



VAT and the finance function

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Keypoint is one of the GCC's most comprehensive providers of business advisory services. Our services - including accounting solutions, statutory & corporate advisory, investment administration & share registry services, trust services, IT consulting, tax services, human capital solutions, management consulting and financial regulatory compliance advisory - are valued by a wide range of clients, from large multinationals and financial services and insurance institutions to family-managed conglomerates and small and medium-sized enterprises.

As a Bahraini company that has implemented VAT for businesses across the GCC, we are unique. The depth of our experience, the breadth of our knowledge and the sheer number of implementation, advisory and compliance engagements we have completed clearly differentiate us from our competition. VAT is a complicated, system-changing tax which impacts different economic sectors in different ways - as well as impacting all of a business' many functions. Our areas of expertise - from insurance and banking to retail and oil & gas - have developed organically, a result of working on VAT implementation and advisory engagements not only in the GCC but also in Malaysia. Industry sectors the Keypoint team have worked in include:

- **Banking** - including conventional and Islamic wholesale and retail banks, as well as investment businesses
- **Insurance** - including conventional insurance and *takaful*, re-insurance and *retakaful*, broking and other insurance support services
- **Healthcare services** - including hospitals and medical groups in Bahrain and Saudi Arabia
- **Listed businesses** - including a leading Saudi paper manufacturer
- **Oil & gas businesses** - including leading global oilfield services businesses
- **Food and beverage companies** - including a leading Saudi dairy company with distribution networks across the GCC
- **Real estate and construction businesses** - from large developers of commercial and residential real estate to more focused architectural and design single person companies
- **Education** - including holding companies focused on education and international business schools with a GCC presence
- **Hospitality** - including hotels, leading catering businesses and pan-GCC distributors and suppliers
- **Logistics and distribution companies** - including a range of multinational and smaller, single owner businesses

It is, however, true, that the finance function is impacted more than most business functions by a tax like VAT. Over the next four pages, we outline - in a slightly simplified way and based on a non-specific business - the ways in which different finance processes - the sales process, the purchase process, finance posting and setting up a new vendor or customer - are affected and - normally - complicated by the introduction of VAT.

We have also included brief CVs and contact details for senior members of our VAT team - the largest specialist VAT team in Bahrain. Please contact us to discuss any of the issues raised by these process charts.

About Keypoint:

Keypoint was founded in 2006 and adds value with professional advisory services in the Kingdom of Bahrain and across the region. We have offices in Bahrain, Saudi Arabia and Jordan. Our clients range from large multi-nationals and financial services institutions to family-managed conglomerates and small and medium-sized enterprises.

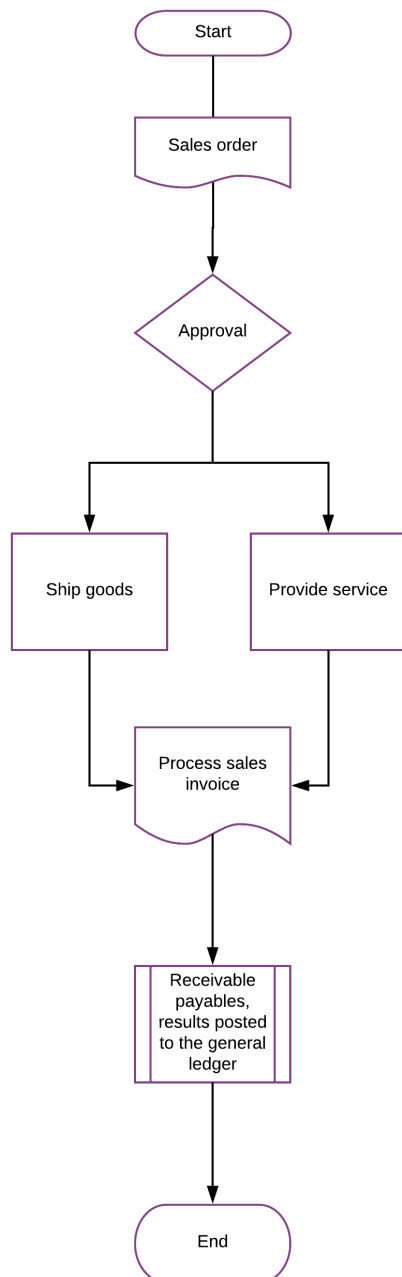
Keypoint employs over 100 qualified, experienced professionals, including lawyers and members of the Institute of Chartered Accountants, the Institute of Chartered Financial Analysts, the Institute of Internal Auditors, the Chartered Institute of Personnel & Development, the Chartered Institute of Taxation and the Institute of Certified Fraud Examiners. Our professionals also hold degrees in a wide range of subjects including law, IT, banking & finance, accounting, economics, management, HR and business administration. Our IT professionals hold a range of specialised IT qualifications, including CISCO, Prince 2, ISO 27001 and ISO 22301, as well as information system security credentials.

