

ONESOURCE® TAX PROVISION

CASE STUDY



ARRIUM LIMITED

ISSUES

- Monitoring international tax compliance – difficulties in overseeing and managing reporting obligations in multiple tax jurisdictions
- Microsoft Excel-based legacy month-end reporting system
- Need for intuitive and fast month-end reporting system
- Tax team spent an inordinate amount of time focusing on compliance and reporting rather than reviewing and understanding the tax balances of the reporting entities

KEY OBJECTIVE:

- Move tax team from an administrative data processing role to a value-add role in the monthly reporting cycle

SOLUTION

ONESOURCE Tax Provision improves visibility and control by centralising all global tax information into a single database. A powerful tax accounting and reporting solution, ONESOURCE Tax Provision is fully customisable to best accommodate specific processes, issues, and reporting requirements.

- A complete solution for all accounting standards: IFRS, UKGAAP, USGAAP, local GAAP
- Control over tax data collection and user access
- Control over tax accounting calculations and reporting including audit reports detailing any changes in the system
- Minimised reporting risk by enabling greater scrutiny of tax data accuracy
- Corporate efficiency through a streamlined data collection and workflow process including multilevel sign off
- Greater visibility into the effective tax rate, deferred balances, and effects of currency translation and changes in tax rates
- An easier audit process with detailed audit reporting and a solution familiar to the Big 4 accounting firms
- Support for worldwide local returns through a more detailed and accurate tax charge for income taxes
- Management of capital allowances, group relief and fiscal unity

VALUE TO ARRIUM

- Tax team can now focus on value-add activity
- Integrity of data no longer compromised by Excel
- Exceptional level, detail, and quality of information
- More visibility within international tax compliance
- Excellent training and implementation process
- Integration with financial transformation process

COMPANY PROFILE

ARRIUM LIMITED
(FORMERLY ONESTEEL LIMITED)

Region: Australia head office with operations in South America, North America, and Asia

Operation: Manufacturing and mining

Products: Steel manufacturing, recycling, iron ore mining, and mining consumables

Employees: 10,000

Website: www.arrium.com

Revenue: \$7.595 billion

COMPANY BACKGROUND

Arrium Limited (ASX: ARI) is a leading international mining and materials company. Originally OneSteel, a steel manufacturing company created out of BHP in 2000, the company diversified its offerings to include iron ore mining and mining consumables and became Arrium in 2012.

Having merged with Smorgon in 2007 and acquired Molycop in 2010, Arrium operates locally and internationally.

Arrium employs 10,000 people, and had revenue of \$7.595 billion for the 2012 financial year.



THOMSON REUTERS™

BUSINESS ISSUES

Despite having a dedicated Australian tax team, Arrium's international tax compliance relied heavily on finance managers and offshore advisors. There was a real lack of visibility and integration across the local and global month-end tax reporting system as a result of a number of recent acquisitions.

Arrium previously depended on an Excel model to input monthly tax balances, the limits of which became evident when dealing with 100 separate reporting entities. These limits included decreased integrity and reliability of data and difficulty in obtaining visibility around certain tax adjustments.

The tax team spent an inordinate amount of time on administrative work and data processing as a result of this Excel-based system and the international side of the business did not function well with this model.

The tax team was therefore looking for a solution which spanned international tax compliance, increased data integrity and visibility, and enabled the tax team to add value to the business outside of the reconciliation and administrative process.

POWERFUL. ADAPTABLE. DEPENDABLE.

Thomson Reuters ONESOURCE was recommended to Arrium by many people. This led to multiple product demonstrations and ultimately to Arrium choosing Thomson Reuters as its preferred vendor. The move to ONESOURCE Tax Provision proved to be streamlined and simple.

Arrium Senior Manager Paul Jackson said "We couldn't speak highly enough of the Thomson Reuters team during the implementation process. With such significant changes taking place to our reporting system, Thomson Reuters was able to guide us through these changes and partner with our team to meet implementation deadlines and really deliver the tailored solution we required."

"ONESOURCE Tax Provision has streamlined our work and given us the ability to focus on value-add reviews. With tight controls, substantially increased accuracy, and efficiency across local and international sides of the business, we have been able to improve business outcomes for the company."

ONESOURCE Tax Provision has significantly improved international tax compliance issues and provided a higher quality of information across the board. "The ONESOURCE product delivered greater visibility into the effective tax rate, deferred balances, and effects of currency translation and changes in tax rates, which is exactly what we needed for our international business," said Paul Jackson.

"I would recommend ONESOURCE Tax Provision to any company; in fact, we have done so twice already. I am impressed with the product and there is still a lot of scope that Arrium can use to further expand on the advantages of the ONESOURCE suite."

THE GLOBAL ONESOURCE SUITE

In addition to ONESOURCE Tax Provision, Arrium is also using ONESOURCE Mining Tax, ONESOURCE Fringe Benefit, and ONESOURCE Accounts Production.

Going forward, Arrium is also considering to introduce ONESOURCE Corporate Tax to further streamline the tax compliance function.

Discover how ONESOURCE Tax Provision can improve your provision processes.

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