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# ENHANCING SPREADSHEET PERFORMANCE

21 NOVEMBER 2018

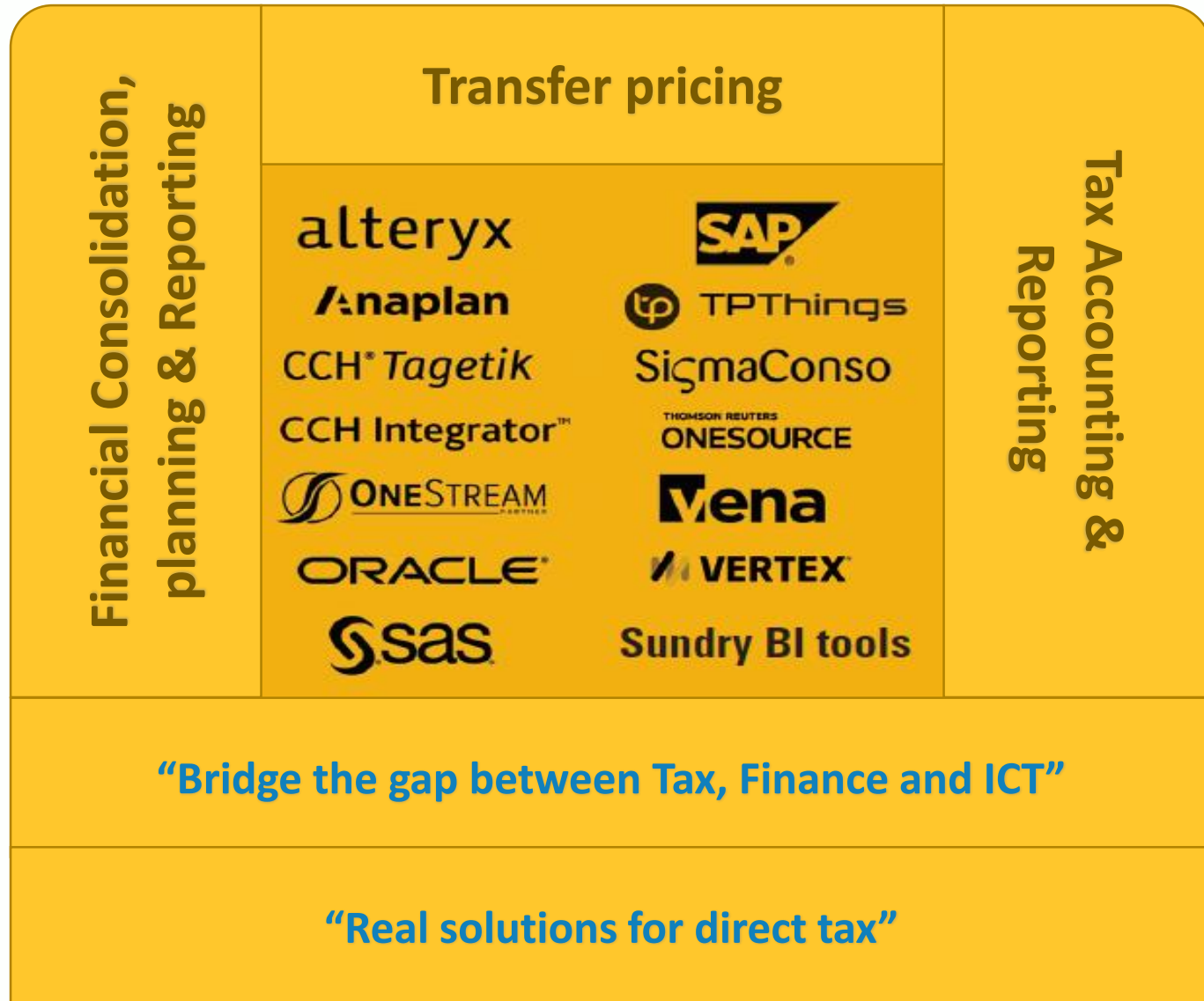
# WHO ARE WE?



