# Tax Reporting in BFC SYENSQO


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    - 2.3.13 Generate all packages and final control


## 1. Purpose and Content of Tax Reporting

This procedure describes purpose of **Tax Reporting** and how it is managed in BFC, as well as other **related customizing in other BFC modules**.

## 1.1 Purpose and Actors

**Core principles**

The tax package aims at **reporting the income tax charge at entity level**

The objective of the tax package is

- to isolate the Adjustments from the IFRS EBT
- to calculate the IFRS and Underlying income tax expense for the period

Scope: **WW consolidated companies (IG / IP / not required for MEQ)**

Actors involved and responsibilities

- **GAR Tax Reporting manager** is responsible
  - to calculate the IFRS and Underlying income tax expense for the period (at Group level);
  - to compute and monitor the Underlying Tax Rate (“UTR”) of the Group for continuing operations;
  - to monitor the income tax paid in the Free Cash Flow; and
  - to ensure compliance with IFRS requirements.
- **Country Accounting Managers** (“CAMs”) with the support of **Tax Compliance Managers** (“TCMs”) if any are responsible
  - to fill the tax packages in
  - to timely provide accurate information in BFC

# 1.2 Reporting periods and Content

Reporting periods for Taxes organized around :

- **Interim reporting** (quarterly: **March, June September**): **Projected tax rate methodology**
- **Hard Close** (October) and **Year-end** reporting: **Actual (enacted) tax rate methodology**

In order to comply with the above, the **tax package has been divided in two phases**

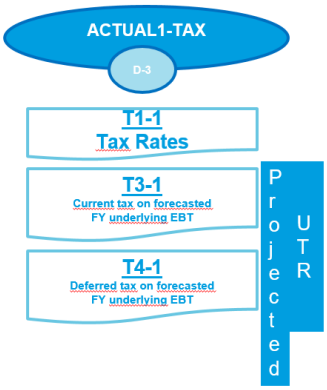
- **Actual1-Tax** phase/category that aims at calculating, during **interim periods,** the Underlying projected Tax Rate ("UTR") based on full-year forecasts of the Underlying EBT (Earnings Before Tax)
- **Actual2** phase / category that aims at calculating during **Hard Close and at Final Year End** the YTD income tax charge of the period

**INTERIM PERIODS - overview**

The only purpose of the Actual1-Tax package is to provide tax rates:

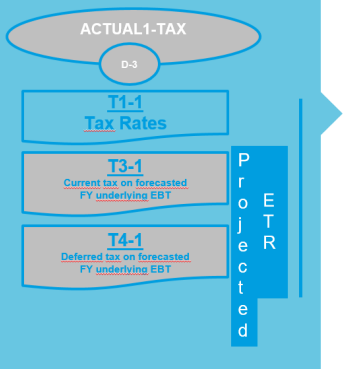
- **Enacted tax rates**: current vs deferred & standard vs reduced
  ⇒Data entry in the schedule T1-1
- **« Projected » tax rates**: Underlying only
  ⇒Computed in the schedules T3-1 (current taxes) and T4-1 (deferred taxes)

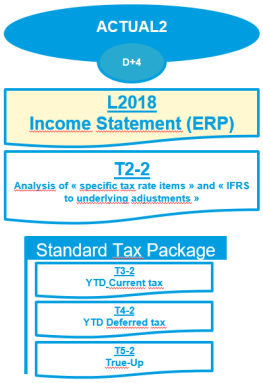
⇒No blocking controls between Actual1-Tax and Actual2 phases




The Actual2 Tax package aims at detailing the current and deferred YTD components of the IFRS tax charge

*INTERIM PERIODS*



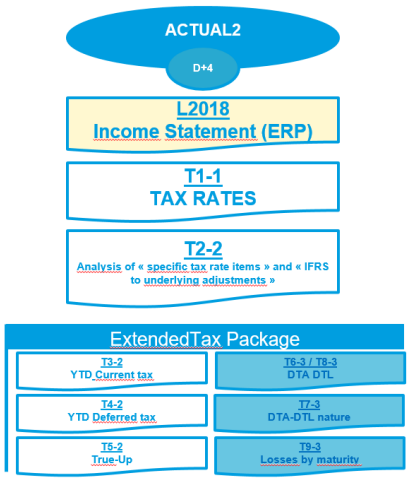




**HARD CLOSE and YEAR END - overview**

The Actual2 Tax package aims at detailing the current and deferred YTD components of the IFRS tax charge

*YEAR-END*
*(and HARD-CLOSE)*

**No Actual1-Tax anymore**




For more detail, refer to the Tax Package guidebook published in GAR AODOC Library.

# 1.3 BFC Administration's role

BFC Admin team is in charge of:

- **reporting set-up** and **package generation** related to both ACTUAL1-TAX and ACTUAL2 categories
- **specific pre-loadings** of the packages (Tax Rates / P&L YYYY.09 for Hard Close)

# 2. Definitions

**GAR Team** - SYENSQO Group Accounting & Reporting Team (including position of  Tax Reporting manager)

**BFC-Admin Team** - Team administrating BFC (SYENSQO Group Consolidation tool)

**FSL CAM -** Company Account Manager

**FSL TCM** - Tax Compliance Managers

**IG** - Full Consolidated method

**IP** - Proportional Consolidation method

# 2. Reporting Setup

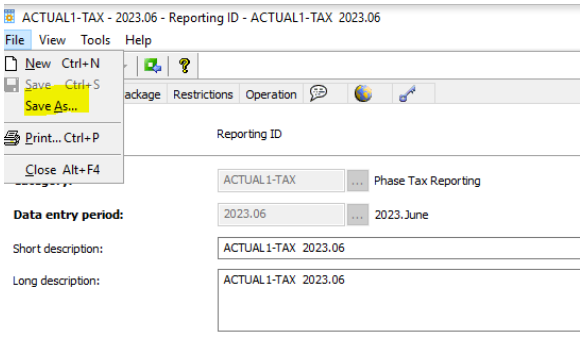
## 2.1 ACTUAL1-TAX (Interim periods: March, June and September)

### 2.1.1 Reporting Organizer

In the **Reporting Organizer** module it is created the Reporting ID and it is defined the common data for the packages, as the Deadline, Folder, Set of Controls, Opening Balances, etc.

An option to create the Reporting for a new period is through the option **Saving As** based in the last version available.

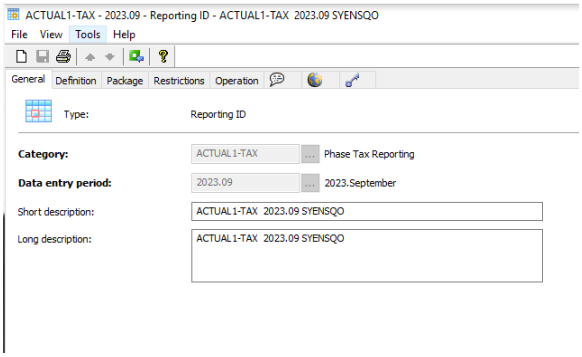
In this procedure it will be created the ACTUAL1-TAX category for the period 2023.09, so the Reporting ID to be entered as reference is **ACTUAL1-TAX** - 2023.06.



The **General** tab defines the general properties of the reporting ID.

Enter the following information:

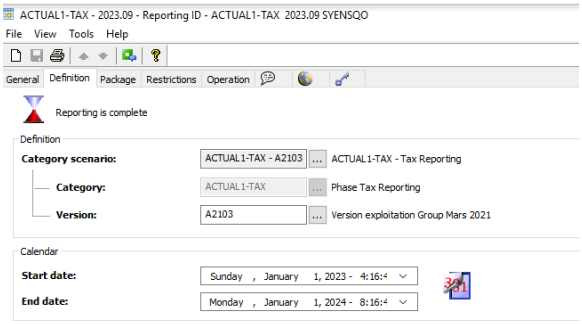
- **Category - ACTUAL1-TAX**
- **Data entry period -** YYYY.QQ
- **Short & Long description -** Phase Tax Reporting- YYYY.QQ




The **Definition** tab indicates the reporting status. It can also be specified the associated category scenario and the start and end dates for the reporting.

Enter the following information:

- **Version:** refer to this document **"BFC Admin Reporting set up per category and period"** to get the category scenario version to be used
- **Start & End Date:** It can be specified the scheduled start and end dates. The reporting status depends on these dates. Enter a large range, e.g. January 1st of current year to Jan. 1st next year.



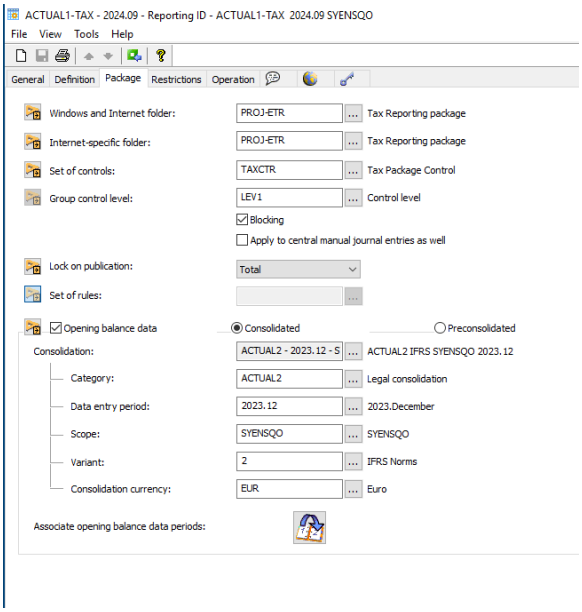

The **Package** tab defines the settings of the data entry environment for the packages.

