

# Effective tax data gathering

**When a FTSE 100 Oil and Gas Company was embarking on a major project to replace its UK tax consolidation system for group reporting, it enlisted the help of tax technology specialist, Tax Automation to help design and implement a new detailed tax data gathering system.**

**Business Driver** - The taxation of oil and gas is extremely specialised. The company wanted a highly technical and fully integrated new tool to report all UK corporate taxes within a single spreadsheet to replace multiple, out-of-date templates

**Industry Sector** - Energy and Utilities

**Why Tax Automation** - Based on its in-depth knowledge of tax reporting and combined with its technical understanding of tax software, Tax Automation was able to understand what the client was trying to achieve and exactly how to help them get there.

**Business Benefits** - An extremely detailed tax reporting spreadsheet helped deal with tax computations for all UK tax resident entities. Data is now easily fed into the new reporting solution with no additional maintenance.

## Background

This company is one of the world's leading international oil and gas organisations, providing its customers with fuel for transportation, energy for heat and light, retail services and petrochemicals products. The business was developing an internal UK tax reporting and consolidation system and key to this was a single spreadsheet that could easily consolidate figures from every part of the UK business for reporting purposes.

## Updating and Consolidating

The UK tax reporting system that was currently in place consisted of multiple complex Excel spreadsheets which made the tax reporting exercise very disjointed and complicated. This process was extremely silo'ed with various parts of the business operating a number of different processes for tax reporting. The company realised that it needed to address this and brought in independent tax reporting software and consultancy specialists, Tax Automation.

The project commenced in October 2011 and the first part involved developing a pilot system to demonstrate what the new reporting tool would look like, including the delivery of a project summary and design specification. The second part of the project involved developing an Excel spreadsheet that would calculate the tax numbers. The new system was heavily based around Excel and needed to include all parts of the business. It also needed to merge all previous processes into one, culminating in a single spreadsheet. This included some programming whereby Tax Automation designed and built a template generator to create multiple tailored versions of the same template.

Tax Automation took the time to speak to the necessary individuals within the organisation to understand their needs, and tailored its solution to suit their requirements. The team ensured that the solution met the agreed specifications, tested and piloted it, before going live and then undertaking a fully comprehensive handover to the customer.

## Getting IT right

A tax advisor from this FTSE Oil and Gas Company takes up the story: "Having Tax Automation run this project reduced the amount of time I needed to spend on it. We set Tax Automation a series of target milestones in terms of when we wanted certain iterations to be produced, and they met every one.

They delivered on time and to a very demanding schedule. The fact that the team had such in-depth tax knowledge was a huge bonus and the Excel functionality that the team produced was extremely advanced - we wouldn't have been able to do this ourselves. What I liked about Tax Automation was that they always consulted me with the various options and explained everything fully so that I could make the final decision with confidence. I was also impressed by the wide range of knowledge that they had on the various technology systems available in the market and how they were able to explain the pros and cons of each of these to us."

Building the solution required people with advance programming skills who were able to meet some very challenging requirements. Passwords needed to be set for individual templates to protect certain parts of each of the templates. The templates then needed to be uploaded into Microsoft SharePoint to manage all of the client's files seamlessly. In-house developers worked in parallel with Tax Automation on this project to ascertain which solutions would work best.

## The Results

Tax Automation delivered a highly flexible solution that was able to produce tax provisions for the entire UK business. The solution was provided on time, and met all aspects of the specification. Tax Automation also provided training material for the client so that it could implement a comprehensive training plan.

The project completed in June 2012. Since then the software has been tried, tested, and is well embedded into the organisation.

A tax advisor from this FTSE Oil and Gas Company concludes: "We've not had any problems since the system was implemented and it has proved to be very reliable and flexible. The spreadsheet tool has been set up to allow tweaks and changes, which is essential with ever-changing rules and regulations, and it has been extremely well received amongst the tax advisors who are using it. I wouldn't hesitate to recommend Tax Automation to anyone who is looking to turn complex, fragmented tax reporting templates into an easy to use and single reporting tool."