Monica Erasmus  
Partner  
Transfer Pricing



Benno van Ingen  
Partner  
Performance  
Management Solutions



# WHAT IS THE CHALLENGE WHEN WE TALK ABOUT TAX NUMBERS



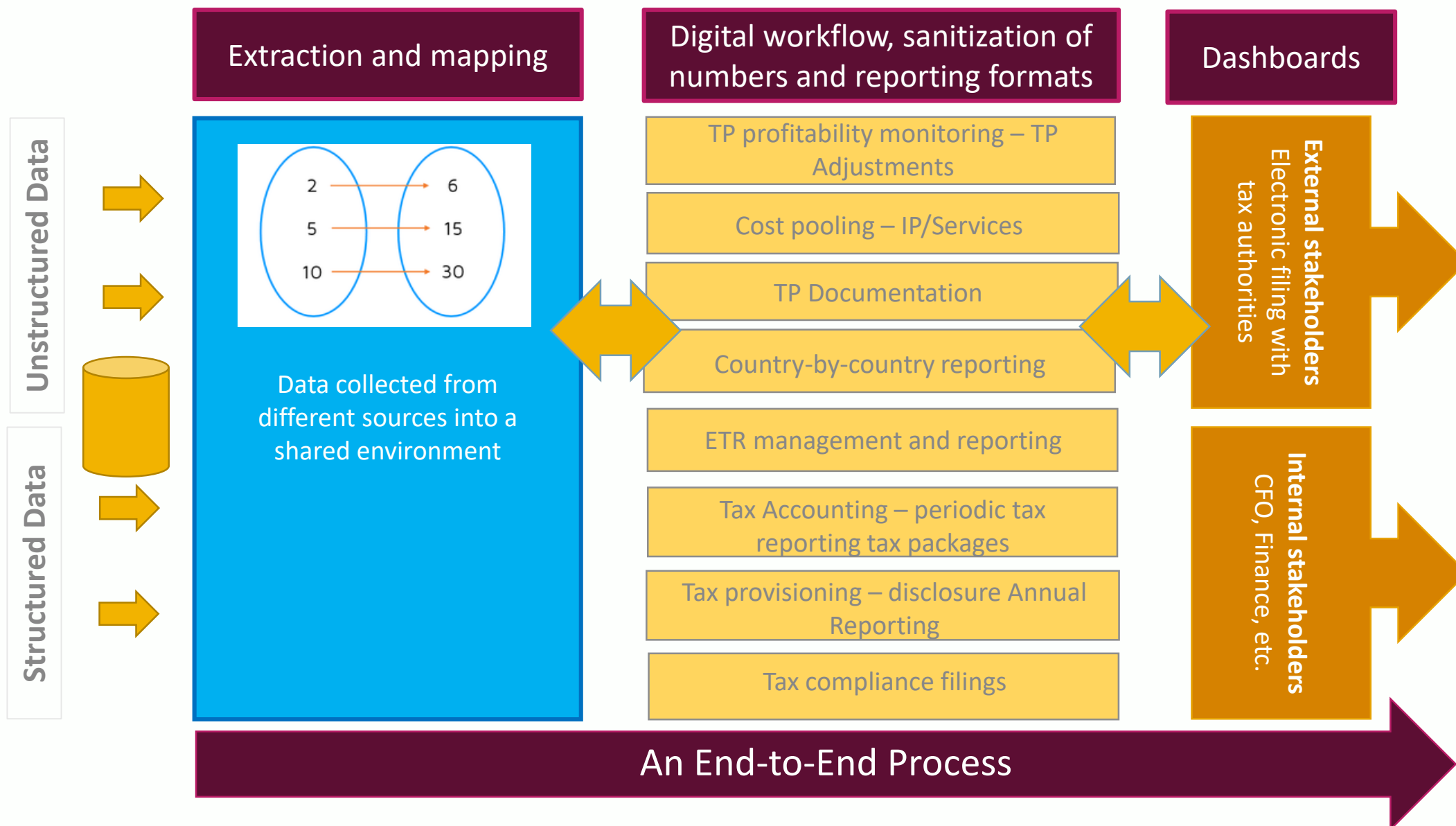
- Tax involves significant amounts irrespective: cost services pools, Transfer Pricing review and monitoring, Tax Accounting, Provisioning, CbCR
- Requires a high number of Excel spreadsheets to manage aggregation and allocation of numbers
- Interlinkage of numbers is complex, requiring time consuming manual checks of everything
- Too little time to make sense of numbers, or data, from a business and TP technical perspective