Enter the following information:

- **Windows and Internet folder**: refer to this document **"BFC Admin Reporting set up per category and period"**
- **Internet-specific folder**: refer to this document **"BFC Admin Reporting set up per category and period"**
- **Set-of controls**: refer to this document **"BFC Admin Reporting set up per category and period"**
- **Control level to be reached**: LEV1 - This field needs a special attention, because if any the previous field is changed this one is deleted, always ensure it is filled properly.

☑ **Blocking** - Flag the option Blocking

☐ **Apply to central manual journal entries as well -** MUST NOT be flagged



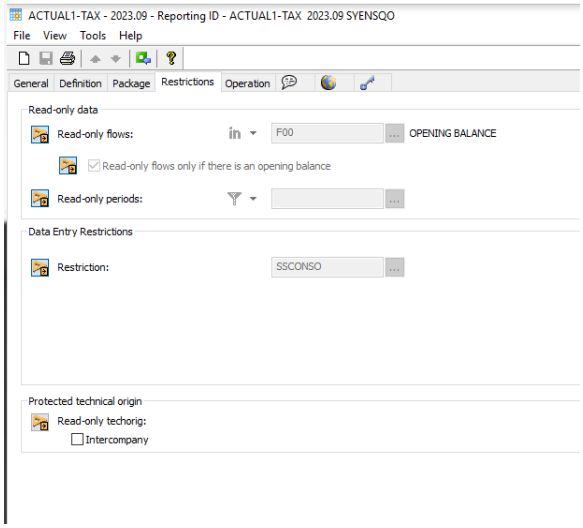

**Opening Balance data:**

- **Category**: ACTUAL2 - as reference of Year End from previous year (no ACTUAL1-TAX at Year End)
- **Data entry period**: YYYY-1.12 - Inform the period which the opening balances are retrieved. Always December of previous year.
- **Scope**: SYENSQO- includes consolidated companies.
- **Variant**: 2 - IFRS Norms.

The **Restrictions** tab defines the data entry restrictions which are applied when the data is entered.

The flow **F00** (Opening Balances) must be informed in Read-only Flows, this way it will not be available for edition in the package.

Data entry restrictions **SSCONSO**.

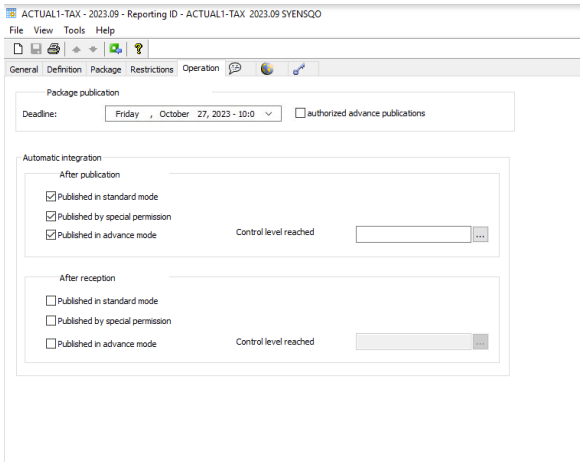



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The **Operation** tab defines the settings to publish the packages.

In the **Deadline** it has to be informed the date that the packages will have to be published.

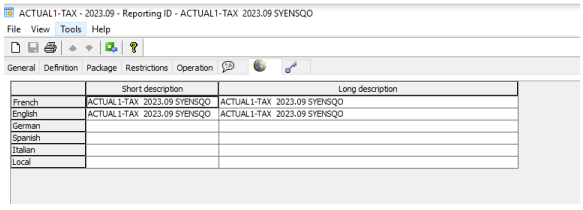
It has to be changed each quarter, according to date defined in the SYENSQO Finance Accounting Closing Calendar available in the SYENSQO GAR AODOCs Library.




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The **Translation** tab defines the object descriptions for the selected language.

Both French and English should be informed.

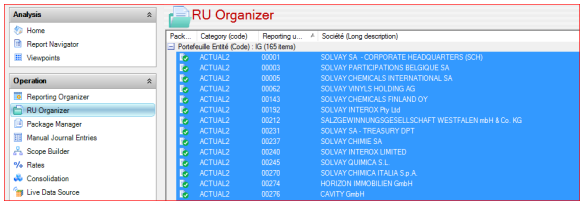



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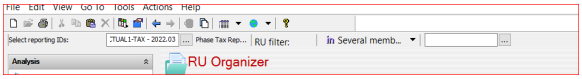
## 2.1.2 RU Organizer

In the RU Organizer we define the companies to be reported in the category.

Select the **IG and IP** packages in the RU Organizer module from **category ACTUAL2 / previous period** and copy (through the icon  or Ctrl+C).

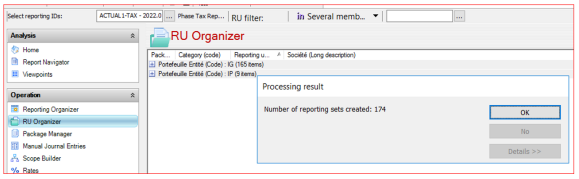


Change the period to the one that is being created and paste packages (through the icon or Ctrl+V).




Then the reporting packages are created in RU Organizer module.

Note that the packages will have the status , meaning that they are still not available in the Package Manager module.

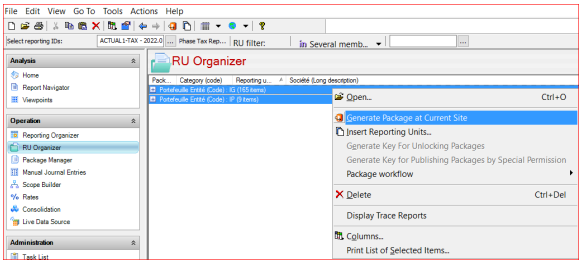



**Before Generate the packages to the Package Manager module, ensure that all the companies are with the correct Consolidation Method (column Entity Portfolio), and if any company needs either to be added or deleted**

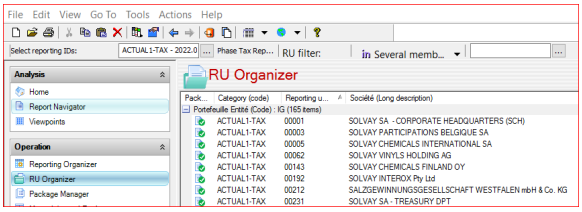
**Companies entering or leaving** the SYENSQO Group are registered in the following file **Syensqo Structure file** available in SYENSQO GAR AODOC Library

## 2.1.3 Package Manager

To make the reporting available in the **Package Manager** module, select all packages and with the right click choose "**Generate Package at Current Site**".




The package status changes to , meaning that the package are now available in the Package Manager module.




## 2.1.4 Automatic pre-load of Tax Rates in package data - ACTUAL1-TAX and ACTUAL2

### 2.1.4.1 Preloading in ACTUAL1-TAX

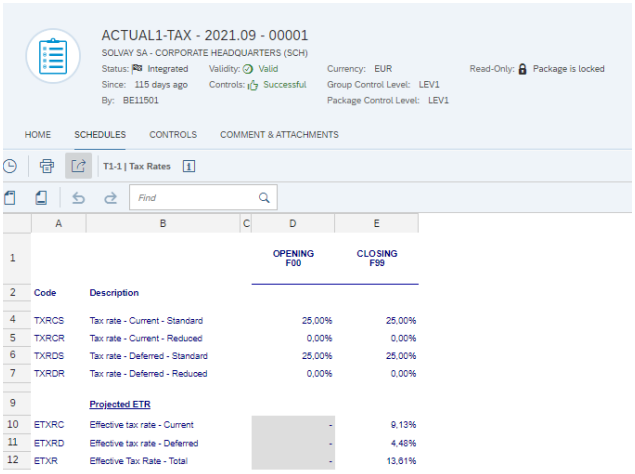
In order to facilitate the work from FSL CAM and TCM's, there are **formulas** in ACTUAL1-TAX category scenario to pre load **Tax rates in schedule T1-1, flow F99**, but **keeping them editable** ,as follow:

- ACTUAL1-TAX 03.YYYY = pre load 12.YYYY-1 from ACTUAL2 (no ACTUAL1-TAX in December)
- ACTUAL1-TAX 06.YYYY = pre load 03.YYYY from ACTUAL1-TAX
- ACTUAL1-TAX 09.YYYY = pre load 06.YYYY from ACTUAL1-TAX

**Pre-loading based on formula from ACTUAL1-TAX category Scenario**

```
{AC in (TXRCS; TXRCR; TXRDS; TXRDR) ; FL = F99} = IF ([PE = +0.03] ; {FL = F99 ; DP = -1.12 ; PE = -1.12 ; CA = ACTUAL2} ; IF ([PE = +0.06] ; {FL = F99 ; DP = +0.03 ; PE = +0.03} ; IF ([PE = +0.09] ; {FL = F99 ; DP = +0.06 ; PE = +0.06})))
```

**Content of T1-1 Schedule**



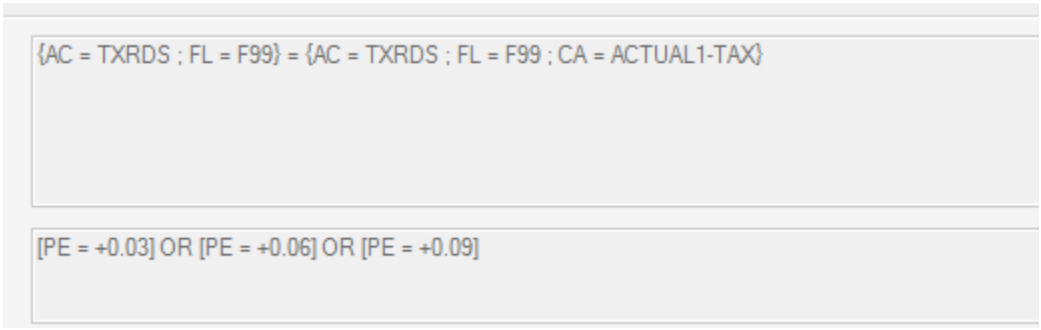

| | A | B | C | D | E |
|---|---|---|---|---|---|
| 1 | | | | OPENING F00 | CLOSING F99 |
| 2 | Code | Description | | | |
| 4 | TXRCS | Tax rate - Current - Standard | | 25,00% | 25,00% |
| 5 | TXRCR | Tax rate - Current - Reduced | | 0,00% | 0,00% |
| 6 | TXRDS | Tax rate - Deferred - Standard | | 25,00% | 25,00% |
| 7 | TXRDR | Tax rate - Deferred - Reduced | | 0,00% | 0,00% |
| 9 | | Projected ETR | | | |
| 10 | ETXRC | Effective tax rate - Current | | - | 9,13% |
| 11 | ETXRD | Effective tax rate - Deferred | | - | 4,48% |
| 12 | ETXR | Effective Tax Rate - Total | | - | 13,61% |

