

Case Study - Cyberaid Ltd

Haverhill based Cyberaid has been developing Payroll, HR, Training, Recruitment and Time and Attendance software solutions for an eclectic range of clients for the last thirty five years.

The company's flagship products, TeamTrak Adaptiv and CyBIS, help clients to meet the stringent and ever changing requirements of payroll and employment legislation. With annual changes to payroll legislation and an increasingly competitive market place continual improvement to existing solutions is crucial.

A phone call from Fiscale opened up a whole new revenue stream for this long established and successful business.

The background

Cyberaid was formed in 1980 to offer bespoke software development services in the specialised areas of Payroll and Human Resources (HR). In 1983 they launched their first payroll software product.

Clients across a diversity of industry sectors use the TeamTrak Adaptiv and CyBIS software packages to help them stay compliant with the latest Payroll and Employment legislation.

The team at Cyberaid has an in depth understanding of payroll, HR and business operations. This expertise is applied to the development process to ensure that the software has a far-reaching and positive impact on their clients. The overall aim is to increase efficiency and improve business agility. The speed at which a business can respond to changes in the internal and external environment will ultimately define its success or failure.

Cyberaid has built a reputation based on trust. Clients are confident that the software products in Cyberaid's range are reliable, secure, scalable and capable of integration with internal and external systems.

The challenge

Any business with employees is required to comply with Payroll and Employment legislation. Using software to calculate payments and manage employees is a far more efficient way for a business to handle this critical function. The demand for software solutions has attracted a wide number of suppliers, from small software houses to multinational listed companies - it is a crowded market.

In addition to the challenges from the high level of competition payroll is one of the most demanding applications. Software providers are required to incorporate changes to legislation within their software to tight deadlines. They also need to assure users of absolute security when processing and holding personal and sensitive data, such as bank account details and national insurance numbers.

With high-profile hacks hitting the headlines on a regular basis, software security is at the top of the development agenda at Cyberaid. The team constantly evaluate and test their software packages against the latest cyber threats to eradicate vulnerabilities and ensure the software remains robust. Testing involves a degree of technological uncertainty as the team work their way through diverse and complex 'what if' scenarios.

Recent years have seen some very significant updates in legislation including Automatic Enrolment for Workplace Pensions; the introduction of Real Time Information (RTI) penalties; shared parental

leave and shared PAYE personal allowance. For Cyberaid every one of these amendments required hours of software development and testing to ensure that the functionality works as it should.

A number of Cyberaid's clients require software solutions that will fully integrate with existing business management systems, such as Enterprise Resource Planning (ERP) or Client Relationship Management (CRM) applications. In these cases, Cyberaid will develop bespoke solutions to achieve the desired outcomes. This process involves technological uncertainty and requires extensive research and development utilising the skills of a talented team of analysts, systems developers and programmers.

The solution

After a phone call from Fiscale's Technical Director, Stephen Bunting, a "Discovery Meeting" was set up with Cyberaid's Managing Director, Gillian Blackmore. Two further visits and three phone calls followed. The claim for Cyberaid was quite straight forward, which meant that most of the correspondence could be carried out by email.

Gillian, together with her Finance Manager and Technical Manager, spent some time collating the background information required to support the claim with guidance from Stephen.

Fiscale soon had the information they required to prepare the draft report. This was then submitted to Cyberaid for approval before being sent over to the HMRC R & D Tax Credit team in Leicester.

The results

Cyberaid banked their first cheque from HMRC within 12 weeks of the initial phone call from Fiscale. Gillian was very pleased with the return on investment for the time invested in pulling together the information required.

"I worked with Stephen Bunting many years ago and was one of the first companies to submit an R & D Tax Credit claim when the scheme first started. Back then it was a lot more complex and, although the outcome was successful, the experience put me off ever claiming again! However, Stephen managed to convince me that the scheme has moved on and that it could be of benefit to my business. Crucially, all claims are now authorised by the HMRC in advance, rather than submitted as a 'given' on the tax return, which made all the difference on my decision to claim.

With their no win, no fee guarantee and a 100% success rate for the claims they have already submitted for clients I realised that I didn't have anything to lose so agreed to an initial consultation.

It soon became apparent that the nature of the market we operate in drives a huge amount of Research and Development into product development. Many man hours are devoted to constantly improving our software. We don't have a choice; this time has to be invested if we want to keep our products current, reliable and secure.

I am glad that Stephen persuaded me to revisit the R & D Tax Credit scheme, it has certainly paid off. It did require a bit of effort from me in the beginning but given the size of the relief received it was well worth my time.

I enjoyed working with Fiscale. They are a very professional team and they deliver what they say they are going to do. I am looking forward to our continuing relationship and the ongoing benefits that the R & D Tax Credit Scheme can bring."

Gillian Blackmore, Managing Director, Cyberaid

The conclusion

The relationship with Fiscale is ongoing. The first claim was submitted in August 2014 and a second went through in February 2015. The R & D Tax Credit relief generated so far will be used for future investment.

For 35 years Cyberaid has been committed to providing their clients with compliant, reliable software solutions. Simply keeping abreast of the legislation requires a significant outlay in software development.

Staying ahead of the competition in an extremely competitive market place dominated by some major players, including listed companies, many small software houses and "free" software offers is no easy feat.

Improving and refining Cyberaid's flagship products to ensure they comply and retain a competitive edge is vital if the company is to preserve its client base and reputation for innovation and reliability. The R & D Tax Credit relief makes this unending task more viable.