**LIFE IS REALLY SIMPLE, BUT WE INSIST ON  
MAKING IT COMPLICATED - CONFUCIUS**



# WHAT DOES ENHANCING SPREADSHEETS LOOK LIKE

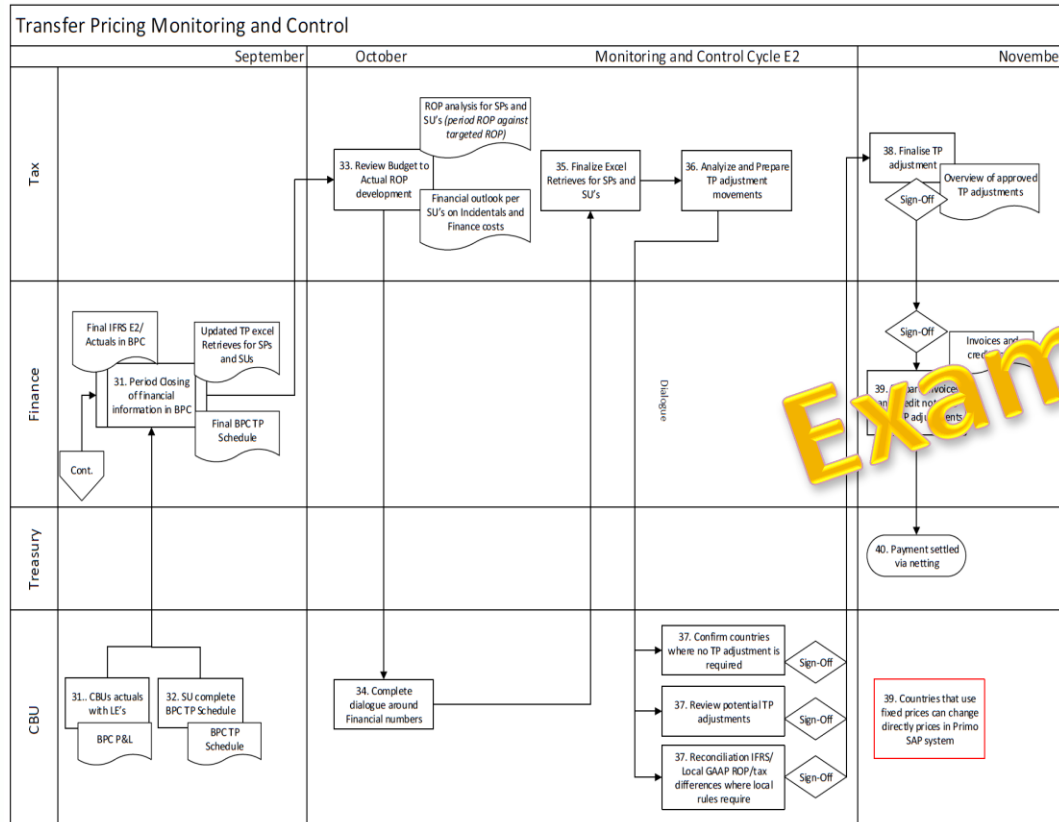


# TAX IS A COLLABORATIVE FUNCTION – MAKE IT A BUSINESS PROCESS



## Technology enables dialogue within a business process

### Well defined processes



### Well defined RACI

Nr.	Activity/ decision	R (Responsible)	A (Accountable)	C (Consulted)	I (Informed)
1.	AN TP Strategy	ATD*	ATD*		Compliance and In control manager , Tax compliance manager
2a.	TP policy setting	ATD*	ATD*		Tax compliance manager
2b.	TP policy setting (support)	Tax compliance provider (3 <sup>rd</sup> party)	Tax compliance manager	ATD*	
3.	Develop local TP supplement	Local accounting & delivery employees	Tax compliance manager	ATD*	
4.	Validate local TP documentation	ATD*	ATD*	TP Employee	Tax compliance manager
5.	Determine legal agreements (SLA)	ATD*	ATD*	TP Employee	Tax compliance manager
6.	Reconciliation managerial and statutory LE Budget	Accounting Manager	Head of Accounting, Reporting & in control	TP Employee	Tax compliance manager
7a.	Determine transfer price MSU	TP employee	Accounting Manager		Tax compliance manager
7b.	Determine transfer price MU / R&D center	TP employee	Accounting Manager	Functional controllers	Tax compliance manager
8.	Validate price setting	ATD*	ATD*		
9a.	Input transfer price in SAP	TP employee	Accounting Manager		
9b.	Update transfer prices in local ERP for non SAP MSU's and other BU's	Local administrators / BPO	Local Finance Manager		



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# MAKING SPREADSHEETS MORE ROBUST