### 2.1.4.2 Preloading from ACTUAL1-TAX to ACTUAL2

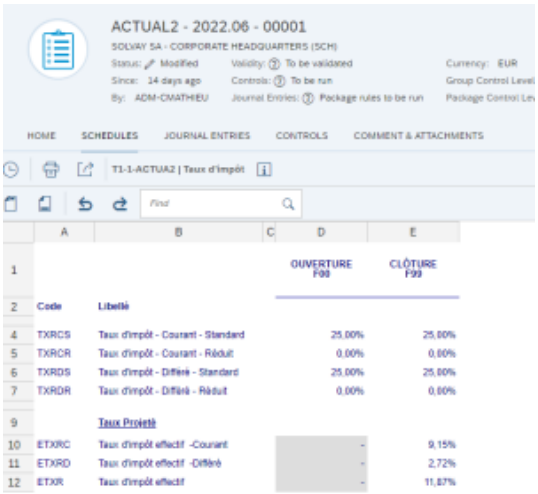
To avoid double work in ACTUAL2 , there are **formulas** in ACTUAL2 category scenario to **pre load from ACTUAL1-TAX Tax rates in schedule T1-1-ACTUA2, flow F99**, **without any possible modification**, as follow:

- ACTUAL2 03.YYYY = pre load 03.YYYY from ACTUAL1-TAX
- ACTUAL2 06.YYYY =pre-load 06.YYYY from ACTUAL1-TAX
- ACTUAL2 09.YYYY = pre-load 09.YYYY from ACTUAL1-TAX

**Formula from ACTUAL2 category Scenario** *(example below for TXRDS heading, same applies for the other tax rates headings)*




**Content of T1-1-ACTUA2 Schedule** *(same layout as T1-1 schedule from ACTUAL1-TAX)*



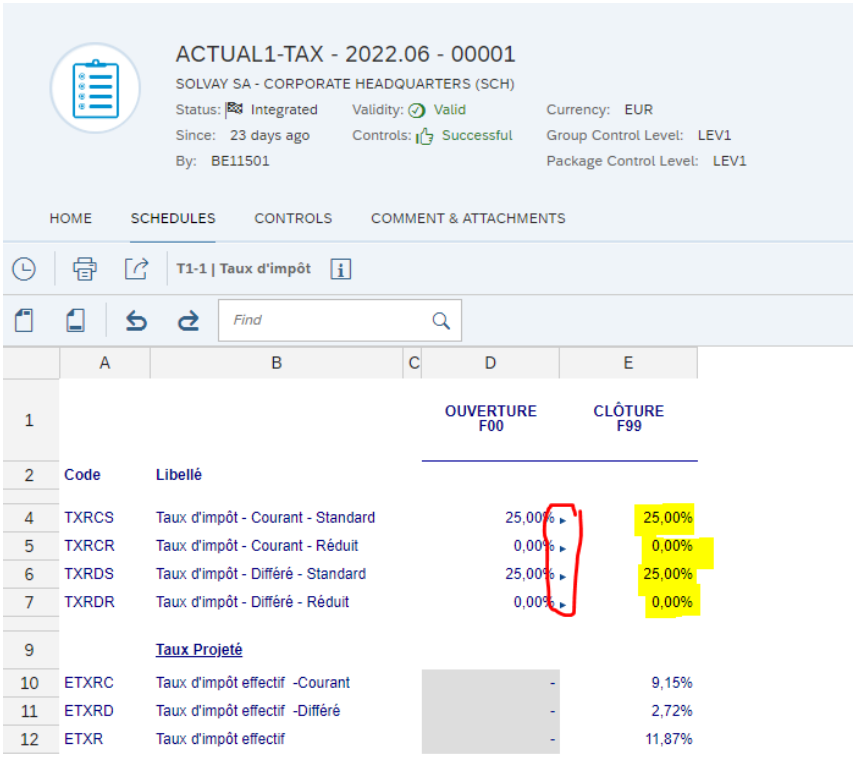

| | A | B | C | D | E |
|---|---|---|---|---|---|
| 1 | | | | OUVERTURE F00 | CLÔTURE F99 |
| 2 | Code | Libellé | | | |
| 4 | TXRCS | Taux d'impôt - Courant - Standard | | 25,00% | 25,00% |
| 5 | TXRCR | Taux d'impôt - Courant - Réduit | | 0,00% | 0,00% |
| 6 | TXRDS | Taux d'impôt - Différé - Standard | | 25,00% | 25,00% |
| 7 | TXRDR | Taux d'impôt - Différé - Réduit | | 0,00% | 0,00% |
| 9 | | Taux Projeté | | | |
| 10 | ETXRC | Taux d'impôt effectif -Courant | | - | 9,15% |
| 11 | ETXRD | Taux d'impôt effectif -Différé | | - | 2,72% |
| 12 | ETXR | Taux d'impôt effectif | | - | 11,87% |

## 2.1.5 Control of pre-loading of Tax rates ACTUAL1-TAX (WD-9) and ACTUAL2 (WD-2)

This control **can not be performed through Excel retrieves** as there is no way to generate a massive saving of **ACTUAL1-TAX packages right after their generation in WD-9, and the same for ACTUAL2 packages generated in WD-2.** Without the "Save" action, pre-loaded Tax rates can not be retrieved in Excel.

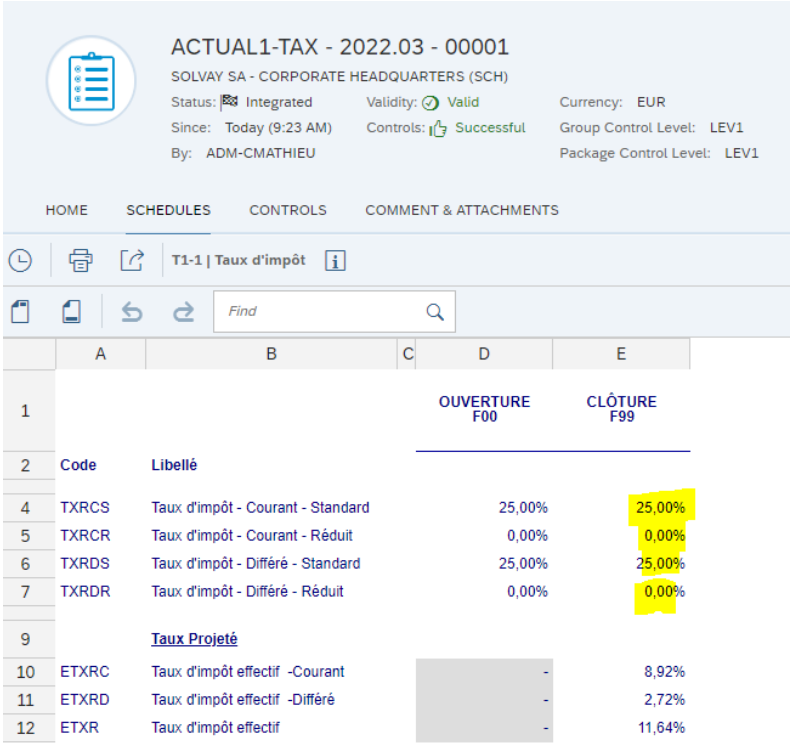
Thus, control will be performed through a **direct check in packages on a representative company - 02002 Syensqo SA - considering that if the formula works for one company it works for all** (no restriction or filter of companies in the settings of the Pre-loading formula):

- **Step 1 :** Open **ACTUAL1-TAX package of 02002 Syensqo SA** (in the below example June) and open **schedule T1-1** => check that **Tax Rates are pre loaded but remain editable** (blue triangle icon)




| | A | B | C | D | E |
|---|---|---|---|---|---|
| 1 | | | | OUVERTURE F00 | CLÔTURE F99 |
| 2 | Code | Libellé | | | |
| 4 | TXRCS | Taux d'impôt - Courant - Standard | | 25,00% | 25,00% |
| 5 | TXRCR | Taux d'impôt - Courant - Réduit | | 0,00% | 0,00% |
| 6 | TXRDS | Taux d'impôt - Différé - Standard | | 25,00% | 25,00% |
| 7 | TXRDR | Taux d'impôt - Différé - Réduit | | 0,00% | 0,00% |
| 9 | | Taux Projeté | | | |
| 10 | ETXRC | Taux d'impôt effectif -Courant | | - | 9,15% |
| 11 | ETXRD | Taux d'impôt effectif -Différé | | - | 2,72% |
| 12 | ETXR | Taux d'impôt effectif | | - | 11,87% |

