



CORPORATION TAX COMPLIANCE PREPARATION

RATIONALISING YOUR DATA

2022

UNDERSTANDING THE DATA HEADACHE

DO YOU ASK YOURSELF THE SAME QUESTIONS EVERY YEAR?

- ▶ Do I spend too much time gathering data for the tax return and not enough time reviewing it?
- ▶ Do I get useful insights from our compliance data?
- ▶ Is too much resource devoted to the tax compliance process?
- ▶ Should we use a more integrated approach for our different compliance needs?
- ▶ Is our compliance approach ready for Making Tax Digital?
- ▶ Would leveraging technology better improve our compliance experience?
- ▶ Is the current approach meeting all of our compliance needs?

Our Tax Performance Engineering team can help you address this headache and remove the future burden.



Focus on obtaining quality data from your financial systems



Leverage technology to help you get greater value and insights from tax compliance



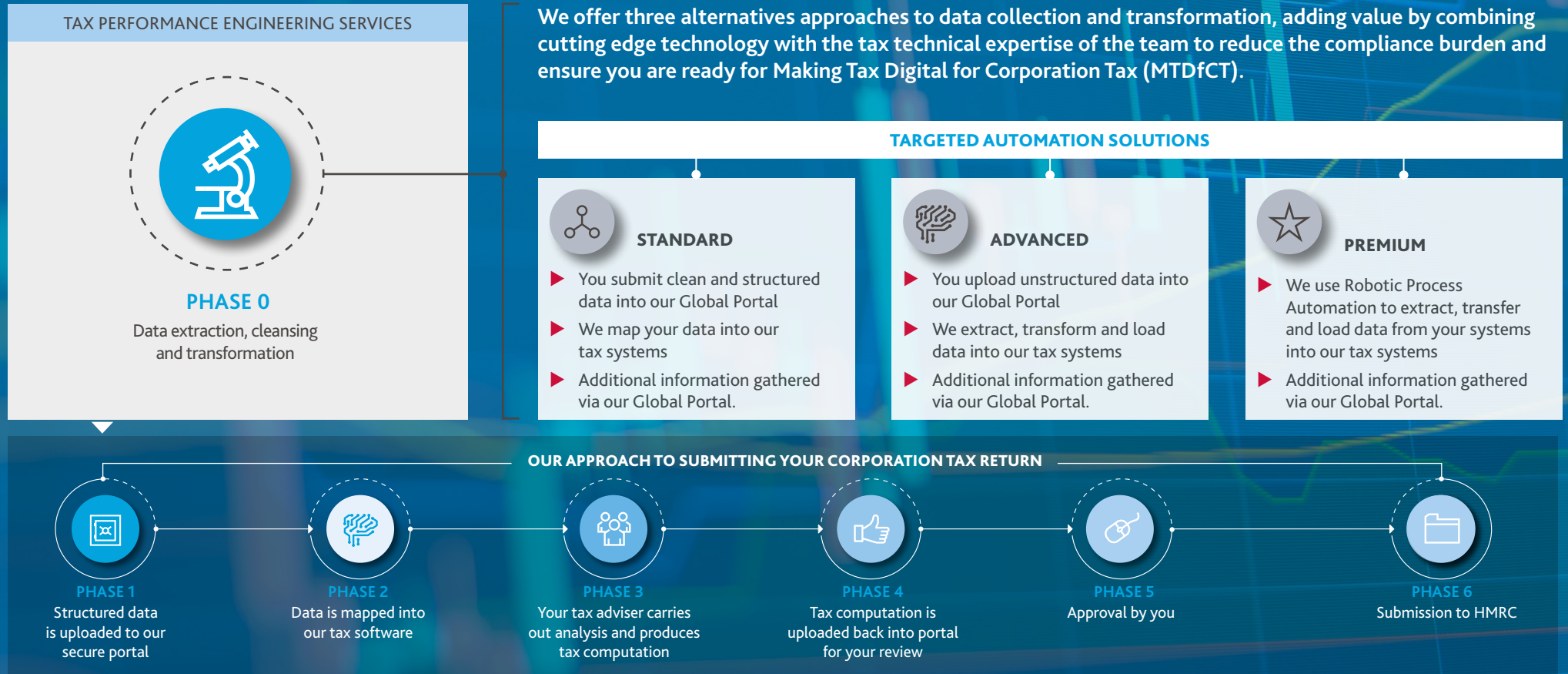
Future proof your tax compliance requirements by redesigning your approach

We have developed a data cleanse, extract and transform service to start your journey.

