



Smart decisions. Lasting value.

# ACCOUNTING AND OUTSOURCE SERVICES

We offer an individual approach, high quality services provided by people with international background and experienced at accounting and certification services. Kindly be informed that we work with over 250 international clients and they are very satisfied with our services.

### **A. Why Crowe Troy is best option for you**

Background of Crowe Troy – Crowe Troy is a part of an international network Crowe Crowe International that belongs to the top 10 biggest global auditing networks, consisting of more than 140 independent accounting and advisory service firms in more than 100 countries around the world. Crowe member firms are known for their local knowledge, expertise and experience balanced by an international reputation for the highest quality of service. Currently, there are more than 200 employees working for Crowe in Turkey . We have our 4 offices in 2 cities including İstanbul and İzmir.

Team suited to your requirements – We understand that professional experience of team members is an important criterion when considering quality. We believe quality of our team is well meeting your needs.

Our expertise - In our Company we concentrate on innovative approach to professional services including development of new consulting services. Currently we offer a wide scale of services including audit, tax consulting, transaction consulting, risk management consulting, forensic services, EU fund consulting, consulting within internal processes etc. We focus on development of our people in various areas, which provides a broader view of companies.

Our commitment to serving you – Elvan İnanlı, partner coordinating all services provided to you is highly committed in ensuring that you will get good quality service provided with response time which you will consider to be reasonable

### **B. SERVICES**

- 1. Book-keeping Accounting Turkish GAAP**
- 2. Tax Services**
- 3. Execution of the full approval procedure of the declarations and auditing of all records in accordance with the rules of TPL and TCC.**
- 4. Management Reporting Services on agreed upon forms and topics)**
- 5. Payment Runs**

- 6. Audit of Accounts on a Quarterly basis within the scope of CPA Services (“SMMM” )**
  - 7. Corporate Secretarial Services**
  - 8. Archiving Documents**
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## **1. Accounting Services**

### 1.1. Book-keeping

Crowe Troy undertakes by using its own hardware to provide Turkish Entity with the following services:

- a) Maintenance of the general ledger
- b) Inputting all the accounting entries to the system,
- c) Inputting all importation files into the accounting system
- d) Realizing the cost allocations for each importation
- e) Booking the personnel expenses
- f) Reconciliation of the bank balances according to the general ledger with the bank statements on a monthly basis,
- g) Maintenance of the journal ledger, general ledger and the subsidiary ledgers,
- h) Preparation of trial balance,
- i) Preparations of the monthly balance sheet and the profit and loss statements.
- j) Maintenance of the debtors’ and suppliers’ ledger
- k) Keeping a register of fixed assets, general ledger and journal
- l) VAT returns according to requirements (monthly or quarterly and final at the end of the year).
- m) Providing the management of the Turkish Entity with the requested updates (e.g. quarterly General Ledgers)
- n) Calculation of the value of additional taxes to be paid, if any, and information about deadlines for their payment.
- o) Compilation of necessary notifications requested by the local Tax Authority.

- p) Communication with the Local National Banks, with the local Tax Authority or other authorities with reference to accounting issues must obtain approval from the management of Turkish Entity prior to communication made.
- q) Communication with customers, with suppliers and banks, in case of necessity, in relationship with accounting issues must obtain approval from Turkish Entity office prior to communication made.
- r) Monthly reconciliations of accounts payable/accounting receivable accounts.
- s) Providing the company representatives with tax forecasts upon request.
- t) Supporting the company in relationship with **regulations**.

It is Crowe Troy's understanding that the timely submission of complete, accurate and valid data rests within the Company. Crowe Troy, in return, will be responsible for keeping the books of account in line with the legislation and for carrying out all requirements within the time specified by the legislation.

### 1.2. Performing invoicing services

Through a special integrator program, Crowe Troy will provide e-invoicing services for New Co.

### 1.3. Establishment of Accounting Systems

Crowe Crowe will establish the accounting system of the Company according to Uniform Accounting System and Turkish Tax Legislations. The breakdown of the sub-accounts at the ledger level will be adapted to the Group accounts through mapping method.

