

Iconic Aussie agribusiness Elders converts to core CCH platform for company-wide compliance and reporting

Summary

Company profile

Name:	Elders
Region:	Australia and New Zealand
Operation:	Agricultural
Products:	Farm supplies, finance and advice for cost-effective supply chain outcomes for the agricultural industry
Employees:	1 838
Website:	http://www.elders.com.au
Revenue:	\$1.514 billion first half of FY15/16

Challenges

- Improve tax compliance reporting efficiencies and productivity outcomes
- Automate 200 entities data
- Increased need to meet compliance demands
- Quickly understand immediate changes to legislation

Solution

- CCH Integrator™ is a cloud-based corporate compliance and reporting solution
- CCH FBT Organiser is an easily scalable FBT compliance solution
- CCH IntelliConnect® is a cloud-based tax research platform to simplify and reduce traditional tax research time

Value

- Single provider platform enables greater features in a lower cost environment
- User friendly solution easily accessed
- Up-to-date understanding of legislative changes
- Workflow processes and integrated platform automate data across 200 entities with streamlined tax team
- Strategic planning and quality control now central to Elders tax team function

Situation

As a public company generating revenue by providing a diverse range of agricultural and financial services to rural farms of Australia, Elders is ranked 275 out of 2000 companies in Australia. This traditional iconic Australian company has been built around the primary producers of livestock, wool and grain since 1893.

“ Developing a fully integrated central system has given us the confidence and ability to reallocate our time to strategic tax planning, rather than administration.

Vanessa Trengove, Head of Tax and Shared Services, Elders

Elders operations can be divided into two dedicated areas; The Network Operation focusing on the national branch and the Trading Operations focusing international operations

Business issues

In its ongoing streamlining of company structures and processes, the pure-play agribusiness centralised its tax compliance and reporting functionality with a core platform.

Various tax management teams were replaced with a central team of five tax specialists - now responsible for a new FBT reporting system, providing greater returns on tax technology and investments.

Challenges included the integration of 200 entities' historical tax compliance and reporting data and requirements on a regular basis with a lack of confidence in the underlying data for report production. Manual spread sheets were in use, significantly producing error rates and re-work requirements.

FBT compliance obligations also remained complex - spread over multiple systems.

Solution

With such a wide range of compliance and reporting challenges, Elders selected CCH Integrator™ platform to streamline its tax data collection, provision and compliance processes. Cloud-based CCH Integrator™ reduces audit risks, and restructures tax provisioning, compliance and simplifies tax reporting processes.

CCH Integrator™ cloud-based platform produced an accounting workflow system for Elders and its service providers. This resulted in improved and consistent handling and corporate tax processing, as well as greater efficiency with tax compliance and reporting cycles.

Over 200 entities tax compliance and reporting data and requirements are now consolidated into one integrated environment, enabling a reduction in risk for report production and confidence in the quality of the underlying data. Manual Excel spreadsheets have been eradicated, together with a corresponding significant reduction in error rates and rework requirements.

“In summary, the operational changes we have put in place have achieved positive organisational outcomes and were well worth the investment.”

The central CCH Integrator™ platform and its suite of modular options are ideal for Elders as it sought further productivity gains for compliance and reporting.

The next business reporting challenge to be tackled was the company's complex management of its fringe benefits tax (FBT) obligations. In conjunction with its CCH Integrator™ platform, CCH FBT Organiser was implemented to source, aggregate and process fully compliant FBT returns within a single integrated reporting environment.

The easy-to-use CCH FBT Organiser module was selected to assist Elders with its FBT obligations for five business entities and benefits including cars and car parking for a 1,000 vehicle fleet; housing; entertainment; Living Away from Home Allowance and expense payments. Importantly, CCH FBT Organiser also provides a set of regularly updated workbooks outlining current legislative changes, ensuring that FBT reports are accurate and tax-effective.

With the processes of tax compliance and reporting vastly improved courtesy of the implemented CCH Integrator™ platform and CCH FBT Organiser, Elders further sought to improve its tax team's monitoring and understanding of the ever-changing Australian taxation legislation – plus respond to the myriad questions coming in from its 200 entities around the country.

The third phase of implementation saw CCH IntelliConnect® cloud-based research platform go live, providing tax research to simplify and reduce traditional tax research time, further streamlining the overall tax compliance and reporting processes.

“The administrative functions of taxation and compliance no longer overshadow the tax team. Developing a fully integrated central system has given us the confidence and ability to reallocate our time to strategic tax planning, rather than administration. This is more beneficial for Elders.”

Elders Head of Tax and Shared Services, Vanessa Trengove said: “With the underlying CCH Integrator™ platform already in place, and my positive experience with the CCH offering previously, we made the decision to replace our existing automated system and create a single provider platform. Consideration was placed on greater value for money and feature benefits of CCH FBT Organiser, as well as its ease of use. The greatest return on our investment was achieved with CCH FBT Organiser and IntelliConnect being added to the core platform.”

In summary, the operational changes we have put in place have achieved positive organisational outcomes and were well worth the investment.

Results and value

From 200 entities providing manually collated Excel spreadsheets and tax individually, today Elders has achieved a fully integrated easy-to-use and highly cost-effective taxation and compliance system.

Since using CCH FBT Organiser returns are available at least a week earlier each year, with a sound reduction across the board for verification – finally freeing the tax team to achieve higher levels of productivity, accuracy and focus on value-added strategic tax planning activities.

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