



Tax accounting services

Providing you with confidence over your financial reporting of income taxes

Our tax reporting and strategy offering

Increased scrutiny of how much tax organizations are paying, and their policies in this area, means that it is increasingly important that your tax reporting is accurate and appropriately disclosed within your financial statements.

We can help ensure that you have fit for purpose tax accounting processes in place, whether reporting on an IFRS, GAAP, or statutory basis, and can add value to your business in the following key areas:

- Analyzing complex tax accounting areas, especially where the law has recently changed or after group reorganizations/acquisitions where consideration needs to be given to purchase price accounting
- Assisting with tax IFRS/GAAP/statutory conversions, (due to M&A, law changes, reporting requirements etc) including assessing the differences between bases for reporting, and documenting and quantifying the impact on your organization
- Remediating deferred tax balances, including assisting with assessments of completeness, accuracy, and realizability of your deferred tax balances
- Preparation or review of annual or quarterly tax provisions

We can also support your wider practical tax accounting needs including:

- People – providing support during periods of resource constraints with the preparation or review of tax accounting numbers for local accounts or group reporting (via co-sourcing or out-sourcing arrangement)
- Assisting with tax IFRS/GAAP/statutory conversion, (due to M&A, law changes, reporting requirements etc) including assessing and documenting differences in reporting basis, and quantifying the impact on your organization
- Technology – advising on market leading tax reporting processes, focusing on efficiency, quality and insights to create a fit for purpose target operating model
- Training – providing tax accounting training to keep your management, finance and tax teams aware of the current rules as well as future developments



Key questions to ask yourself

1

Do you have new or unfamiliar financial reporting requirements that could also impact tax reporting? Will there be deferred tax implications for your financial statements?

2

Is your business changing? Are you thinking about acquiring or disposing of a business? Are you expanding into new taxing jurisdictions?

3

Are you reporting taxes under multiple or different bases of accounting such as IFRS, GAAP, or statutory?

4

Do you have a history of significant prior year adjustments to your tax reporting numbers? Are your return-to-accrual adjustments regularly larger than expected? Do you have a volatile effective tax rate?

5

How much comfort do you have over your deferred tax balance sheet calculations? What tax reporting risks are not within your auditor's scope?

We can add value to your business

With key stakeholders already engaged with how taxes are managed within your organization, now is an ideal time to ensure you are appropriately reporting your taxes.

Focusing on the wider tax strategy provides you with an opportunity to ensure there is clarity around the various components of your tax accounting process, and that you are operating effectively and efficiently within the business. Examples of specific situations are:

- You need confidence that your financial reporting of taxes is as accurate as possible and aspire to develop processes and procedures to capture relevant data and information at an early stage
- You need to reduce your tax reporting close period by redesigning your processes, without losing accuracy of your numbers
- Your business wants to gain a greater understanding of the financial reporting impact on taxes in order to make more informed decisions
- You require greater effectiveness and efficiency when making effective tax rate forecasts based on forecast transactions and scenarios
- There is a need to relieve time pressures on your local finance teams, who may not have the deep technical specialist support available to advise on the tax accounting position of complex issues
- You are wary of, or want to avoid producing poor quality statutory financial statements in order to avoid audit issues which are likely to lead to over-runs and additional use of management resources
- A lack of awareness over appropriate tax accounting treatment means your organization is more vulnerable to errors

Other areas to consider

Well managed and accurate tax reporting is just one area that your tax strategy should deal with. Ensuring that your current strategy is up to date and fit for purpose given the current focus on effective tax management and disclosure should also be a priority. We can assist you with this as well other ways to enhance your management of tax, including:

- Reviewing your current tax strategy and ensuring it is aligned with the overall business strategy and supported by a strong governance framework
- Assessing your control over, as well as integration of, your tax compliance delivery and financial reporting models
- Improving aspects of your tax operating model through tax technology, as an enabler to achieve advances in workflow management, data management and analytics
- Considering how you can better manage specific areas of tax such as transfer pricing, capital expenditure, employment taxes, VAT and customs expenditure

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