



Discover the value in your Fixed Asset Register

Depreciation analytics and review

2019

kpmg.com/nz/tax



Insights today, value tomorrow

Using data analytics, organisations now have the opportunity to transform tax data into valuable insights. Imagine gaining the ability to interpret the enormous volumes of transactional data captured in your business systems, finding overpaid and under-claimed tax and uncovering hidden business opportunities.

By accessing relevant tax data in a user friendly way, you can maintain control of your tax processes, identify risks and leverage opportunities.

Stop struggling with your tax data. Start winning with it.

KPMG is helping organisations delve into their tax data, revealing both untapped opportunities and hidden risks. Early detection of such opportunities and risks can lead to financial return and support the tax function to become a key value add resource at the centre of business decision making.

Our **Depreciation Analytics ReviewTool** ("DART") allows businesses to gain quantitative insights and visibility on the status of compliance and process efficiencies pertaining to their tax fixed asset register.

DART is just one of a suite of tax data analytics tools offered by KPMG across customs, indirect and corporate taxes.

How is data analytics disrupting the management of fixed asset registers?

Inland Revenue is engaging data analytics techniques to review taxpayer compliance with depreciation rules, meaning organisations must act now to ensure they are in line with tax reporting and valuation obligations.

KPMG's DART is designed to make this simple.

DART combines sophisticated data analytics software with explorative testing to uncover potential compliance risks and financial opportunities. Coupled with the vast experience of KPMG's tax professionals, DART could help make IRD reviews more efficient and cost effective, and can uncover potential tax savings.

How does tax data analytics work?



KPMG's data specialists work with your team to extract data from business systems.



KPMG's data specialists cleanse, reconcile and load the data using KPMG's proprietary data analytics tools.

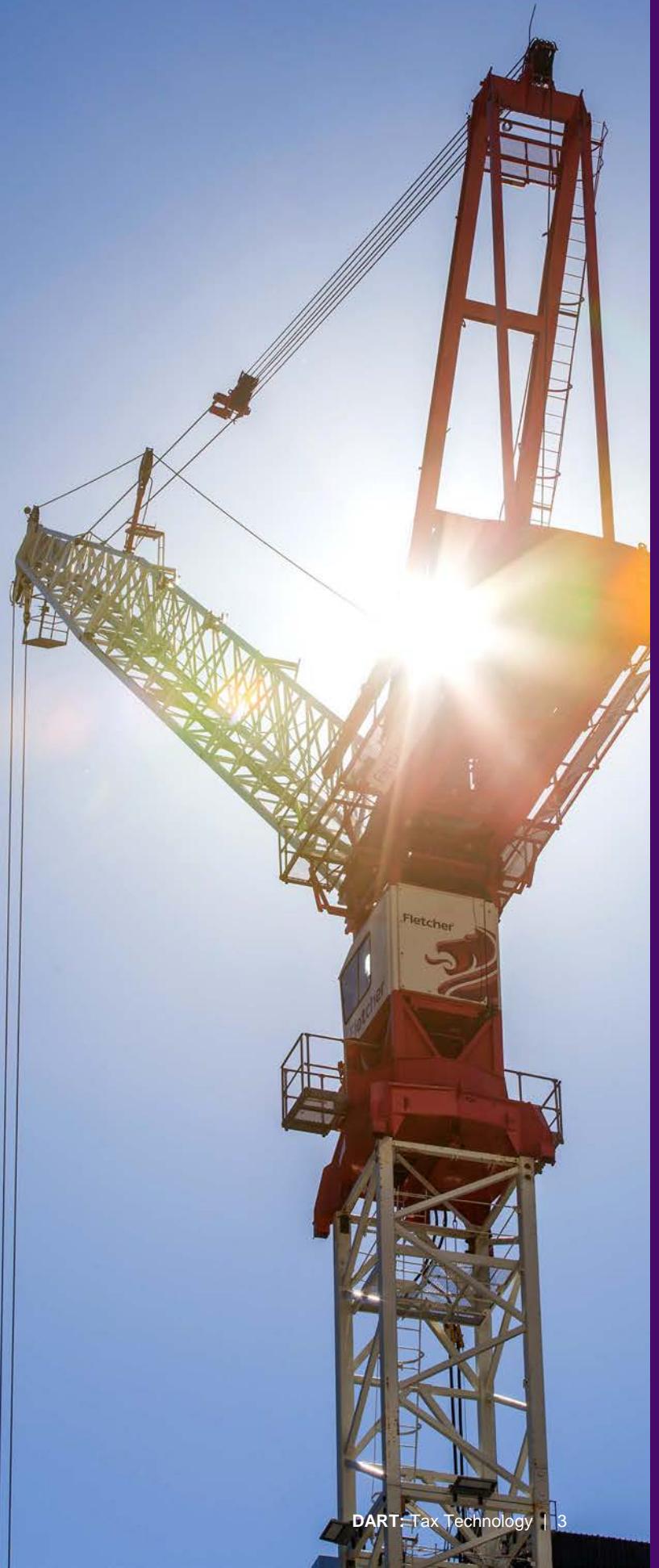


KPMG undertake exception testing, benchmarking and trending to report results, detect anomalies and visualise data.