Our vision is to be the leading consultancy firm in the region, offering a full range of business advisory services that are:

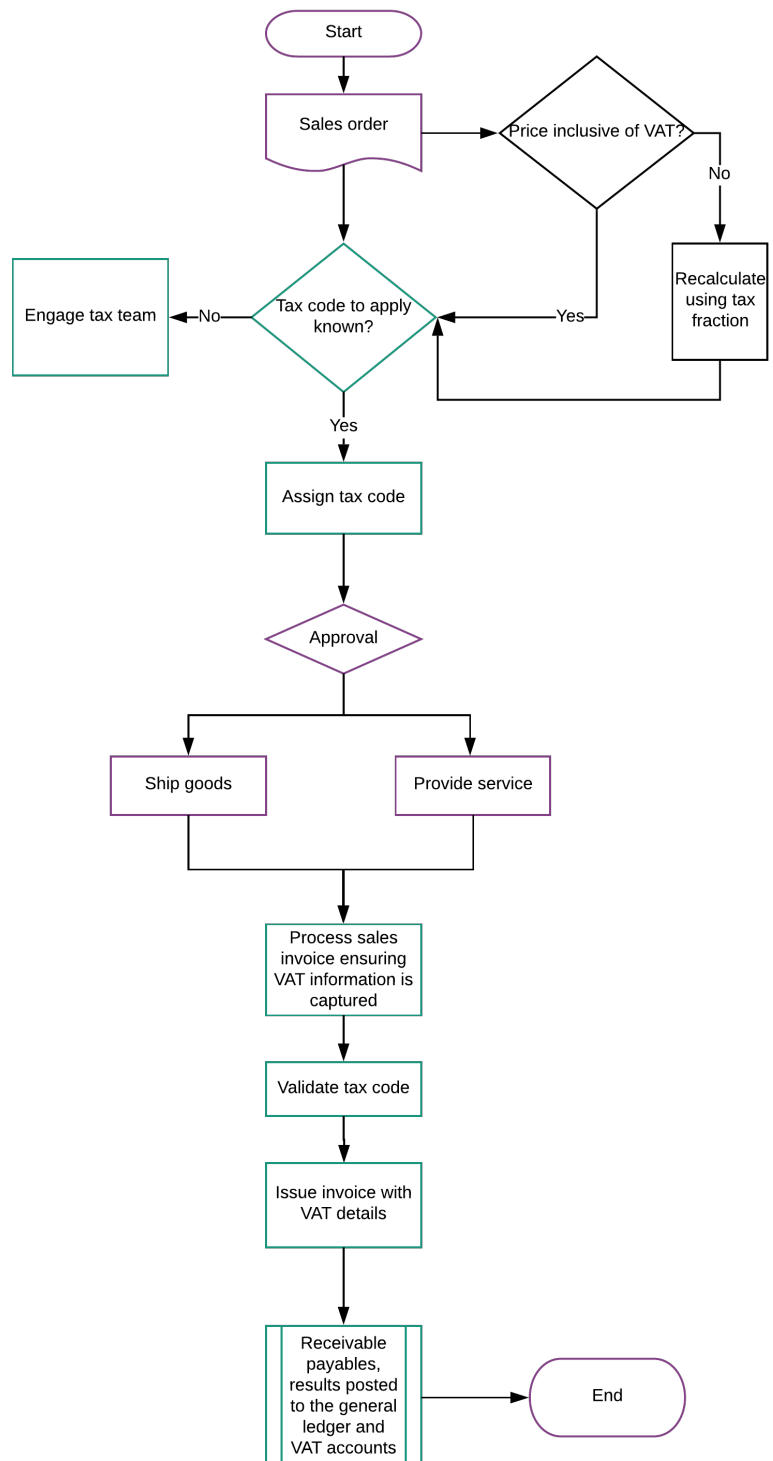
- Trusted
