



# Data Extraction

*Automate the collection of accounting data directly from source data, improving the efficiency and accuracy of the tax computation process.*

## Introduction

Tax departments are under increasing pressure to manage tax risk, leverage existing tax sensitive data and automate as much of the end-to-end tax reporting and compliance process as possible.

With increased reporting obligations, there is a growing need to move away from manual extraction of data from accounting systems to a more effective and efficient method.

## Challenges

The manual data entry element of the process presents a number of challenges:

- **Efficiency** – Data gathering is often the most inefficient part of the submissions process
- **Data accuracy** – Each human intervention on a set of data presents an increased risk of error
- **Risk** – It can be difficult to establish an unbroken audit trail and understand which transactions have been analysed by whom and when, and why particular nominal codes have been applied in some instances but not in others
- **Consolidating** financial and tax information data from disparate data sources
- **Correct data** first time to meet the rise in reporting obligations
- **Pressure on tax teams** in terms of time spent on manual data extraction, engaging with multiple departments and accounting systems/formats to get the tax data they need, reviewing for quality and integrity, reworking and then consolidating into Excel or other formats
- **Time and resource** – Traditional manual data extraction processes involve data being handled multiple times by skilled staff who could be better allocated to higher value-added activities.

## Solution overview

Data Extraction is an advanced software solution that automates the collection of tax and financial information, improving efficiency and accuracy of the data collection element of the tax computation process.

By removing the need for the manual collection of data, it helps address the ever-increasing demands on tax departments. It automatically extracts financial information from over 300 accounting software packages and ERP systems and translates them into common/standardised formats before loading information into central data repositories that can be automatically accessed by tax compliance submission systems and business intelligence and analytics systems alike.

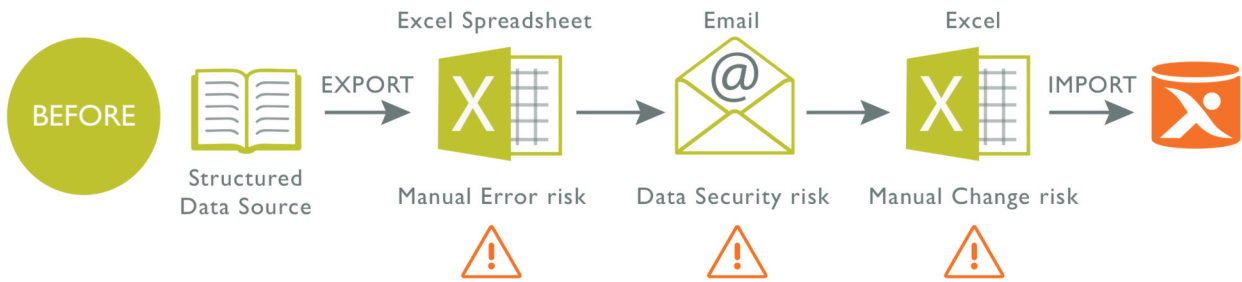
Data Extraction helps reduce time pressures on tax teams and advisors, freeing them up to focus on more valuable areas driving efficiency gains. It enables data collection to be managed with as little human interaction as possible, reducing the risk of errors or the need to rework data. Data accuracy is improved and there is no need to constantly revisit systems for additional data.

Data Extraction automatically creates a transparent audit trail. Our customers have seen the requirement for manual involvement drop by as much as 95%. Software connectors are installed onto customer accounts system or ERP systems and are fully compatible with cloud, on-premise or enterprise systems (Oracle etc). The software securely extracts financial data from sales and purchase ledgers, line level data, management accounts data and allocation details, removing the need for keying of information.

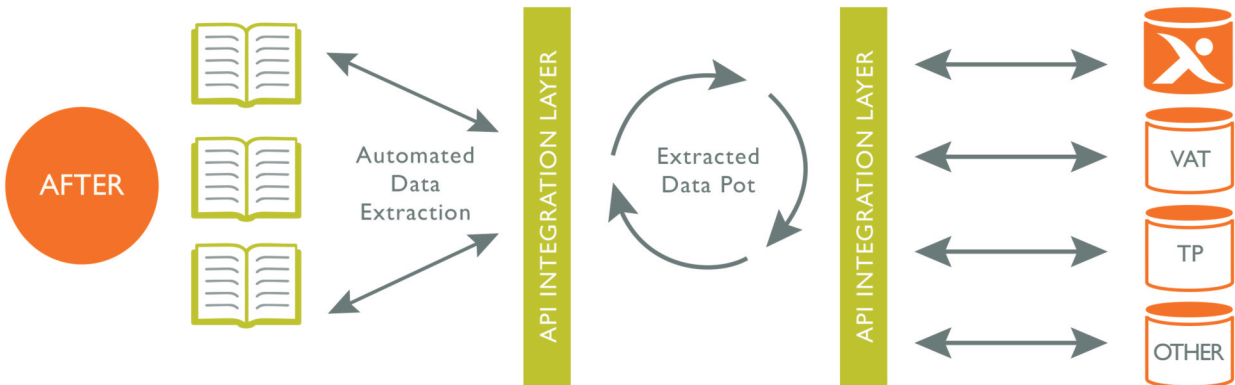
All accounting data is then presented in a common unified form for use within our Alphatax tax compliance engine, or with other financial compliance or analysis software packages.

- **Invoice & receipt details**
- **Credit & Debit note details**
- **Payables data from purchase ledger**
- **Adjustments**
- **Transaction allocation details**
- **Invoice & credit note line details**
- **Nominal ledger details**

## Manual process required for each data source



## Automated process can be used for many data sources



### BENEFITS

- Enables organisations to leverage data and automate parts of the end-to-end tax process, which in turn will help them with HMRC's Making Tax Digital program
- Finance and tax teams can avoid the requirement for manual data entry from accounting systems, leading to increased efficiency and cost savings
- Saves up to 95% of manual effort related to data collection process
- Ensures greater data accuracy and reduces the risk of human error
- Integrated with Alphatax – consolidated data from trial balances and source accounting packages is provided straight to Alphatax without human intervention
- Frees up skilled internal resources to focus on more critical business objectives
- Trusted solution – data extraction is already utilised by over 4,000 companies
- Secure data mining
- Maps nominal codes once and it will remember them for next time
- Security – Data is encrypted in flight using the latest AES encryption standards. No firewall reconfiguration.

## How does it work?

- The Data Extraction client sends extracted data automatically based on a schedule agreed with the customer
- The data is then formatted into a common standard
- Information is then automatically shared with the relevant compliance systems – ie Alphatax.

For more information or to book a presentation, please contact a member of our new business team.

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