

How can I reduce the risk associated with my global tax accounting processes?

Client

Our client is a provider of human resource solutions.

Challenge

The challenge our client posed to us was to transform their global tax accounting process. Their current process involved finance professionals inputting data to over one hundred excel spreadsheets from their worldwide jurisdictions, then reviewing and consolidating this information into one spreadsheet. A lack of control around the spreadsheets meant that the quality of data was poor, so review and consolidation were becoming increasingly difficult. The complexity of the spreadsheets also meant the process was increasingly reliant on a single person who knew how to make it all fit together. The client was finding itself challenged to make it through the quarterly tax accounting process.

The client's overall objective was to reduce their risks. This included the chance of error due to a spreadsheet driven process tied together by manual steps, as well as the risk associated with just one or two people knowing how to operate the process.

Solution

We proposed an incremental approach to the challenge. Phase one involved a targeted improvement of the spreadsheets. The intention was to minimise the impact on the wider finance team by providing users with spreadsheets that incorporated a robust audit trail, version control, and a number of help points to guide as they inputted data.

The consolidation of the spreadsheets was then automated and a number of checks and balances built into this extraction process, so saving tax professionals' time and reducing the risk associated with manual transfer. Next, we suggested that the client move away from reliance on spreadsheets entirely and implement TaxStream. TaxStream is a single software system for all the tax accounting needs of a tax department, taking care of tasks such as data gathering, reporting, true-up to the tax return, and consolidation.

We worked with TaxStream to create a customised web-front end for users in every jurisdiction to input their tax accounting data. Owners of the tax accounting process are able to use the same system to receive real-time status updates on the progress of tax accounting activities across jurisdictions, and consolidate the many streams of accounting information into one at the touch of a button.

We created an online e-learning module which was used to reinforce classroom-based training that we provided to all financial controllers to ensure that they knew how to get the best out of the system.

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