

Tax Function Effectiveness Reviews

How we can help



"Efficiency is doing things right; effectiveness is doing the right things."

Peter Drucker

Affecton is a consulting firm dedicated to improving tax function effectiveness, specialising in advising leading FTSE companies on tax direction, performance and reputation. It has developed the Affecton Tax Function Model - a blueprint of a 'best practice' tax management framework.

The key elements of this model have been built into **Thinking Board**[®], the innovative online assessment tool, to review the effectiveness of the global tax function. It follows a series of well-structured steps customised to fit individual businesses. **Thinking Board**[®] was created by Independent Audit, a leading specialist in governance, risk and assurance, and is widely used across FTSE350 companies.

In using **Thinking Board**[®], clients will benefit from Affecton's knowledge and experience of advising leading FTSE company tax functions and Independent Audit's experience working with companies to improve the effectiveness of their governance.

A Tax Function Effectiveness Review...

Gets the business on board:

- Proactively engages the business in a meaningful way
- Highlights the commitment to raise effectiveness and confirms the customer's key role in the process
- Provides online findings that are augmented by focused interviews with key business personnel
- Focuses on the business's experience as a user of the tax function

Delivers value for money:

- An innovative approach using technology to best effect
- Streamlined consulting to gain maximum insight with minimum interruption to the business
- Online questionnaires that can be used on a self-assessment basis
- Competitive fixed fee

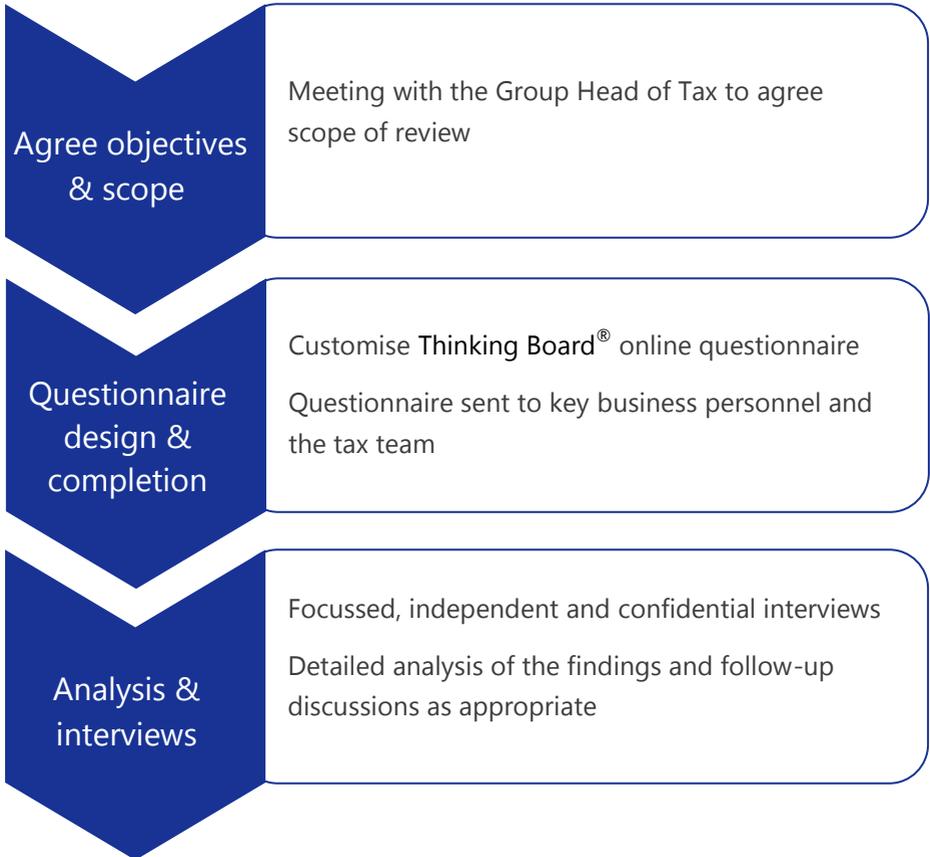
Gets the tax team engaged:

- The online questionnaire is customised to your tax team's requirements
- Gives tax personnel a better understanding of what is important to the business
- Enables the tax team to form stronger relationships with the business at all levels
- Strengthens the tax team's ability to fulfil the group mandate

Reveals how governance is working:

- Examines global tax function governance covering all key areas in all locations simultaneously
- Gives insights from across the business via thought-provoking questions about evolving business needs and how well they are being met
- Identifies areas for improving tax function effectiveness
- Provides quality analysis and bespoke suggestions to improve tax function performance

A complete Review includes...



