deferment?

# 7: Do your contracts protect you?

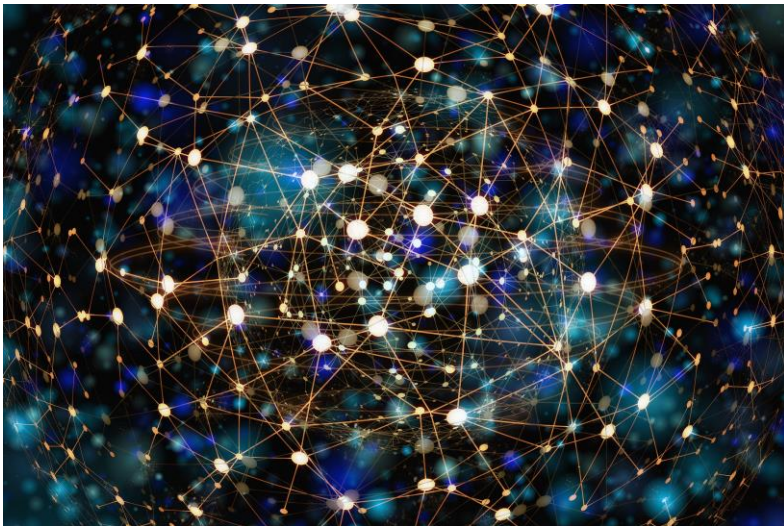


How do your contracts reflect:

- Potential changes in law?
- Currency risk?
- Tariffs (who pays)?
- Exiting early?
- Corporate reorganisation?



# *8: Do you receive personal data from the EU/EEA?*



What if there is no adequacy decision between the UK and the EU post-Brexit?

You can use

- Binding corporate rules
- ‘Standard contractual clauses’
- The eight permitted exceptions

Easier, but not yet in law

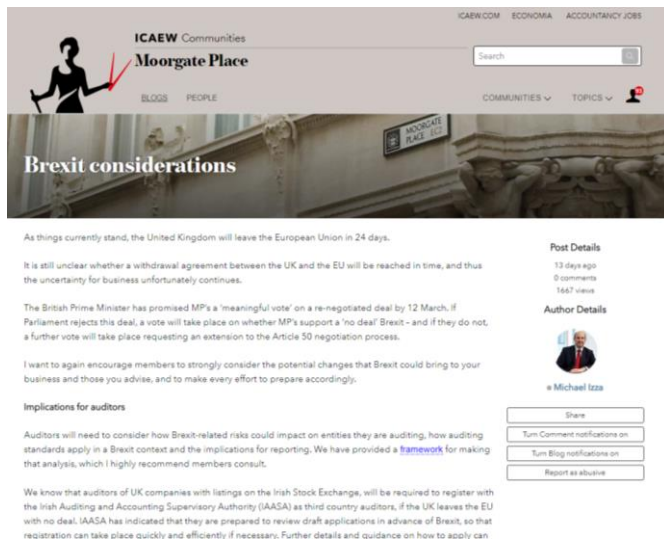
- Codes of conduct
- Certification schemes

# *9: How will VAT changes affect you?*

No fundamental changes to the UK VAT system.

- Exports: zero-rating to the EU will continue.
- Imports:
  - VAT due on imports from the EU to UK.
  - Reintroduction of postponed accounting for VAT: applies to all imports, EU and non-EU.
  - New HMRC 'parcels scheme', using a digital system.
- Supply of services post Brexit:
  - End of the UK 'Mini one-stop shop' for online sales.
- Recovery of VAT incurred in EU member states will change.
- EC sales lists and intrastat discontinued.

# 10: Do corporate reports reflect situation?



The screenshot shows a web page from ICAEW Communities. The header includes the ICAEW logo, 'Moorgate Place', and navigation links for 'BLOGS', 'PEOPLE', 'COMMUNITIES', and 'TOPICS'. The main content area features a large image of a classical building facade with the text 'Brexit considerations'. Below the image, there are several paragraphs of text discussing the UK's departure from the EU and its implications for auditors. On the right side, there is a 'Post Details' section showing the post was made 13 days ago with 0 comments and 1667 views. Below that is an 'Author Details' section for Michael Izza, with a small profile picture and a 'Share' button. At the bottom of the author details are three buttons: 'Turn Comment notifications on', 'Turn Blog notifications on', and 'Report as abusive'.

- Rigor and quality of financial reporting more important than ever – but challenging.
- Most difficult reporting season in recent history
- Numbers may change once we know more about the future
  - Risk disclosures
  - Sensitivities
  - Profit forecasts
  - Impairments
  - IFRS 9 loan provisions

# *Finding out more*

[icaew.com/brexit](https://icaew.com/brexit)  
[gov.uk/transition](https://gov.uk/transition)



ICAEW technical

- Checklist
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