TRANSFER PRICING

Country by Country Reporting Readiness

Contoh Global Manufacturing Group

FY2025 | Prepared for the fictional management team | 3 October 2026

Executive assessment

Hold the sample jurisdiction table for reconciliation. Reporting-entity status, currency policy and data definitions must be established before a filing-ready country by country package can be prepared.

The fictional group has operations in Indonesia, Singapore and Vietnam. Finance has assembled jurisdictional revenue, profit, tax and workforce data from management accounts. Revenue definitions differ across the three source packs, and one pack combines cash tax with the current tax accrual.

Priority	Matter requiring a decision	Current evidence position
High	Revenue definitions are inconsistent	Open for professional review
High	Paid tax and accrued tax are mixed	Open for professional review
High	Reporting responsibilities are unverified	Open for professional review

This is a worked sample, not an issued client opinion. All companies, transactions, evidence records and calculations are fictional. The recommended actions demonstrate professional delivery; they do not establish a tax liability, filing eligibility, benchmark or regulatory approval.

Scope and analytical method

Purpose and intended use

The purpose is to help the fictional management team understand the evidence, the decision still required and the work needed to complete a defensible deliverable. The report is intended for internal discussion with the responsible Falcon professional. It is not a filing, an audit opinion or a guarantee of an authority outcome.

Work performed in the illustrative case

- Reporting entity and notification assessment
- Jurisdiction data and constituent entity mapping
- Definitions and reconciliation
- Schema and submission readiness

Establish the reporting perimeter and period, identify permanent establishments and constituent entities, document the data source hierarchy, and test each field against a consistent definition. Preserve the difference between taxes paid and accrued. Validate the current official schema separately; this report is not an XML file or a filing receipt.

Evidence population

Ref	Illustrative record	Role in the analysis
E01	Indonesia jurisdiction data pack	Starting population and primary bridge
E02	Singapore jurisdiction data pack	Classification and factual support
E03	Vietnam jurisdiction data pack	Exception or corroboration testing
E04	Consolidated accounts and reporting entity register	Decision history and completion support

The references are report-local training identifiers. They are not verified originals, app record IDs or hashes. No real client files were inspected. A live engagement must preserve the actual originals, their versions and the reviewer's assessment of each material claim. The descriptions above define the evidence that the case assumes or explicitly identifies as missing.

Coverage and limitations

Only the stated sample scope is covered. The report does not infer completeness of other entities, years, transactions or tax types. Where the record is incomplete, the analysis identifies the limitation rather than treating management's explanation as verified evidence. Any estimate remains subject to factual validation, current legal applicability and independent review.

Detailed findings and professional response

Priority is a qualitative judgement about the importance of resolving an issue before delivery. High means that the matter could change a material conclusion or prevent completion. Medium means that a control or corroboration improvement is required. These labels are not a probability of assessment or a calculated tax exposure.

Finding 1 Revenue definitions are inconsistent

High priority. E01 uses gross entity revenue for Indonesia, while E02 nets some intercompany charges in Singapore.

Professional implication. The apparent jurisdiction comparison may reflect data policy differences rather than the business.

Recommended response. Use a documented reporting definition and reconcile each local source. Do not force the sum to consolidated revenue without an explained bridge.

Finding 2 Paid tax and accrued tax are mixed

High priority. E03 includes an accrual entry in the paid-tax field.

Professional implication. The presentation could misstate the timing of tax payments and undermine later risk interpretation.

Recommended response. Separate payment records from accruals and map prior-year payments explicitly.

Finding 3 Reporting responsibilities are unverified

High priority. The pack does not identify the legally responsible reporting entity or evidence of notification.

Professional implication. A technically consistent data table does not establish that the correct entity has discharged its obligations.

Recommended response. Review the group status, applicable domestic rules and exchange arrangements for the actual year. Preserve notification and submission evidence.

Counteranalysis and judgement

An incomplete record is not proof that the taxpayer's position is wrong. Equally, an invoice, signed agreement or plausible narrative does not establish every factual or legal element. The reviewer should test alternative explanations and record what evidence would change the assessment. Preserve both supportive and adverse material so that the final conclusion remains balanced.