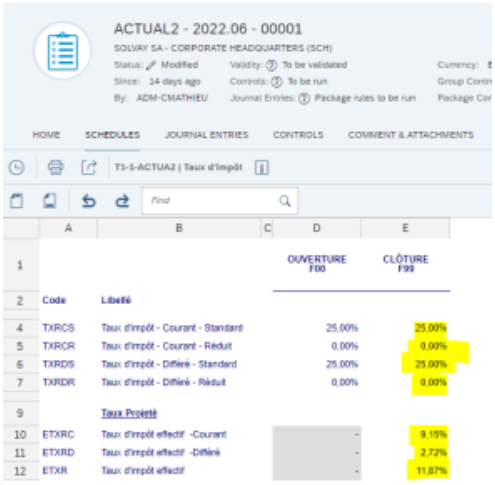
- **Step 2 :** Open (read only mode) **ACTUAL1-TAX package of 02002 Syensqo SA** on **previous quarter** (in the example below March) and open **schedule T1-1** => check that **Tax Rates from previous quarter** (non editable as previous quarter closed) **are the ones pre-loaded for the reporting period just generated (Step1)**




| | A | B | C | D | E |
|---|---|---|---|---|---|
| 1 | | | | OUVERTURE F00 | CLÔTURE F99 |
| 2 | Code | Libellé | | | |
| 4 | TXRCS | Taux d'impôt - Courant - Standard | | 25,00% | 25,00% |
| 5 | TXRCR | Taux d'impôt - Courant - Réduit | | 0,00% | 0,00% |
| 6 | TXRDS | Taux d'impôt - Différé - Standard | | 25,00% | 25,00% |
| 7 | TXRDR | Taux d'impôt - Différé - Réduit | | 0,00% | 0,00% |
| 9 | | Taux Projeté | | | |
| 10 | ETXRC | Taux d'impôt effectif -Courant | | - | 8,92% |
| 11 | ETXRD | Taux d'impôt effectif -Différé | | - | 2,72% |
| 12 | ETXR | Taux d'impôt effectif | | - | 11,64% |

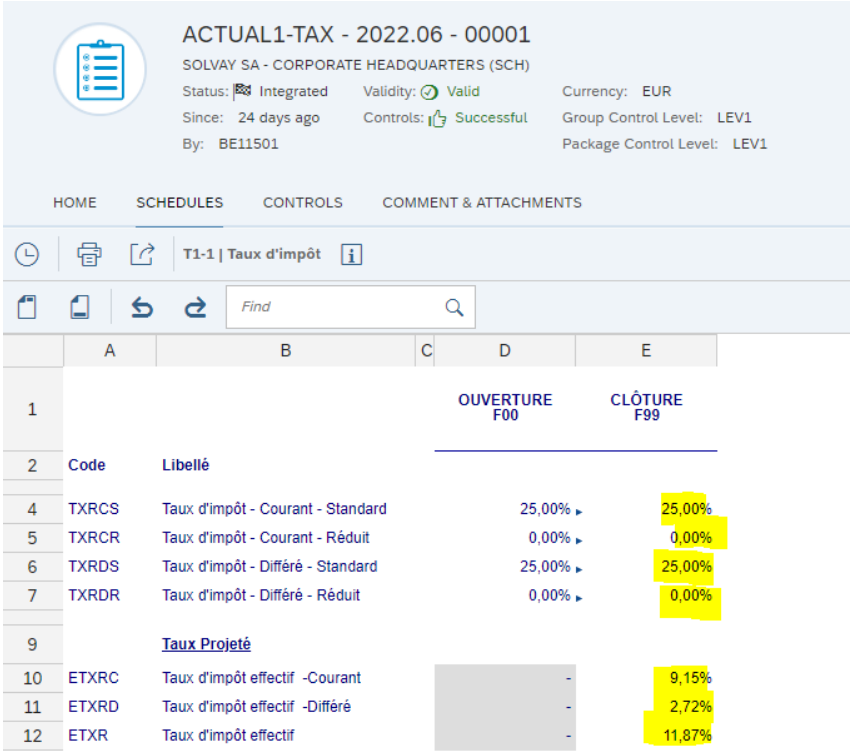
**Few days later (WD-2)** after ACTUAL1-TAX package generation (done in WD-9), **pre-loading of Tax Rates from ACTUAL1-TAX to ACTUAL2 packages** (generated in WD-2) **has to be checked as well.**

- **Step 3 : Open ACTUAL2 package of 02002 Syensqo SA** (in the below example June) and open **schedule T1-1-ACTUA2 =>** check that **Tax Rates are pre loaded with NON editable status** (no blue triangle icon).




| | A | B | C | D | E |
|---|---|---|---|---|---|
| 1 | | | | OUVERTURE F00 | CLÔTURE F99 |
| 2 | Code | Libellé | | | |
| 4 | TXRCS | Taux d'impôt - Courant - Standard | | 25,00% | 25,00% |
| 5 | TXRCR | Taux d'impôt - Courant - Réduit | | 0,00% | 0,00% |
| 6 | TXRDS | Taux d'impôt - Différé - Standard | | 25,00% | 25,00% |
| 7 | TXRDR | Taux d'impôt - Différé - Réduit | | 0,00% | 0,00% |
| 9 | | Taux Projeté | | | |
| 10 | ETXRC | Taux d'impôt effectif -Courant | | - | 9,15% |
| 11 | ETXRD | Taux d'impôt effectif -Différé | | - | 2,72% |
| 12 | ETXR | Taux d'impôt effectif | | - | 11,87% |

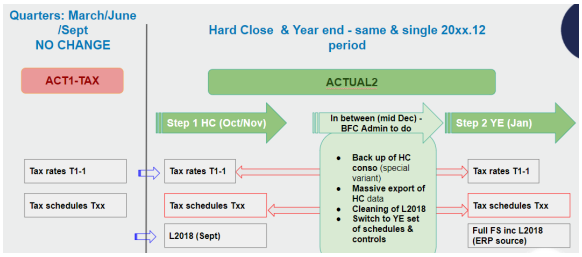
- **Step 4 : Open ACTUAL1-TAX package of 02002 Syensqo SA** (in the below example June) **and open schedule T1-1 =>** compare and check that the **same rates have been pre-loaded in ACTUAL2**




| | A | B | C | D | E |
|---|---|---|---|---|---|
| 1 | | | | OUVERTURE F00 | CLÔTURE F99 |
| 2 | Code | Libellé | | | |
| 4 | TXRCS | Taux d'impôt - Courant - Standard | | 25,00% | 25,00% |
| 5 | TXRCR | Taux d'impôt - Courant - Réduit | | 0,00% | 0,00% |
| 6 | TXRDS | Taux d'impôt - Différé - Standard | | 25,00% | 25,00% |
| 7 | TXRDR | Taux d'impôt - Différé - Réduit | | 0,00% | 0,00% |
| 9 | | Taux Projeté | | | |
| 10 | ETXRC | Taux d'impôt effectif -Courant | | - | 9,15% |
| 11 | ETXRD | Taux d'impôt effectif -Différé | | - | 2,72% |
| 12 | ETXR | Taux d'impôt effectif | | - | 11,87% |

## 2.2 Hard Close (HC) Tax opening

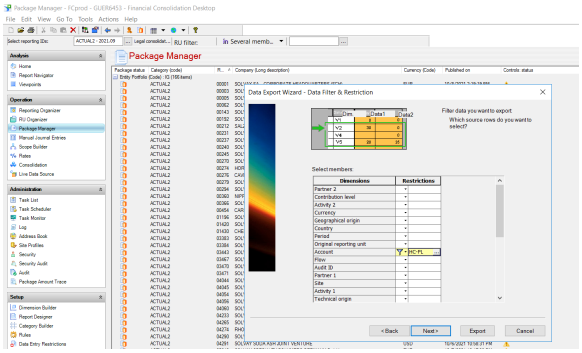
Hard Close and Year End are managed under a **single category ACTUAL2** and a **single December period (yyyy. 12).**




### 2.2.1 Pre-load of package data

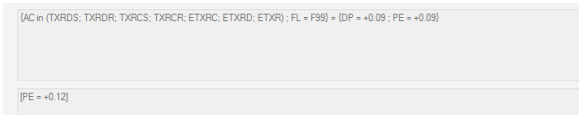
Hard Close Tax packages need to be pre-filled with:

- **P&L data** (L2018 schedule)
- **Tax rates** (T1-1-ACTUA2 schedule)
- both taken **from ACTUAL2 09.YYYY**




#### 2.2.1.1 Tax Rates pre-loading => automated

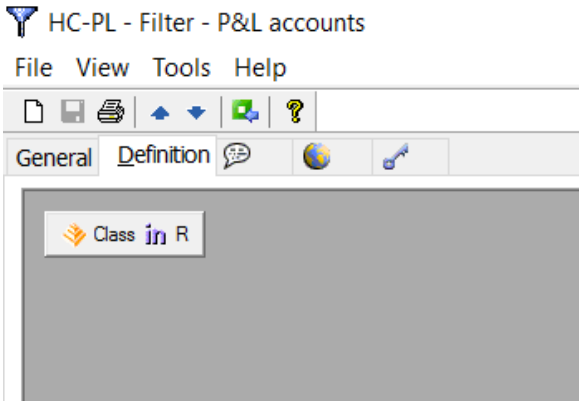
- **The pre-loading of Tax rates** in schedule T1-1-ACTUA2 is **au tomatically** done through **formula from ACTUAL2 Category Scenario:**



- No action required

### 2.2.1.2 Export ACTUAL2 YYYY.09 packs (P&L data)

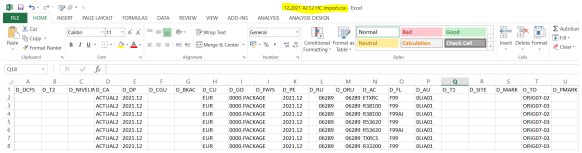
- Export massively the ACTUAL2 YYYY.09 packs for IG & IP companies* **filtering on P&L** (“Accounts” filter to be used: **HC-PL** see content).