ADDRESSING YOUR DATA HEADACHE

Data extract, cleanse and transform.

Before we can start our tax analysis, we need clean data to work with. Gathering data and reducing errors can be time consuming and complex yet it is critical to an effective compliance process. **Our aim is make sure your data is properly sanitised as a focused exercise up front rather than piecemeal throughout the compliance process.** If you do not have the time to structure your data, we have options for you to consider:



SERVICE DELIVERY MODEL

Before you decide on which model may be most suitable you will need to know what each option provides. An outline of this is set out below.

SERVICE	 STANDARD	 ADVANCED	 PREMIUM
Global Portal used for information exchange	✓	✓	✓
Targeted Automation Solutions available	✓	✓	✓
Workshop to discuss requirements	✗	✓	✓
No requirement for you to submit clean and structured data to our Global Portal	✗	✓	✓
Automated extraction of data	✗	✗	✓
Automated transformation of data	✗	✓	✓
Automated load of data into Alphatax	✗	✓	✓
MTD for CT compliant	✗	✓	✓
 Minimal effort for you to provide information:	☆☆	☆☆☆☆	☆☆☆☆☆



If you are interested in moving from the Standard model to our Advanced or Premium service delivery models then we would start with a Workshop to discuss your needs,

and within this explore options for Targeted Automation solutions to be deployed to automate data collection and transformation tasks.




Our fee structure allows us to accommodate all budgets, and even with the Standard model we can explore options for you to reduce the compliance burden through Targeted Automation solutions specific to your needs.

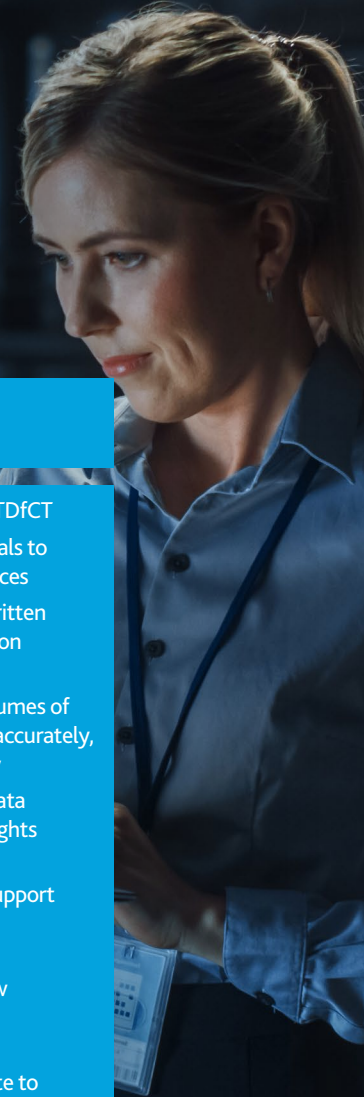
TARGETED AUTOMATION

Targeted Automation covers discrete tax (or finance) process that could be improved through technology, and supplements the Service Delivery Model selected.

These solutions can be delivered via a range of technology options including (but not limited to) RPA, machine learning and natural language processing, and can complement larger tax process transformation projects.

Some examples of where Targeted Automation solutions could be of use are set out below.

