



SOLUTION OVERVIEW

CASEWARE™ MONITOR TAX MONITORING

Taxation, Revenue and Customs authorities in many jurisdictions are introducing measures that are designed to ensure that companies become much more proactive in ensuring the accuracy of their tax returns. Tight deadlines for the submission of returns place pressure on departments to sign off the return without being able to adequately ensure its accuracy. Many taxation authorities have also introduced new tax reporting penalty regimes, meaning that inaccuracies on tax returns or failure to demonstrate reasonable care can prove to be costly and potentially embarrassing to the corporation.

In addition to increased compliance, companies need to exercise higher due diligence in their operational taxation activities as well. Inaccurate tax application, late filings and manual taxation processing activities are all a potential drain on corporate revenues and manpower. As a leading source of spend within all organizations Tax Monitoring can provide direct benefit to a company's bottom line in the same way that monitoring processes like Purchase to Payment and Travel & Entertainment save companies money.

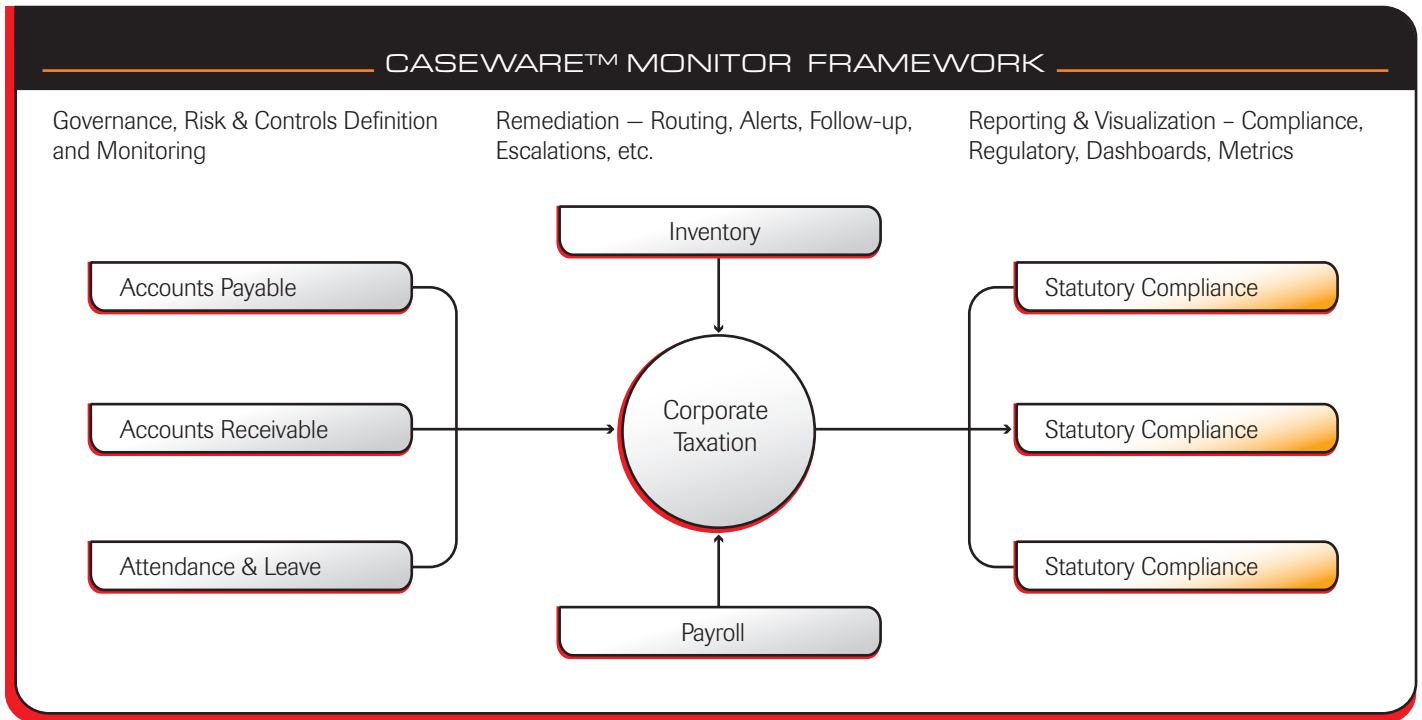
This Tax Monitoring solution is based upon the years of experience of experts who have undertaken accurate tax testing assignments as well as taxation authorities and Big Four accounting firms. Our Tax Monitoring solution allows your organization to improve the monitoring and verification of your tax data.

The solution defines and automates the testing of controls within the organization's tax reporting processes and allows for multiple regional taxation jurisdictions to be represented within one holistic process. As outlined in the chart below, the solution monitors any transaction that has an impact on the tax returns.

Once completed, the monitoring framework examines all master data and transaction records to detect potential errors and automatically alerts the relevant persons prior to the completion of the tax returns, regardless of their location or technical expertise. CaseWare™ Monitor maintains a permanent history of documented remediation and enables this information to be used in the generation of automated month-end reports and other supporting compliance activities.

Our Tax Monitoring solution is compatible with any source of data, including ERP and bespoke applications. By continuously monitoring the systems and applying a comprehensive resolution workflow, the compliance process becomes independent and auditable. This solution is deployed to all the relevant stakeholders, assigning them issues to be dealt with and ensuring that they are addressed in a timely manner.

Figure 1 – Tax Processing



Workflow and Reporting

When a breach occurs relevant alerts are triggered and a stringent remediation process is followed to ensure that high risk activities are methodically addressed as stipulated by the taxation process owners.

Other key aspects of the solution are the automation of reporting and visualization of the control environment. CaseWare™ Monitor automates key reporting for stakeholders, including statutory and regulatory bodies.

Reports include:

- Key taxation metrics
- Taxation trending
- Best practice comparisons

Standard dashboards are included in the framework:

- Trending of results across dates
- Grouping by risk ranking
- Grouping by status (new, pending, overdue, etc.)
- Comparisons across processes and users

SAMPLE TAX MONITORING TESTS

Tax Tests

Transactions posted to journals

Transactions posted to suspense

Transactions posted to specific VAT codes

Transactions not posted to GL

Items posted outside of tax period

Transactions with no applied Tax

Employees expenses with/without Tax

Foreign transactions with/without Tax

Taxation/Value differences

Specific GL account transactions with/without applied Taxes

Bad debts

Proforma Invoices

Suppliers with missing/invalid Taxation numbers

Supplier Tax coding

Round values

Duplicated transactions

Corporation Tax Tests

Stock write offs

Specific expense types

Transfer pricing

Round values

Payroll Taxation Tests

NI value discrepancies

Employees over 65

Leave and sickness records

Duplicate bank accounts



CaseWare RCM Inc.

1420 Blair Place, Suite 400
Ottawa, Ontario, Canada K1J 9L8

Phone: +613 842 7920 ext. 712
Fax: +613 842 9475

Email: rcmsales@caseware.com
www.caseware.com