



# KPMG Enterprise

## Let's get going

October  
2019



# KPMG in Bahrain





# KPMG in Bahrain – Our Leadership Team

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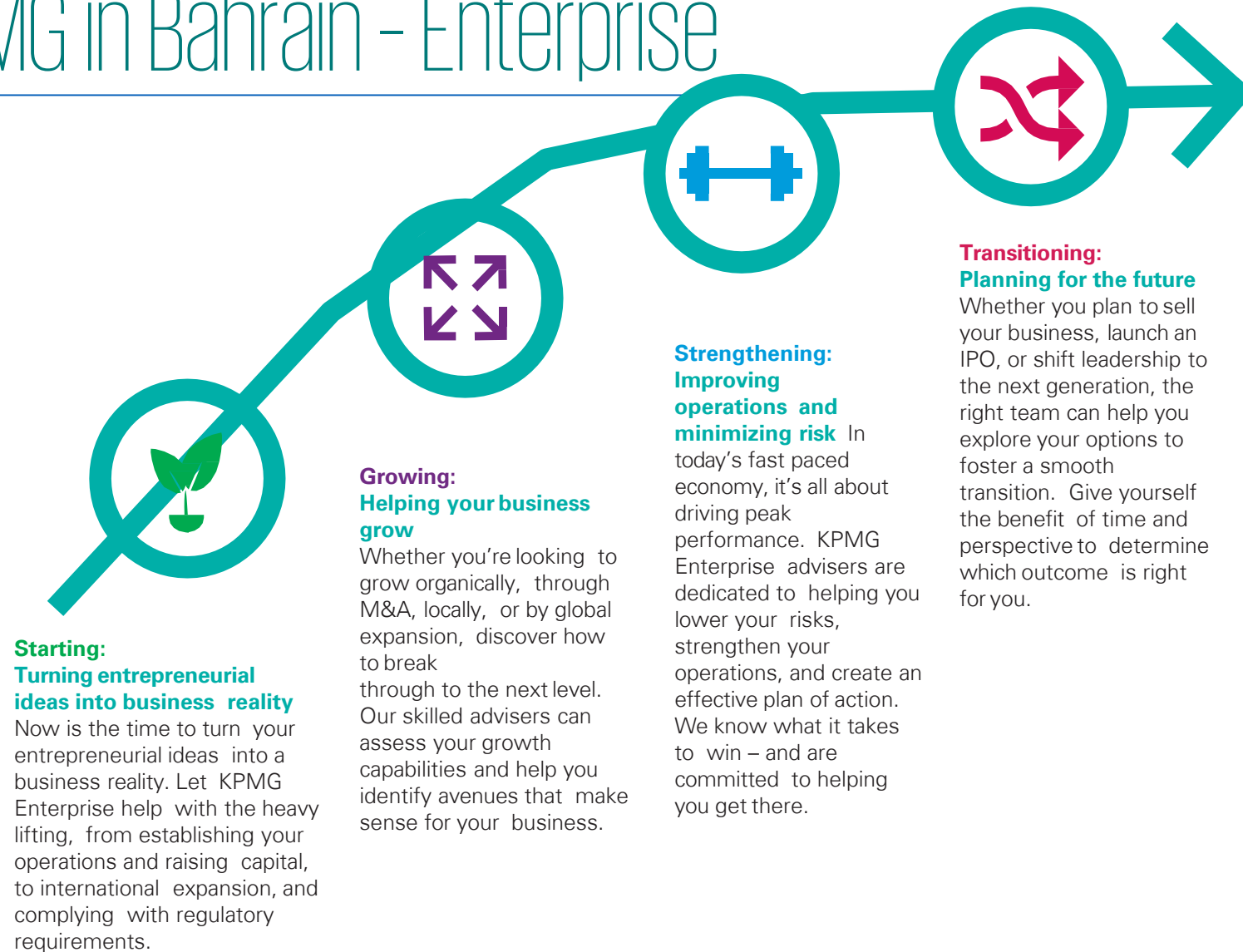
## Differentiating our value

- Entrepreneurs, family businesses and fast-growing companies have **unique needs**.
- They require a **trusted adviser** who will work shoulder to shoulder with them. An adviser who will bring forward broad-based business skills, tailored products and services, and the true strength of the global firm to
- help them **navigate** the unique challenges and transformational change they will face at each stage of their business lifecycle.
- That's where KPMG Enterprise comes in.





