



Managing compliance in a complex world

Global Compliance
Management Services

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The compliance challenge

Today's unprecedented economic challenges are forcing companies to rethink the way they do business. For many, this includes reassessing the way they manage their compliance obligations.

Managing compliance in today's highly complex economic and regulatory environment has become increasingly challenging. Rapid globalization, developments in tax laws, changes in accounting standards and increased demands from tax authorities for greater transparency and cooperation, are all increasing the burden on tax and finance departments. At the same time, they are expected to provide more and better reporting and compliance in an ever-shorter time-frame.

Additional challenges are imposed not only by the fact that qualified and experienced compliance professionals are scarce but also because in-house accounting and ERP systems need to serve both global and local compliance requirements. Thus it is not surprising that tax and finance departments often spend a disproportionate amount of time on compliance activities; time that could have been used on higher value activities such as strategic tax planning, risk management and closer integration with the rest of the business.

As a result, many companies are looking for more efficient and more cost effective ways to meet their compliance obligations.





Outsourcing compliance - an attractive option

In the current economic environment, in-house departments are under pressure to increase their contribution to the business without corresponding increases in the resources they employ; outsourcing (or co-sourcing) compliance services can be a flexible and cost effective way of meeting the needs of an organization both locally and globally.

An organization's decision to outsource as well as the extent to which it will outsource compliance functions will depend on its specific circumstances.

Factors influencing the outsourcing decision may include, amongst others, internal demands, cost optimization and external pressures.

Outsourcing enables an organization to benefit from economies of scale, specialized labor and the application of industry best practices (assuring processes are aligned with current regulatory demands) available through an external service provider.

Furthermore, by outsourcing, organizations only pay for the services they require, releasing valuable in-house resources to focus and deliver on core business objectives and long-term strategic initiatives, while still meeting current compliance obligations in an accurate and timely manner.

How can KPMG in Cyprus help

KPMG in Cyprus

KPMG in Cyprus, a member firm of KPMG International, traces its origins back in 1948, and today is one of the largest professional services organizations in Cyprus. It comprises approximately 900 people, including 44 board members, working from 6 offices throughout the island. KPMG in Cyprus has specialized departments which are headed by Board Members with long experience and are staffed by highly skilled personnel.

How we can help

KPMG understands the challenges organizations face in today's complex business environment. Our compliance service offering is responding to our clients' pressing needs. Our service promise is simple: leverage our tremendous investment in our people and our technology to provide the tools and resources our clients need to achieve long-term, sustainable value.

Key elements in our approach:

- Strong international presence enabling us to have global mindset and cross-border reach combined with local knowledge and experience
- Providing a single point of contact to manage the overall relationship and services, thus securing a personalized service
- Looking beyond the task of "processing". Seeking to add value and confidence in a compliance process that is tailored to meet our clients' specific needs
- Providing perspective and forward-looking insight to outsourcing activities - elements which are critical to managing risk on a global basis and which cannot be obtained from centralized processing centers.

Tools to help manage the process

Transparency and control over business processes are critical, particularly with regards to compliance services. Tax and finance departments and their advisers must be able to share information, collaborate on global projects and proactively manage the overall process to meet both business and regulatory demands.

KPMG has made significant investments in technology, allowing our clients to leverage a level of investment that

would be difficult for a single company to maintain. Our proprietary technology tools are designed to interact with company data and leading compliance software to facilitate efficient management of data collection and compliance processes.

For example, KPMG has utilized its extensive knowledge and expertise in designing, developing and implementing end to end roadmaps for indirect tax management. KPMG in Cyprus professionals have developed an integrated web solution – Automated VAT Compliance Solution (AVCS) – that automates the relevant processes, assists organizations to improve compliance and controls and also creates new value for other functions.

KPMG's LINK 360, our Web-enabled collaboration and reporting tool, provides tax and finance departments with real-time visibility over the entire compliance project across multiple entities in multiple jurisdictions.

Embedding value wherever possible

Turning knowledge into value for the benefit of our clients is what differentiates KPMG from other compliance service providers. Because our professionals think beyond the immediate compliance task and can leverage institutional knowledge from throughout the firm, they are well positioned to provide insight and advice around planning, compliance governance, risk management and process and technology consulting. We seek to embed value whenever and wherever possible.

In partnering with KPMG, you can improve your compliance processes and risk management. Your global compliance obligations will be addressed and at the same time your security teams will be freed to focus solely on business areas that are key to profitable and sustainable growth.

Compliance services offered by KPMG in Cyprus include:

Corporate Statutory Compliance

- Assisting with preparation of notices and minutes of directors' and shareholders' meetings
- Assisting with preparation of powers of attorney
- Assisting with the preparation of documentation for changing statutory information

- Arranging legal review of agreements
- Maintaining proper books and records.

Bookkeeping, Accounting and Financial Reporting

- Computerized book-keeping
- Preparing financial statements in line with IFRSs
- Providing support on IFRS interpretation

Establishment of corporate entities

- Advising and assisting in the selection of jurisdiction and formation of the appropriate corporate entity
- Drafting of Articles and Memorandum of Association to the specific needs of each client
- Arranging for tax and VAT registration
- Assisting with opening of bank accounts.

Company Administration

- Monitoring local compliance with statutory requirements and filings
- Review of transactions for compliance with tax, VAT, legal and statutory requirements
- Logistical support on banking
- Arranging execution of day to day documentation
- Assisting with the legalization of documents.

Management accounting

- Assistance in the preparation of budgets
- Assistance in monitoring budgets
- Preparation of full set of management accounts.

Tax and VAT compliance

- Assisting with the preparation and submission of tax and VAT returns and other required forms
- Review of agreements to determine tax and VAT exposures
- Obtaining advance rulings
- Tax and VAT review of the financial statements.

Payroll services

- Registration of the company with the authorities as an employer
- Processing the company's monthly payroll
- Arranging the payment of taxes and social insurance to relevant tax authorities
- Preparation and submission of monthly and annual tax returns
- Preparing and dispatching payslips.



Why KPMG?

Our expert compliance professionals think beyond the immediate compliance task to add longer-term value to your organization through our:

Global mindset

Our global service recognizes the international reach of today's businesses providing effective global client service with local expertise.

Forward thinking

KPMG recognizes that outsourcing is a major commitment for both parties and should be a long-term partnership. We seek to build those relationships that can change as you develop, while at the same time improve your compliance processes and relationship with your regulator.

Value adding

At KPMG, we won't relegate your regulatory reporting to a mere process. We aim to provide reassurance around your key filing positions and add value through the identification of better disclosure positions and planning opportunities.

For any further information
in regards to the above you
may contact:

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being passionate about
compliance.**

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