Discuss findings & draft report

Draft report on tax function performance, analysis and recommendations

Discussions with key tax personnel ahead of final report

Final report

Presentation of final report

A review usually takes around six to eight weeks to get to this stage

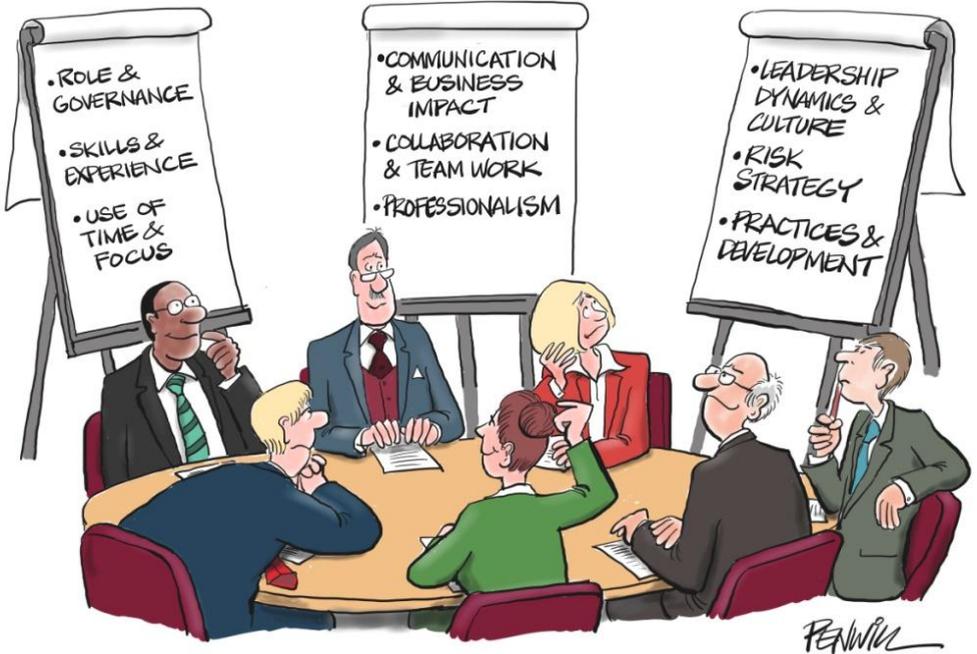
Facilitated discussion

Group discussions on findings and action required on recommendations

Informal follow up of progress after a few months

What we will look at

We will look at what matters to you and our reviews will always cover the main building blocks of Tax Function Effectiveness ...



How we work with you

Understanding your business:

Taking into account specific challenges facing the tax function and what is needed from it, our interviews are not tedious. We talk about key business priorities and what is important to each person in their role. Our recommendations will be relevant as we have put time into understanding the issues and challenges you are dealing with.

Listening to those outside the tax function:

We aim to meet with those who have a key interest in tax matters, not just the tax team, as the way management works with the tax function is a crucial factor in tax governance effectiveness.

Casting the net widely:

We gather insight from a wide range of users of the tax service. Thinking Board[®] makes it easy to reach even the most remote locations.

Succinct report with specific action points:

Our reports are pitched at executive level and include useful, well-organised suggestions to help the tax function look forward, not just re-tell what we have been told.

In-depth insight into all areas of the tax function:

Our wide range of experience means that we can look in detail at many questions, including the overall management of tax planning, compliance and business support.

Thinking Board[®] service to support self-assessment:

Thinking Board[®] is an easy-to-use tool to help with follow-up reviews, or in-house reviews.

How Thinking Board[®] works

Your questionnaire is designed to suit your business and your corporate needs. You choose the people to receive the questionnaire. They log in, go through the questions, highlight issues and add comments.

Thought-provoking

The questions are about what really drives effectiveness.

Engaging

Our unique questionnaire approach prompts deeper thinking of issues, encouraging a well-considered response.

Insightful

The issues prompt more active use of the comment box and thus more in-depth answers.

Revealing

The flagged issues help explain the score and any concerns. You are not just dependent on a number.

The Questionnaire

Thought-provoking

Engaging

1. Role ?

How far do you agree with the following statements?

