

ICAEW Accreditation Scheme  
UK VAT –Tax Engine Software Evaluation

Vertex Inc.

Vertex Indirect Tax O Series version 8.0 SR2  
and the included  
Vertex Indirect Tax Returns version 10.3



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Date completed: 30 May 2018

Signed: John Oates

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## 1 Summary

### 1.1 Introduction

The suitability of software for each particular user will always be dependent upon that user's individual requirements. These requirements should therefore always be fully considered before software is acquired. The quality of the software developers or suppliers should also be considered at the onset.

### 1.2 VAT – Tax Engine software should:

UK VAT – Tax Engine software should automate and centralise the processing of VAT and other transaction type taxes on both sales and procurement transactions.

## 2 Approach to evaluation

### 2.1 Objective

To evaluate Vertex Indirect Tax O Series 8.0 SR2 and Vertex Indirect Tax Returns 10.3 against a set of criteria developed by the ICAEW to ensure that the software meets the requirements of VAT – Tax Engine Software, as laid down in the summary.

### 2.2 Approach and Work performed

In order to effectively evaluate Vertex Indirect Tax O Series 8.0 SR2 and Vertex Indirect Tax Returns 10.3, a product specialist from Vertex Inc. completed the detailed questionnaire and provided it to the evaluator to examine. The evaluator then met with the product specialist and a technical specialist and in conjunction with the operation of the various aspects of the software assisted by Vertex staff checked the answers to confirm their validity. The questions were individually reviewed and commented on and the majority of assessments were confirmed.

The evaluator discussed the assessments with the Vertex staff members to clarify certain points. In the event of disagreement between the Vertex staff and the evaluator, the evaluator's decision was taken as final and the response changed accordingly.

Vertex Indirect Tax O Series 8.0 SR2 and Vertex Indirect Tax Returns 10.3 were used throughout the evaluation. The evaluation covered the tax engine software and not the integration with the ERP/Finance system.

When the evaluation had been completed, the responses were completed by the evaluator and a draft copy sent to the ICAEW for review before completion of the final report.

### 2.3 Software/hardware utilised

The software was evaluated on an HP Elitebook Folio 9470m laptop with an Intel i7 dual core processor and 8Gb RAM running under Microsoft Windows 7 Enterprise Service Pack 1.

## 2.4 Report structure

The report has been broken down into its main constituents in the contents page. The evaluation questionnaire was provided by the ICAEW and has been used without alteration or amendment.

# 3 Matters to consider before purchase

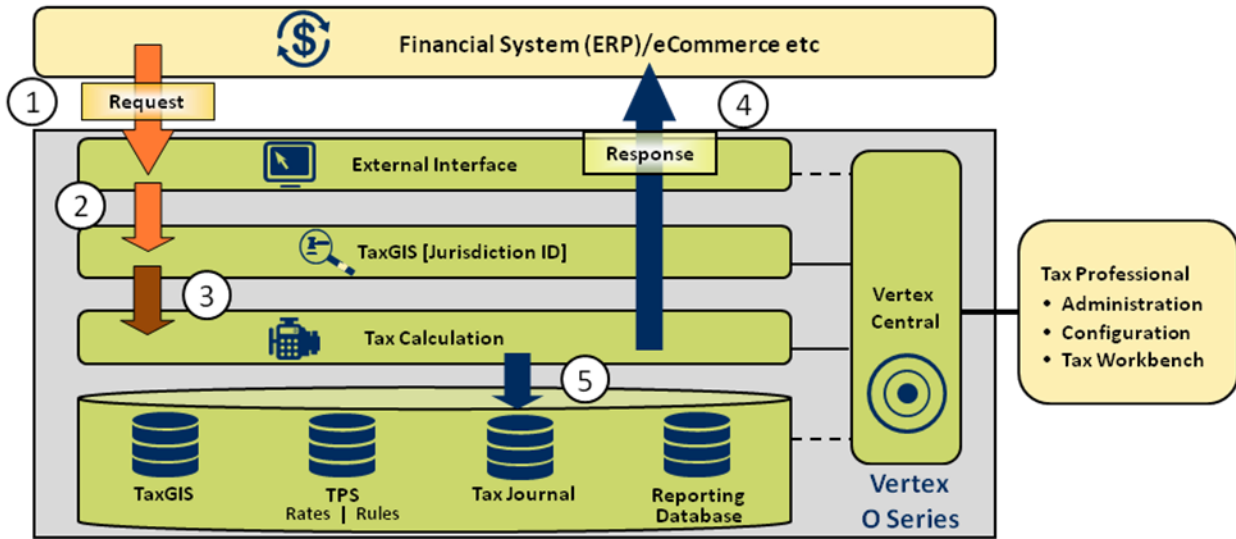
## 3.1 General overview

Companies adopt tax engines because these systems contain the necessary tax logic and data for accurately calculating and reporting transaction taxes such as Value Added Tax (VAT). In a typical ERP or other financial system this tax data content is not included, so leaving the maintenance and updating of the system as a burden for the user. The automation of transaction tax calculation and reporting provides a higher level of consistency, risk management, transparency and assurance when compared to an ERP or other financial system.

Vertex® Indirect Tax O Series® (Vertex O Series) is a software solution designed to automate and centralise the processing of VAT and other transaction type taxes on both sales and procurement transactions. O Series contains tax data (jurisdiction identification, rates and rules) that automate the calculation and reporting of a company's global transactions for more than 200 countries and territories which is updated on a monthly basis. That being said, this evaluation reflects only UK capabilities. The system also includes data management tools including Vertex® Indirect Tax Reporting and Analysis (VRA) which provides users with custom reporting capabilities to provide additional support for tasks such as audit preparation and strategic financial decision making. Vertex Indirect Tax Returns (VITR) is a dedicated system for VAT returns generation along with Intrastat and European Sales Listing. O Series uses as an embedded report writer for management reporting (VRA) based on IBM Cognos Analytics.

Vertex O Series enables users to access the system from any location with an Internet connection via a browser and is integrated with the user's ERP or financial systems. O Series is only accessible via a browser. O Series uses "connectors" to provide the integration to the user's ERP/Financial system. The term "connectors" refer to the code that has been created to manage the exchange of transactional information between the ERP/Financial system and O Series to enable the tax calculation to be conducted and values returned.

# Vertex O Series Overview



Vertex O Series is most commonly deployed to conduct real time transactions working within the protocols provided by the client ERP/Financial System, although it does support batch transactions if desired. If a request message or a response message to O Series returns an error for any reason (e.g. missing key tax field) the whole transaction process is halted and in effect is "rolled back". If an error has been thrown the system will not post the transaction.

### 3.2 Supplier background

Founded in 1978, Vertex has provided automated tax processing solutions for over 10,000 corporate customers, including both direct (income) tax and indirect (transaction) tax applications. Vertex is privately owned with over 900 professionals at its world headquarters in the U.S. (King of Prussia, Pennsylvania) along with regional offices in Europe (London), Latin America (São Paulo) and Asia Pacific (Chennai).

Since its market introduction in 2003, the Vertex flagship indirect tax product – Vertex O Series - has been adopted by over 1200 companies globally including a number of UK and Europe-based companies.

This evaluation encompasses the VAT capabilities provided by Vertex® Indirect Tax O Series® and the Vertex® Indirect Tax Returns.

### 3.3 Product background and Suitability for user

Vertex O Series is being used by U.S. and globally headquartered companies in nearly all industries. Any company could potentially benefit from indirect tax automation. Tax complexity is determined by a number of factors including (but not limited to) the company's turnover; the specific types of products or services the company sells or purchases; the number of tax jurisdictions in which the company either has a physical presence or sells its products; the number of cross border transactions the company conducts in the course of its business, the business model being employed (e.g. eCommerce) and the volume of goods the company purchases.

Typically, an O Series user would have a turnover in excess of £200 million, at least 10% of which would come from cross-border transactions. Current users are operating in a minimum of five countries and most are in more than ten. Certain other organisational complexities such as a shared service centre business structure or commissionaire-based sales arrangements could also factor into the decision to use O Series even for smaller companies with high tax complexity.

To summarise, a prospective company's suitability for the purchase of Vertex O Series is determined primarily by the products and services sold, the business and distribution model and the number of tax jurisdictions and countries in which it sells or purchases products or services.

#### 3.4 Typical implementation and target market

While Vertex O Series was originally designed primarily for larger corporations (greater than £200 million annual turnover), the ever-increasing complexity of global business is making the investment in Vertex O Series cost-effective for smaller organisations, especially those involved in eCommerce.

Further, with increasing governmental transparency requirements of corporate financial operations combined with potential exposure to costly penalties and interest for non-compliance, more mid-sized companies are able to cost-justify the use of a tax automation software solution such as Vertex O Series.

Automating indirect tax processing with Vertex O Series not only yields much higher levels of accuracy and compliance as compared to manual or ERP-based methods, but an added benefit is the ability for the organisation to re-assign tax professionals to more productive and strategic tasks and projects.

#### 3.5 Vertical applications Not applicable.

#### 3.6 Software and hardware specifications

##### 3.6.1 Application Servers

- Apache Tomcat 8.5
- Oracle WebLogic Server 12
- RedHat Wildfly 10.0 (formerly JBoss)
- SAP NetWeaver versions 7.5

##### 3.6.2 Database Servers

- Microsoft SQL Server versions 2012, 2014 and 2016
- Oracle versions 11.2 and 12.0
- IBM DB2 versions 10.5 and 11.1 (Linux, AIX and Windows)
- SAP HANA (Available Q2 2018)

### 3.6.3 Java Versions

- JDK 1.8 (Java 8)

### 3.6.4 Operating software

- IBM AIX versions 7.1 and 7.2
- HP-UX (Itanium) 11
- RedHat Linux 7
- RedHat Enterprise Linux 7
- Oracle Solaris 11
- SUSE Linux 11 and 12
- Microsoft Windows Server versions 2012 R2, 2016
- Microsoft Windows 7 and 10

### 3.6.5 Web Browsers

- Microsoft Internet Explorer versions 10 and 11
- Microsoft Edge 12
- Apple Safari 10 and 11
- Mozilla Firefox\*
- Google Chrome\*

NOTE: Adobe Reader 7 or higher and Flash Player 18 or higher must be installed\*

\* Due to the frequent release schedule for this browser, Vertex is unable to verify every release. Vertex recommends that users stay up to date with a current release to obtain bug and security fixes.

Mobile web-browsers are not supported.

### 3.6.6 Minimum client PC specification

For Vertex Indirect Tax O Series, the appropriate minimum hardware and software specification to run the desired supported web browser along with Adobe Reader and Flash Player.

If using Vertex Indirect Tax Returns recommended configuration is a minimum of:

- Processor x86 1.4 GHz or higher
- Memory - 8 GB RAM is recommended for performing the import process. 12 GB RAM is recommended for performing the import process and running SQL Server on the same computer as Vertex Returns

- Hard Disk Space 450 MB for workstation installation
- Database Microsoft SQL Server 2008 and 2008 R2, Microsoft SQL Server 2012, Microsoft SQL Server 2014 and Microsoft SQL Server 2016
- Workstation Operating System Windows 7 Service Pack 1 (32-bit version or 64-bit version), Windows 8.1 (64-bit version), Windows 10 (64-bit version), Windows Server 2012, Windows Server 2012 R2

### 3.6.7 Support and maintenance

Vertex states that it provides customers with world-class support options. The Vertex Support team looks to help users quickly resolve tax, functional and technical issues to keep the software operating at the highest levels of efficiency and accuracy. Demonstrating their commitment to customer satisfaction, the Vertex support team has earned the prestigious SCP certification for fifteen consecutive years. SCP Certification quantifies the effectiveness of customer support based upon a stringent set of performance standards and represents best practices in the industry. Further details on this certification is available at <http://servicestrategies.com/scp-standards/scp-certified-companies/>

Online Support - myVertex is the customer portal that is always available and offers a full range of self-help resources to answer basic questions with a searchable knowledge base, product and content updates, message boards, tutorials and documentation.

Phone Support - Standard support is available during normal business hours by contacting Vertex's team of over 50 support professionals in its U.S. and UK-based call centres.