- Professional
- Smart

The sales process

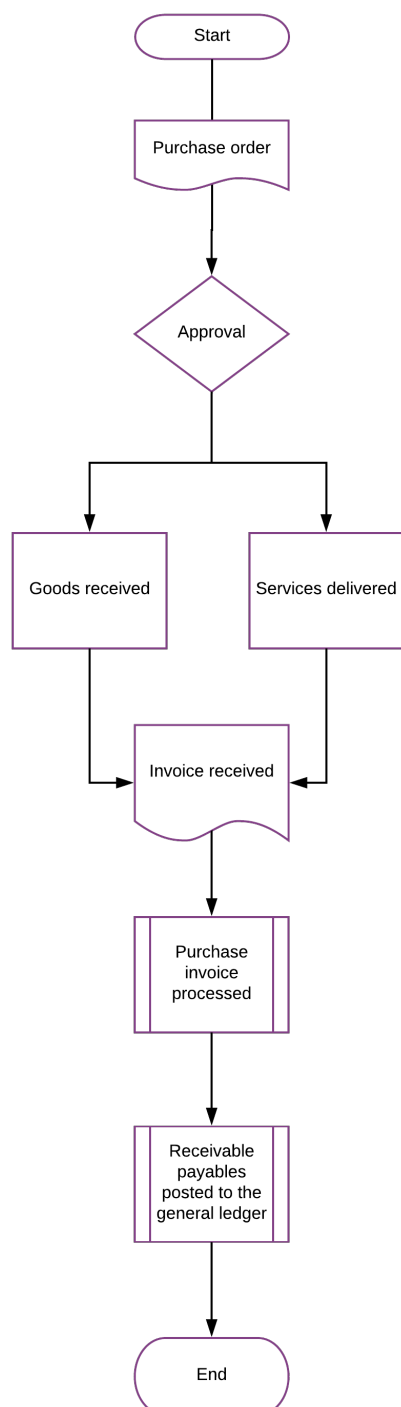
Before VAT is implemented



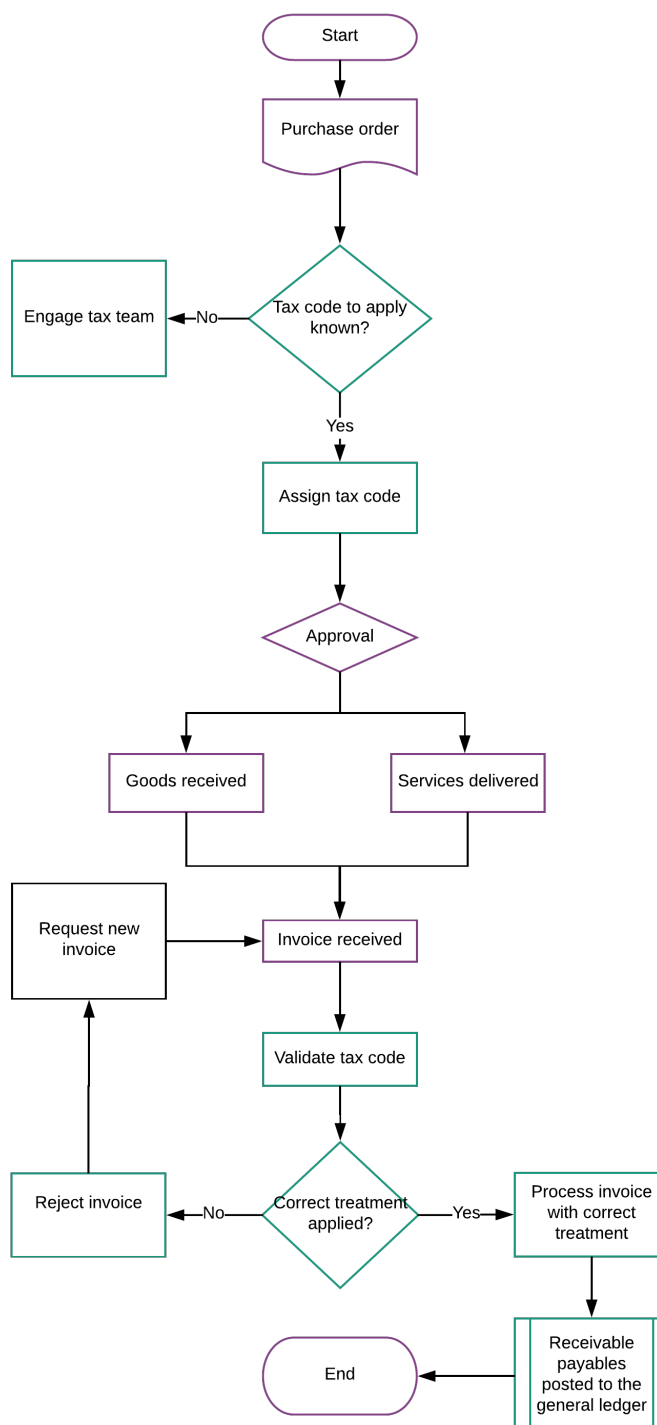
After VAT is implemented