MOVING TAX ACTIVITIES UP THE TAX VALUE CHAIN

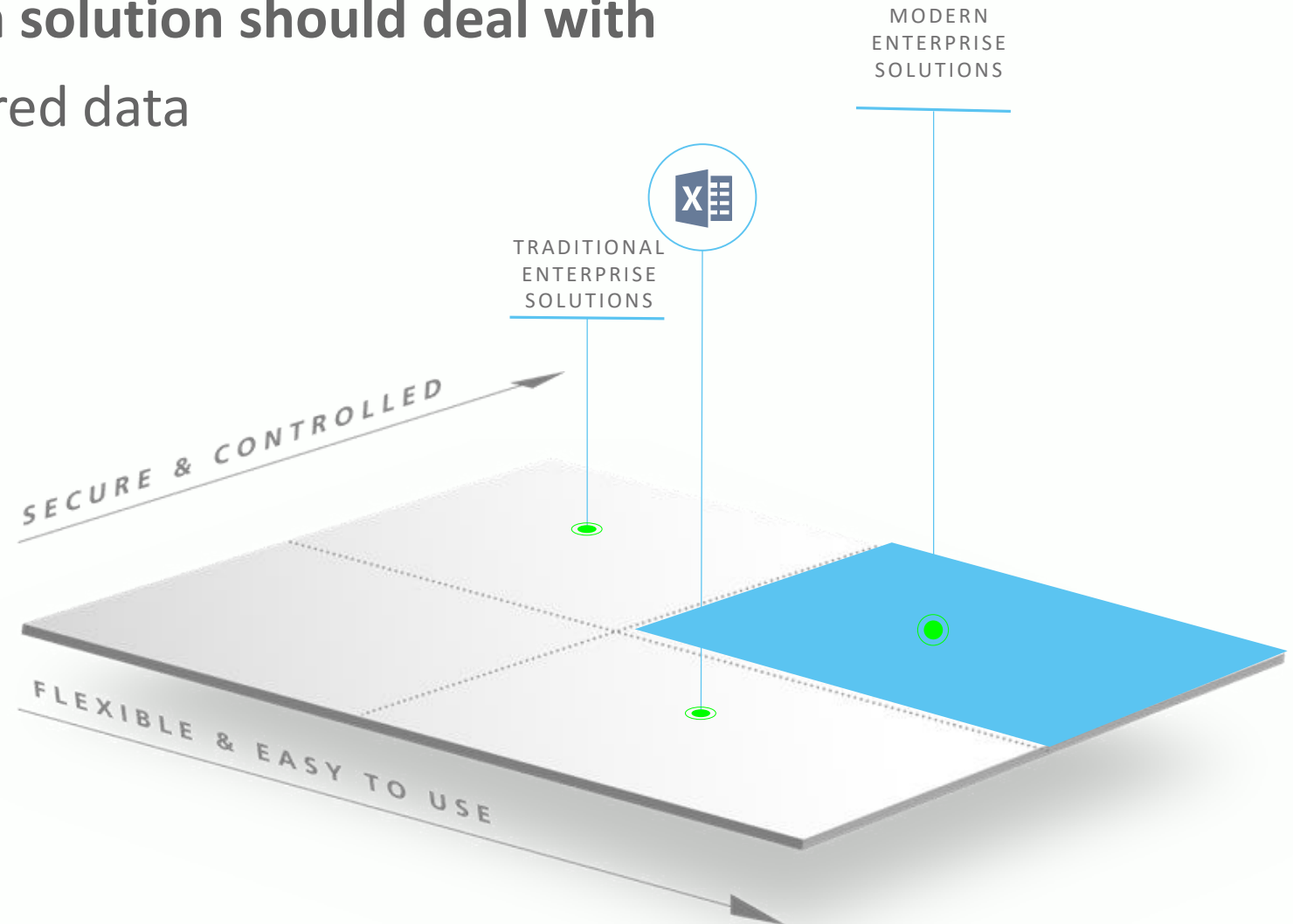


## An effective tax automation solution should deal with

- Structured and unstructured data
- Large data sets
- Complex calculations

## But should also be

- Intuitive
- Easy to use
- Flexible
- Managed by the business



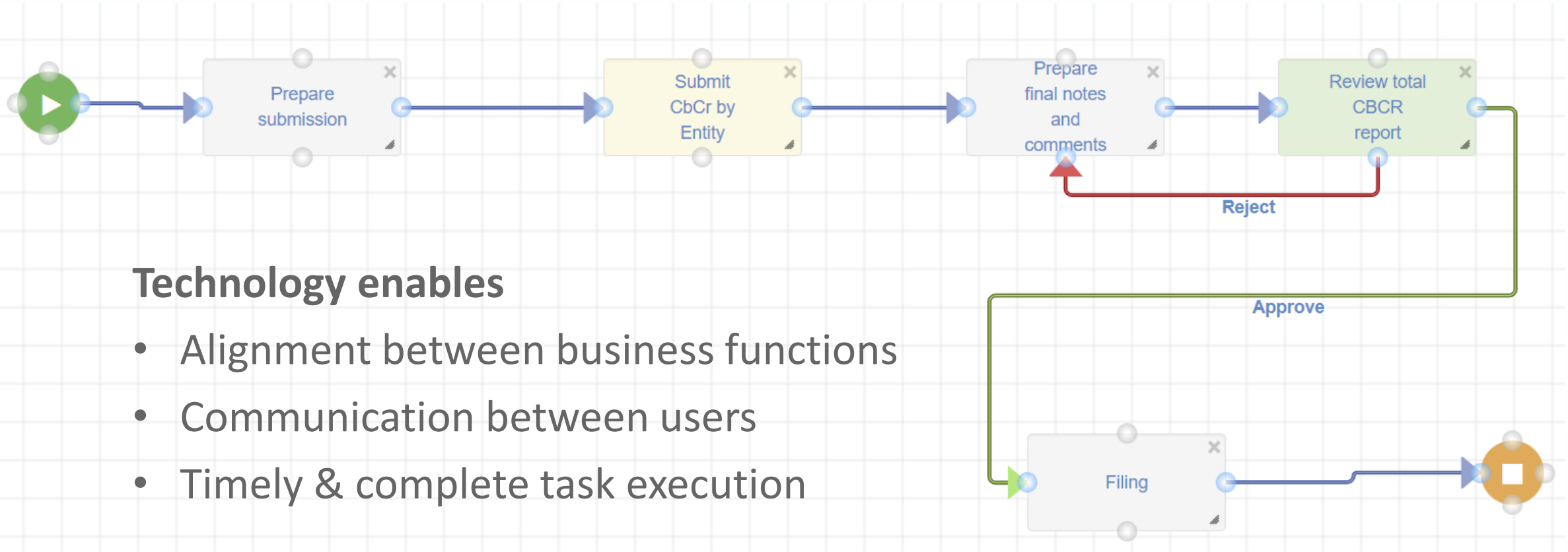


- We leverage without bias on the technology available in the market; we further refine existing solutions, or we create our own