Premium Support - for customers with needs beyond standard support, Vertex offers premium options such as 24x7 emergency support, Technical Account Managers and other extra services.

Vertex states that its training helps customers develop the competencies needed to gain the best return on their Vertex O Series investment. The Vertex Training team helps customers correctly configure and use the software. There are classroom, onsite and online learning methods that can help users and their companies succeed.

Users receive data updates from Vertex using the on-line myVertex customer portal. These are issued on a monthly basis and on occasion via interim releases when a significant change occurs mid-month. Software service releases and maintenance packs are also issued as necessary. Email notification is provided when an update is available for downloading. The download itself does not require any down time in users' systems and typically takes a few minutes each month to apply.

## 3.7 Software installation and support

The implementation of Vertex O Series requires integration with a user's existing ERP/Financial software which is installed behind the user's own firewall. Since most in house IT staff are not normally skilled in such projects, Vertex states that it



is able to provide consulting services to assist with successful implementations. Vertex also maintains relationships with consulting firms familiar with implementing tax engines that can also assist with setup.

Vertex offers users of Vertex O Series and Vertex Indirect Tax Returns a wide array of training (online and classroom settings) and product support packages to achieve optimum use of the system and minimise down time.

### 3.8 Partner network and related accreditation process

Vertex states that it is an SAP Silver Partner with SAP Certified designation both for applications and NetWeaver and more than 1000 mutual customers and has achieved SAP Enterprise Support certification. Vertex solutions integrate with SAP S/4 HANA Cloud, S/4 HANA, SAP Cloud Platform, SAP ECC, SAP Ariba, SAP Concur and SAP Hybris. Using the partner edition of SAP Solution Manager, the Vertex support team is connected to the SAP global support backbone to expedite support for incident processing and resolution. In addition to their CRM applications, Vertex states that it uses SAP Solution Manager during support operations and conforms to SAP standards for shared support processes, service-level agreements, and escalation procedures. As a result, mutual SAP and Vertex users can obtain efficient support from both the SAP support organisation and Vertex customer support.

With a partnership spanning more than 20 years, Vertex states that it offers mutual Oracle customers with a full suite of integrated tax process solutions. Today, we understand, over 800 Oracle customers benefit from Vertex tax solutions by using Vertex's comprehensive tax content and process automation tools, integrated across the Oracle E-Business Suite. As a recognised Oracle Certified Advantage Partner, Vertex is aligned with Oracle development strategies as they impact new Oracle initiatives to bring the existing robust capabilities to new platforms such as the Oracle ERP Cloud. Vertex is a UK Oracle User Group Partner.

Magento is a leading platform for open commerce innovation and has been recognized as the leading commerce platform to the 2015 Internet Retailer Top 1000, B2B 300, and Europe 500 lists, Magento works hand-in-hand with the world's biggest retailers, brands, and branded manufacturers across B2C and B2B industries. As a Magento Technology Partner Vertex offers tightly coupled Tax Solutions into the Magento platform, providing a robust and comprehensive tax solution.

Vertex offers tightly coupled Tax Solutions into a large number of the Microsoft Dynamics ERP platforms, including Microsoft Dynamics 365 for Finance and Operations, Enterprise Edition, Microsoft Dynamics 365 Business Central and Microsoft Dynamics 365 for Retail.

Vertex partners with the market-leading software companies to provide our customers with the most comprehensive tax process solutions. Information about our full range of application partners can be found at <https://www.vertexinc.com/partners/application-partners>.

### 3.9 Limitations

There are a number of limitations in the product, which while not adversely impacting upon this evaluation may be of importance to some organisations. It is important that any business contemplating the purchase of software reviews the functionality described and limitations therein against its detailed requirements. Attention is drawn in particular to the following areas where the product, on its own, may not be suitable for businesses with certain requirements:

- The system maintains an audit trail called an Activity Log. It is possible for this to be deleted, but only by the System Admin User. Vertex states this is something that hardly anyone in an organisation would be able to perform, is something that could not be lightly undertaken and that there would still be an audit log in the financial system
- The system uses exception reporting to alert users to potential problems, e.g. a supplier not being registered where this may be a requirement. These reports are not on screen, but rather output for users to action later
- Posting transactions do not carry user ID or source document details
- The VAT Return Identifier (VRI) is not used in reports. (Vertex have identified a future enhancement to address this, planned for implementation on the last quarter of 2018)
- There is an ability to subsequently recreate VAT returns. Users need to be aware of the possibility of the inclusion of transactions created after the filing period. (Vertex have identified that a future enhancement is planned to address this)
- The software is not able to produce a VAT return in XML format
- The software cannot directly support the production of an XML-based submission of the EC List. The software does not download VAT audit data on demand as an integral and supported component of the provided functionality
- The software does not handle the annual accounting scheme as it is not designed for small businesses
- Nor does it handle the cash accounting scheme as it is not designed for small businesses
- The system does not provide encryption and compression of data to HMRC standards.

#### 4 Evaluation conclusion

There were no areas for concern. Vertex® Indirect Tax O Series® version 8.0 SR2 and the included Vertex® Indirect Tax Returns version 10.3 is a strong and user-friendly system that is well supported by Vertex Inc.

In terms of the functionality that is available within the current version and the target market for this software, the product has been adequately specified and is straight-forward to use.

#### **Disclaimer**

*Any organisation considering the purchase of Vertex® Indirect Tax O Series® version 8.0 SR2 and the included Vertex® Indirect Tax Returns version 10.3 should consider their requirements in the light of proposals from Vertex Inc. or its dealers and potential suppliers of other similarly specified products. Whilst the contents of this document are presented in good faith, neither ICAEW, RSM (UK) nor John Oates, Consultant can accept liability for actions taken as a result of comments made herein.*

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**5 Security and continuity of processing**

5.1	Does the software operate via			
	<ul style="list-style-type: none"> <li>• Online via a remote server?</li> </ul>		No	Confirmed
	<ul style="list-style-type: none"> <li>• On premise?</li> </ul>		Yes	Confirmed
5.2	What security features are included to control access to the application?		Role based user access controlled by system administrator. User name and password authentication supported both internally and externally via LDAP	Confirmed. LDAP is an overarching single sign on procedure used by many corporations
5.3	If software is operated online			
	<ul style="list-style-type: none"> <li>• What methods are used to authenticate the remote user to the server?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• Is access per user or per organisation?</li> </ul>			
5.4	Is data held			
	<ul style="list-style-type: none"> <li>• Offline on remote server?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• On premise?</li> </ul>		Yes, see 5.1	Confirmed
5.5	If data is held on remote server			
	<ul style="list-style-type: none"> <li>• What additional security features are in place to ensure only authorised access is possible?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• What level and strength of encryption is used for transmission and storage?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• How is each user's dataset separately identified?</li> </ul>		N/A	N/A

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	<ul style="list-style-type: none"> <li>How does the software ensure only authorised users access their own organisation's data?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>How does the software handle multi company user access?</li> </ul>		N/A	N/A
	NB the SaaS questionnaire needs to be completed.		N/A. O Series is not currently offered as SaaS for UK companies calculating and reporting on VAT. Vertex is evaluating extending its current U.S. based service to support UK access	Confirmed. Vertex state they are looking into providing this service through EU-based servers in order to comply with UK and EU Data Protection legislation
5.6	Can access to application functions be managed so users can only see (in menus and other links) and access those functions they are authorised to access?		Yes. O Series allows access to areas of the application according to roles assigned to the user through authorization after successful authentication at login. System supports user defined roles to define specific sets of access	The administrator assigns roles, and these roles determine the access granted such as read only, read/write or more detail.  Standard roles are supplied and the user can define their own
5.7	Is this access to the application managed by:-			
	<ul style="list-style-type: none"> <li>Individual user profiles?</li> </ul>		System access is managed by individual users	Confirmed
	<ul style="list-style-type: none"> <li>User groups based on their Job roles?</li> </ul>		No	Confirmed
5.8	If menus can be tailored would this override the application access control?		Menus cannot be tailored. Access to menus is driven by role	Confirmed
5.9	Passwords			
	<ul style="list-style-type: none"> <li>Is access to the software controlled by password?</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>Please state the basis of control available (e.g., role based etc.).</li> </ul>		Role based	Confirmed. The "role type basis" is operated through a matrix of which users need access to what. There are eight pre-defined role-types, which

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
				users may amend, etc. It is easy to set these up, review and amend
5.10	Are single user systems access controlled by password?		Yes	Confirmed, but a single user system would be very unusual
5.11	Does the software allow for each user to have separate log on (user ids)?		Yes. It is required. Activity log is maintained	Confirmed – all time and date stamped, showing user, activity, etc. The log describes what has been done, but is not a detailed trail of exactly what has been done. It is a user activity log, not a detailed audit trail
	If No:- How does the software track user activity?		N/A	N/A
5.12	Is each user required to have a personal password?		Yes	Confirmed
	If Yes:- Is this mandatory?		Yes	Confirmed
	If No:- How does the software track safeguard unauthorised access?			
5.13	Are passwords one-way encrypted? [i.e. is it impossible for anyone, including the system administrator to see other user's passwords in the software?]		Passwords are not one-way encrypted. We use a symmetric cipher, but there is no system function to allow Admin to see another user's password	Confirmed
5.14	Are passwords masked when entered by any user logging in?		Yes	Confirmed
5.15	Is password complexity available at application level?		Yes	The password can be configured within the system to user requirements, or access would more regularly be provided through the organisation's overall system access controls, see 5.2

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	Please specify [e.g. Number of digits, requirement for special characters, numeric, upper/lower case etc.]		We can configure minimum length and whether alphanumeric is required	Confirmed
5.16	Is there a facility to enforce password changes after a chosen period of time?		Yes. Based on expiration setup	Confirmed
5.17	How many previous passwords are retained by the system to limit users recycling passwords (e.g. 24 or 32)?		None with internal authentication but this could be done when using an external directory service	Confirmed, this would normally be managed through LDAP
5.18	Please state how security allows for access to be specified separately for :-		Specific accesses within the roles are designated as read only	Confirmed
	<ul style="list-style-type: none"> <li>• Read?</li> <li>• Read and write?</li> </ul>		Specific accesses within the roles are designated as read and write	Confirmed
	<ul style="list-style-type: none"> <li>• Delete and amend?</li> </ul>		Delete and amend rights are subsumed by read and write access. We have implemented a logical delete method that leaves the record in place for audit	Confirmed
5.19	How are data files updates validated?  If these are imported by users is validation at application level before main data files are updated?		Our data update files are zip files that include a CHECKSUM which is validated by the application prior to applying the update to the database	Confirmed
5.20	Does the software require higher or specific levels of user access for changes to sensitive data?		Role based permissions define access to make changes to data.	Confirmed
	Please specify examples of sensitive data?		Customer sensitive data is not stored within the	Confirmed. Vertex does not store sensitive data. The

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
			application.	ERP/Financial system calls Vertex when a tax calculation required and Vertex passes back a result
5.21	Please specify the specific security procedures (by passwords or warnings) over the:- <ul style="list-style-type: none"> <li>• Update of data files</li> </ul>		Ability to apply a data update is only given to a system administrator role	Confirmed
	<ul style="list-style-type: none"> <li>• Closing of VAT periods</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• Deletion of transactions</li> </ul>		Transactions cannot be physically deleted	Confirmed
	<ul style="list-style-type: none"> <li>• Archiving of transactions</li> </ul>		Ability to archive/purge the reporting database is only given to a system administrator role	Transactions are posted to the "live" tax journal, passed to the Reporting Database, and it is this that can be archived. The reporting tools can subsequently look at the archived data
5.22	Is it impossible to delete a transaction?		Yes. Transactions can only be logically deleted (flagged as inactive)	Confirmed
	If No:- How are deletions controlled by the system?		N/A	N/A
5.23	Are deleted transactions retained in the audit trail and denoted as such?		Yes	Confirmed
5.24	Can a report be produced detailing all current users, via user groups if relevant, and their authority levels and/or access rights?		Yes	Confirmed
5.25	If data can be accessed by separate reporting facilities, such as ODBC or separate report writer, is the user access security control applied?		Yes, database user authentication is required	Confirmed



