

Automating Input Tax Reporting

Welcome to this presentation on transforming our tax reporting processes through automation. We will explore how a strategic implementation of technology can free up valuable resources and drive significant business growth.



PROJECT OBJECTIVE

Revolutionising Input Tax Reporting

Our primary objective is to automate the entire end-to-end process for input tax reporting. This ambitious project covers download, analysis, and journal preparation for all 258 entities, with each entity requiring one input tax report.

The core aim is to free up substantial manual effort, enabling our team to focus on higher-value, revenue-generating activities. This shift will enhance efficiency, accuracy, and strategic output.





CURRENT STATE & ASSUMPTIONS

Understanding Our Current Landscape

To fully appreciate the impact of automation, it is crucial to understand our current operational baseline and key assumptions:

- **Total Entities:** 258
- **Input Tax Report per Entity:** 1
- **Total Reports per Cycle:** 258
- **Manual Effort per Report:** 360 minutes (6 hours)
- **Total Manual Hours per Cycle:** 1,548 hours
- **Team Size:** 15 people
- **Working Days:** 5 days/week
- **Standard Hours:** 8 hours/day



PROJECTED SAVINGS

Significant Effort and FTE Savings

Automation is projected to deliver substantial savings in both manual effort and Full-Time Equivalent (FTE) capacity. By streamlining repetitive tasks, we anticipate a significant reduction in hours spent per reporting cycle.

774

Manual Hours Saved per
Cycle

This translates to 258 reports x 180
minutes saved per report.

19.4

FTE Equivalent Savings

Calculated as $774 \text{ hours} \div 40 \text{ hours/}$
week, representing nearly 20 additional
staff members.

High-Level Automated Process Flow

The "To-Be" process flow illustrates a seamless, automated journey for our input tax reporting, from data inception to final posting.



Source Systems

Raw data originates from various internal systems.



Automated Report Download

Data is securely and automatically retrieved.



Automated Validation & Analysis

Data integrity and compliance checks are performed.



Automated Journal Preparation

Journal entries are generated and formatted.



ERP / GL Posting & Review

Final posting to ERP/GL with human oversight.



STRATEGIC ADVANTAGES

Transformative Business Impact

Beyond mere efficiency, this automation project offers profound strategic advantages, reshaping our team's capacity and potential for growth.

Manual Effort Reduction

Approximately 774 hours saved per cycle, allowing teams to focus on critical tasks.

FTE Capacity Released

Equivalent to nearly 19.4 additional full-time employees without the need for new hires.

Strategic Benefit

Utilise freed capacity to onboard new clients, expand service scope, and drive revenue growth without increasing headcount.

Robust Risk Monitoring & Review Cadence

A comprehensive risk monitoring and review framework will ensure the sustained success and security of our automated tax reporting system.

- **Weekly Risk Review:** During the initial 8-week pilot phase.
- **Monthly Risk Review:** Transition to monthly reviews during steady-state operations.
- **Monthly Control Effectiveness Metrics:** Track exception rates, average fix times, and failed automation runs to gauge system health.
- **Quarterly Management Review:** Involve key SMEs from Tax, IT Security, ERP, and Compliance for strategic oversight.
- **Living Risk Register:** Maintain and update the risk register in the PMO workspace, ensuring mitigations and owners are current after each review.



Addressing Key Risks and Mitigations

This project faces several primary risks, but each has a clear mitigation strategy in place to ensure a robust and reliable system:

Primary Risks

- Data-format volatility
- Business-rule defects
- Security & access concerns
- Integration posting errors
- Potential regulatory changes

Mitigations

- Resilient parsing mechanisms
- SME-validated rule development
- Secure credentialing & audit logs
- Sandbox validation & maker-checker controls
- Proactive tax-rule monitoring

Governance includes weekly pilot reviews, automated alerts, and quarterly executive reviews to maintain acceptable residual risks.





Questions?

We welcome any questions or insights you may have regarding the automation of our input tax reporting processes.

Thank You

Your attention and engagement are greatly appreciated. We look forward to a successful implementation that transforms our financial operations.

Thank You