- Significant benefits in terms of license costs, implementation lead times and self-reliance post implementation
- Examples for today's presentation
  - Vena ([www.venasolutions.com](http://www.venasolutions.com))
  - TPThings ([www.tpthings.com](http://www.tpthings.com))





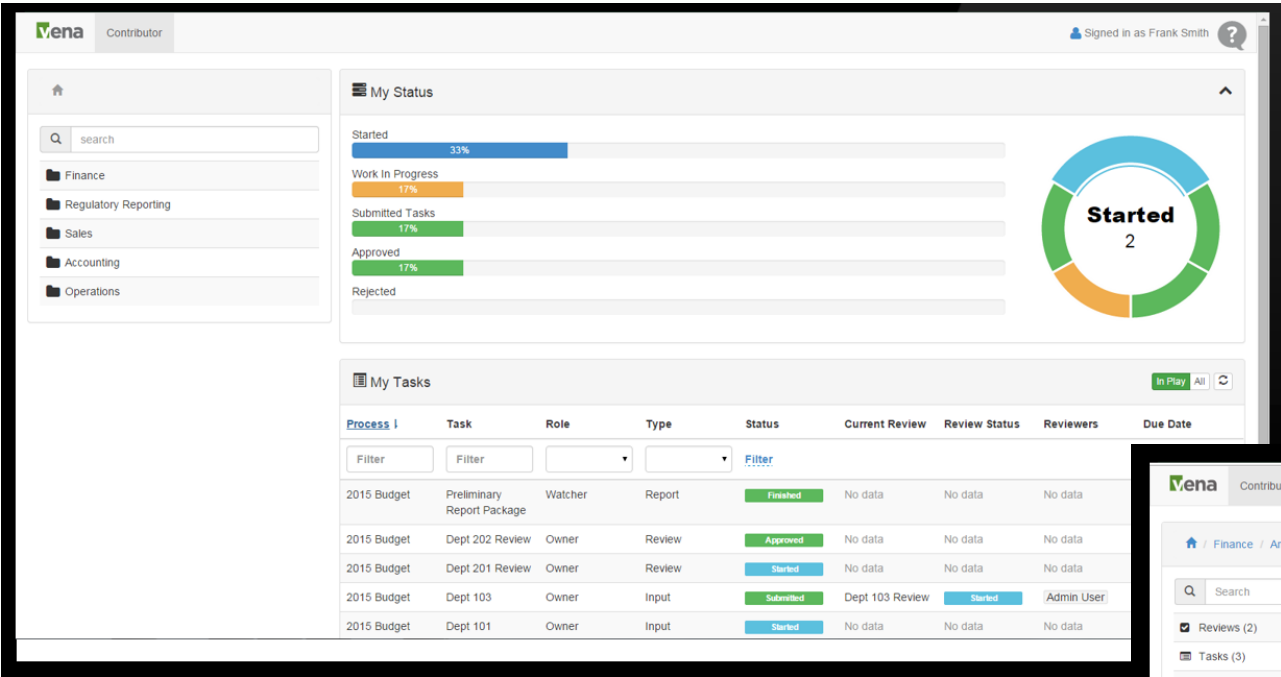
# A DIGITAL WORKFLOW ENABLES GLOBAL COLLABORATION