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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	If No:- Please explain any other protection in place to prevent unauthorised access to data with such facilities.		N/A	N/A
5.26	Is the level of security (described with this section) appropriate for the expected size of business using the software?		Yes	Confirmed
5.27	Is there a clear indication in the software or manuals as to how the data is:- <ul style="list-style-type: none"> <li>• Backed-up?</li> </ul>		Yes. Back up of O Series data is accomplished via vendor specific database tools	Confirmed. A client would backup O Series content the way they would back up their other systems
	<ul style="list-style-type: none"> <li>• Recovered?</li> </ul>		Yes	Confirmed
5.28	Back ups How are back-ups provided:- <ul style="list-style-type: none"> <li>• Within the software application or within the operating software?</li> </ul>		Backups are done within the operating environment	As above
	<ul style="list-style-type: none"> <li>• Are backup procedures automatic?</li> </ul>		Backups are done within the operating environment	Confirmed
	<ul style="list-style-type: none"> <li>• Is the user forced or prompted to back-up at certain intervals?</li> </ul>		Backups are done within the operating environment	Confirmed
	<ul style="list-style-type: none"> <li>• Can the intervals be customised?</li> </ul>		Backups are done within the operating environment	Confirmed
5.29	Recovery <ul style="list-style-type: none"> <li>• Please state how the software facilitates recovery procedures in the event of software failure? (E.g. roll back to the last completed transaction).</li> </ul>		The database takes care of roll-back if failure occurs during a transaction	Confirmed

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	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
	<ul style="list-style-type: none"> <li>If software failure occurs part way through a batch or transaction, will the operator have to re-input the batch or only the transaction being input at the time of the failure?</li> </ul>	No	Confirmed
	<ul style="list-style-type: none"> <li>Are these automated?</li> </ul>	Yes	Confirmed
	<ul style="list-style-type: none"> <li>Do the recovery procedures work?</li> </ul>	Yes	Confirmed
5.30	What features are available within the software to help track down processing problems?	Different levels of logging and diagnostics	Confirmed. Error messages are structure to help customers to resolve problems. Where they cannot, Technical Support is available
5.31	Are software messages clear?	Yes	Confirmed. Implementation training covers understanding the responses generated by the software, together with support from Vertex. All error messages seen were clear
5.32	Are user responses properly structured to ensure that erroneous key strikes do not lead to inappropriate actions?	User interface input validation with the Adobe Flex UI technology	Confirmed
5.33	Is there a software log which details:-		
	<ul style="list-style-type: none"> <li>Error messages?</li> </ul>	Yes	Confirmed. This is the Activity Log
	<ul style="list-style-type: none"> <li>Security violations?</li> </ul>	Yes	Confirmed
5.34	Audit trail		
	<ul style="list-style-type: none"> <li>Does the software have a detailed audit trail?</li> </ul>	Activity log is maintained	Confirmed
	<ul style="list-style-type: none"> <li>Is it impossible to turn off, amend or delete the audit trail?</li> </ul>	Activity logs can only be deleted by a user with appropriate privileges to do so (even that act is logged). Only System Admin User	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
<ul style="list-style-type: none"> <li>Does the software allocate a system generated sequential unique reference number to each transaction?</li> </ul>	Yes	Confirmed. Examples seen showed user, time/data and customer identifiers
<ul style="list-style-type: none"> <li>Is this stamped with a user id?</li> </ul>	Yes, user activities are logged to the user	Confirmed
<ul style="list-style-type: none"> <li>Is this unique reference number presented to the user at time of input?</li> </ul>	No	Confirmed
<ul style="list-style-type: none"> <li>Is this unique reference number available to view, by the end user and by way of a report?</li> </ul>	Yes	Confirmed
<ul style="list-style-type: none"> <li>Is the transaction date and time stamped?</li> </ul>	Yes	Confirmed
<ul style="list-style-type: none"> <li>Are all master file and standard data changes recorded in the audit trail?</li> </ul>	All significant changes are logged by user name with a time and date stamp. A summary of the activity organised by whether it was a taxability or maintenance activity type is also captured	Confirmed
<ul style="list-style-type: none"> <li>Does each change have a system generated reference allocated?</li> </ul>	Yes	Confirmed
<ul style="list-style-type: none"> <li>Are the originator and authoriser identified?</li> </ul>	Originator only	Confirmed
<ul style="list-style-type: none"> <li>Is the change date and time stamped?</li> </ul>	Yes	Confirmed
<ul style="list-style-type: none"> <li>Is all input data included within the audit trail?</li> <li>Are all amendments, deletions, journals etc. included in the audit trail?</li> </ul>	All input data is included in the audit trail detail.  Journals will also be included if passed to O Series by the ERP/financial system	Confirmed  Confirmed
<ul style="list-style-type: none"> <li>Are all imported /interfaced transactions allocated a software generated sequential reference number?</li> </ul>	Yes	Confirmed
<ul style="list-style-type: none"> <li>How are transactions</li> </ul>	Both internal Vertex	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	differentiated within the audit trail?		identifiers and customer identifiers on all transactions	
5.35	What are the procedures for handling dates? (E.g. 2 digit years, 4 digit years). <ul style="list-style-type: none"> <li>• In the case of two digits what is the break point for the century?</li> </ul>		O Series supports 4-digit years	Confirmed
	<ul style="list-style-type: none"> <li>• Are dates handled consistently throughout the software?</li> </ul>		Yes	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**6 VAT functionality**

6.1	Does the software have the facility to hold the following VAT information:-		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• UK VAT registration number?</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Intrastat code?</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• EC Code?</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• EC VAT registration numbers (10)?</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• VAT rates               <ul style="list-style-type: none"> <li>○ standard rate – 20%</li> <li>○ reduced rate – 5%</li> <li>○ zero rate – 0%</li> <li>○ exempt - so no VAT is charged on them</li> <li>○ outside the scope of the UK VAT system altogether.</li> </ul> </li> </ul>		Yes, rates are provided via monthly data update	Confirmed. The number of rates supported is effectively unlimited. Clients are notified an update is available. They then go into the portal, download it and update the system with the changes
6.2	Can the software handle the following VAT schemes:-			
	<ul style="list-style-type: none"> <li>• Annual accounting scheme?</li> </ul>		N/A, since any organisation using such a scheme would be a small business and would not use this system	N/A. The software is not designed for small businesses, see 3.4
	<ul style="list-style-type: none"> <li>• Flat rate scheme?</li> </ul>		N/A, as above	Confirmed
	<ul style="list-style-type: none"> <li>• Retail schemes?</li> </ul>		Yes, but the standard reports are not configured to cover this	Confirmed
	<ul style="list-style-type: none"> <li>• Margin schemes?</li> </ul>		Yes, if the data is available	Confirmed
	<ul style="list-style-type: none"> <li>• Please state all others.</li> </ul>			

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
6.3	Can the software provide for cross-border supplies of goods or services?  If Yes:-		Yes	Confirmed
	Does the software user guidance explain how to differentiate, in the system, between goods and services transactions for reporting intra EU supplies and international services?		Yes	Confirmed
6.4	Can the software effectively apply EU simplifications?  If Yes:-		Yes	Confirmed
	Does it include: • Distance selling (supply to an unregistered EC customer)?		Yes	Confirmed
	• Services only?		Yes	Confirmed
	• Goods and related service?		Yes	Confirmed
	• Process?		Yes	Confirmed
	• Call-off and consignment stocks?		Yes	Confirmed
	• Triangulation?		Yes	Confirmed
	• Treatment for Electronically Supplied Services (ESS)?		Yes	Confirmed
6.5	Does the software include the functionality to identify EU acquisitions?  If Yes:-		Yes	Confirmed
	Can the software generate acquisition tax?		Yes	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
	Does the software include the acquisition tax in boxes 2 and 4 of the VAT return?	This is included on the UK VAT Return report provided with Vertex Indirect Tax Returns (VITR)	Confirmed
6.6	Can a report be generated of all EU acquisitions and the amounts of acquisition tax generated?	Yes	Confirmed
6.7	How does the software handle triangulation? E.g. a movement of goods without a related invoice transaction.	O Series Place of Supply rules identify triangulation scenarios through the addresses of Suppliers, Middle Men and Customers	Confirmed
6.8	Can the software identify transactions liable to reverse charge VAT?  If Yes:-	Yes	Confirmed
	How does the software generate reverse charge VAT?	The software considers the origin, destination and type of service involved in the transaction and determines whether a reverse charge is applicable through internal logic	Confirmed
	How does the software generate a report of all reverse charge transactions and the amounts of tax generated?	The reporting tools can filter on reverse charge transactions	Confirmed
6.9	How does the software handle repayments under the Eighth or Thirteenth	The system can identify the appropriate VAT amounts that are	Confirmed. The Eighth Directive relates to VAT incurred in other member

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	Directives?		recoverable and generate reports	states, with Vertex analysing this element so it can be recovered. The Thirteenth is similar to the Eighth, but for non-EU businesses
6.10	Does the software validate VAT Registration Numbers?  If Yes:-		Yes	Confirmed.
	<ul style="list-style-type: none"> <li>Does it validate the format?</li> </ul>		System validates the format via input mask as well as checking the number	Confirmed. It is a verification through VIES (VAT Information Exchange System), rather than simply a validation of the format
	<ul style="list-style-type: none"> <li>Does it validate against the VIES validation system?</li> </ul>		Yes	Confirmed. VIES has a list of all active EU VAT numbers (EuropaVies)
	<ul style="list-style-type: none"> <li>Can it handle batches of records?</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>Does the software alert the user to numbers regarded as "missing" or "invalid" from the record?</li> </ul>		Yes	Confirmed
6.11	Does the software handle VAT fuel scale charges?		No, this would be a manual adjustment posted in the financial system	Confirmed. This would be carried out through the financial system, as this is not a transactional activity, so is better carried out there
6.12	Does the software store and report a VAT return identifier [VRI]?  If Yes:-		VITR tags each line item to a return/period combination. However, this key is not currently exposed to the user	Confirmed. When data is exported to the reporting tool, it is flagged such that it will not be in a subsequent export
	How does the software report a VRI?		N/A	N/A



**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
6.13	How does the software ensure that that each eligible posting is reported only once in a VAT return?		Vertex conducts validation checks.	Confirmed
6.14	VAT basis. Can the software handle: <ul style="list-style-type: none"> <li>• Invoice (standard) accounting?</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Cash accounting?</li> </ul>		N/A. Vertex does not operate for small businesses using the Cash Accounting Scheme	Confirmed
6.15	If the software can handle both invoice and cash methods of accounting for VAT is the basis clearly identified during set up?		N/A	N/A
6.16	Does the software allow for a switching between invoice and cash methods of accounting for VAT methods?  If Yes:-		N/A	N/A
	<ul style="list-style-type: none"> <li>• Does the software alert the user that they require HMRC authorisation if they attempt to apply, retrospectively, the 'Cash Accounting Scheme' for VAT accounting?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• Does the software provide useful and relevant information on switching in the software help section?</li> </ul>		N/A	N/A