Before VAT is implemented

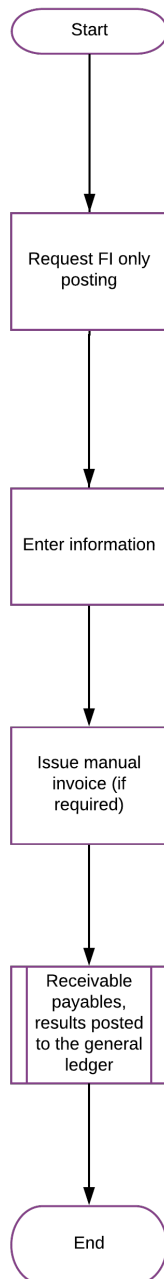


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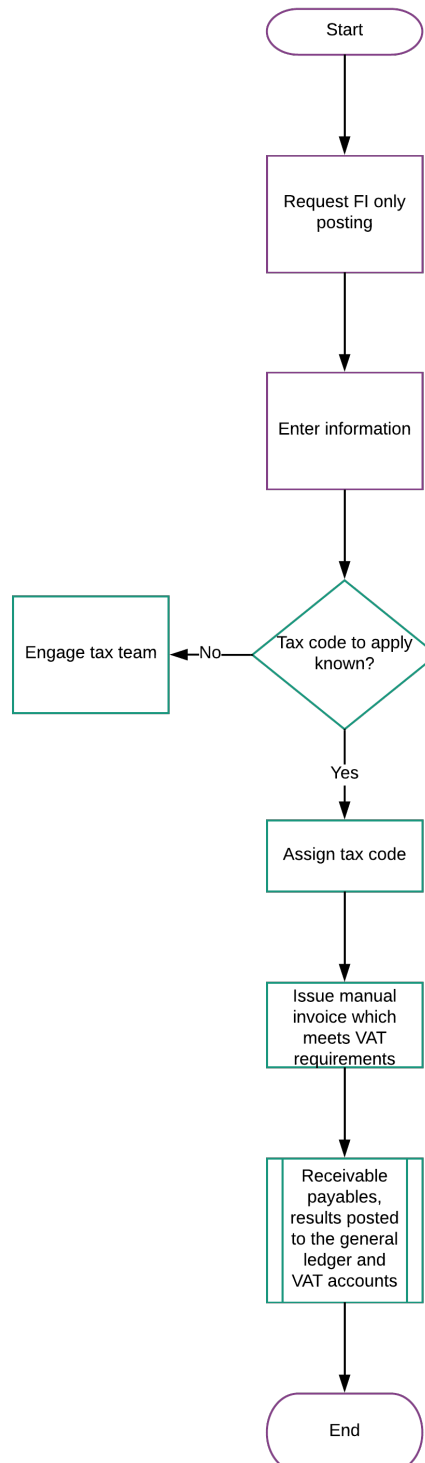