## Technology enables

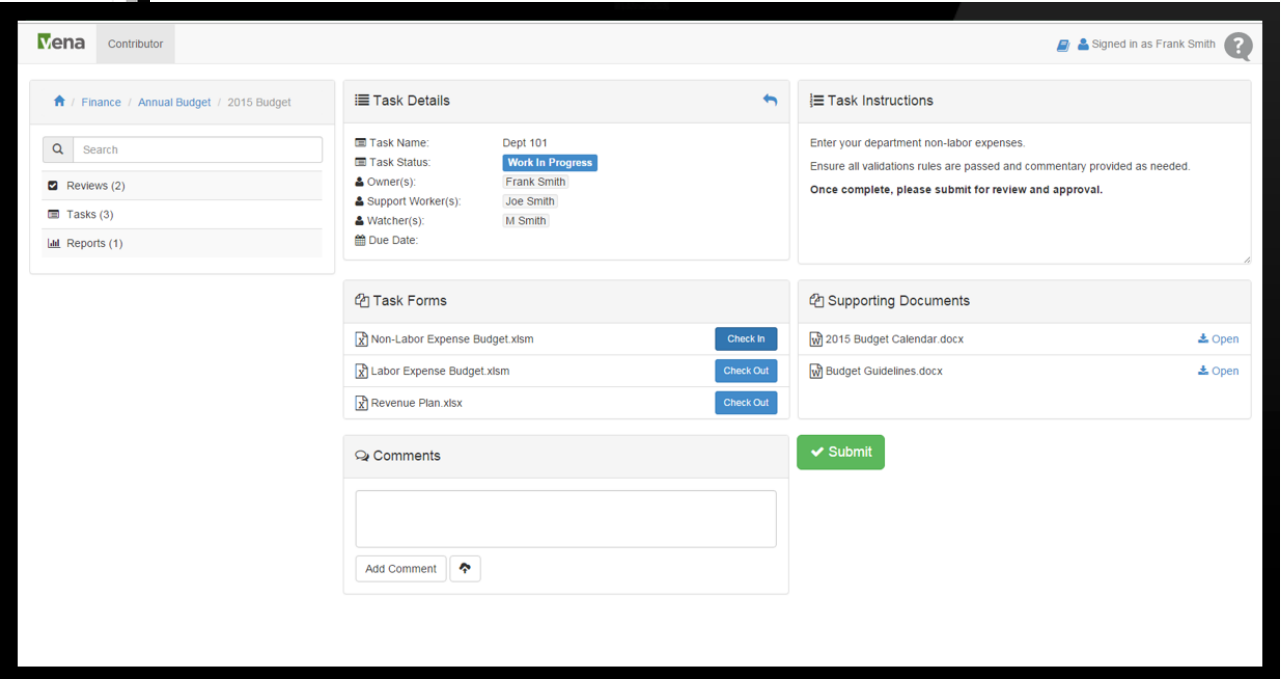
- Alignment between business functions
- Communication between users
- Timely & complete task execution

# OVERALL GOVERNANCE – TRANSPARENCY ON ACCOUNTABILITIES



Robust monitoring and control through workflow and progress overview

Connecting information in dedicated task overviews



# INPUT & OUTPUT: THE USER EXPERIENCE



## Maintain allocation drivers

### 2) HR allocation key (by % of headcount)

	29	30	54	123	16
Allocation key HR	11,5%	11,9%	21,4%	48,8%	6,3%
Check 100%:	✓ 100,0%				