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	<ul style="list-style-type: none"> <li>Is the change fully supported by audit trails to ensure proper VAT treatment of all transactions?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>Is this ability to change a basis of accounting clearly flagged, i.e. users warned etc.</li> </ul>		N/A	N/A
6.17	If the software can be configured for cash accounting:- <ul style="list-style-type: none"> <li>Does the software record the complete accounting of a payment against invoice(s)/invoice lines?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>Does the software record the complete VAT accounting of a tax invoice to which payments have been allocated?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>Does the software user guidance explain to the user the need to access current guidance issued by HMRC in respect of cash accounting?</li> </ul>		N/A	N/A
6.18	Can the software effectively determine place of supply?  If Yes:-		Yes	Confirmed. Vertex gathers and maintains country by country place of supply rules
	How does it meet the relevant HMRC standards?		O Series requires the passing of good/service indication along with origin and destination information from ERP/Financial System	Confirmed
	Does place of supply logic include: <ul style="list-style-type: none"> <li>Domestic</li> </ul>		Yes	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	<ul style="list-style-type: none"> <li>• Intra EU</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Imports</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Exports</li> </ul>		Yes	Confirmed
6.19	Can the system proposed VAT rate and/or the VAT value, be determined by master file data?		O Series does not use this data for tax determination, rather it uses details of the transaction	Confirmed. O Series operates on transactional data, not on master data
6.20	Can the software handle sales and purchase invoices with multiple rates of VAT?		Yes	Confirmed
6.21	<p>How does the software handle partially allowable expenditure?</p> <p>For example lease hire cars. In the UK only 50% of the VAT is recoverable</p>		Vertex delivers with each monthly update, taxability categories and associated jurisdictional taxing rules for the management of so called "blocking" orders	Confirmed. These rates are determined for the Sales side, and checked for the Purchase side with an invoice verification procedure and the system computes the recoverable amount
6.22	<p>How does the software handle partial exemption relating to turnover?</p> <p>For example can it calculate recovery of VAT based on a percentage?</p> <p>Please expand on functionality.</p>		O Series provides the ability to configure recoverability percentages by business unit and/or any other transactional parameters	Confirmed, e.g. partial exemptions for "Financial Services"
6.23	<p>Can the software allow non-deductible VAT to be recorded?</p> <p>If Yes:-</p>		Yes	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	How does the software record and report the full value of transaction VAT, and both the recovered and non-recovered portions of the transaction VAT?		Calculated and recorded separately	Confirmed
6.24	Please state the number of VAT codes available for VAT analysis.		The system can apply as many VAT codes as there are types of transaction	Confirmed
6.25	How does the software reconcile the VAT returns amounts for input, output and net VAT payable/recoverable to the General ledger control account?		A General Ledger account can be associated to each transaction. A payment request report can be run to reconcile the data on the return broken out by General Ledger account number	Confirmed
6.26	What forms of alert are used by the software: <ul style="list-style-type: none"> <li>• On screen at time of entry</li> <li>• The exception report?</li> </ul> Please specify occasions.		We have exception reporting that will alert the user.  (e.g. not being registered where registration may be required)	Confirmed. It is not "on screen" as the process is run "in the background" and outputs are identified through reports
6.27	Does the software generate sales invoices?		No, that is an ERP/Financial System function. O Series calculates taxes and also identifies messages that are required by the ERP/financial system in order to generate a fully compliant VAT invoice (e.g. including text messages that are required on the invoice)	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	<p>If Yes:-</p> <p>For each invoice generated is the following information included on the sales invoice:-</p> <ul style="list-style-type: none"> <li>• Unique sequential software generated invoice number?</li> <li>• Seller's name, address, EC country code and VAT number?</li> <li>• Invoice date?</li> <li>• Time of supply (tax point)?</li> <li>• Customer's name (or trading name) and address, EC country code and VAT number (if applicable)?</li> <li>• A description which identifies the goods or services supplied?</li> </ul> <p>Net and VAT amounts:</p> <ul style="list-style-type: none"> <li>• Unit price</li> <li>• Quantity or extent of service</li> <li>• Rate of VAT applicable</li> <li>• Total payable excluding VAT</li> <li>• Rate of any discount</li> <li>• Total amount of VAT charged</li> </ul>		N/A	N/A
6.28	Can the format for the sales invoice document be modified to user's specific requirement?		We return the necessary invoice text codes for intra EU transactions for invoicing purposes	Confirmed. The sales invoice comes from the financial system, not O Series.
6.29	Does the software allocate the relevant GL code to each line of the invoice?		N/A	N/A. This comes from the financial system

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
6.30	How does the software handle VAT only sales (and purchase invoices)?		O Series receives the information necessary from the ERP/financial system	Confirmed
6.31	Does the software identify supplies that are zero-rated or exempt and that there is no VAT payable?		Yes, the O Series tax engine makes the determination	Confirmed
	<ul style="list-style-type: none"> <li>Is this shown on the face of the invoice?</li> </ul>		Data is sent by O Series to the financial system to enable the appropriate population of the invoice during generation	Confirmed
	<ul style="list-style-type: none"> <li>Is this available by way of a report?</li> </ul>		Yes	Confirmed. The process is outlined in section 3.1
6.32	Can the system proposed VAT rate, based upon master file data, be overridden?  If Yes:-		Yes. User would have to create a user defined rule in O Series	Confirmed. O Series has the flexibility to allow rules to be substituted by a user-defined rule, all of which shows up on the activity report
	Does the software alert the user to that the VAT rate proposed by the system has been overridden?		We do track what user defined rule may have been applied to a transaction. This information is available via reports rather than alerts	Confirmed
6.33	Can the software generate sales credit notes?  If Yes:-		No. Sales Credit Notes are created by the ERP/Financial system	Confirmed
	Is there an ability to automatically amend stock, if applicable?		N/A	N/A

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
6.34	Can the software provide for early settlement discounts?  If Yes:-		No. Early Settlement Discounts are handled by the ERP/Financial system	Confirmed
	• Can early settlement discounts be automatically generated?		N/A	N/A
	• Is VAT treated correctly on early settlement discounts?		N/A	N/A
6.35	Can customer accounts be set up within the software?  If Yes:-		Yes	Confirmed. Customers can be set up within the system, but this would only be done where there were special circumstances surrounding the customer
	What controls are there over the creation of new accounts?		Role based security.	Confirmed
6.36	Is the software capable of suppressing the production of a sales invoice in respect of a supply for which a self-billed tax invoice is received?  If Yes:-		O Series does not create sales invoices. That is an ERP/Financial System function	Confirmed
	Does the software user guidance explain that the invoice must not be issued to the customer in this instance?		N/A	N/A
6.37	Is the user prevented or warned from overriding credit limits or discounts?		N/A	N/A. This is a financial system function

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
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	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
6.38	Can the software handle VAT inclusive amounts and automatically calculate the input VAT?	Yes	Confirmed
6.39	Does the software require the following to be entered:- <ul style="list-style-type: none"> <li>• Supplier reference?</li> </ul>	No	Confirmed. O Series does not require a supplier reference in order to calculate taxes
	<ul style="list-style-type: none"> <li>• Supplier document reference?</li> </ul>	No	Confirmed
	<ul style="list-style-type: none"> <li>• Internal document reference?</li> </ul>	Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Invoice tax point date?</li> </ul>	Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Invoice posting period date?</li> </ul>	No	Confirmed. This would be in the financial system
	<ul style="list-style-type: none"> <li>• Invoice gross total?</li> </ul>	No	Confirmed
	<ul style="list-style-type: none"> <li>• Invoice VAT amount?</li> </ul>	O Series does not require an input VAT amount to be entered unless the user wishes to carry out invoice verification processes to check that the correct amount of tax was charged by the supplier	Confirmed. Any minor differences are checked through the tolerance configured in the system by the user
	<ul style="list-style-type: none"> <li>• Individual invoice lines: <ul style="list-style-type: none"> <li>○ Net amount</li> </ul> </li> </ul>	Yes	Confirmed
	<ul style="list-style-type: none"> <li>○ VAT rate (optional from VAT code, product supplier)</li> </ul>	Vertex doesn't require this as O Series has certain default logic that will determine taxes without this data element, but it is best practice to pass this information to O Series	Confirmed



**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
6.40	Does the software allocate the relevant GL code to each line of the purchase invoice?		GL code allocation is a function of ERP/Financial System.  Vertex process input VAT for verification and reporting purposes	Confirmed
6.41	Does the software validate individual invoice line VAT amounts against the total invoice of input VAT (less early settlement at discount) and accept or reject the amount subject to the software tolerance?		N/A	N/A. This is covered by the financial system
6.42	Can the system proposed VAT rate, based upon master file data, be overridden?  If Yes:-		Yes, restricted by user role	Confirmed
	Does the software alert the user to that the VAT rate proposed by the system has been overridden?		No. It is not an alert but a rule ID assigned to the calculation will tell the user if there is a user defined rule in effect.  This shows up on reports with a special indicator to identify which transactions were calculated using Vertex data and logic and which were determined using user-defined data and logic	Confirmed

**Functional requirements questionnaire**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
6.43	<p>Can the software allow the system-calculated VAT value to be overridden by the input VAT value as shown on a purchase invoice?</p> <p>If Yes:-</p>		<p>Yes, as a configuration setting during implementation, the user can elect to use either of these values as its default treatment</p>	Confirmed
	<p>How does the software take forward this invoice input VAT value for accounting and declaration?</p>		<p>Carried through in a separate field in the reporting database</p>	Confirmed
	<p>If No:- How does the software handle the discrepancy?</p>			
6.44	<p>Does the software allow input VAT to be reclaimed on the basis of registered but unposted invoices?</p>		<p>The ERP/Financial System controls this process and has procedures that govern their treatment. Vertex will make a tax determination when called upon.</p>	Confirmed
	<p>If Yes:- Does the software flag the status as:-</p>			
	<ul style="list-style-type: none"> <li>• VAT not yet reclaimed?</li> </ul>		N/A	N/A, as determined by financial system
	<ul style="list-style-type: none"> <li>• VAT claimed?</li> </ul>		N/A	N/A. The process is outlined in section 3.1
6.45	<p>Can the software capture the sterling VAT amount from a non-sterling UK domestic purchase invoice where the VAT amount is shown in both sterling and another currency?</p> <p>If Yes:-</p>		Yes	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	Does it produce a report of all non-sterling UK domestic purchase invoices and the amounts of input VAT recovered in respect of them?		Vertex supports multiple currency types including transaction currency and filing currency. More currency types can be used as needed. The user can run reports based on any currency through the reporting option provided by Vertex Reporting and Analysis which is integrated with O Series. VAT return, Intrastat and ESL reports will be run from the filing currency using Vertex Indirect Tax Returns (VITR)	Confirmed
6.46	Does the software allow different categories of VAT incurred on purchases to be recorded?  If Yes:-		Yes	Confirmed
	Does it produce a report of total amount of input VAT and amount of VAT recovered and non-recovered VAT by VAT rate?		The different categories of VAT are stored as separate data items for reporting purposes. Again, reports can be run based on these criteria	Confirmed
6.47	Can the software store and trace the total VAT incurred on a transaction, as well as any VAT categorised as:-  <ul style="list-style-type: none"> <li>• Wholly deductible input VAT</li> <li>• Partly deductible input VAT</li> <li>• Non-deductible input VAT</li> <li>• VAT charged but is not input VAT</li> </ul>		O Series records VAT along with an Input/Output indicator and its recoverable percentage	Confirmed

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**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	If Yes:-			
	Can these categories be traced through the Finance/ERP System?		O Series returns the details regarding the recoverability of the VAT to the Finance/ERP system. It is the responsibility of the Finance/ERP system to record these details and provide traceability	Confirmed
6.48	Can the software calculate and report a claim for VAT Bad Debt Relief?  If Yes:-		No	Confirmed. This is a function of the financial system
	Does the software provide for complete accounting treatment for VAT Bad Debt Relief?		N/A	N/A
	Including that the tax has been declared on a VAT return?		N/A	N/A
	Do the relevant sales and purchase reports show all the necessary information as set out by HMRC?		N/A	N/A
	Does the software recognise invoices greater than 6 months old (purchase and sales) to highlight the amount of VAT claimable/repayable?		N/A	N/A
	Is the software capable of showing the part paid/unpaid status of a tax invoice?		N/A	N/A
	Does the software highlight or alert the user if invoice subjected to bad debt relief have been subsequently		N/A	N/A

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	paid?			
6.49	Is the originator and/or authoriser identification logged by the software?		N/A	N/A. Events would be originated in the financial system
6.50	Does the software create a report of all purchase invoices denominated in currencies other than sterling and the amounts of input VAT recorded against each currency?		Yes. Vertex stores transaction currency and filing currency and reports can display currency codes	Confirmed
6.51	Can the software verify amounts of VAT against, or calculated from, an allocated VAT code?  If Yes:-		Yes	Confirmed
	How does the software report the VAT codes with the assigned rates and, if they exist, any effective from/to dates?		Vertex can maintain changes in VAT and we can verify VAT amounts. Our software is more sophisticated than just using a VAT code. O Series can derive the VAT amounts by a number of drivers, with VAT rate being one of those. Other drivers include if the transaction is a good or service, what type of service, is it a sale to a business or private individual, what specific jurisdictions are involved in the transaction, what are these jurisdiction's place of supply rules, what registrations and	Confirmed. This is part of the core functionality of Vertex, see below