- File exported should be named as **09.YYYY ACT2 export.txt** and saved in this folder - select the folder of the year

### 2.2.1.3 Convert the exported file into the HC tax import file

From the exported file a new file must be created by save as and named as **12.YYYY ACT2 HC import.csv**.



In this new file we need to clean/change some data as follow:

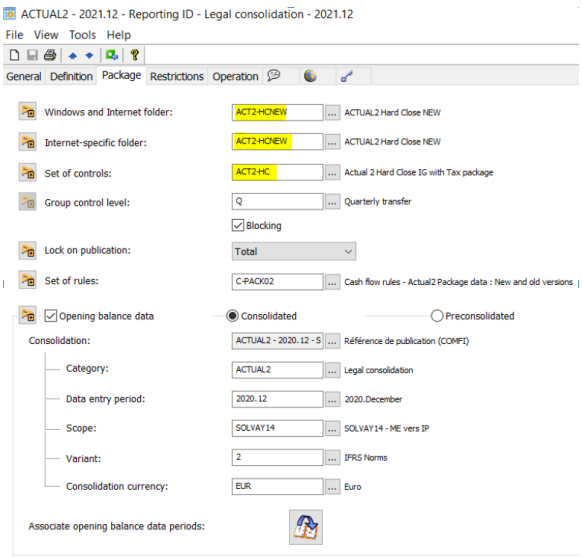
- Remove all lines for **entities expected to leave** the consolidation scope between October and Year End - *list of companies **to be confirmed from GAR team.***
- Remove all lines where D_FL column are not F99; F99AJ; F99EX
- Remove all lines where T1 column is not empty
- Remove all lines where D_MARK and D_PMARK columns are not empty
- Remove all lines where D_PAYS column is not empty
- Remove all lines where D_MVTCA column is not empty
- Remove all lines where D_ZADM column is not empty
- Replace YYYY.09 by YYYY.12 in columns D_DP and D_PE
- Formatting of columns D_RU and D_ORU must be with 5 digits (to keep company codes under 5 digits and not to miss the “0”). Format cells of columns D_RU and D_ORU as Custom / Type "00000".

The import file should also be saved in this folder selecting the folder of the year

### 2.2.1.4 Open ACTUAL2 YYYY.12 reporting period

Choose **set of folders and controls** applicable for HC Tax - refer to this document **"BFC Admin Reporting set up per category and period"**

Adapt the **deadline for submission** according to date defined in the Syensqo Finance Accounting Closing Calendar available in the SYENSQO GAR AODOCs Library

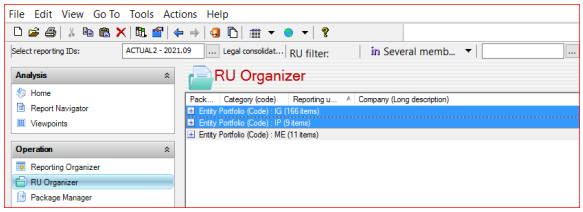


### 2.2.1.5 Insert Reporting Units and generate the packages

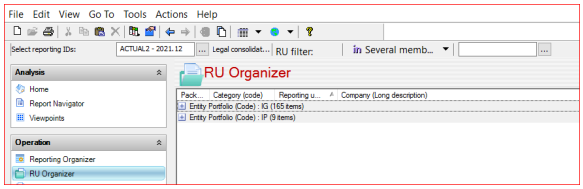
Select the reporting units from ACTUAL2 September (yyyy.09) **excluding** :

- the **MEQ (Equity method companies)** excluded from Tax reporting
- **entities expected to leave the consolidation scope between October and Year End** - *list of companies to be confirmed from GAR team.*

Copy through the icon or Ctrl+C:

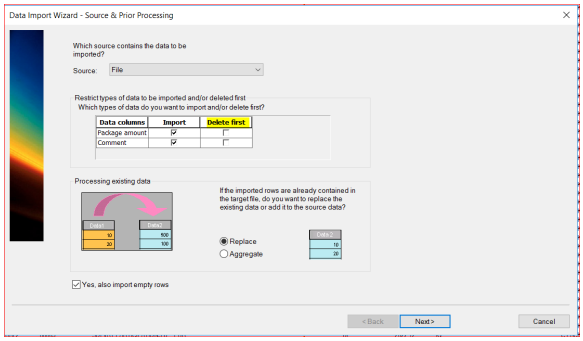



Paste through the icon or Ctrl+V:

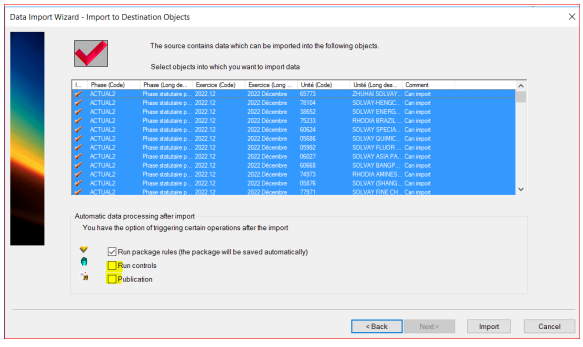



### 2.2.1.6 Import the 12.YYYY ACT2 HC import.csv file (P&L data)

**Note:** Do not flag "delete first" in order to not delete the Tax rates preloaded by formulas.




**Note:** do not flag Run controls or Publication.

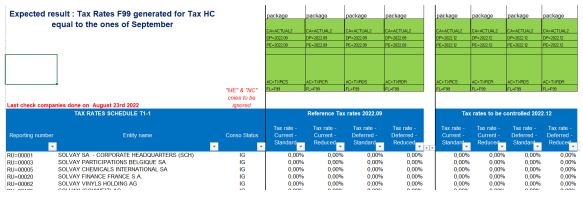



### 2.2.1.7 Final checks on the P&L data imported and the pre-loaded Tax Rates

#### 2.2.1.7.1 Massive Controls through Excel retrieves

In order to ensure that the data imported is correct BFC Admin must run and refresh the following Excel/BFC retrieval file which is **comparing P&L and Tax rates in both ACTUAL2 packages: 09 and 12 periods => expected results : data are equal between both periods**

**Tax rates check (tabs YYYY.12 TXxx HC F99 / YYYY.12 TXxx HC F00 / YYYY.12 ETxx HC F99)**



If there are **companies entering the scope** since the last time Excel file was updated, the following adjustments must be done in the Excel / BFC file:

- In tabs YYYY.12 TXxx HC F99 / YYYY.12 TXxx HC F00 / YYYY.12 ETxx HC F99 / P&L control per heading, add the lines for the reporting units that have entered the scope.

If there are **companies that entered the scope after September and thus contributing to the HC reporting (while having no data on September)**, the following adjustments must be done in the Excel / BFC file:

- In tabs YYYY.12 TXxx HC F99 / YYYY.12 TXxx HC F00 / YYYY.12 ETxx HC F99, they should present a gap (HC data existing while empty in September) in control columns => insert just a comment in the file to justify the gap
- In tab P&L HC, add more columns to retrieve 12.YYYY data for the companies newly consolidated and confirm the difference in column CHECK is  equal to the total of companies newly consolidated.

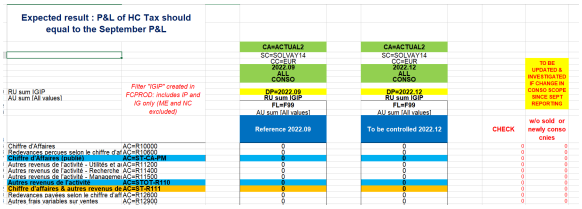
If there are **companies that left the scope after September and thus not contributing to the HC reporting**, the following adjustments must be done in the Excel / BFC file:

- In tabs YYYY.12 TXxx HC F99 / YYYY.12 TXxx HC F00 / YYYY.12 ETxx HC F99, they should present a gap (HC data empty while existing in September) in control columns => insert just a comment in the file to justify the gap
- In tab P&L HC, add more columns to retrieve 09.YYYY data for the companies that have left and confirm the difference in column CHECK is  equal to the total of companies leaving the scope.

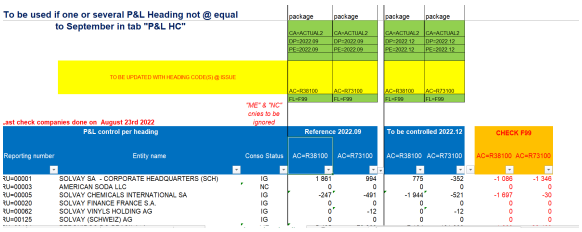
**Companies entering or leaving** the Solvay Group are registered in the following file **Syensqo Structure file** available in Syensqo GAR AODOC Library.

