

Regulatory Reporting – A More Efficient Way

Efficient Frontiers International (EFI) rapidly mobilised a team of experts and utilised expertise driven reporting technology to help a growing UK bank to meet a fast-approaching FATCA/CRS regulatory reporting deadline.



EFI previously worked with the client to design governance standards for FATCA/CRS for the previous reporting year. The client re-engaged with EFI when they were looking to outsource their FATCA/CRS reporting to a partner they could trust.

The client approached EFI six weeks prior to the reporting deadline, requiring a team to manage the return process and take the relevant steps to meet the given date. They sought EFI's help to produce and submit the return to HMRC, develop a reporting pack that met their governance standards and ensure appropriate data security measures when handling and processing their data.

Challenge

- The regulatory reporting deadline was fast approaching
- There was no formalised plan around ownership and the return process
- The in-house teams needed support to achieve accurate reporting to the relevant regulatory and data quality standards expected by HMRC
- The client did not have the necessary reporting technology to enable them to review and remediate the reporting data set efficiently and accurately within the regulatory deadline

Solution

Secure transfer of data to EFI

The client's reportable data was securely transferred to EFI's environment where appropriate access controls allowed the tax analysts to review and load the data into the report generation software.

Efficient identification of errors

Sophisticated validation rules determined by EFI's regulatory experts, ensured the in-house built technology quickly identified areas requiring data repair. As part of this process, EFI's experts also identified some misinterpretation of indicia rules by the client and triggered a secondary review of the reportable population to ensure it was 100% accurate. EFI's highly refined rule set ensured the final report was technically sound and would pass all HMRC schema validation.

Assessing for inherent tax risks

A tax risk assessment was conducted by EFI including an analysis of missing TINs, jurisdictional analysis and where customers are reportable to.

Meeting the required standards

EFI designed a reporting pack that met the client's governance standards, enabling senior executives to sign off the return for submission to HMRC.

Data security

EFI agreed data retention and deletion processes with the client ensuring these were satisfactorily dealt with on completion of the project.

Outcome



Following submission, the client received no inquiries from HMRC.



With EFI's help, the client met the regulatory reporting deadline with two weeks to spare, giving senior management time to ensure a risk focused and robust sign off process was followed prior to submission.



Bespoke in-house technology, designed by regulatory experts, rapidly identified potential errors within the data.



Sophisticated validation rules improved the accuracy of data and resulted in less reliance on human reviews. This allowed EFI to fully review very large volumes of client data within a very short timescale.