

Comply First Time

Comply First Time
November 2017



Comply First Time Update

This update is designed to keep you up to date with the latest news, tips and tricks from PwC's Comply First Time (CFT) technology.

1 CFT Version 3.0 is coming

CFT Version 3.0 will be introduced early in the New Year, and will include exciting new functionality. A key feature includes the ability to build custom dashboards, providing critical oversight through visual representations of both BAS and transaction data. These visualisations can assist with making business decisions.

See below to find out more about the new functionality.

2 Client feedback

We are keen to get your feedback on how you are finding CFT and how we can improve as a service team to ensure you are getting the most out of the technology.

We would appreciate if you could complete this short survey by [clicking here](#).

3 Hints and tips

A number of clients have utilised CFT's suite of fully flexible and customisable tests to identify real value for their businesses, including identifying and obtaining cash refunds in respect of under claimed credits on employee reimbursements.

To find out how you could be identifying value for your business, please refer to the below.

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Please do not hesitate to contact your local PwC contact with any queries or if you wish to discuss the above further.

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*Comply First Time
Version 3.0 is coming!*



Comply First Time Version 3.0 is coming!

We will be in touch with you early next year to begin the roll out of CFT Version 3.0. Version 3.0 includes additional features based on feedback and recommendations from users, as well as new functionality to assist with the roll out of the CFT software globally.

One of the new modules available in CFT Version 3.0 is the ability to create your own personalised custom dashboards and visualisation reports to suit your tax, finance and procurement needs. These dashboards are fully configurable by the user through the use of widgets based on the data that has been loaded into CFT.

Functions available on the dashboard include:

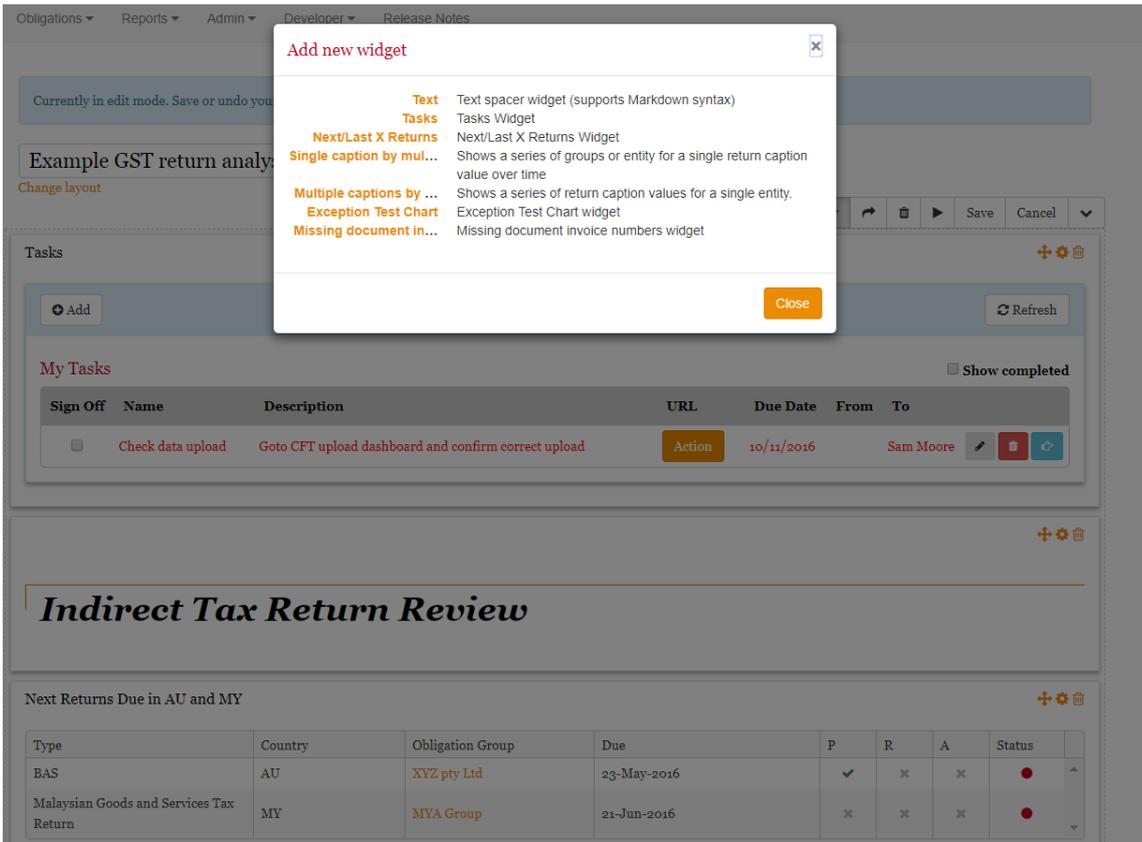
- **Tasks:** flexible workflow manager and ad hoc reminder function for obligations in CFT with the ability to assign tasks to individuals or groups and setting due dates with automatic email notification once completed;
- **Next/last returns:** highlights to the user the outstanding returns and current status;
- **Reports based on returns:** create reports (single or multiple captions) based on the return data by deciding chart type (i.e. line, bar, grid, pie), date filter and return filters (i.e. BAS labels, obligation groups, reporting groups, entities);
- **Reports based on exception testing results:** create reports to visualise the exception testing results from the data analytics module of CFT in the same way the “Reports based on returns” works by selecting your reporting criteria;
- **Missing documents number:** highlights missing document invoice numbers from both sales and purchases where sequential invoicing is used.