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
			physical presence elements are relevant and other drivers as pertinent	
6.52	Can the software retain a history of VAT code and rate changes?  If Yes:-		Yes	Confirmed
	How does the software report the changed records?		Effective dates for the tax rules are recorded in O Series as are the history of rates for jurisdictions	Confirmed. A full history is retained. All rules are date stamped with a "start" and "end" date
6.53	Does the software enable the user to trace every source document and interfaced transaction through the ERP/Finance system?  If Yes:-		Yes	Confirmed, through the unique transaction code which carries right through the system
	How does it achieve this?		The invoice document number persists through the ERP and Vertex audit trail. The ERP passes this information through the integration (connector) and we return it	Confirmed
6.54	Can the software reproduce the information captured from or shown on a source document?  If Yes:-		Yes	Confirmed
	Does it show the exact information on the invoice or credit note at time of issue?		Based on the fact that Vertex is a "bolt-on" to the ERP/Financial System we can retrieve whatever	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
			the ERP will pass to us	
6.55	Can the software archive current transactions?  If Yes:-		Yes	Confirmed
	Does the software provide a facility to restore and make available archived records?		User would initiate a process using commonly available database tools to do this. Vertex provides the ability to report off of multiple databases which would allow access to sets of records	Confirmed. The reporting software can be configured to report on archived data separately, if users so wish
	Can archived records be restored without affecting current live data?		Yes, via standard database tools and operations	Confirmed
6.56	Does the software provide post-calculation functionality to append additional information to calculation results?  For example, can it differentiate between recoverable and non-recoverable VAT?  If Yes:-		Yes  Yes	Confirmed  Confirmed
	Can it evaluate data results and flag for individual and GL accounts?		Yes, through post calculation Tax Assist functionality can be configured to query any elements of the calculation result	Confirmed
	Can it add invoice text messages to describe the tax situation?		Yes	Confirmed

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	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
6.57	Does the software provide a method to differentiate amongst particular categories of goods and services and their VAT rates?  If Yes:-	Yes	Confirmed. This is core to O Series checking the information correctly through its category tree of all the different types of goods and services per jurisdiction
	<ul style="list-style-type: none"> <li>• Do the categories support standard and non-standard rules and rates?</li> </ul>	Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Can users edit existing categories?</li> </ul>	No	Confirmed
	<ul style="list-style-type: none"> <li>• Can users create their own categories?</li> </ul>	Yes	Confirmed
6.58	How does the software handle roundings?  If Yes:-	Vertex O Series uses the Round Off method by default. User can select Round Up or Round Down as alternatives	Confirmed
	Is this applied consistently?	Yes	Confirmed
6.59	Does the software handle <ul style="list-style-type: none"> <li>• Proforma invoices?</li> </ul>	This can be processed but not set up by O Series, and would require special setup	Confirmed
	<ul style="list-style-type: none"> <li>• Requests for Payment?</li> </ul>	As above	Confirmed
	If Yes:-		
	Are the documents clearly identified as "this is not a tax invoice"?	N/A. This is an ERP/Financial System issue	N/A
	- Proforma		
	- Request for Payment	As above	N/A
6.60	Can the software suppress the production of a sales invoice in respect of a	N/A. This is an ERP/Financial System	N/A. The system does not generate invoices



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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	supply for which a self-billed tax invoice is received?  If Yes:- Is appropriate guidance provided to user within help?		issue  N/A	N/A
6.61	Can the software handle an adjustment for a VAT error?  If Yes:-		N/A. This is an ERP/Financial System issue	N/A
	Is the system able to determine if the error can be adjusted within the VAT return e.g. the error is the greater of £10,000 or 1 per cent of the box 6 figure on the VAT Return capped at £50,000?		N/A	N/A

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**7 Input of transactions**

7.1	Is data input controlled by self-explanatory menu options?		N/A. Transactions originate through an ERP/Financial System	N/A. The transfer process is controlled through configuration of the integration with O Series, more detail below
7.2	Does the software ensure that menu options are executed in the correct sequence?		N/A	N/A
7.3	Does the software provide input validation checks such as account code validation, reasonableness and validity checks (VAT check-digit calculations)?		N/A	N/A
7.4	Can the user amend data on an input screen prior to update?		N/A	N/A
7.5	What control features are within the software to ensure completeness and accuracy of data transfer between the software and the ERP/Finance system?		XML schema validation can be used to ensure minimum required data elements and well formed requests are passed from ERP/Financial System	Confirmed
7.6	Are all input transactions subject to this control?		Yes	Confirmed
7.7	How does the software ensure uniqueness of the input transactions? (i.e. to avoid duplicate transactions)		There is a primary key in the Tax Journal based on the unique transaction identifier	Confirmed
7.8	Does the software handle VAT calculation tolerances?		Yes. We support invoice verification	Confirmed
	If Yes:- Do any discrepancies produce:- • Warnings?		Yes, outside threshold indicators are returned and recorded	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	<ul style="list-style-type: none"> <li>• Appear in the VAT exception report?</li> </ul>		Yes, via ad-hoc reporting in Vertex Reporting and Analysis	Confirmed, these are not “on screen”, but rather in the exception reporting
	<ul style="list-style-type: none"> <li>• Appear in the audit trail?</li> </ul>		N/A	N/A. They do not appear in the audit trail, since they are not a final transaction, rather are reported back to the financial system user who will amend, resubmit and then Vertex will accept and it goes in the audit trail
7.9	Does the software alert the user to errors in transaction input?		Yes. As Vertex O Series is a “bolt-on” to a client’s ERP/Financial System we accept transaction data which is validated with ERP user screens. However, we do have the ability to do some validation in our XML response. We send an alert back to the ERP in an error message	Confirmed
7.10	How does the software handle late transactions posted outside the closed VAT return period?		No specific functionality currently	Confirmed. This is a financial system function
7.11	How will transactions outside the current period be reported in the VAT return?		N/A	N/A. This is a financial system function
7.12	How does the software alert the user if the system attempts to post a sales invoice to a tax period which begins after the tax point date on the invoice?		N/A	N/A. This is a financial system function

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
7.13	Does the system report transactions on the exception report if e.g. a sales invoice has been posted (and/or has been included on the VAT return or VAT return report for) to a tax period which begins after the tax point date on the invoice?		No specific functionality currently	N/A. This is a financial system function
7.14	How does the software alert the user if there is a potential inconsistency between <i>output</i> VAT and net value?		N/A. O Series contains calculation logic that determines the output VAT which is always consistent	N/A
7.15	Can the proposed VAT rate and/or the VAT value, based upon master file data, be overridden?		Yes	Confirmed
7.16	How does the software alert the user if the following have been overridden: <ul style="list-style-type: none"> <li data-bbox="185 1200 424 1245">• The VAT rate?</li>   <li data-bbox="185 1424 568 1536">• The VAT value applicable to a transaction, proposed by the system?</li> </ul>		<p data-bbox="711 1200 1074 1379">It is not an alert but a rule ID assigned to the calculation will tell the user if there is a user defined rule in effect.</p> <p data-bbox="711 1424 1074 1928">The user will not see anything at the time of overriding. It only becomes visible in reporting. Note that it is almost impossible to inadvertently override a VAT rate and very few people in the organisation would have the permissions to do this, so it would require someone to very deliberately take this course of action</p>	<p data-bbox="1090 1200 1238 1245">Confirmed</p> <p data-bbox="1090 1424 1238 1469">Confirmed</p>
7.17	How does the software alert the user if the system attempts		N/A	N/A. This is a financial system function

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	to post a purchase invoice to a tax period which ends before the tax point date on the invoice?			
7.18	Does the system report transactions on the exception report if e.g. a purchase invoice has been posted to (and/or has been included on the VAT return or VAT return report for) a tax period which ends before the tax point date on the invoice?		N/A	N/A. This is a financial system function
7.19	How does the software alert the user if there is a potential inconsistency between <i>input</i> VAT and net value?		O Series provides invoice verification functionality	Confirmed. O Series verifies to the rules provided and any unacceptable variance is sent back to the financial system
7.20	What are the controls to ensure the internal integrity of the accounting entries?		N/A	N/A. This is controlled in the financial system
7.21	Does the software mirror the COA coding structure in the ERP/Finance system?		Yes, you would need to configure the XML message to provide COA coding	Confirmed
7.22	How are transactions identified on screen/reports as to:- <ul style="list-style-type: none"> <li>• Type?</li> <li>• Debit or credit?</li> </ul>		Vertex supports multiple transaction types which are recorded and available in reports. Debit or credit is identified by positive or negative transaction amounts	Confirmed, e.g. a “-“ sign for negative
7.23	Can separate nominal analysis codes be input for each invoice line?  If Yes:-		Yes, this could be accommodated by user defined data fields in O Series	Confirmed
	Does this cover:- <ul style="list-style-type: none"> <li>• Sales ledger?</li> <li>• Purchase ledger?</li> </ul>		Each invoice line can have all of Vertex's taxability drivers specified. This	Confirmed

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	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
	<ul style="list-style-type: none"> <li>Stock?</li> </ul>	level of detail is accepted on all transaction types including Sales Procurement (purchase), and Goods Movement (stock)	
7.24	Does the software allow for batch control totals for the data transfer?  If Yes:-	N/A. The exchange of necessary information with O Series is controlled by the integration with the ERP/Financial system.	N/A
	<ul style="list-style-type: none"> <li>Are batches automatically numbered?</li> </ul>	N/A	N/A
	<ul style="list-style-type: none"> <li>Are batches forced to balance before update?</li> </ul>	N/A	N/A
	<ul style="list-style-type: none"> <li>Does the software allow the temporary halting of input of a batch to allow for queries or other activities to take priority (e.g. set up a new GL account)</li> </ul>	N/A	N/A
	<ul style="list-style-type: none"> <li>Is the user forced to confirm batch totals?</li> </ul>	N/A	N/A
7.25	How is data transferred between the software and the ERP/Financial System <ul style="list-style-type: none"> <li>Line by line?</li> <li>By journals?</li> </ul>	Will depend on the ERP/Financial System. Transfer by line item or invoice detail	Confirmed. This depends on how the financial system structures its output file
7.26	Is attempted posting of unbalanced journals rejected?	N/A	N/A. This is a financial system function
7.27	Are input errors highlighted?  If Yes:-	Yes, error returned to the ERP System	Confirmed
	Are they:- <ul style="list-style-type: none"> <li>Rejected and reported on screen?</li> </ul>	N/A	N/A
	<ul style="list-style-type: none"> <li>Rejected and error reports generated?</li> </ul>	N/A	N/A
	<ul style="list-style-type: none"> <li>Accepted and posted to suspense?</li> </ul>	N/A	N/A

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
7.28	Does the software have an automatic facility to correct/reverse/delete transactions?  If Yes:-		N/A - the ERP/Financial System would drive this	N/A
	<ul style="list-style-type: none"> <li>Are all the double entry transactions documented in the audit trail?</li> </ul>		N/A - as above	N/A
7.29	Does the software handle purchase credit notes?		Yes, as fed through from the ERP/Financial System	Noted
7.30	Does the software accept input files from other software applications?  If Yes:-		Yes, ERP/Financial System input	Confirmed
	<ul style="list-style-type: none"> <li>What formats are accepted?</li> </ul>		Java API, XML messaging, csv file via Batch Client Interface or Tax Assist	Confirmed
	<ul style="list-style-type: none"> <li>What controls are in place over the interface?</li> </ul>		Role based security for all these features	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**8 Data management**