#### 1.4. Payroll Services

Within the scope of payroll activities, Crowe Crowe Troy will perform the following activities ;

##### Scope of Payroll Services

- Payroll processing for local staff and “shadow payroll” for assigned staff from Swiss headquarter including respective declarations with the authorities
- Personnel and operating data processing
- Keeping ready for use and update the information such as identity for the use of the human resources department, staff photos, education, department, department changes, title changes, address information and other information may be subject to assessment for the company
- Payroll preparation
- Any official calculation, reporting and declaration concerning payroll
- Forwarding to the owners of personnel payrolls
- Bank Payments
- Following up processes such as Premium, advance payment, fulfilment
- HR support processes
- Online payroll Display, leave, overtime, training management
- Sick/Vacation Accrual Reports
- Customized Management Reports
- Tax Declarations
- Social Security Declarations
- Termination and Hire Process
- Expense Tracking
- Leave Tracking
- Giving answers to the questions of the staff until the company's management as appropriate concerning payroll accounts and applications
- HR Management processes
- Social Security office operations

- SSI Start and termination processes
- İŞKUR operations
- Management and computation of departures
- Payroll Process Consulting
- Consulting on Labor Law and implementation, warning on required issues, giving information about the legal practices and changes

Establishing an Employee help desk, where the employees could call or contact Crowe Crowe for any questions that they have.

#### 1.5. Review and reconciliation of monthly accounts and reports

Crowe Crowe accounting department will review and reconcile monthly accounts and reports of Turkish Entity.

#### 1.6. Undertaking Additional Services -

Crowe Troy will provide Turkish Entity with the following Services with the cost for these Services is included in the monthly Service Fee.

Scope of work

Account Payable and Account Receivable

- 1) Proactively communicate with the management and serve as advisor on local statutory requirements.
- 2) Catalyst in the month-end, quarter-end and year-end close process by ensuring proper cut-off and adherence to timelines
- 3) Serve as an escalation point for the Turkish Entity for issues with the local vendors and customers
- 4) Timely completion of local statutory financial reporting processes and all related registrations and filings to ensure statutory, tax and custom compliance
- 5) Research and analyse local statutory and tax circulars and pronouncements on changes such as tax applications and rate.
- 6) Translate them and communicate effectively to the Group and Local team to ensure full understanding and compliance to the changes.

- 7) Other tax advices as and when needed

#### General Ledger

- 1) Assist in ensuring accounting accuracy and compliance of Turkish Entity operations
- 2) Proactively communicate with the overseas and local Turkish Entity and serve as advisor on local statutory requirements
- 3) Serve as a local reference point of questions on transactions and financial statement balances. Conduct investigation to provide answers as needed
- 4) Timely completion of local statutory financial reporting processes and all related registration and filings to ensure statutory, tax compliance
- 5) Act as a liaison with auditors, tax agents, banks, and other statutory bodies
- 6) May participate in other projects related to treasury , tax and other areas as assigned
- 7) In case of tax audit, act as local technical expert for questions from tax auditors and provide relevant documents if required

## 2. Tax Services

*In scope of this service, Crowe Troy Accounting Department will be responsible for preparing the following:*

### 2.1. Preparation and Submitting of the Monthly Tax Declarations :

- Preparation of the **Withholding Tax Returs** / on a Montly basis
- Preparation of the monthly **Value Added Tax returns** / on a Monthly basis
- Preparation and submitting **Social Security Declarations** / Monthly
- Preparation and submitting **BA/BS forms** / on a Monthly Basis

### 2.2. Preparation and Submitting of the Quarterly Tax Declarations :

- Preparation of the quarterly **Pre-paid Tax returns** / on a Quarterly basis

### **2.3. Preparation and Submitting of the Annual Tax Declarations :**

- Preparation of the **Annual Corporate Income Tax / Annually**
- Preparation of Footnotes of Corporate Tax Declaration
- Preparation of Transfer Pricing form for the Corporate Tax Declaration.
- Preparation of the Hidden Capital form for the Corporate Tax Declaration.
- Preparation of the Foreign Exchange Position form .

Crowe Troy Tax Department will be responsible for the delivery of the statutory returns to the related offices on behalf of Turkish Entity

### **2.4. Tax Certification of the financial statements for year 31.12.2018 ( SMMM Certification) :**

According to Turkish regulations, tax certification would mean that a Certified Public Accountant Certifies the tax returns. The certification requirement has been introduced by the Ministry of Finance .

The scope of tax certification can be summarized under three headings: tax certification, tax calculation and reporting.

We would like to point out that tax certification services not only serve to decrease the risk of undergoing a tax inspection but also help detect and correct erroneous tax implementations at an early stage.

