

68% of businesses have errors in their **supplier invoices** leaving them open to risk and fraud.

Recovery Audits provide forensic auditing to check compliance and ensure process excellence.

Mistakes and failings by suppliers can be costly to your business, but many companies do not have the process checks or controls in place to identify where errors are occurring. Recent research shows that businesses only check 52% of invoices for duplication, errors and fraud.

The Challenge for Companies

Every day companies make agreements with suppliers. These purchasing decisions can take many forms – alterations and extensions to terms under existing contracts, credit notes for substandard goods and services, new procurements with established suppliers, a handshake on a brand new relationship ... but these arrangements do not always turn out as planned.

Common errors include missed or unallocated supplier credits, invoice processing errors and duplicate or inaccurate payments. Unchecked processes are also at an increased risk of external fraud with cybercriminals sending fake invoices in the hopes of a mistaken payment slipping through.

Our business process audits are designed to establish if any third parties owe you money, and if your VAT processes are accurate.

Our Insights: 68% of businesses have errors in their invoices

Companies are often unaware of the extent of the gaps in their processes. Many of our clients perform Recovery Audits for peace of mind, even though they are confident that their processes are robust, however this is rarely the case.

Many companies unintentionally leave themselves open to risk by not auditing their supplier processes, with recent research revealing 68% of businesses have errors in their invoices. The biggest contributing factors to these errors include:

- Other priorities during peak trading windows
- Rapid business growth or diversification
- High staff turnover / temporary staff
- Changes or upgrades to systems
- Business reorganisation, merger or acquisitions
- Transition following outsourcing or shared service centre implementation

Recovery audit is not a reflection of poor processes. It is a reflection of **thorough and conscientious management**. In fact, those in the top quartile of efficiency and effectiveness are more likely to perform Recovery Audits than others companies.

Extract from the Hackett Group Paper on Recovery Auditing

Recovery Audit is key to process improvement

Our experience enables us to facilitate a forensic review of both your Procurement and Finance functions in a manner that pays for itself several times over.

Our significant experience means we know where to look in your process for Accounts Payables and Receivables to quickly identify issues. Some of the most common errors we uncover include missed or unallocated supplier credits, invoice processing errors and duplicate/inaccurate payments.

In addition, our VAT Recovery Audit is driven by the struggles companies have in dealing with the complexity and evolving nature of VAT regulations. Even with best in class processes, systems and regular external auditing, errors can occur and remain undetected leading to lost money or Tax Office non-compliance.

Recovery Audits remove the doubts that exist around supplier relationships and provoke significant improvements in the process through the findings that our investigations uncover. In addition, our Recovery Audit is proven to uncover savings for clients worth an average of 0.5% of their total supplier spend.

Our Recovery Audit Service:



Bespoke tailored service for each individual client



Identifies mistakes which directly translates to recovered cash for clients



Identifies supplier failings and potential fraud by suppliers



Provides peace of mind that all processors are working correctly



Provides invaluable insights into how processes are working

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Identifies areas for improvement

↓
Identifies corrective measures

Work with Taxback International

Taxback International create and perform a range of tailored end to end, forensic audits and compliance services to identify process gaps and recover overpaid VAT to minimise the risk of regulatory issues and penalties for your business. We then work with clients to understand how the errors occurred to minimise the risk of future errors.

Contact us today:

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