

## CASE STUDY

# CANADIAN ENERGY COMPANY Energy/Utilities

### Client's needs

Over the last decade, the Corporate Tax Provisioning process has evolved substantially, and tax professionals have been placed in a situation where reporting needs have far outpaced commercially available tax provisioning applications. A Canadian energy company contracted Alithya to provide and implement a solution after recognizing a need to stop using large, complicated, and unwieldy spreadsheet models to manually convert and maintain the transparency of the "Book" (audited financial statements) to "Tax" relationship. Excel-based models are tedious to maintain and are prone to errors, so the client wanted to replace their existing system with a process that was integrated with their financial reporting structure.

The current and future models implemented using HTP are intended to address the following: Monthly YTD tax entry, Monthly tax forecasting (Outlook), Annual tax forecasting (Budget), and Annual tax provision on year end actuals. Implementation of Hyperion Tax Module—Oracle Hyperion Tax Provision is a comprehensive global tax reporting solution for multinational companies reporting under US GAAP or IFRS.

### Alithya's Solution

Hyperion Tax Provision (HTP) is a purpose-built application that sits on top of Hyperion Financial Management (HFM) and leverages all the functionality provided with HFM. It provides a fresh and pragmatic approach to meeting the complex needs of the Corporate Tax Provisioning Group and encompasses all stages of the corporate tax provision process including tax automation, data collection, tax provision calculation, return-to-accrual automation, tax reporting, and analysis. Throughout the project, Alithya worked to:

- ▶ Conduct a detailed in-depth gap analysis to map existing tax models to the capabilities of the Hyperion Tax Module.
- ▶ Partner with the client and Oracle to develop a project strategy that includes an implementation and build configuration to address all tax requirements using Oracle HTP. Implementation principles include:
  - ▶ Leveraging "out-of-the-box" functionality of HTP model based on HFM version 11.1.2.3
  - ▶ Utilizing Enterprise Performance Management Application (EPMA) for existing metadata hierarchies
  - ▶ Design and implement a centrally managed web-based Tax Provision reporting system using Oracle EPM's HPM Tax Provision Model in version 11.1.2.3.

### Benefits Realized

As a result of this project, the client gained a flexible "off-the-shelf" tax model that easily adapts to industry-specific and various jurisdictional tax calculations. With existing Hyperion systems previously implemented, knowledge about the software is well leveraged, and their Hyperion Solutions Team is available to provide support when necessary. One integrated solution eradicates the need to maintain separate Excel tax models for budget, forecast, and year-end tax calculations. SmartView, Financial Reports, and an Executive Dashboard offer multiple reporting options as well as the ability to perform ad-hoc analysis. The client's new platform is reliable and provides greater control while minimizing potential errors occurring in tax calculations. Automated data loads and calculations eliminate manual activities previously needed, and little time is spent to begin a new tax year or scenario. A complete audit trail is available which facilitates the tax review process, and simultaneous multiple user access is possible, including remote access. Finally, US Regional (state level) tax calculations are automated to reduce maintenance and setup of regional models.

**AS A NORTH AMERICAN LEADER IN STRATEGY AND DIGITAL TECHNOLOGY,** Alithya designs and builds innovative and efficient digital solutions for business challenges. Our clients cover a large spectrum of sectors including Banking, Investment and Insurance, Energy, Manufacturing, Retail and Distribution, Telecommunications, Transportation, Professional services, Healthcare and Government. Our 2,000 professionals in Canada, the US, and Europe combine pragmatic understanding and creative thinking to structure and streamline intricate operational ecosystems, help transform their businesses, and drive their growth every single day.