### 3) IT allocation key (manual input)

Allocation key IT	10,0%	20,0%	30,0%	30,0%	10,0%
Check 100%:	✓ 100,0%				

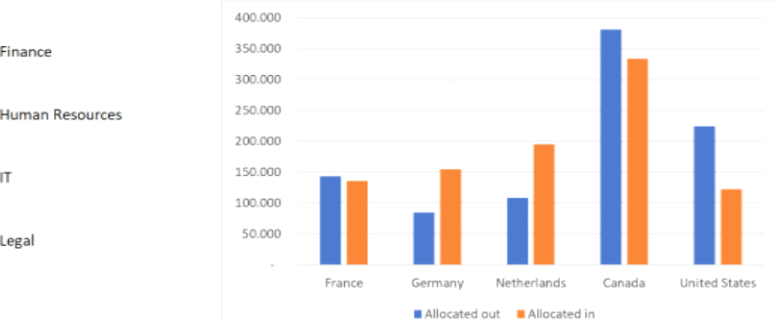
Spreadsheet based front-end for data entry and reporting

Agile reporting possibilities – build what you need



## Overview cost allocations


### 3) Overview of allocations



EUR France	EUR Germany	EUR Netherlands	EUR Canada	EUR United States	EUR Total Entity
39.933	34.803	29.629	99.528	39.349	243.242
16,4%	14,3%	12,2%	40,9%	16,2%	100,0%
16,4%	14,3%	12,2%	40,9%	16,2%	100,0%
28.957	29.955	53.920	122.817	15.976	251.625
11,5%	11,9%	21,4%	48,8%	6,3%	100,0%
11,5%	11,9%	21,4%	48,8%	6,3%	100,0%
22.499	44.998	67.496	67.496	22.499	224.988
10,0%	20,0%	30,0%	30,0%	10,0%	100,0%
10,0%	20,0%	30,0%	30,0%	10,0%	100,0%
44.057	44.057	44.057	44.057	44.057	220.284
20,0%	20,0%	20,0%	20,0%	20,0%	100,0%
20,0%	20,0%	20,0%	20,0%	20,0%	100,0%
135.445	153.812	195.102	333.898	121.881	940.139

# INTEGRATING DIFFERENT SOFTWARE SOLUTIONS E2E



B	C	D	E	F	G	K	L	M	N
3									
4									
5									
6									
7									
8	Invoices (credit notes) to be created								
9									
10									
11									
12									
13									
14	Create invoice (credit note) from:		To:	HQ	SSC EUR (CSP)	Opco (SR)			
15	HQ			France	Germany	Netherlands			
16	SSC EUR (CSP)			-	327.519	100.409			
17	Opco (SR)			-	-	94.693			
18	Opco (SR)			-	-	-			
19	Opco (SR)			-	-	-			
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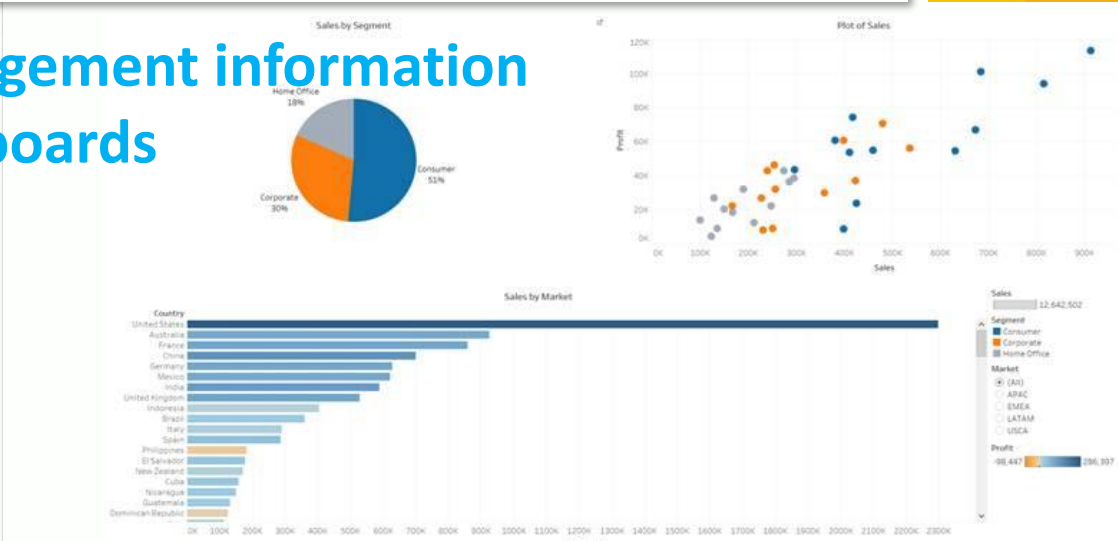
Numbers to TP  
Local Files