Questions to ask about your fixed asset register:

-  **Am I confident that my tax fixed asset register (FAR) is inaccurate?**
-  **Can I efficiently analyse my FAR for risks and opportunities?**
-  **Am I concerned with what the IRD may find in my FAR from a data analytical review?**
-  **Are there cash benefits trapped in my tax FAR?**

-  **Is my tax FAR reconciled to my accounting FAR?**
-  **Are classes and groupings of assets receiving the same tax treatment?**
-  **Can I give comfort to the management that there are sufficient processes, controls and governance over the management and operations of the tax FAR?**



Focused on outcomes

Drawing on advanced data analytics technology and the expertise of KPMG's tax professionals, the DART approach is focused on identifying inefficiencies across business systems and manual processes. It helps you to:



Gain control and visibility of your FAR

With fact-driven insight into FARs on an easy-to-use interactive dashboard.



Increase efficiency

By making full use of the information already available and reducing the burden on in-house resources by automating the review process.



Improve risk management

With insights into the fixed asset treatment and associated deductions, it examines accounting and tax classification for inconsistencies.



Transform data into value

By discovering missed deductions and saving opportunities. DART supports compliance with tax and accounting standards.



Focus on your core business

By gaining unprecedented visibility over the business systems and processes that underpin the management of your FARs.

What insights can DART provide?

Accounting vs tax

Assets have been capitalised correctly for tax and accounting purposes.

Immediate deduction

Determine if any assets can be fully depreciated at 100 percent.

Nil depreciation rate

Isolate any assets that are not being depreciated.

Closing Written Down Value less than zero

Identify if any assets have been depreciated in excess.

Nil Closing Written Down Value

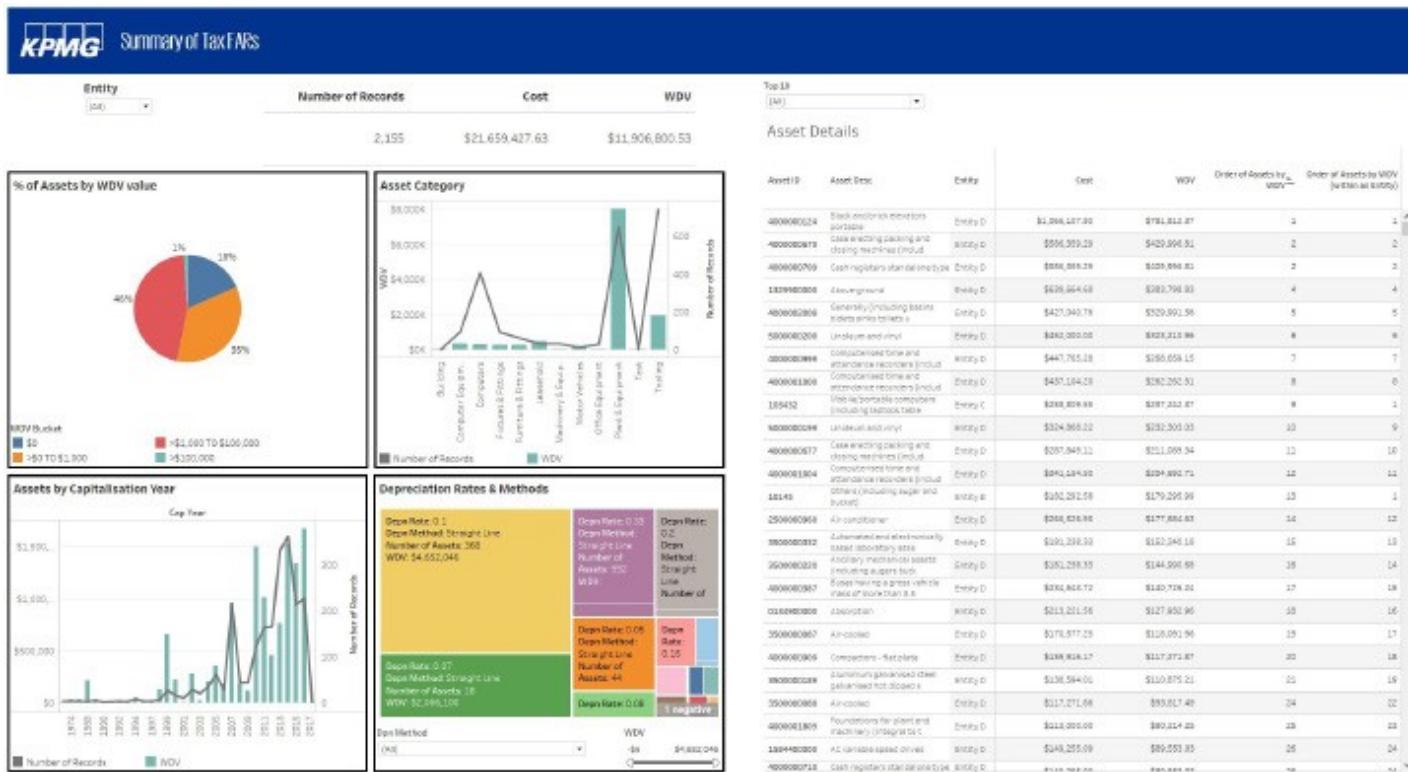
Isolate assets that are fully depreciated and can be removed.