Link to the Excel/BFC retrieval file named **"HC Opening check YYYY". xls** stored in BFC Admin google folders selecting the  folder of the year

**P&L check (tab P&L HC):**




**P&L investigations if P&L checks do not match (tab P&L Control per given heading):**



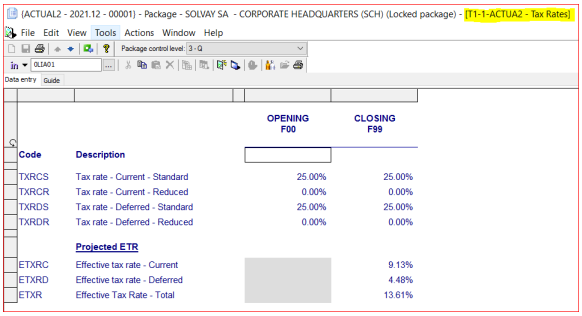

## 2.2.1.7.2 Selected controls directly in packages

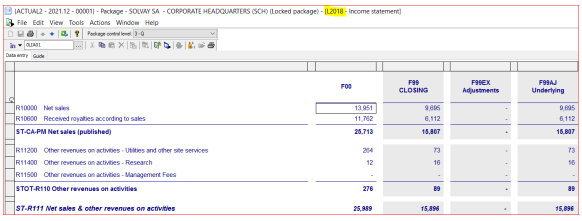
Controls to be made **consulting directly packages** of the most significant companies:

- 02002 Syensqo SA
- 64220 Specialty Operations France
- 60327 Solvay Holding Inc

Open the related packages and consult P&L L2018 and each tax schedule to check that:

- **Schedule T1-1-ACTUA2 "tax rates" is filled** with data and other tax schedules are empty and ready for input;
- **P&L schedule L2018** to check that data **is filled**







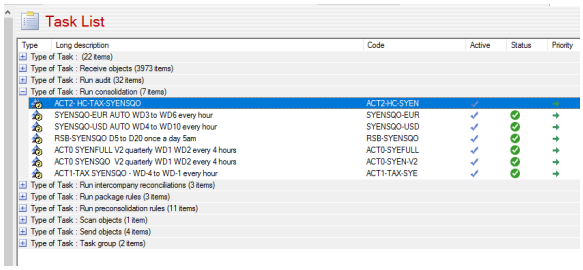
## 2.2.2 Creation of Consolidation definition

- The consolidation definition for HC Tax should be created by a **save as of ACTUAL2 09.yyyy / Variant 2.**

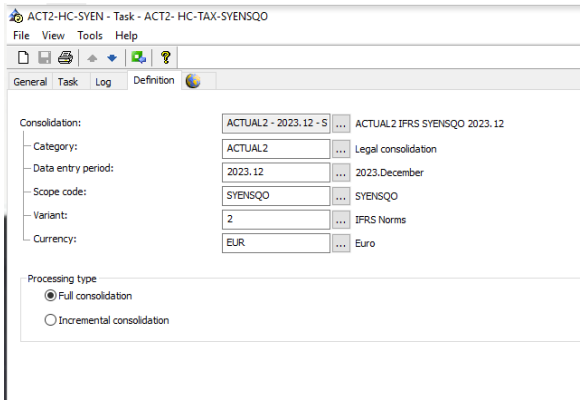
- Scope and exchange rates from period yyyy.09 should be kept as latest known when HC Tax starts.

### 2.2.2.1 Consolidation automatic run

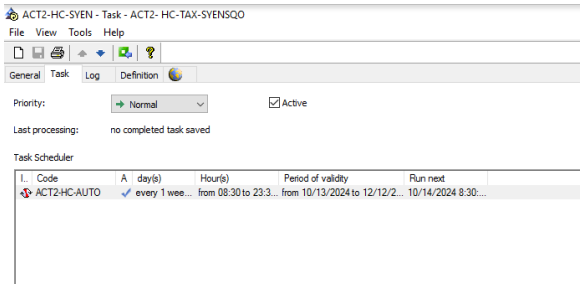
There is a task created to manage planned runs of HC consolidation - ACT2-HC-SYEN - that needs to be updated.

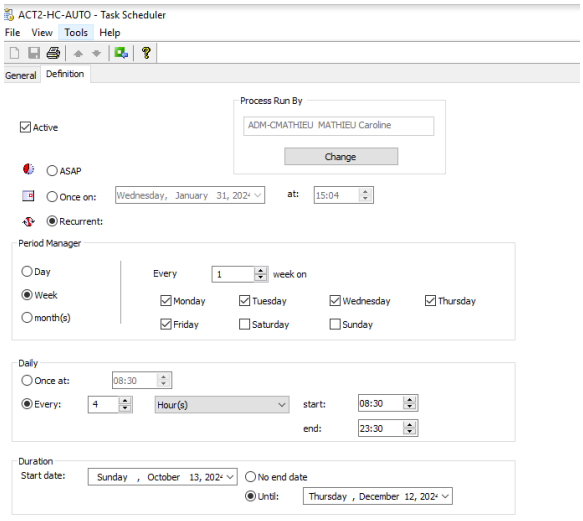



**Definition -** needs to be changed for current year 12.YYYY HC




**Task period of validity**: period of runs to be validated with GAR Tax reporting manager

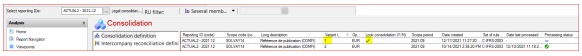


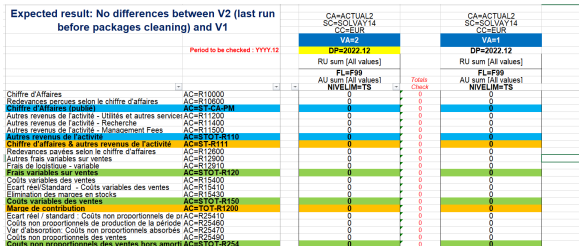
# 2.3 Switch from Hard Close to Year End

## 2.3.1 Back up of Hard Close Consolidated data

**After last run of Hard Close** (ACTUAL2 YYYY.12 variant 2) done by GAR Tax Reporting manager (expected to be between Dec 10th and 15th), BFC Admin team **save the last run under a variant 1 and lock it.**



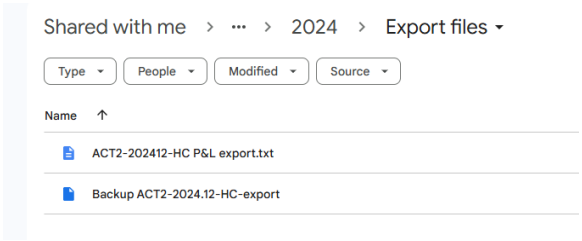

**Control in Excel/BFC retrieves** that P&L Conso Group Net Result variant 1 = variant 2 - link to the **file named "HC Tax back up variant 1 check.xls"** located in BFC Admin google folders selecting the folder of the year




## 2.3.2 1st massive export of ACTUAL2 YYYY.12 packs reported during Hard Close process

BFC Admin e**xports massively** (without any restriction on accounts, flows, etc) all the reported packs **under a flat file** (csv or txt)

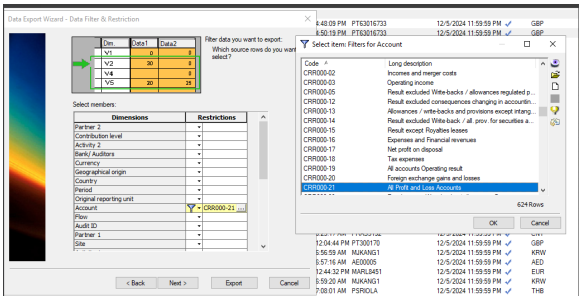
File exported should be named as **Backup ACT2-YYYY.12-HC-export.txt** and saved in the folder of the year




## 2.3.3 2nd massive export of ACTUAL2 YYYY.12 packs filtering on Rxxx headings

BFC Admin **exports massively** all the reported packs **(filtered by R* Headings)** under a flat file:

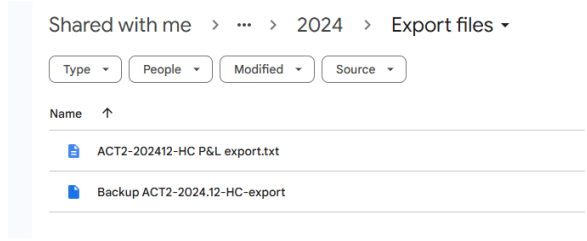
- using in the **Export options filter CRR000-21** to extract only P&L Headings




**Notes**

- **csv** should be the format to avoid splitting a comment in separate columns in case there are commas in the text /comment

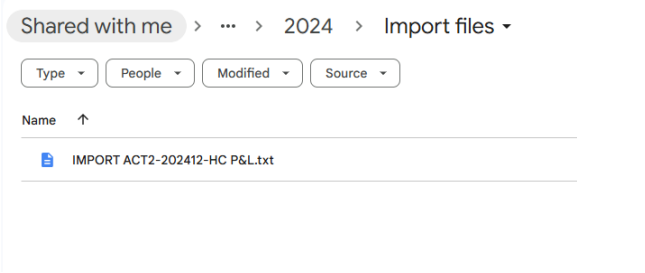
Open the file in csv format to confirm all is OK (no empty or broken lines).



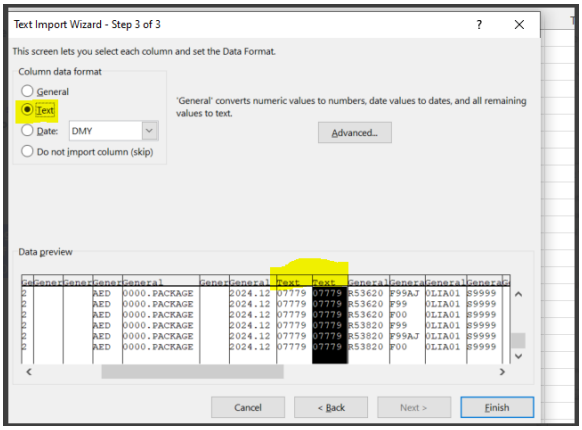
File exported should be named as **ACT2-YYYY.12-HC P&L export.csv** a nd saved in the folder of the year

## 2.3.4 Create the massive Import file with purpose of cleaning L2018 (P&L headings) schedule

BFC Admin to **save the 2nd massive Export under a new document "Import file"** named **ACT2-YYYY.12-HC P&L import.csv.**




**When opening the file into Excel (step after) and formatting text to columns do not forget to adjust the format of columns related to RU and ORU to TEXT to avoid to lose "0" in company codes (example 00001 becoming 1 without the "text" formatting)**