TRANSFER PRICING  
DOCUMENTATION MANAGEMENT SOFTWARE



Management information  
Dashboards







## Business Process

- Participants
- Roles
- Tollgates
- Timelines

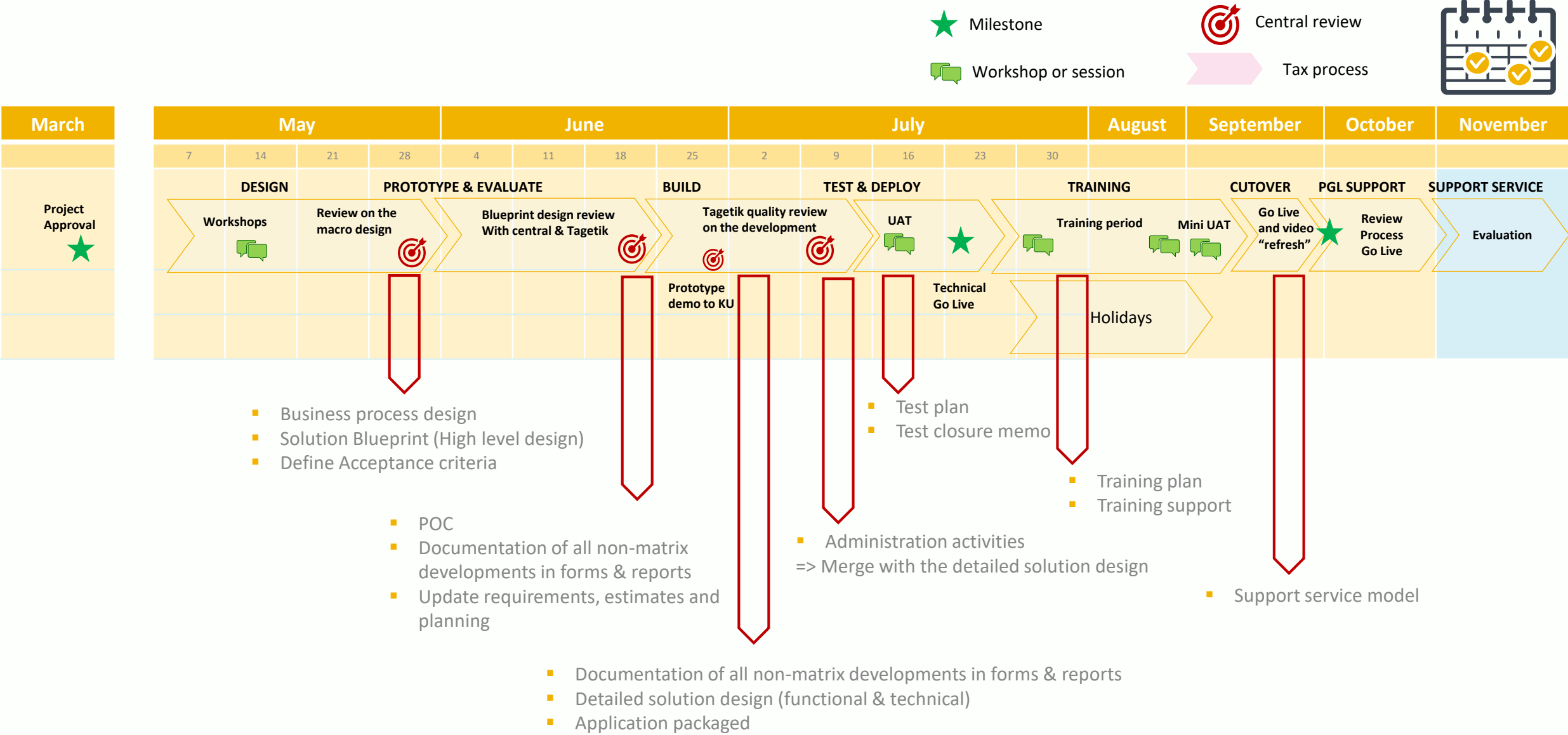
## Data

- Which data
- Which data sources
- What audience

## Technology

- Masterdata completeness
- How to extract
- How to transform
- How to load & validate

# HOW INTRUSIVE ARE SPREADSHEET CONVERSION PROJECTS?









**IT HAS TO** RESONATE

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