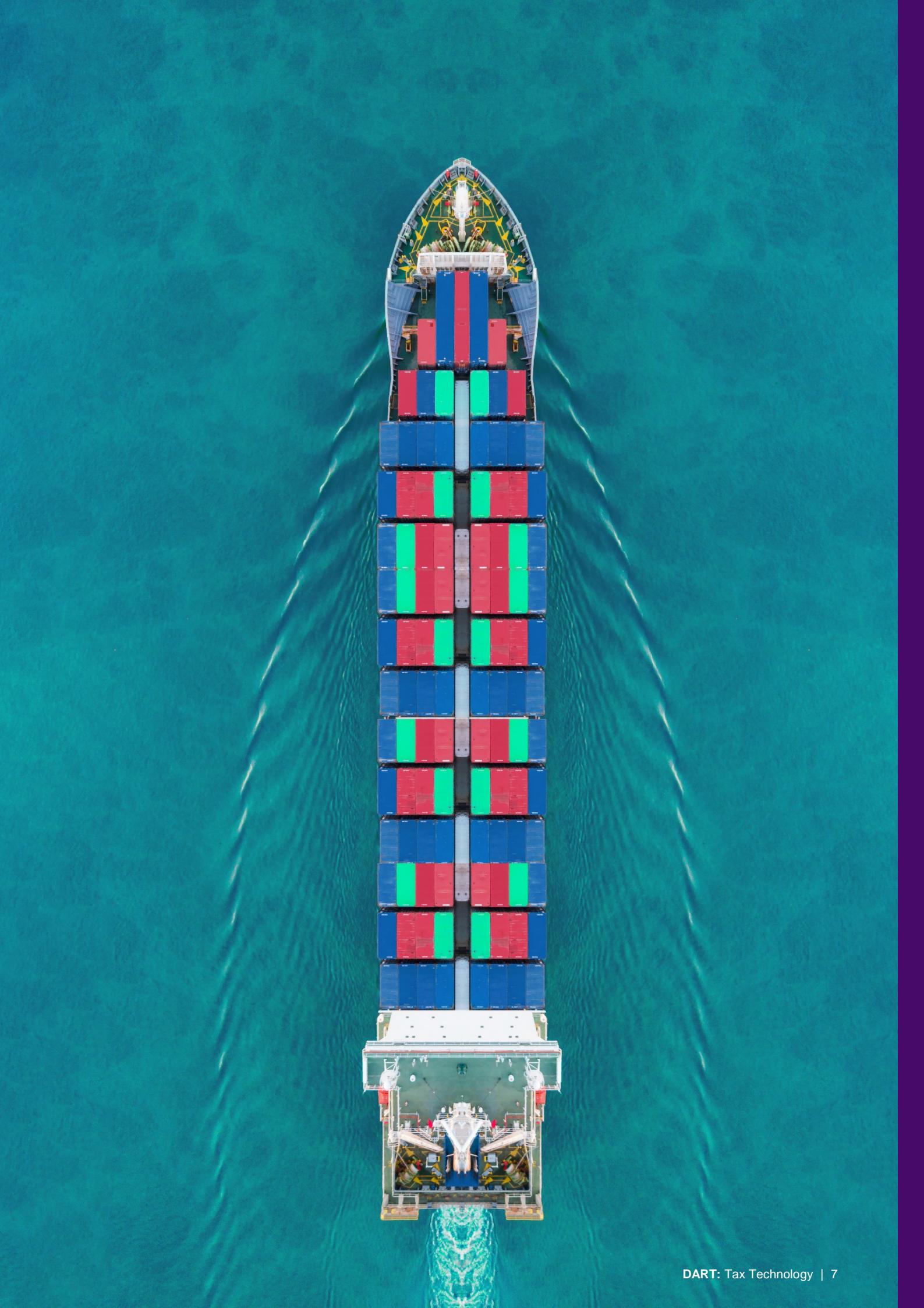
Depreciation

Check that the correct rate of depreciation has been applied for tax purposes.



KPMG's DART uses market leading visualisation software allowing you to interrogate your data, validate exceptions and identify opportunities in a clear and concise manner. An example of a data driven insight is set out in our visualisation tool below:





Contacts

For more information on how KPMG's suite of Tax Data Analytics tools can help discover the value in your tax data, please contact your KPMG Tax Advisor:



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