



# Enhance your working capital cycle

Small measures, big gains –  
turning working capital  
to your advantage

[kpmg.com/uk](http://kpmg.com/uk)



# Are you ready to pick up speed?

Optimise your working capital by turning indirect tax to your advantage.

As mid-market businesses and larger corporates seek to drive growth, increase value and improve their financial efficiency, Finance Directors are under pressure to get more out of their working capital.

Indirect tax is the third largest item in the business – after sales and costs – so it makes sense to give it the scrutiny it deserves. Yet many overlook opportunities to optimise working capital through indirect tax, losing out on the significant gains

to be made if this area is reviewed in detail.

Here at KPMG, we are committed to helping mid-market enterprises and larger corporates to achieve their ambitions with relevant, rewarding and affordable solutions.

Minor adjustments to your indirect tax routines can give you a competitive edge. With the right approach, these marginal gains can add up to a major impact – without being complex or costly.

**"We provide a thorough view of ways to improve efficiency and accelerate growth, such as increasing indirect tax efficiencies to optimise working capital."**



# Position yourself for the best results

**Unlocking cash tied up in working capital can release much needed finance for businesses.**

Whether that cash is to support growth, pay dividends or repay debt, Finance Directors cannot afford to miss out on areas for improvement.

KPMG can support businesses to identify working capital efficiencies by assessing the effectiveness of their indirect tax controls across working capital cycles, improving day-to-day reporting, reducing errors and

costs and helping them to meet compliance obligations.

Our approach is meticulous, steering the way towards optimum levels of working capital by improving the speed at which VAT is recovered while delaying when VAT needs to be accounted for. We have a range of different approaches which won't impact on customer payment terms or timings.

**"Better visibility, control and insight into indirect tax can unlock working capital for growth investment."**

**To find out more  
call our team on  
03300 245 146\***

---

Businesses we work with can typically achieve efficiency gains of up to 10% of their turnover, boosting the bottom line and cutting debt finance requirements

**10%**





**“Marginal gains can add up to major results, releasing significant working capital savings.”**

# VAT: the right tools for a technical challenge

**Avoid penalties and boost your working capital by lifting your VAT processes – and those of your supply chain – to greater efficiency.**

VAT is a key factor in any business' cash flow and potentially a real bottom line cost. Constantly evolving case law, statute and HMRC guidance makes compliance a continuous challenge. Less than excellent housekeeping can result in penalties, damaged reputation and missed opportunities.

KPMG has developed a range of effective solutions to help businesses optimise their

working capital and reduce costs, whilst focusing on their commercial objectives.

This includes mitigating unnecessary VAT loss throughout the supply chain, reducing the risk of financial penalties and ensuring that VAT is processed correctly.

In today's fiercely competitive economy effectively managing both the risks and opportunities surrounding indirect tax is critical.

**"Businesses of all sizes with VAT exposure can act now to cut costs, increase their working capital efficiency and gain a competitive edge."**



**"An increased focus on indirect tax solutions can enhance efficiencies across working capital cycles."**

# Get a grip on rising global indirect tax rates

**Complex import and export regulations create working capital challenges for any international business. Avoid slips and capture opportunities as they arise.**

Reducing the cost of international trade can free up working capital and improve margins. Key to this is the ability to unlock cost savings from customs and excise duties.

Import duties and related expenses directly impact the bottom line. But fast-changing regulations make this area increasingly risk-laden. Export

controls are similarly complex, with some items requiring authorisation before trade can be conducted.

With one of the largest specialised customs groups in Europe, KPMG has a long track record in advising on efficient trade operations, including duty minimisation, supply chain efficiencies and compliance.

---

The Government's use of indirect taxation has increased by 49% since 2004

# 49%

Source: Bloomsbury Professional

**"A robust approach to import and export duties can cut international trade costs and improve working capital margins."**





## Talk to KPMG Boxwood

KPMG Boxwood is an award-winning consultancy that delivers business and operational transformation over a range of areas, including working capital optimisation.

We work with ambitious mid-market businesses aiming to drive growth, improve profitability and unlock value. We do this by combining our market-leading business transformation expertise with deep industry insight and our commitment to creating strong working relationships.

If you are looking to transform your business performance, get in touch.

Call our team on 03300 245 146\* or go to [boxwood.com](http://boxwood.com)



# Shift up a gear with market-leading business insight

Relevant and affordable solutions for mid-market enterprises from one of the world's leading business support teams.

Our local presence and global reach means mid-market businesses across the UK can access our world-class expertise and insight.

Our philosophy is simple. We are passionate about getting to know you and your enterprise to see how we can add value – both through our own experts

and by tapping into the market-leading insights, ideas and people of our wider network.

By lowering your duty bills, managing your duty obligations, enhancing working capital and making best use of tax incentives, we can help you stay ahead of the curve.

**"We have a strong track-record in helping mid-market businesses turn indirect tax to their advantage."**



## Contact details



03300 245 146\*



[kpmg.com/uk/marginalgains](http://kpmg.com/uk/marginalgains)

\*Your call may be recorded for training or monitoring purposes. Local call rate applies.  
Calls made from mobile phones may incur higher charges.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2015 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name, logo and "cutting through complexity" are registered trademarks or trademarks of KPMG International.

Produced by Editions Financial, October 2015