Finance posting¹

Before VAT is implemented

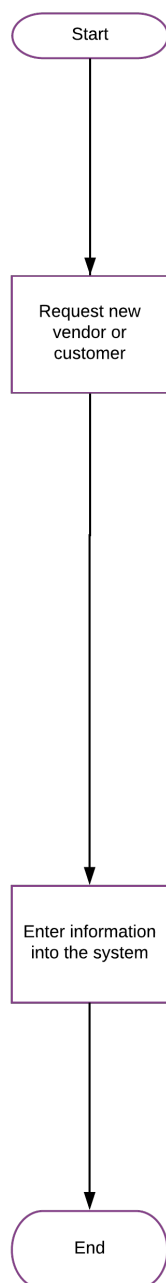


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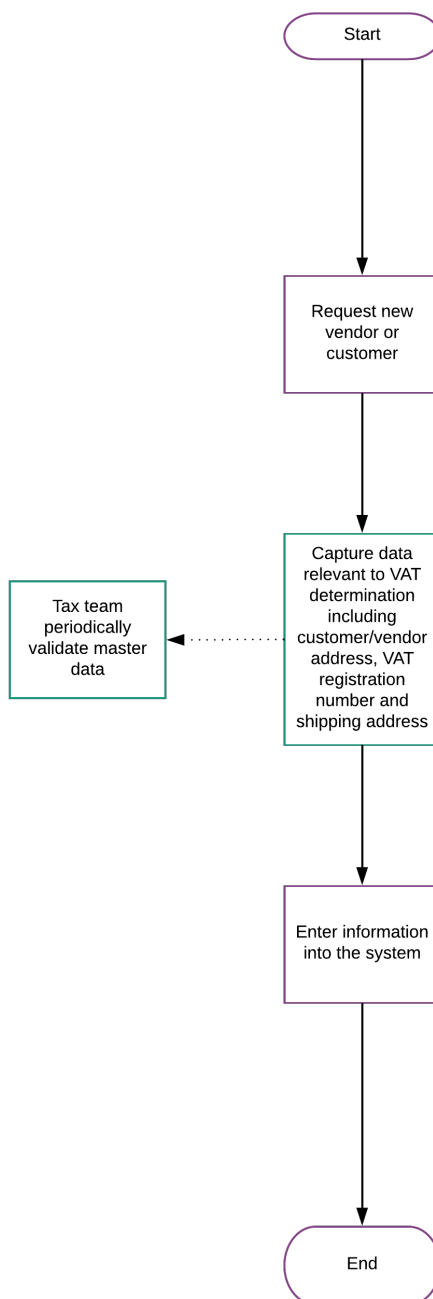


¹Where a sales or purchase order has not been raised and a debit or credit has to be out into the financial system

Before VAT is implemented



After VAT is implemented



Senior team members



Mubeen Khadir
Head of Tax

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- Corporate and tax lawyer with over 15 years of experience of advising clients in the Middle East and Australia on international tax, as well as VAT and other indirect taxes
- 'Big 4' and top tier legal firm experience
- Has led over 150 VAT engagements across the GCC over the last twelve months



George Campbell
Associate Director

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+973 38338641

- UK chartered tax adviser (CTA)
- Member of the Chartered Institute of Taxation
- Over 10 years of specialist VAT experience
- Broad experience with 'Big 4' firms in the UK and across the GCC
- Has been working with businesses across the region for the last two years on all aspects of VAT implementation
- Deep experience, having implemented VAT for a wide variety of businesses in Saudi Arabia, across the GCC and in the UK



Chris Park
Senior Manager

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+973 38338634

- New Zealand-qualified lawyer with a background in professional services, having worked in the 'Big 4'
- Has worked as a VAT advisor in New Zealand, Malaysia and across the GCC
- Recognised as a trusted advisor on VAT for a range of economic sectors, including insurance and retail



Omar Hisham
Manager

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- VAT technical expert
- ACCA (UK) qualified
- Has managed more than 40 VAT implementation engagements in Malaysia and across the GCC
- Extensive customs experience:
 - Customs duties
 - Bonded warehouse applications
 - FTA matters
 - Customs' import and export procedures



Willem Bam
Manager

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- Licensed as a master tax practitioner by the South African Institute of Tax Practitioners
- As a VAT technical expert, has worked across a number of different economic sectors, including:
 - Oil & gas
 - Insurance and other financial services
 - Real estate
 - Catering and O&M
 - Infrastructure and construction
 - Marine & offshore services
 - Real estate & development
 - Power & industrial

Our senior team is supported by a large team of VAT specialists which includes executive managers, senior managers, assistant managers and senior consultants. Our team, all based in Bahrain, includes specialists with recent experience of VAT implementation in the GCC and Malaysia and technology specialists. Keypoint has the largest specialist on-the-ground VAT team in Bahrain, working seamlessly across the GCC.

We are the preferred advisory services provider for many leading businesses. Our clients engage us for quality, reliability, integrity and confidentiality - all of which are fundamental to our business philosophy. Your reputation is our reputation - and we take great pride in both.



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