1 = Strongly disagree 2 = Disagree 3 = Agree 4 = Strongly agree 5 = I can't judge

1 2 3 4 5 **I don't think that...**

1.1 **Our expectations of the Tax Function are clear** The Tax Function's role is clearly defined

The Tax Function's remit meets the needs of the business

The balance between detailed compliance work versus Tax oversight of management controls is well-understood

Comments: hide

1.2 **The Tax Function's authority is clearly communicated** The nature of the Tax Function's reporting line and accountability is clear

Oversight responsibilities for tax risk and Tax Function effectiveness at a board and committee level are clear

Business management appreciate the importance of the Tax Function's integrity

Comments: hide

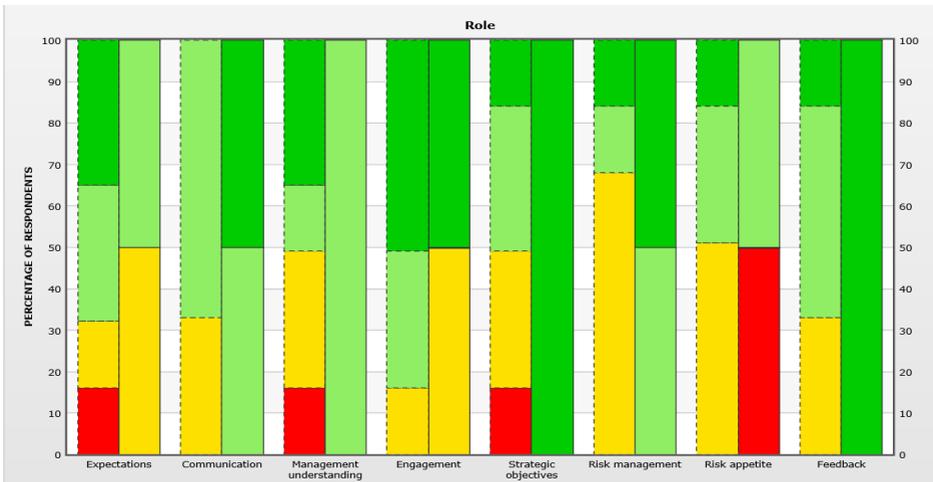
Insightful

Revealing

Thinking Board® automatically produces analytical charts and reports so that you can diagnose an issue from the results.

<i>Times flagged</i>	<i>I don't think that...</i>
27/90	<i>The business has a consistent and clear understanding of the tax function's role</i>
25/90	<i>Tax seeks out opportunities to get involved and add value to the business</i>
22/90	<i>The business understands its own tax compliance and reporting responsibilities</i>

Built-in analysis highlights the issues that require attention



Comparatives can be shown between regions, business units and role groups

In completing the Review, **Thinking Board**[®] streamlines the analysis and highlights areas for further examination. This analysis is used to inform the interviews and help identify opportunities for improvement. The reporting from **Thinking Board**[®] is used in the final report to give a full picture of how the tax function is performing.

Thinking Board[®] can be used on a standalone basis for a fully in-house self-assessment. This works best as a follow up from a complete review, or it can be used as a lower cost first step.

- The unique question structure overcomes many of the downsides of self-assessment.
- Built-in pointers help respondents think through the issues and draw out observations for a better all-round picture.
- Comments are organised around questions, themes and category of respondent.

Thinking Board[®] is easy to use and saves a lot of time.

A client's perspective

"When deciding on the review of our global tax function's effectiveness, one of our main challenges was to find a solution that enabled us to gather views from all our tax functions across the world, complemented with the views of a large number of business personnel in a seamless fashion.

This was successfully undertaken by Affecton using Independent Audit's Thinking Board® online questionnaire, the best technology I have seen coupled with deeply thoughtful tax function content.

The detailed analysis gave us insight into consistency across the business and identified ways in which we could improve our working practices and engagement with the business, while the summary outcome gave comfort to the Group CFO over effectiveness and value."

Paul Morton, Head of Group Tax at the **RELX** Group

In summary, a Tax Function Effectiveness Review presents a consistent and informed picture of how well the tax function is:

- Aligned to evolving business priorities
- Working with the business to achieve group objectives
- Delivering the group tax mandate
- Engaged, aligned and energised
- Enhancing its quality and reputation.

Our clients include:



For more information or a demonstration of
Thinking Board[®], please contact:

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