8.1	Describe the controls in place over the data transferred to and from the integrated ERP/Finance system.		For all successfully processed transactions all input and output data is recorded in the O Series database prior to sending response to ERP system.	Confirmed
8.2	Is the software regularly updated for new/revised tax data?  If Yes:-		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• How often is it updated?</li> </ul>		Monthly, plus interims as necessary	Confirmed
	<ul style="list-style-type: none"> <li>• Does the system have to be taken off-line for updates?</li> </ul>		No	Confirmed. The administrator receives an email, then logs onto Vertex's secure website, downloads the updates, can check what these are and then applies them. Updates do not override user defined rules. Download demonstrated
	<ul style="list-style-type: none"> <li>• Is it verified for accuracy by a third party?</li> </ul>		Yes. SSAE16 audit is performed on data management process. This report can be made available on request from Vertex.	Confirmed. The process for obtaining the data on changes is audited independently.
	<ul style="list-style-type: none"> <li>• Who verifies the data?</li> </ul>		We have multiple groups verify the data internally. A Big 4 accounting firm resolves data queries and a third party firm carries out an SSAE 16 audit.	Confirmed
	<ul style="list-style-type: none"> <li>• What are the professional qualifications of the verifiers of the data?</li> </ul>		Various including AIIT and IIT Dips	Confirmed
	<ul style="list-style-type: none"> <li>• What are the professional credentials of data gatherers and reviewers?</li> </ul>		Same as above	Confirmed



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	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
	<ul style="list-style-type: none"> <li>How does ensure it meet the relevant HMRC requirements for VAT accounting?</li> </ul>	<p>This question goes to the core of the value that Vertex provides for our clients. We have a significant sized team of tax research professionals who constantly and diligently monitor tax-related legislation. This includes UK and Europe based researchers. In addition, we have others within Vertex with significant UK VAT experience. There is also an active programme within Vertex of employees taking UK VAT courses including the VAT Diploma of the Chartered Institute of Taxation</p>	Confirmed
8.3	How many rates are supported?	Globally O Series supports over three million tax rules	Confirmed
8.4	How many countries and territories are supported?	All countries and territories with an ISO code along with significant numbers of lower level jurisdictions (e.g. Brazil municipalities)	Confirmed
8.5	Does the software keep a history of all updates to data updates?	Yes	Confirmed, in the Activity Log
8.6	How does the software handle different rates and rules that may be required by users?	Vertex supplies rates and rules. Users can also create their own defined rules	Confirmed
8.7	<p>How does the software handle user specific data?</p> <p>For example: Customer specific VAT rates</p>	An O Series user has the ability to enter their own user defined rules	Confirmed

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	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
	<p>based upon location.</p> <p>Product and services specific VAT rates</p>		
8.8	<p>How is the software updated to take account of changes in the VAT settings in the ERP/Finance system?</p> <p>Does this cover:-</p> <ul style="list-style-type: none"> <li>• Product and services VAT settings?</li> </ul>	<p>The software doesn't take into account the settings in the financial system, as it doesn't need to know these, and in effect is checking these through its own logic as a third-party tax engine. When O Series is being used, there are no VAT settings in the ERP/financial system. That all resides within O Series</p>	Confirmed
	<ul style="list-style-type: none"> <li>• Currency settings?</li> </ul>		
	<ul style="list-style-type: none"> <li>• Customer VAT settings?</li> </ul>		
	<ul style="list-style-type: none"> <li>• Customer and product VAT rate combinations?</li> </ul>		
	<ul style="list-style-type: none"> <li>• Supplier VAT settings?</li> </ul>		
	<ul style="list-style-type: none"> <li>• Others - Please specify.</li> </ul>		
8.9	<p>Is there an audit trail of all updates to the ERP/Finance systems?</p>	<p>N/A. The exchange of necessary information with O Series is controlled by the integration (connector) with the ERP/Financial system. O Series keeps an audit trail of transaction details but not of any updates to the ERP</p>	N/A
8.10	<p>Is the software regularly updated for changes to the COA in the ERP/Finance system?</p>	<p>Yes. Would be a configuration change if the COA fields are needed to drive taxability</p>	<p>Confirmed. Changes made in the financial system would mean the mapping between the two systems would need to be revised, whether in the COA or elsewhere in the financial system's structure. The users would have to make the necessary changes in their configuration</p>

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
8.11	How is the data structured within the software to ensure that any legislative changes are updated efficiently within the system?		Data is driven by effective date which allows the data to be updated ahead of time	Confirmed
8.12	How does the software have the ability to hold information regarding:-		Tax rules and data file	Confirmed
	• Special rates			
	• Thresholds		N/A. User can configure thresholds by taxpayer	Confirmed
	• Exemptions		Tax rules and data file maintained by Vertex	Confirmed
	• Tax point		Tax rules and data file	Confirmed
	• Multiple transactions dates – order, shipment, invoice, supply - to determine tax point		Tax rules and data file	Confirmed
	• Rounding rules		Tax rules and data file	Confirmed
	• Exclusions - discount amounts		N/A	N/A. These are dealt with by the financial system which would send the fully discounted value
8.13	Can the tax rules held within the software be customised for different companies or business units?		There are Vertex supplied tax rules. However, the O Series user can create their own rules.	Confirmed. A user may have specifically agreed rules with HMRC for specific circumstances, e.g. composite rates
8.14	Can the software handle complex scenarios including special rules, thresholds etc.?  If Yes:-		Yes	Confirmed
	Is this handled by a rules hierarchy to determine the correct combination of rules?		It is handled by a rules logic flow	Confirmed
8.15	How does the software identify the decision process that was performed in determining the VAT liability?		O Series records the different rules that were used	Confirmed and seen on the click through Vertex rule. This applies to every transaction

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
8.16	What method of calculation is used when determining the VAT liability?		Calculation methods used by Vertex are setup country by country	Confirmed
8.17	Are all data updates and revisions documented in the audit trail?		Yes	Confirmed
8.18	What security features (password/ audit trail) are in place to control changes made to: <ul style="list-style-type: none"> <li>• General ledger COA and VAT control accounts?</li> </ul>		N/A	N/A. Security is covered by role-based security. Most of this would be dealt with through the financial system. Any such changes made in Vertex would show in the audit trail
	<ul style="list-style-type: none"> <li>• VAT tables set up and change?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• Tolerance levels?</li> </ul>		Would be recorded in the activity log	Confirmed
	<ul style="list-style-type: none"> <li>• Invoice sales number table?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• Changes on VAT code on customer files?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• Changes on VAT code on product and stock files?</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• VAT calculated on sales invoices or credit notes?</li> </ul>		N/A	N/A
8.19	If a user requires rules and rates not provided by the software house, does the system provide a means for users to create custom rules and rates?  If Yes:-		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Does the system provide a visible audit log for user-created and user-revised rules and rates?</li> </ul>		Yes	Confirmed. This is noted in activity log. The old rules remain with an "end date" of the rule now in the past, e.g. composite rates agreed with HMRC

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	<ul style="list-style-type: none"> <li>• Does the system provide a report of user-created rates and rules?</li> </ul>		Yes	Confirmed. See above
8.20	Do any data or system updates affect any user specific customisations to the software?  If Yes:-		User customisations are limited. Data or system updates do not affect these (e.g. user defined rules)	Confirmed
	How is this managed?		N/A	N/A

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**9 Performance of requisite functions**

9.1	What control features are provided by the software to support effective user controls?		User role based security and activity log	Confirmed
9.2	Is there:- <ul style="list-style-type: none"> <li>• Transaction sequencing?</li> <li>• Automatic dating of posting transactions?</li> <li>• Identification of user id or source of document?</li> </ul>		Yes Yes No	Confirmed Confirmed Confirmed
9.3	Is the software available as multi user?		Yes	Confirmed. There is no limit on the number of users. The software is licensed based on the turnover of the organisation
9.4	Can more than one software function be performed concurrently?		Yes	Confirmed
9.5	Can the same function be used by more than one person at the same time, whilst still retaining the separate user identities?		Yes	Confirmed
9.6	Can the software support multiple companies and business units?		Yes	Confirmed
	If Yes:- <ul style="list-style-type: none"> <li>• How many companies and business units are supported?</li> </ul>		Effectively Unlimited	Confirmed
	<ul style="list-style-type: none"> <li>• How does the software share rules between companies and business units?</li> </ul>		Through the taxpayer hierarchy	Confirmed
	<ul style="list-style-type: none"> <li>• How does the software report the names of the business entities, and if registered for VAT, their VAT Registration</li> </ul>		This is defined as part of the system setup. This information will also reflect your ERP/Financial system setup. For	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	number?		example, Company code may be the unique identifier in the ERP for each business entity and this code shall be maintained throughout the processing of the transaction. In this way specific information such as registration and physical presence are evaluated for each entity and its corresponding transactions	
9.7	For each registered entry:  How does the software report the COA to which an amount coded as VAT can be posted?		N/A	N/A. This is covered by the financial system
9.8	Can the software record dates of commencement/cessation of trading?  If Yes:-		Yes	Confirmed
	How does the software report these dates?		Driven off of the date that a user deactivates the VAT registration. We can derive reports of this activity.	Confirmed
9.9	Does the software handle group VAT registrations?		Yes	Confirmed
9.10	How does the software consolidate group VAT information?		System configuration and using Vertex Reporting and Analysis reports.	Confirmed
9.11	How is the group information fed back into the ERP/Finance system?		N/A	N/A. It does not need to. The fact that a VAT registration group applied to a transaction is fed back to the ERP/Finance system, but not the overall group information
9.12	What VAT period options are		All	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	available?			
9.13	What is the effect of closing a VAT period?		N/A	N/A. The financial system controls this
9.14	Can a closed period be re-opened after it has been closed?		N/A	N/A. The financial system controls this
	If Yes:-			
	What controls are in place over this function?			
	If No:-			
	Are retrospective reports available?			
9.15	Does the software handle posting date as well as document date?		Yes	Confirmed
	If Yes:-			
	Are transactions analysed by posting date or document date?		Reports can be generated on either date	Confirmed
9.16	Can transactions be posted to any accounting period at any point in time?		N/A	N/A. The financial system controls this
9.17	Is it possible to allocate transactions to future or previous closed periods?		N/A	N/A. The financial system controls this
	If Yes:-			
	<ul style="list-style-type: none"> <li>• What controls are in place e.g. level of authorisation and on screen warnings?</li> </ul>			
	<ul style="list-style-type: none"> <li>• Will the software revise subsequent periods accordingly?</li> </ul>			
9.18	What is the maximum value of transactions and of totals that can be handled by the software?		Effectively Unlimited	Confirmed



**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
9.19	What is the maximum number of transactions that can be handled by the software?		Effectively Unlimited	Confirmed
9.20	Can the user configure the system so as to affect the rate of VAT applied to a transaction?		Yes, via user defined rules or Tax Assist	Confirmed
9.21	Can the user configure the arithmetical method of calculation of VAT applied to a transaction?		No	Confirmed. This is held within Vertex based on embedded rules and logic, but with rounding flexibility
9.22	Does the software report or display the configuration settings chosen with no risk that the chosen settings can be amended accidentally?		Is controlled by user role based security	Confirmed
9.23	Does the system provide a method to view history of user configuration?		Yes	Confirmed
	If Yes:- Can this history be edited?		No	Confirmed
9.24	Please describe any workflow options available.		N/A	Confirmed. Complex workflow would be covered by the financial/ERP system

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**10 Reports**

10.1	Are all reports adequately titled and dated? (E.g. report name, client name, data, period, batch, last entry number, period end, page number.)		Yes	Confirmed.  Users can define headers and footers, together with filtering parameters used.  The reporting software is very powerful and flexible.  Users will often take an existing report, treat it as a template, adapt it, then save it for reuse
10.2	Do the reports provide totals where applicable?		Yes	Confirmed
10.3	Are these totals calculated or taken from a control file?  Please state the reports that do not feature calculated totals.		The totals in the reports are always calculated and not taken from a control file	Noted. They are calculated, as there is no overall control file from which the totals could be brought
10.4	Is it clear when the report has ended? (totals or end markers)		Yes	Confirmed, see 10.1
10.5	Can reports/documents be saved in electronic format (as distinct from just printing)?  If Yes:-		Yes	Confirmed
	Are such reports/documents adequately protected from deletion or amendment?		Yes, via standard network security	Confirmed
10.6	Is a report writer provided as part of the software or as an add on?  Please state the name of any third party package.		It is a separate product, and bundled with O Series. Vertex Reporting and Analysis is based on Cognos BI technology. We also have our Data Extract reporting utility which uses Vertex proprietary technology.	Confirmed