SERVICE TYPE	 PROBLEM STATEMENT	 SOLUTION	 EXAMPLES	 BENEFITS
PROCESS IMPROVEMENT	<ul style="list-style-type: none"> ▶ Often excessive manual effort in collecting and transforming data that is used in the tax return. 	<ul style="list-style-type: none"> ▶ Automate mundane and repetitive tasks associated with collecting and transforming data. 	<ul style="list-style-type: none"> ▶ Share scheme exercise information ▶ Merging multiple data sources for analysis ▶ Checking withholding tax rates rates applied to overseas income. 	<ul style="list-style-type: none"> ▶ Helping you prepare for MTDfCT ▶ Free up time for professionals to focus on value adding services ▶ Assurance that rules are written by tax professionals based on knowledge of the business
TRANSACTIONAL LEVEL DATA ANALYSIS	<ul style="list-style-type: none"> ▶ Significant manual effort required to collate and review transactional level data ▶ Inconsistent approach and conclusions drawn due to changes in personnel or systems ▶ Traditional spreadsheet approach risks human error where links are broken and formulae not updated correctly ▶ Prudent approach taken due to time constraints may result in missed opportunities to maximise tax relief. 	<ul style="list-style-type: none"> ▶ Automated rules based approach to categorising transactional data. 	<p>P&L</p> <ul style="list-style-type: none"> ▶ Legal and professional fees ▶ Repairs and maintenance ▶ Identification of disallowable entertaining costs. <p>BS</p> <ul style="list-style-type: none"> ▶ Fixed asset additions ▶ Refurbishment costs. 	<ul style="list-style-type: none"> ▶ Categorisation of large volumes of transactional information accurately, consistently and efficiently ▶ More effective analytical data produced giving better insights into data ▶ Customised reporting to support data entered into the tax computation ▶ Full audit trail showing how rules have been applied to each transaction ▶ Can be used to demonstrate to HMRC robust controls around collecting and categorising tax sensitive data.



WORKSHOP

The objective of conducting a Workshop is to reach agreement on the Service Delivery Model to be implemented, provide recommendations for tax data and process improvements, and suggest a shortlist of targeted automation solutions that could be used to support that approach.



DISCUSSION AREA

- ▶ Process
- ▶ Data
- ▶ Systems
- ▶ People
- ▶ Service Delivery Model assessment.



DISCUSSION POINTS

- ▶ What is the current Service Delivery Model?
- ▶ What would be the key objectives of changing Service Delivery Model?
- ▶ What is the current process for completing the tax return?
- ▶ Where does the data that feeds the tax return come from (Enterprise Reporting Platform (ERP)/non-ERP)?
- ▶ How is that data transformed?
- ▶ Which ERP system(s) are used?
- ▶ Which other systems are used to provide information for the tax return?
- ▶ Who are the key stakeholders in the process?



OUTPUT

- ▶ Documented review of current Service Delivery Model and tax return processes
- ▶ Identification of opportunities to improve
- ▶ Recommendation of optimal Service Delivery Model
- ▶ Recommendations for tax return process improvement
- ▶ Recommendations for Targeted Automation Solutions.



BENEFITS

- ▶ Improvement in our understanding of your processes, and better engagement throughout the CT compliance process
- ▶ Optimisation of the way in which corporate tax compliance services are delivered
- ▶ Free up time for professionals to focus on more value add services
- ▶ Getting you ready for MTDfCT.



FEES

Workshop		Fee ¹	
Service Delivery Model assessment, tax data and tax process review and recommendations		£3,000	
Additional Service Delivery Model fee (per Chart of Account)		One off Implementation fee (starting from) ¹	Recurring fee (10% of Implementation fee) ²
Advanced		£5,000	e.g. £500
Premium		£10,000	e.g. £1,000
Additional Targeted Automation fee		One off Implementation fee (starting from) ¹	Recurring fee (capped) ³
Process Improvement (per tax process per Chart of Account)		£1,500	£500
Transactional level data analysis – P&L (per category of expense)		£2,500	£500
Transactional level data analysis – BS (per asset register)		£3,000	£500

NOTES

1 : Fees indicative and subject to exact scope being agreed

2 : Recurring fee for Advanced / Premium set at 10% of implementation fee – subject to annual review and there being no significant changes to underlying data, systems or scope of work

3 : Capped at no more than £500 per process/category/asset register per annum

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