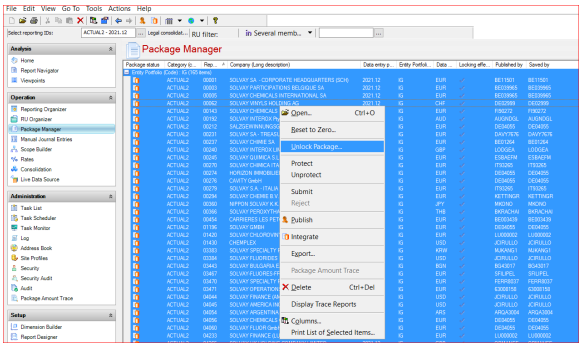

**Cleaning to be done:**

| | |
|---|---|
| Remove all lines with flow (D_FL column) F00 and C01 | Why ?<br><br>-F00 is the opening generated by BFC - can not be imported |
| Keep flow F99AJ even if it is expected to be rejected during import as calculated data | Why to keep ? to avoid too many deletion of lines |
| Keep lines with partner (T1) S9999 , even if expected to be rejected during import as calculated data | Why to keep ? to avoid too many deletion of lines |
| Keep lines with flow F99EX (even if some of them will be rejected during import as calculated by BFC) | Why to keep ? not easy to guess which ones to be kept or removed - safer to keep all |

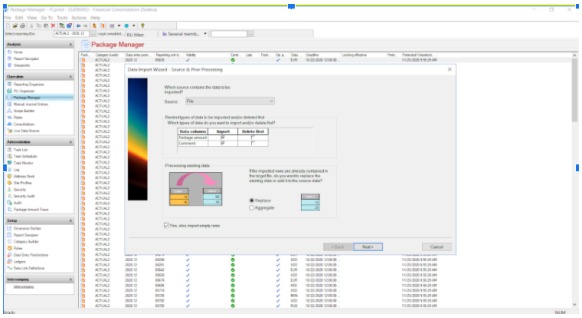
| | |
|---|---|
| Check that detailed analysis dimension such as SITES / PAYS / MARK / CGU/ T2 / YEAR…) are empty | |
| Replace for all remaining lines amounts (P_AMOUNTS column) by 0 | This is the way to set the P&L to 0 and to erase the HC P&L |
| Replace for all remaining lines comments (P_COMMENTS column) by empty cells | This is the way to erase the HC P&L comments |
| Save and close the file.<br><br>Warning: check that coding of companies kept with 5 digits (example: company SSA is coded “00001” and not transformed to “1” | |

## 2.3.5 Unlock massively the existing ACTUAL2 YYYY.12 packages

Packages need to be unlocked **to allow the massive import**.




## 2.3.6 Import massively the “Import file” (from Step 2.3.4) to clean both P&L HC data and comments




**Key points on Import options to be selected:**

- Choose **replace data** (and not aggregate data)
- Choose “**Yes, also import empty rows”**
- **Import comment**s (to erase HC comments with empty cells)
- Do not reset to 0 the pack before import ! (not to erase Tax schedules)
- **Activate the “run package rules”** after import to get a saving of the packs and thus a saving of the P&L cleaning ! Only way to massively check that P&L cleaned using Excel/BFC retrieves.
- Do not activate the “Run controls” after import : by definition a lot of blocking controls would appear that could confuse the user opening beginning of January their YE pack

**Download the Rejected data file and check that root cause if justified (calculated amounts, data not opened to import)**

Expected rejected data are calculated data:

- F99AJ
- F99EX / D_TO=ORIG07-02
- F99 / D_T1=99999

## 2.3.7 Control that P&L set to 0 and that HC data still there in Tax schedules

### 2.3.7.1 Massive Controls through Excel/BFC retrieves

Objective of the check in Excel done on the full scope of companies but using PACK amounts:

- **P&L accounts should all be at 0**
- **Tax rates should be still there**

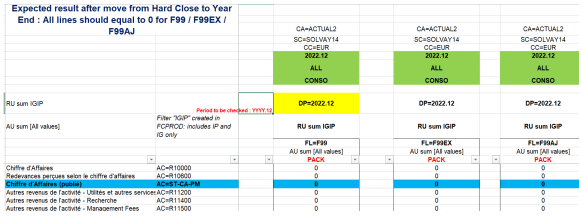
Link to the file named **"Tax reporting - Move Hard close to Year End YYYY.xls"** located in this folder selecting the folder of the year

If there are **companies entering the scope** since the last time Excel file was updated, the following adjustment must be done in the Excel / BFC file:

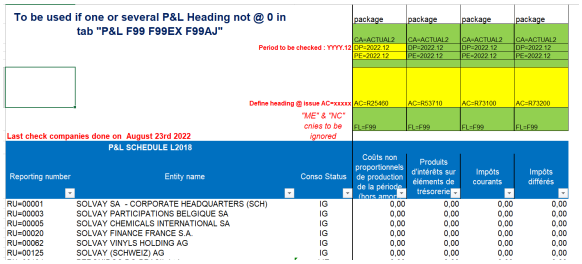
- In tabs "Tax rates F99" / "Tax rates F00" / "P&L search on specific heading" add the lines for the reporting units that have entered the scope.

**Companies entering or leaving** the Syensqo Group are registered in the following file **Syensqo Structure file** available in SYENSQO GAR AODOC Library.

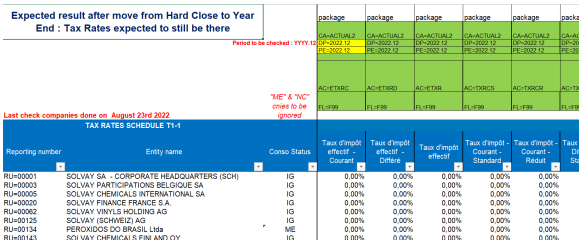
#### 1) Check on P&L (tab P&L F99 F99EX F99AJ):




#### 2) P&L investigations if P&L checks do not match (tab P&L search on specific heading):




#### 3) Check on Tax rates (tabs Tax rates F99 & Tax rates F00):



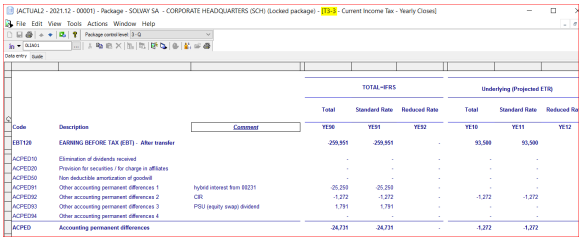

### 2.3.7.2 Selected controls directly in packages

Controls to be made by **opening the most significant companies**:

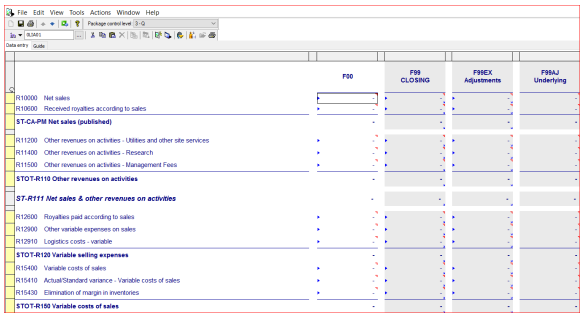
- 02002 Syensqo SA
- 64220 Specialty Operations France
- 60327 Solvay Holding Inc

Open the related package and **consult each tax schedule to check that Hard close data and comments are still there** / **consult P&L schedule L2018 to check that no data** and **no comment**

Example, T3-3 Current income tax:



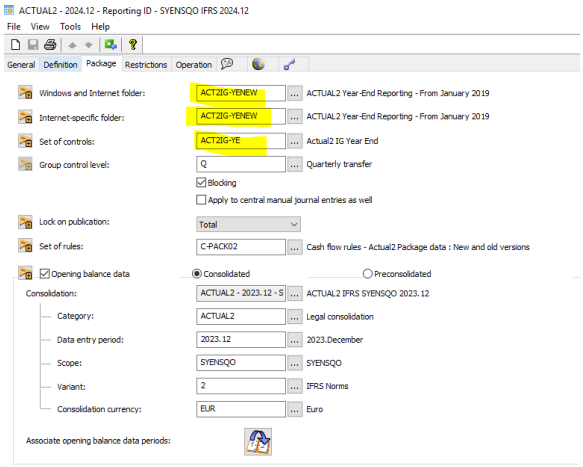

P&L (schedule L2018):




## 2.3.8 Switch set of folders and controls from HC to Year End ones

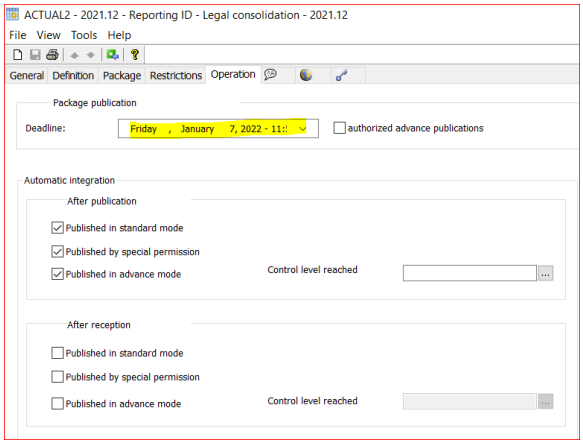
In the following table (refer to this document **"BFC Admin Reporting set up per category and period"**) are defined the **Folders** and **Set of Controls** to be used for each type of company in each Category and reporting period (monthly, Quarterly, Hard Close, Year-End):

**Warning:** Apply to central manual journal entries option MUST NOT be flagged




Adapt the **deadline** according to date defined for **package publication** in the Package Generation Planning file.