The implementation of CFT Version 3.0 will require assistance from your teams (possibly both tax and IT) and there will be additional training provided on all the new features. The delivery of CFT Version 3.0 is provided without additional charge if you have a valid support contract and sufficient support hours for the installation.

We will be in contact soon regarding the implementation of V.3.0. However, in the meantime, if you are interested in hearing more about this or would like a demonstration of the new features, please don't hesitate to reach out to your usual PwC contact.

Comply First Time Version 3.0 is coming!

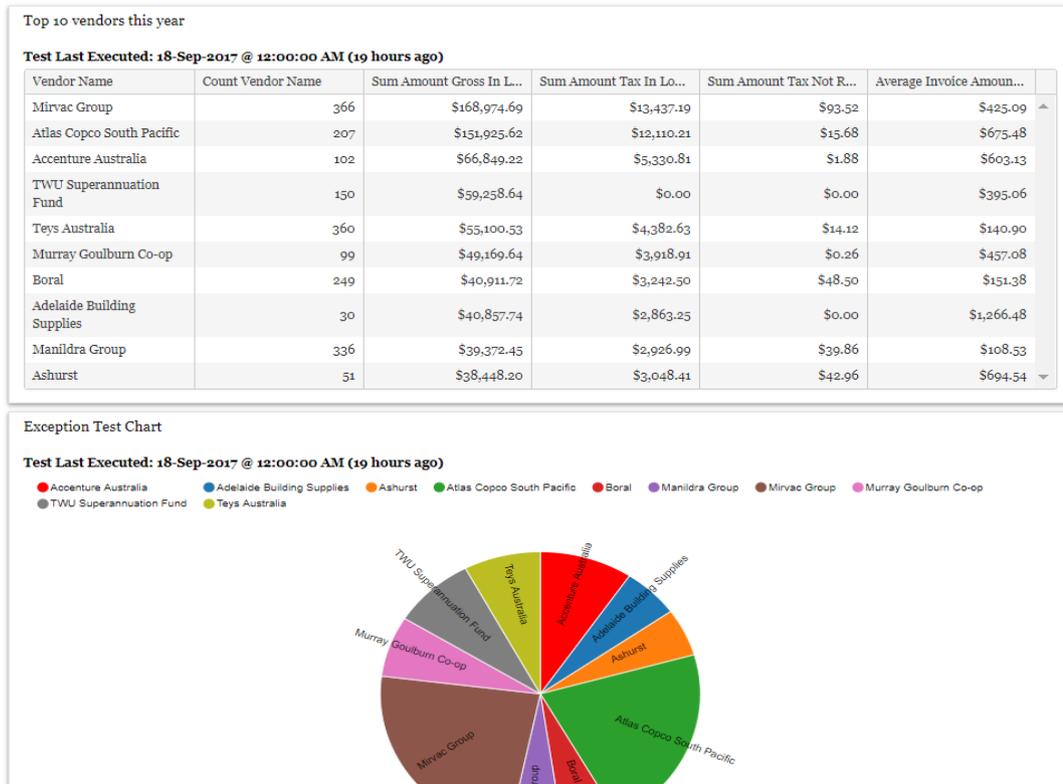
Screenshot 1: Example GST return dashboard with widget functionality



Screenshot 2: Example Vendor Analysis dashboard

Example Vendor Analysis

Example Vendor Anal... ★ ↶ ↷ Edit



Hints and tips



Hints and tips

Applying data analytics techniques to tax data is gaining momentum as it promises to greatly expand the tax function's ability to deliver critical insights and value-added benefits to businesses. Using CFT's exception testing module can help deliver these insights and identify meaningful cash refunds and savings.