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	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
		VAT Returns is handled as an add-on via Vertex Indirect Tax Returns (VITR)	
10.7	What level of knowledge is required to use the report writer e.g. beginner, regular user, expert?	Vertex provides full training so previous experience is not necessary	Confirmed. A user could normally be trained within a couple of hours. Typical users do not need to have deep technical knowledge of Cognos in order to use the Vertex reporting system
10.8	Can the report writer make use of user-defined fields (including external fields)?	Yes	Confirmed
10.9	Can users define the parameters, columns, fields and selection criteria used on reports reported?	Yes	Confirmed
10.10	Are standard reports always produced, even when they are nil returns?	Yes	Confirmed
10.11	Can screen layouts, reports and transaction formats be easily adapted to users' requirements?	Yes	Confirmed
10.12	Can a hard copy be produced of all screen enquiries?	Print screen can be used	Confirmed
10.13	Are reports covering all changes to standing data on customers, suppliers, tax rates etc. available?  If Yes:-	Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Are the reports able to capture the nature of the change, user id and data and time of the change?</li> </ul>	Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Are these automatically</li> </ul>	Yes, reports can be scheduled to run	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	generated?		automatically	
	<ul style="list-style-type: none"> <li>Are these stored for later printing?</li> </ul>		Yes	Confirmed
10.14	Are all transactions on all reports individually identifiable?		Yes	Confirmed
10.15	How do the reports show whether items are debit or credit?		Via a default positive identifier or a negative identifier	Confirmed
10.16	Are transaction level reports available?		Yes, provided as standard reports, via Data Extract or VRA. VITR also provides a range of reporting options in support of the VAT returns function	Confirmed
10.17	Do reports give sufficient narrative and coding to enable cross referencing to source documents or source data input?		Yes, if this data has been made available from the ERP/Financial system	Confirmed
	Do the reports include the VAT return identifier?		No	Confirmed
10.18	Is it possible to drill down from reports to the original transactions?		Yes	Confirmed. Users can drill right down into the detail providing that this data is within Vertex or available via click-through into the finance system
10.19	Can the software produce all requisite reports:-			
	<ul style="list-style-type: none"> <li>VAT reports</li> </ul>		Yes, using VITR	Confirmed
	<ul style="list-style-type: none"> <li>VAT form 100</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>EC Sales Listings</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>Intrastat returns (SSD)</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>Others to be specified</li> </ul>		Via ad-hoc reporting	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
10.20	Are the above reports standard within the software or do they have to be written?		These reports are standard within VITR. Creation of ad-hoc reports is also available via VRA or Data Extract	Confirmed
10.21	Is the VAT return information available by report on a three monthly basis or any other specified period?		Whatever date range is specified by the user.	Confirmed
10.22	Can transaction files for all previous VAT form periods be retained in the software to permit enquiries and reports?		Yes, subject to archiving processes.	Confirmed. The transaction can be retained and reported on in Vertex, additionally the financial system can be utilised to drive what is reported in each period
10.23	Does the software provide a report for each VAT code/rate and transaction type making up the total in each of the boxes on the VAT 100 Form, showing:- <ul style="list-style-type: none"> <li>• The summarised net and VAT values of sales and purchase transactions?</li> </ul>		Yes, this can be done through VITR.	Confirmed
	<ul style="list-style-type: none"> <li>• Detailed records making up the summarised totals?</li> </ul> If Yes:-		Yes, O Series users can run a summary or detail report of these transactions. VITR also provides this facility	Confirmed
	Are these available for user-defined period(s)?		Yes	Confirmed
10.24	Can the VAT return be recreated showing all the transactions which were included in the original VAT return?  If Yes:-		Yes. However, the return will show transactions for the period added after the return was filed. Enhancement is planned to lock down records tied to a filed	Confirmed

**Functional requirements questionnaire**  
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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
			return, so that corrective returns can be filed with differences from the original	
	Is the VAT identifier shown against each transaction in the reproduced reports.		No	Confirmed
10.25	Does the software produce an electronic VAT return in line with HMRC requirements for electronic filing?		Vertex provides electronic filing in line with HMRC requirements.	Confirmed
10.26	Can the software produce a VAT return in XML?		Yes	Confirmed
10.27	How does the software produce transaction level reports that enable every value on each VAT return report to be traced to source documents?		There is click-thru functionality in VITR that allows user to drill down to individual transactions	Confirmed. Clicked through from the report to individual transaction details
10.28	What controls are there in place so that the user is aware of partly processed transactions?		N/A	N/A. This is controlled from the financial system
	Detail all automatically generated documents for external use. (E.g. sales invoices and statements, remittance advices.)		N/A	N/A. These documents are produced by the financial system
10.29	Are the duplicates an exact replica of the relevant financial and VAT accounting information as stored on original documents [i.e. they do not take account of any subsequent changes to the standing data?		N/A	N/A. These documents are produced by the financial system

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
10.30	Are these clearly identified as duplicates?		N/A	N/A
10.31	Does the report writer have the facility to scroll up and down when output to screen?		Yes	Confirmed
10.32	Does the report writer allow print previews of all reports?		VITR allows for print preview	Confirmed
10.33	Can transactions and standing data be output directly to other formats e.g. CSV, txt, XML, PDF etc. for any period of time required?		Yes	Confirmed
10.34	Note where the software details the following non routine event in the audit trail or VAT audit log etc.:- <ul style="list-style-type: none"> <li>• Changes to VAT tables.</li> </ul>		N/A	N/A. Where Vertex is implemented the VAT tables in the financial system are no longer used. Vertex can only report on transactions passed to it by the ERP/financial system so, if not all input VAT is passed in, the reports will be incomplete. Such reports can still be run but may need to be aggregated with other tax reports for a complete VAT return
	<ul style="list-style-type: none"> <li>• Change from invoice/cash VAT accounting or other Schemes.</li> </ul>		N/A	N/A
	<ul style="list-style-type: none"> <li>• VAT tolerance.</li> </ul>		System activity log	Confirmed
	<ul style="list-style-type: none"> <li>• Changes to VAT rates on customer, supplier, and product master files.</li> </ul>		N/A	N/A. These are in the financial system

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
10.35	Are the above changes noted above stamped with a:- <ul style="list-style-type: none"> <li>• User id?</li> </ul>		Yes	Confirmed
	<ul style="list-style-type: none"> <li>• Software generated unique reference number?</li> </ul>		No	Confirmed
	<ul style="list-style-type: none"> <li>• Date and time?</li> </ul>		Yes	Confirmed
10.36	VAT postings <ul style="list-style-type: none"> <li>• Are all VAT postings recorded in the audit trail or VAT audit log?</li> </ul>		VAT postings are recorded in our Tax Journal	Confirmed
	<ul style="list-style-type: none"> <li>• Does the software denote whether each transaction has been included in a reconciled VAT return?</li> </ul>		No	Confirmed. Covered through the financial system
	<ul style="list-style-type: none"> <li>• How does it denote which VAT Return the transaction has been included in?</li> </ul>		A flag is set indicating that a particular transaction has been included as part of a particular return	Confirmed
10.37	Does the software produce a VAT Exception report detailing such transactions as:- <ul style="list-style-type: none"> <li>• VAT amounts outside tolerance levels?</li> </ul>		Yes, on the input side	Confirmed
	<ul style="list-style-type: none"> <li>• Manual changes to software generated VAT?</li> </ul>		N/A	N/A. Vertex generates the VAT, not the financial software. Users set their own tolerances within the system as part of the implementation configuration. If these tolerances are breached, they will appear on reports. If the calculated input VAT amount is not the same as on the purchase invoice and the value is outside the tolerance allowed by HMRC, it will appear on these reports so long as the users have set



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	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
			up their allowed tolerances correctly
	<ul style="list-style-type: none"> <li>• Write offs?</li> </ul>	N/A	N/A. Controlled in the financial system
	<ul style="list-style-type: none"> <li>• Zero value invoices?</li> </ul>	Yes, via Data Extract report	Confirmed
	If No for any of the above:- How does the software document these occurrences?		
10.38	Does the software support production of an EC Sales List?  If Yes:-	Yes	Confirmed
	Does the report show the country code, the customer name, their EC VAT number, the invoice reference and indicators for different types of despatches?	Yes	Confirmed
10.39	Does the software produce invoice level reports that enable every value on each EC Sales List report to be traced to source documents?	Yes	Confirmed
10.40	Does the software have a means of ensuring that each eligible posting on the EC Sales List is reported only once? (Please state how this is done within the software).	Yes, as outlined above	Confirmed. This could be filtered out through the Vertex reporting system based on invoice date and posting date. The system uses the flag as a key
10.41	Can software support the production of a XML-based submission of the EC List?	The software currently produces an XML submission; Vertex is working with HMRC standards for electronic transmission.	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
10.42	<b>Intrastat</b> Does the software produce :			
	• UK Intrastat reports where applicable?		Yes	Confirmed
	• Intrastat Arrivals report?		Yes	Confirmed
	• Intrastat Dispatch report?		Yes	Confirmed
	How does the software enable every value on each Intrastat report to be traced to source documents?		Drill through capability for most data elements	Confirmed
	Can the software support the production of a XML based submission that is in line with HMRC standards?		The software currently produces an XML submission; Vertex is working with HMRC standards for electronic transmission.	Confirmed
10.43	Does the software enable the download of audit data?  If Yes:-		VRA, Data Extract and VITR can provide a wide variety of downloadable audit data.	Confirmed
	Is the downloaded data encrypted?		No	Confirmed, it is within the system
10.44	Does the software have the ability to report on specific categories of information?		Yes	Confirmed
10.45	Does the software allow the user to specify the date and value range of reported transactions?		Yes	Confirmed
10.46	Does the software have the means to report on monies received through an aged, unallocated cash report?		No	Confirmed. The financial system reports on cash
10.47	Does the software report the highest value transactions?		Yes	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
10.48	Does the software report the transactions having the highest VAT amounts?		Yes	Confirmed
10.49	Does the software report transactions having no VAT?		Yes	Confirmed
10.50	Does the software report transactions where the computed VAT amount is outside a user specified tolerance?		Yes, on the input side	Confirmed
10.51	Does the software report transactions that are VAT only?		Yes	Confirmed
10.52	Does the software report transactions for an identified customer?		Yes, if the customer had been identified on the transaction	Confirmed
10.53	Does the software report transactions for an identified supplier?		Yes, if the supplier had been identified on the transaction	Confirmed
10.54	Does the software report transactions where the user has overridden the default VAT values?		Yes	Confirmed
10.55	Do all VAT audit reports produced by the software, to specified dates and values, include the following data items: –			
	- transaction type		Yes	Confirmed
	- supplier or customer account number or other unique reference number		Yes	Confirmed
	- recipients transaction			
	- reference		Yes	Confirmed

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	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
	- issuers transaction reference	Yes	Confirmed
	- transaction date	Yes	Confirmed
	- gross transaction value	Yes	Confirmed
	- transaction posting date	Yes	Confirmed
	- VAT code	N/A	N/A, but it could be included
	- transaction VAT total	Yes	Confirmed
	- VAT return identifier	No, A future enhancement is planned in VITR to provide return line information in the Tax Data screens for each record	Confirmed
10.56	Does the software report transactions that potentially exist more than once in the accounting records?  If Yes:- Does the software allow users to specify any criteria for selecting records?	N/A	N/A. It is for the financial system to filter out duplicates
10.57	Does the software produce the relevant documents in a format [e.g. CSV or XML] that can be uploaded direct to the HMRC gateway?	Vertex provides electronic filing for the UK VAT Return in line with the HMRC requirements.	Confirmed
10.58	Are reports available to support Sarbanes-Oxley compliance?  Please provide examples.	Yes  Audit log report, Activity report. VRA ad-hoc reports	Confirmed
10.59	Does the software download VAT audit data on demand as an integral and supported	No, however O Series will generate SAF-T audit reports	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
	component of the provided functionality?  If Yes:-			
	Is the data compliant with the UK SAF-T XML schema?		It is compliant with SAF-T.	Confirmed
	Does the software produce a complete and accurate copy of the data elements?		Yes	Confirmed
	Does the software enable encryption of downloaded audit data?		No	Confirmed
	Does the software enable compression of encrypted audit data?		No	Confirmed
	Does the encryption and compression meet the standard required by the HMRC?		N/A	N/A