**Regenerate all packages** to get the application of the new folders / controls / deadline

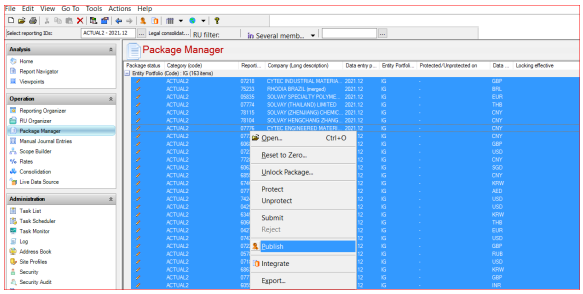


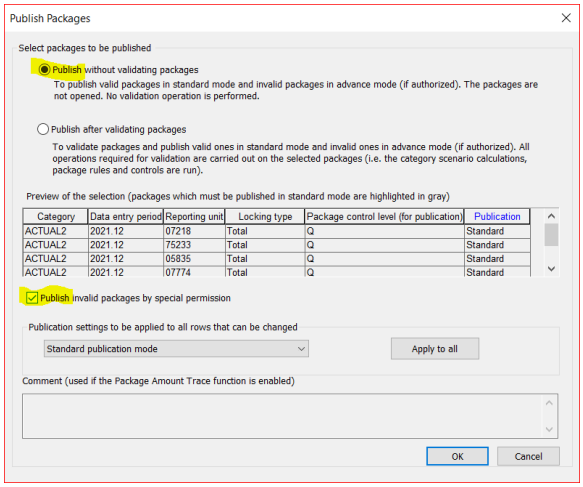

## 2.3.9 Publication and unlocking of packages

In order to clean the data at conso level the packages that have just been cleaned with the mass import must be published.

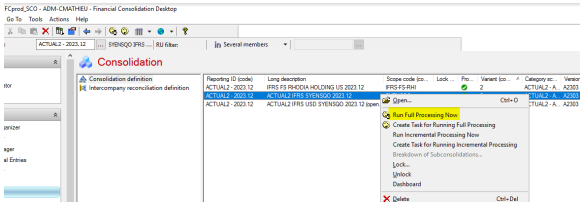
**Publication has to be done by special permission, in most cases,** since packages are not valid (having blocking controls).

Note it **could happen that some packages,** if not having tax data and thus no blocking controls, **are published with standard mode and thus become locked**.




Once packages have been published, **12.YYYY conso SYENSQO / V2 needs to be run** to clean data at conso level.

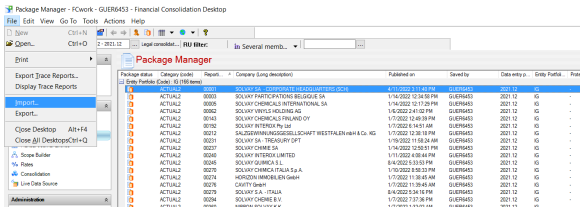



## 2.3.10 Change package status to "Modified"

In order not to confuse end users, the package status must be **changed from Published to Modified.**

Packages have been published almost empty (only tax schedules have data) in order to clean up the data at conso level.

The status should now be set back to modified by reimporting the file imported in section **2.3.6.**

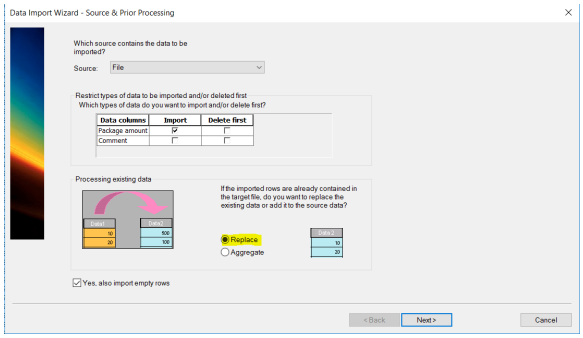



Note : **Before launching the reimport**, **check that all packages are unlocked and proceed packages unlockings if needed** (case to happen on packages published by Standard mode in step 2.3.9)

**Key points on Import options to be selected:**

- Choose **replace data** (and not aggregate data)

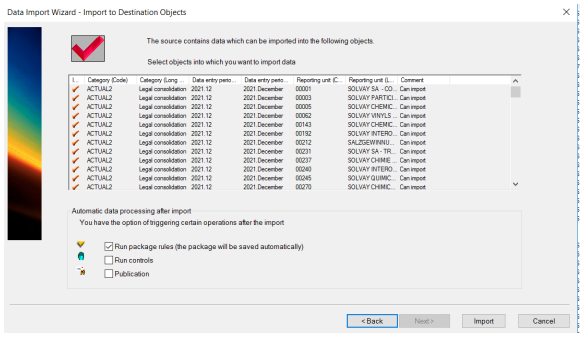
- Choose “**Yes, also import empty rows”**
- Do not reset to 0 the pack before import ! (not to erase Tax schedules)
- **Activate the “run package rules”** after import to get a saving of the packs and thus a saving.
- Do not activate the “Run controls” after import : by definition a lot of blocking controls would appear that could confuse the user opening beginning of January their YE pack




**Check that all packages appear with modified status** .

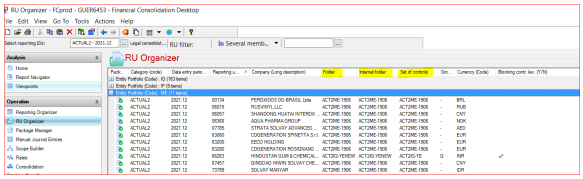
**If some packages still appear as Integrated" then workaround** to be applied

- open package and "Save". Close
- or if Save button is not available, open L2018 schedule and enter 0 amount in 1st line "R10000" heading and Save. Close




## 2.3.11 Add and create the MEQ (equity methods) packs

**Adapt set of Folders and controls** (refer to this document **"BFC Admin Reporting set up per category and period")** of Equity Methods (different from IG and IP companies) to Year End profile . Exception for company 66263 Hindustan Gum.




## 2.3.12 Create packages for companies entering in the conso scope

**Check also the list of IG / IP / MEQ versus November ACTUAL2** reporting one (in case companies have entered in the scope in November, after the launch of HC Tax).

Companies entering or leaving the Syensqo Group are registered in the following file **SYENSQO Structure.**

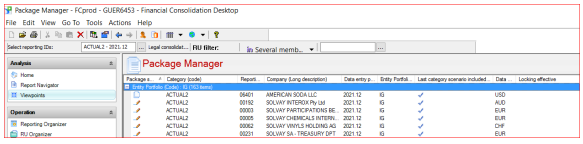
**If a company leave the YYYY.12 scope:**

1. Its package has to be reset to 0
2. Publication of empty package to be made to send empty data to BFC PreConso table
3. Then delete the package and its RU organizer

## 2.3.13 Generate all packages and final control

Check that **package status** is:

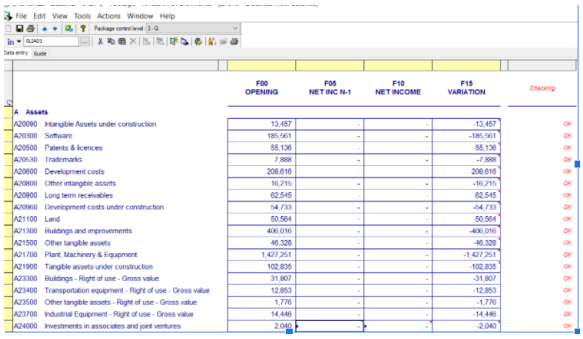
- “**Modified”** for **IG** and **IP which took part to HC Tax** process (consequence of the Import cleaning)
- **“Empty”** for **MEQ** and **new added** companies



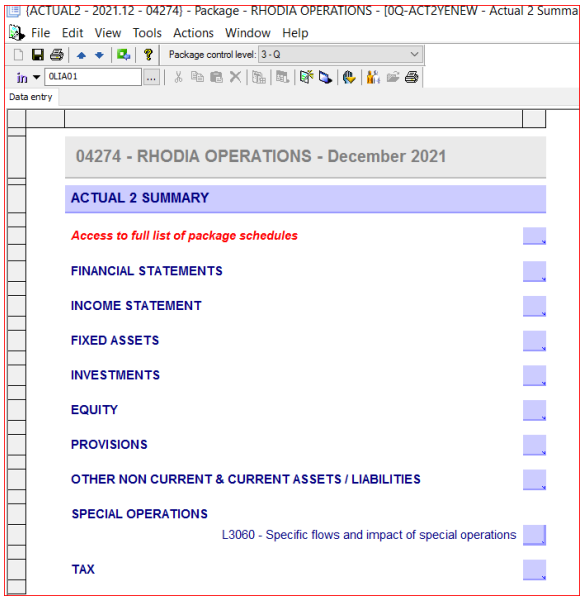

L7010/F00:

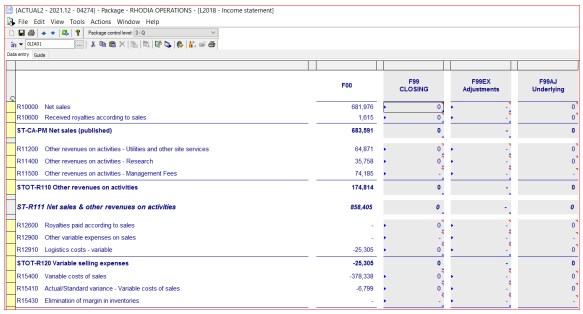
**Open the following packages** (without any action or saving inside !) to check that F00 there in L7010 / Year end schedules there / P&L schedule L2018 with 0 data / Tax schedules still with data (IG and IP used during Hard close):

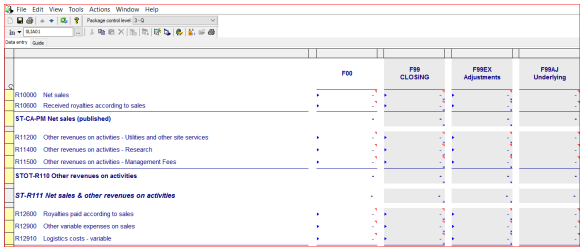
- IG 74249 Solvay USA Inc
- MEQ 73789 Solvay Manyar




Year end schedules:



**END OF THIS PROCEDURE**