In particular, we have assisted clients utilise the exceptions testing module to identify and realise under claimed input tax credits in respect of employee reimbursements. In one instance, this resulted in an additional input tax credit claim of \$1.2 million.

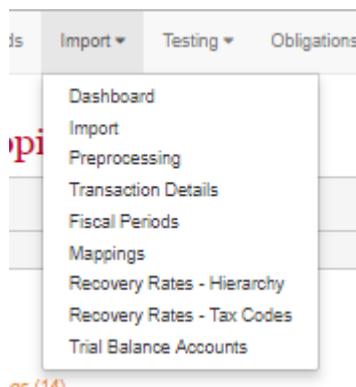
Employee reimbursement data may already be contained in your primary data for CFT purposes. As such, it is easy to create a test using a unique identifier for transactions that specifically relate to employee reimbursements for review.

Alternatively if you don't have detailed employee reimbursement data already in your primary data, you can upload this data from source systems (such as Concur) as secondary data into CFT and still utilise CFT's data testing capabilities.

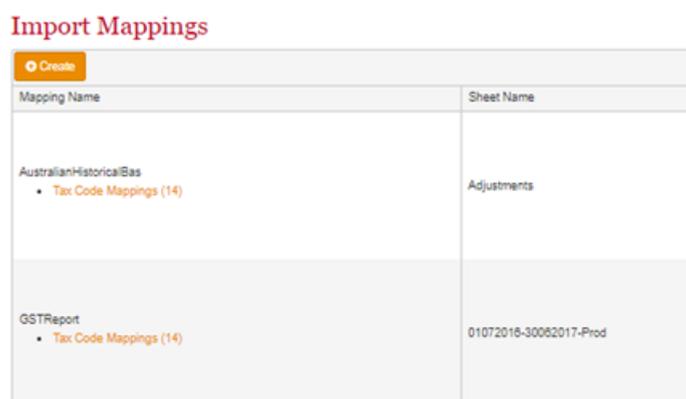
We have outlined below the steps that would be required to undertake a similar exercise.

1 Importing secondary files

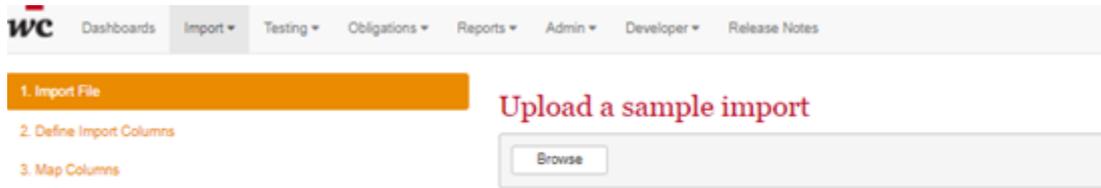
- To import the file as secondary data click **Import** tab and select **Mappings**:



- On this screen, you are able to create mappings for secondary files. Assuming this data is to be used for a once off historic review, we would recommend using the custom table functionality. To import the secondary data file into CFT, you will need to press create on this screen:



- Click **Browse** and find the file that needs to be imported. In this case we will import a file from Excel, but it could be any structured data file.



- After importing the file, you will move to Step 2. Define Import Columns. After selecting the specific Excel Sheet name within the secondary data file uploaded, a File Preview should be populated.
- Select the row the header is located in within the secondary file (usually row 1) and check that CFT is proposing to skip that row to the first row of real data. You can then click on **Populate Columns**.
- Once the columns are populated, you need to choose the data type for the column (date, number, text etc.) and then press **Save**. Note that if you want to import a date, you will need to set the date format.
 - Date example 1: A format of “yyMMdd” maps “171001” to 1st October 2017
 - Date example 2: A format of “dd/MM/yyyy hh:mm:ss tt” maps “01/10/2017 00:00:00 am” to 1st October 2017

Step 2 - Define Columns

Excel Sheet
AP Invoice data

Header Row
1 Populate Columns

Number of rows to Skip
1

Columns
Define the columns from your input source, or click "Populate Headers" to auto generate some

Date Format: d - day, M - month, y - year, h - hours, m - minutes, s - seconds, t - AM/PM e.g. yyyyMMd would represent 2013/00/1

Name	Data Type	Data Format	Man.
KEY	Text		
LOADEDDATE	Date	yyymmdd	
INVDTE	Date	yyymmdd	
ATAXCODE	Text		
LOCALINVD	Number		
AmendedVslue	Number		
ATAXAMTLOC	Number		
SUPPLIERNO	Number		
SUPPLIERNAME	Text		
EXTINNO	Number		
INVTEMNO	Number		
INVTEDESC	Text		
Amend	Text		
Ignore1	Text		