In addition, an important added value created by tax certification services is the tax planning opportunities identified and brought to the attention of management during the audit.

The tax certification and advisory services are rendered by our Certified Public Accountants. Tax certification relates to the certification of a company's corporate tax return, social security return, Value Added Tax Return, Withholding Tax Return by Certified Public Accountants.



### Scope of certification work

The certification of the tax return is a statutory audit concentrate on tax compliance aspects. The additional audit and tax procedures required for certification have to be adapted on basis level of materiality.

Our main scope for certification can be set out as follows;

- Accounting controls
- Tax calculations and providing assistance in the preparation of financial statements
- Tax Reporting

### Tax Calculations

Based on the finalised balance sheet and income statement, we will make the necessary adjustments for the taxable base and calculate corporate tax, related withholding taxes and supplementary charges.

### Certification of Tax Returns

In accordance with the relevant legislation, we are required to certify the tax returns of the Company and return them to the tax and social security department through internet.

## **2.5. Tax Consulting**

### Tax Consulting Services

Using the combination of technical skills, practical experience and sector focuses, we are able to assist our clients in planning their tax affairs efficiently and finding the most beneficial solution to their tax problems. The European and Global tax network within Crowe International will allow us to provide fast and efficient tax services to international companies.

As your tax advisors, our objective will be to assist you in managing tax as a business cost. To achieve this we shall be proactive in identifying areas where opportunities for tax savings may exist by reviewing and complex issues. We aim to find solutions to your problems and report early warnings in the most efficient and timely manner. For your company, our tax advisory services includes the following ;

#### *General advisory*

- Advising on any tax, foreign investment, foreign exchange, commercial law related matters, social security, labour law issues and general customs regulations,
- A review of current tax issues and discussions on tax planning prior to year end ;
- Reviewing profit distribution at the year-end;
- Advising on the taxation of non-resident employees rendering services in Turkey and fully utilising the tax benefits available ;
- Informing the Company about changes and amendments in the tax laws and legislation governing foreign investments.

#### *Special advisory*

- An initial review of the latest set of accounts to become familiar with the transactions and major issues ;
- Reviewing the operational reports (“accounting reports”) indicating the financial performance of the company;
- Presenting management letters with solutions and recommendations relating to points detected during reviews ;
- Reviewing the company’s contracts with other parties from the perspective of Tax Law, Commercial Code and foreign investment regulations and providing advice, if required.

Our goal is fulfill the conditions required by law , and also to the management of healthy and sustained capacity to transfer information to establish an accounting system to support all of the accounting department, external support will be given by our company .

Build the accounting department , computer, personnel and programs on topics such as cost accounting.

We will review all accounting as well as technical knowledge, experience and professional skills and provide consultancy for the improvement of these areas.

Also, regular checks will be made for taxes and accounting errors that could result in tax penalties, the Company management information reports will be prepared and presented periodically.

In addition , the circular will be sent regularly to management and accounting department email address related to accounting procedures, tax and business law in order to provide well information about the recent changes . We will give support the overall aim of your company's external accounting and finance functions partially and completely so that your shoulders and your core business areas, activities focus on issues other than you are not forced to provide .

### **3. Execution of the full approval procedure of the declarations and auditing of all records in accordance with the rules of TPL and TCC.**

Crowe will perform full approval procedure of declaration and auditing of all records in accordance with the rules of TPL and TCC.

#### **4. Management Reporting Services**

- Crowe Crowe will prepare and submit monthly reporting to headquarter. Additional information about project progress (percentage of completion accounting)
  
- The reports will be delivered upon set tight reporting deadlines.

#### **5. Payment runs** (Bank name preferences)

Crowe Crowe will realize the payment runs for Turkish Entity

#### **6. Corporate Secretarial Services**

Crowe Troy will assist Turkish Entity with respect to address change, follow up any communication with tax and social security department and other relevant corporate secretarial services.

#### **7. Archiving the Accounting Documents**

Current year accounting documents will be kept at Crowe Troy office location. After the end of a fiscal year, with the consent of the Clients, documents will be send to Archive company.

#### **8- Accounting Software**

The Accounting software that we use in Crowe Crowe is Logo and Link. Both are very advanced programs and used almost by all mid to large size companies in Turkey. Both of these programs are suitable for external access by Turkish Entity headquarters.