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**11 Currency**

11.1	Is multi-currency processing available?		Yes	Confirmed
11.2	Can the software hold a history of the exchange rates of foreign currencies?		Yes	Confirmed
	If Yes:-			
	Does the software produce a report by currency detailing the rates and their applicable dates?		Yes	Confirmed
11.3	Does the software allow VAT invoices to be raised in foreign currencies and foreign language?		N/A. This is an ERP/Financial System issue.  Where the finance system provides the data in a foreign language, Vertex has Unicode capabilities, so is able to handle non-English characters and foreign languages. Note, however, that O Series is not an invoice-generating application, so this is not a significant issue.	N/A
	If Yes:-			
	Can the software include the total VAT payable in sterling on the VAT invoice (if the place of supply is the UK)?		N/A	N/A
	Can the software provide an English translation of the VAT invoice?		N/A	N/A

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**12 User Documentation**

12.1	Is the manual clearly laid out and understandable?		Yes	Confirmed. It is a pdf format and would normally be reviewed on screen. It is context sensitive based on the function being carried out
12.2	Is the manual comprehensive and accurate?		Yes	Confirmed. Professional writers are employed in house
12.3	Does the software user guidance refer the user to HMRC guidance on record keeping for VAT purposes?		No	Confirmed
12.4	Does the software user guidance refer the user to HMRC guidance on the Cash Accounting Scheme?		N/A	N/A
12.5	Does the software user guidance explain to the user the need to access current guidance issued by HMRC on VAT Bad Debt relief?		N/A	N/A
12.6	Does the software, for each reported transaction, include a reference that enables full details of a transaction to be retrieved from the system?		Yes	Confirmed
12.7	Does the software user guidance explain for every VAT audit report produced its purpose and the criteria against which items are reported?		N/A	N/A
12.8	Does the software user guide detail the VAT significant processing, control, reporting options available and provide guidance on customisation and set up and change?		Yes	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
12.9	Is there an index to the manual?		Yes	Confirmed
12.10	Is it easy to locate specific topics in the manual when required?		Yes	Confirmed, can click on and drill through the manual
12.11	Is it easy to follow through all procedures in the manual?		Yes	Confirmed
12.12	Does the manual include:		Yes	Confirmed
	• A tutorial section?		Yes	Confirmed
	• A guide to basic functions?		Yes	Confirmed, lots of these
	• Pictures of screens?		Yes	Confirmed
	• Completed examples included in the manual?		N/A	N/A
	• Specific "error correction" procedures?		Yes	Confirmed
12.13	Does the documentation clearly specify the actions to be taken by users at each important stage of processing?		Yes	Confirmed
12.14	Are help screens available relating to the task in hand? (Context sensitive help).		Yes	Confirmed
12.15	Do they provide on-line instructions on how to use particular features of the software?		Yes	Confirmed
12.16	Can they be edited or prepared by the user?		No	Confirmed
12.17	Will the Software House make the detailed program documentation (e.g. file definitions for third party links) available to the user, either		Yes	Confirmed



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	directly or by deposit with a third party?			

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**13 Efficiency**

13.1	Are the various functions of the software menu-driven, or otherwise easy to initiate?		Mostly menu driven	Confirmed
13.2	Is there a good response time in the initiation of functions?		Yes	Confirmed, when appropriately configured
13.3	Is data entry easily repeated if similar to previous entry?		Yes	Confirmed
13.4	Does the software prevent access to a record while it is being updated?		No	Confirmed
13.5	Is there locking at file or record level?		There is not explicit locking at any level but database integrity is ensured through atomic commits	Confirmed. An atomic commit is a database operation that applies a set of distinct changes as a single operation. If the changes are applied then the commit has succeeded. If there is a failure before the commit can be completed then all of the changes completed are reversed. This ensures that the system is always left in a consistent state
13.6	Does the software allow for the running of reports whilst records are being updated?		Yes	Confirmed
13.7	Does the software retain a log of file updates until the next occasion on which the relevant information is reported or the relevant file used in a regular control procedure?		Yes	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**14 Integration**

14.1	Which applications does the software integrate with?		Vertex has developed many integrations to ERP/Financial systems. These include various products supplied by SAP, Oracle, PeopleSoft, JD Edwards, Microsoft, Magento, Sage, NetSuite. The list is ever expanding and details can be found on <a href="https://www.vertexinc.com/integrations">https://www.vertexinc.com/integrations</a> . Also, numerous partners have created integrations for smaller ERP/Financial system/e-commerce vendors	Confirmed. Vertex or an implementer will integrate it with any financial system which will send and receive messages
14.2	Are they integrated on real time basis or batch basis?		Real time and batch basis. The batch frequency can be set by the user	Confirmed
14.3	What information is synchronised?		This is a live environment where information is passed between the systems as defined on as occurs basis. Can also be run in batch	Confirmed
14.4	How are synchronisation or Integration errors highlighted?		XML schema validation ensures requests are properly formatted	Confirmed
14.5	Is the integration process satisfactorily controlled by the production of control reports?		Each integration is individually documented as part of implementation. O Series provides error codes and XML fault messages to the ERP/Financial System through the integration that help the customer,	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
			Vertex Product Support, and/or ERP/Financial System Customer Support determine the source of any problems	
14.6	What operating systems does the software run under?		AIX, HPUX, Redhat Linux, Solaris, SUSE Linux, Windows	Confirmed, see 3.6.4
14.7	Which databases can be used?		DB2, Microsoft SQL Server, Oracle, SAP HANA	Confirmed, see 3.6.2
14.8	Can the software be linked to other packages such as:-		Yes	Confirmed, so long as the other system can send and receive XML messages
	• CRM?		Yes	Confirmed
	• Purchase Order Processing?		Yes	Confirmed
	• Others to be specified		Yes	Confirmed
	Please explain how the integration is handled and if there is an impact on the VAT liability?		Assigning Tax Area IDs affects proper tax jurisdiction identification	Confirmed. Integration is handled as with all other integrations, either provided by Vertex or via development of a bespoke connector between the third-party software and O series so that XML or CSV messages can be exchanged.  There is no implication on the VAT liability
	• Purchase Order Processing?		System calculates estimated VAT for purchase orders	Confirmed, as above
• Others to be specified				
14.9	Can the software be linked to other packages: E.g. word processing, graphics, financial modelling, to provide alternative display and reporting facilities?		Yes, via published database views. One of the Vertex O Series databases is the Reporting Database (transaction details are transferred from the Tax Journal via	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
			periodic data movement for reporting availability). See Vertex O Series Overview diagram. We publish in our documentation the structure of the reporting database. A client could create an extract of that data	
14.10	Can definable links to spreadsheets be created?		No	Confirmed
14.11	Is the software compatible with XML standards? If so in what respect? (input/ output/ other)?		Yes, via request and response messages	Confirmed
14.12	Can the software use standards such as SOAP and web services?		Yes	Confirmed

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	Question		Supplier Response (Evidence of compliance)	Evaluator's Comment
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**15 Support and maintenance**

15.1	How is the software sold: <ul style="list-style-type: none"> <li>• Direct from Software House?</li> </ul>		Direct	Confirmed
	<ul style="list-style-type: none"> <li>• Via Value Added Reseller (VAR)?</li> </ul>		No	Confirmed
15.2	How is the product supported:- <ul style="list-style-type: none"> <li>• Direct by Software House?</li> </ul>		Direct	Confirmed
	<ul style="list-style-type: none"> <li>• By VAR?</li> </ul>		No	Confirmed
15.3	Does the Software House/VAR undertake the integration process with the ERP/Finance system, where applicable?		Vertex can provide these services along with partner organisations	Confirmed
15.4	Is the software sold based upon number of users or number of concurrent users?		Neither. O Series software is licensed based on company annual revenue by geographical region and by capability licensed. However, one seat of VRA is included with all O Series licences. Additional users can be purchased for a fee  VITR is licensed based on number of countries required	Confirmed
15.5	Do VARs have to go through an accreditation process? <ul style="list-style-type: none"> <li>• If Yes please note the process.</li> </ul>		N/A	N/A, as not sold through VARs
	<ul style="list-style-type: none"> <li>• If No please explain how organisations are chosen to be VAR?</li> </ul>			
15.6	In the event of a dispute between Supplier and VAR how can the situation be resolved?		N/A	N/A

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
15.7	Detail the types of support cover available.	N/A	N/A – all supplied direct by Vertex; see the prologue and also below
15.8	Please note all method of support available :- <ul style="list-style-type: none"> <li>• Telephone.</li> <li>• Internet.</li> <li>• Other – specify.</li> </ul>	Yes	Confirmed
		Yes	Confirmed
		On-site visits available	Confirmed
15.9	Please provide an indicative cost of cover.	Licensees pay an annual renewal fee which will vary based on the annual revenue of the company for O Series or number of countries licensed for VITR	Confirmed
	<ul style="list-style-type: none"> <li>• Are bug fixes free of charge?</li> </ul>	All bug fixes are included as part of the product licence renewal. There is no charge. Vertex has a published release support policy. We support the current baseline major release level and one back for patches. For example, we support 8.0 Service Release 1 and SR2 along with 7.0 SR4 (the last version of the 7.0 baseline). At some point we stop making available the monthly data updates. For example, announcement has been made about standard support for 6.0 being ended as of April 30 2018. Clients can continue to elect to receive monthly data updates for a further two years subject to an Extended Support Program	Confirmed

**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
		ending in April 2020.	
	<ul style="list-style-type: none"> <li>• For how long?</li> </ul>	As long as annual renewal fee is paid and release is supported via standard support	Confirmed
15.10	How often are general software enhancements provided? <ul style="list-style-type: none"> <li>• Will they be given free of charge?</li> </ul>	Provided as necessary. All software enhancements are included as part of the product licence renewal.  There is no charge	Confirmed  Confirmed
15.11	How are enhancements and bug fixes provided to customers?	Enhancements and bug fixes are provided via service releases, maintenance packs or major releases via electronic download	Confirmed
15.12	Is "hot line" support to assist with immediate problem solving available? <ul style="list-style-type: none"> <li>• If so, is there an additional cost involved?</li> </ul>	Standard Product Support is included with the licence  No	Confirmed  Confirmed
	<ul style="list-style-type: none"> <li>• At what times will this support be available?</li> </ul>	Standard support hours are 8:15 am to 8 pm U.S. Eastern Time. 24 hour support is available for an additional fee	Confirmed
15.13	Who provides training: <ul style="list-style-type: none"> <li>• Direct from Software House?</li> </ul>	Vertex provides O Series, VRA and VITR product training	Confirmed
	<ul style="list-style-type: none"> <li>• From a VAR?</li> </ul>	N/A	N/A. Not sold through VARs
15.14	Is hardware and maintenance provided by: <ul style="list-style-type: none"> <li>• Software House?</li> </ul>	Vertex provides O Series, VRA software and VITR for on-premise	Confirmed, software only



**Functional requirements questionnaire**  
**Product Vertex Indirect Tax O Series Version 8.0 SR2 and the included**  
**Vertex Indirect Tax Returns version 10.3**

	Question	Supplier Response (Evidence of compliance)	Evaluator's Comment
		implementation	
	<ul style="list-style-type: none"> <li>• VAR?</li> </ul>	N/A	N/A
15.15	Is a warranty offered in respect of specification of the software?	Vertex warrants during the term of the agreement with the client that its software conforms to the then-current documentation if properly used	Confirmed
15.16	Will the software supplier/dealer make the program source code available to the user, either directly or by deposit with a third party (Escrow)?	Vertex can make program source code via escrow deposit with a third party for a fee.	Confirmed
15.17	Are there any unduly restrictive conditions in the licence for the software?	No	Confirmed