File Preview

L_DATE	INV_NO
000000	2015012
000000	2015011
000000	2015050
000000	2015001
000000	2015000
000000	2015052
000000	2015051
000000	2015050
000000	2015049
000000	2015048
000000	2015047
000000	2015046
000000	2015045
000000	2015044
000000	2015043
000000	2015042
000000	2015041
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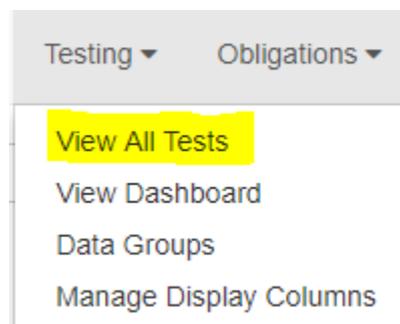
- Pressing save will take you to the screen for Step 3. Map Columns. Here you can select **Create as custom table** and provide CFT with a Mapping Name.



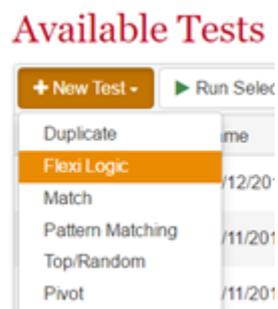
- After completing the above, press **Save**.

2 Creating custom exception tests

- Navigate to the Exception **Testing** tab and select **View All Tests** (note that this option may appear differently on newer version of CFT):



- Flexible logic tests (referred to as Flexi Logic) returns exceptions that satisfy a set of criteria defined by you using logical statements (such as, “and”, “or”, “contains”, “greater than”, “less than” etc.). Here we will utilise a Flexi Logic test to look for unclaimed input tax credits on employee reimbursements.
- To create a Flexi Logic test, click on **New Test** and select the **Flexi Logic** option:



- Fill in the details as follows:
 - Enter a name for the test
 - Select users to share test with (note that sharing options may be simplified on some versions of CFT)
 - Select user groups to share test with (note that sharing options may be simplified on some versions of CFT)

Create Flexi Logic Test

Name
Name of the Flexi Logic Test

Share with users
Select users

Share with user groups
Select user groups

- Select the Data Source to run the test against. This should be the mapping name of the custom table created above.
- Complete the *Calculated Fields* and *Criterion* fields in order to create the test desired. In the screenshots below, the test has been created to find transaction which may have GST in the Gross amount (as it is exactly divisible by 11), but no tax has been processed.
- Select column to use for sorting the results
- Select **Ascending or Descending**
- If you have custom templates created, choose a **Template** to use to display the results
- Click **save**.

Edit Flexi Logic Test

Name
Name of the Flexi Logic Test

Share with users
Select users

Share with user groups
Select user groups

Filter Criteria

Data Source
The data set to run the test against

Calculated Fields
Add a custom calculated field to be used in the filter criteria

Criterion
Build up the filter criteria for the selected dataset. [Learn more](#)

Sort By
The column to sort by

View Template
The view to use to display the results

Calculated Column

The *Calculated Column* field for this test reads:

Round((([Amount: Gross in LC]/11),0)-([Amount: Gross in LC]/11)

By rounding the total transaction amount divided by 11 to the nearest dollar and finding the difference between this amount and the gross amount divided by 11, we are identifying those transactions that are exactly divisible by 11. Hence, we are identifying those transactions which may have 10% GST included in the total invoiced amount.

Criterion

We have restricted the test criteria to include only non-taxable acquisitions via tax code and also ensure that the tax amount for the transaction is equal to 0.

The Calculated Column (GrossRounding) should equal to 0, as we are looking for transactions that are exactly divisible by 11 but processed with no GST.

You can also restrict the test to look for transactions posted in a particular time period. In the example above we have restricted the test to look for transactions posted in the previous month.

The above test is useful for identifying transactions where GST has been missed on domestic purchases including reimbursement of employee costs.

- You can then run the test and obtain the results. Note that once a test has been saved once, you are able to use the “Preview” function to see what the results of the test would be, without having to run the test.
- Further analysis of the results may be required to ensure the results provided in CFT are positive results i.e. review of source documentation such as invoices.

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Tax functions should have a keen focus on leveraging their data, so please do not hesitate to contact your local PwC contact for further insight and discussions regarding how you can ensure you are leverage your data and CFT's data exceptions testing module to identify value.

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