Financial analysis and decision alternatives

The schedule below makes the numerical reasoning reproducible. All inputs are fictional. The calculation basis states whether a value comes from the assumed record, a formula or an explicit scenario parameter. Figures should not be copied into a live return or used as a benchmark.

Measure	Illustrative result	Calculation basis
Indonesia revenue	600,000	E01
Singapore revenue	300,000	E02
Vietnam revenue	220,000	E03
Jurisdiction revenue total	1,120,000	600,000 plus 300,000 plus 220,000
Consolidated external revenue	1,000,000	E04
Reconciliation difference	120,000	1,120,000 minus 1,000,000

Amounts are IDR million. The 120,000 million difference may include intercompany revenue and source-definition effects. It is not automatically an error or an amount to eliminate from the jurisdiction table. A documented bridge must distinguish differences permitted by the reporting basis from mistakes. The sample does not test any reporting threshold or exemption.

Alternatives for management discussion

Alternative	Practical rationale	Condition before adoption
Reconcile management sources	Uses existing operational data	Requires a consistent policy
Use statutory source packs	Improves audit trail	May require conversion and mapping
Run schema rehearsal	Identifies technical validation issues	Cannot replace legal eligibility review

Management should compare the alternatives using verified facts, operational feasibility and the applicable legal analysis. A more favourable numerical scenario is not evidence that its assumptions are valid. The report therefore recommends completing the unresolved work before selecting a final tax position or an external action.

Recommendations and delivery plan

The following sequence is an illustrative internal work plan measured from engagement kick-off. It is not a statutory timetable. Any external response or filing date must be verified separately and may require faster escalation. The engagement partner remains responsible for the scope and resources agreed with the client.

Work step	Responsible role	Indicative timing	Completion evidence
Confirm scope and procedural facts	Engagement lead	Days 1 to 2	Approved scope and verified external date where relevant
Resolve finding 1	Client finance and Falcon adviser	Days 2 to 5	Original evidence and documented resolution or scope limitation
Resolve finding 2	Technical workstream lead	Days 3 to 7	Originals and approved technical treatment
Resolve finding 3	Client owner and Falcon adviser	Days 3 to 8	Reviewed action and completion evidence
Review analysis and computations	Independent Falcon partner	After evidence closure	Documented challenge and approved current version
Authorise delivery and preserve receipts	Engagement lead and client signatory	After professional approval	Final report version and any external acknowledgement

Escalation and change control

Escalate immediately if an actual external date is near, an original contradicts the working facts, the legal framework changes, or the proposed action exceeds the authorised scope. New evidence can change the recommendation. Update the affected calculations, issue analysis and report version, and obtain fresh independent review where the conclusion has changed.

Client communication

Tell the client what is established, what remains uncertain and what they must supply or decide. Explain how missing evidence limits the deliverable. Obtain approval of the final audience and language. Preserve the distinction between internal review, client delivery and authority acceptance.

Technical references and completion record

The official references below were located on 3 October 2026. They are starting points for a real technical review, not a representation that every operative article, amendment, treaty or transitional provision has been checked. No quoted legal passage or current statutory rate is relied on to decide this fictional case.

Indonesian related party transactions

PMK 172 of 2023 - Review the applicable articles, period, documentation, MAP and APA provisions and any subsequent changes.

Open official reference

Transfer pricing analytical framework

OECD Transfer Pricing Guidelines 2022 - Analytical guidance is not a substitute for Indonesian law, treaty text or later relevant guidance.

Open official reference

Required legal applicability record

For each material position, retain the original provision and exact article, authority and version, effective dates, relevant amendments and the reason it applies to the client's facts and period. Record competing interpretations and the specialist's conclusion. Official service pages and OECD guidance have different authority from domestic legislation and treaty text.

Independent completion checks

- The client identity, period and authorised scope match the actual engagement.
- Every material statement is traceable to the original record and preserves any contradiction.
- The calculations are independently reperformed and assumptions are distinguished from legal rules.
- The applicable law and source history support the conclusion for the actual period.
- A different qualified Falcon reviewer records the judgement and material limitations.
- The client authorises the intended delivery and any separate external submission is evidenced.

Sample status: not approved for client issue. No preparer, reviewer or client signature is simulated. Replace the fictional dataset and complete the real engagement review before using this document as a delivery model.