# KPMG in Bahrain - Enterprise



# KPMG in Bahrain – Enterprise

At enterprise we offer service at each stage of the business



## START UP

- Business Plans
- New Company formation and secretarial services.
- Book-keeping / secondment
- Training in book keeping and accounting software
- Compilations of financial information
- Audit of financial statements



## GROWTH PHASE

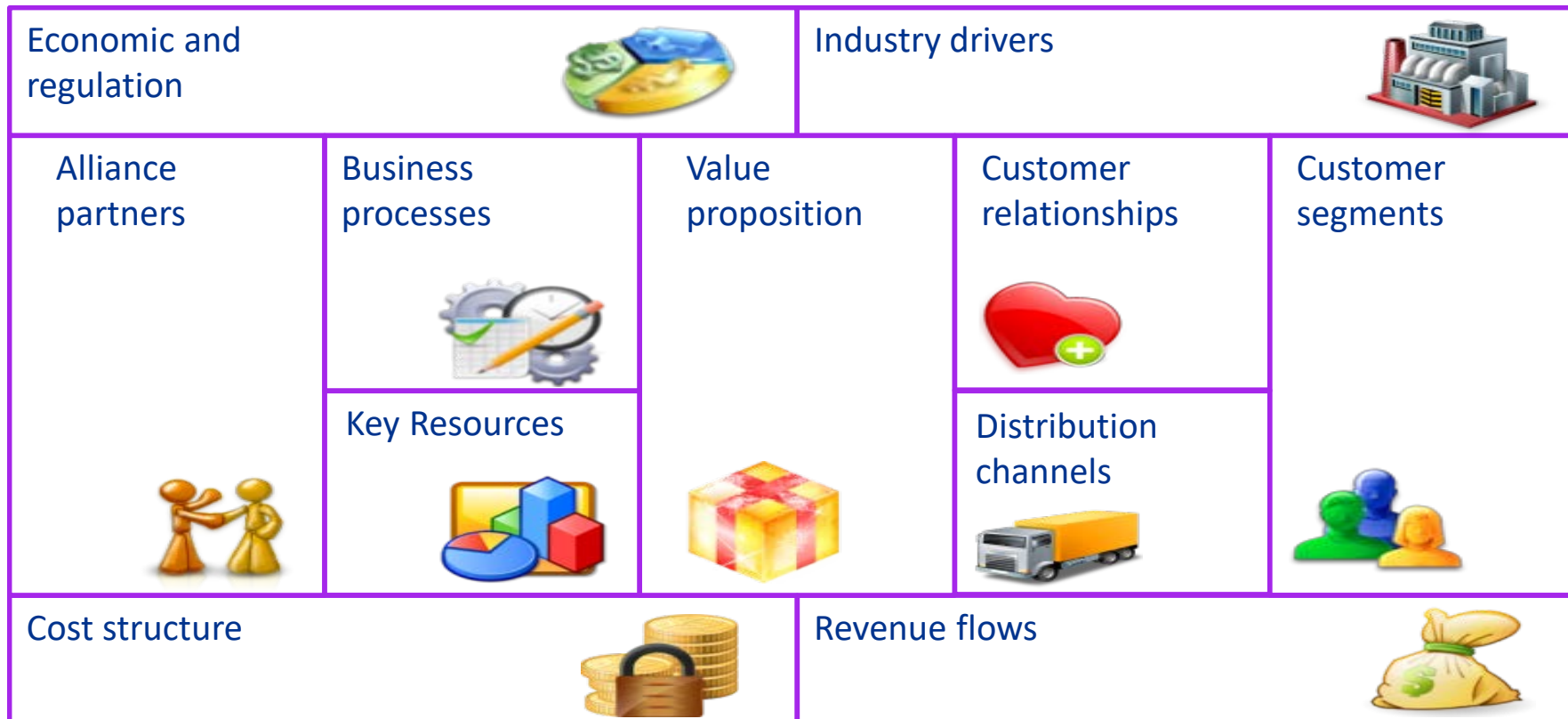
- Organization structure, roles and responsibilities and Policies & procedure manuals
- Book-keeping / secondment / payroll processing
- Cost optimization
- Assistance in preparation of Cash flows
- Training in understanding financial statements



## MATURE

- Gap analysis
- Fixed assets verification & Tagging
- Assistance in inventory counts
- Agreed upon procedures (specific areas like inventory, revenue, expenses, etc.)
- Special purpose engagements
- Valuations
- Due Diligence
- Mergers & acquisitions

# KPMG in Bahrain - Enterprise



From “*Business Model Generation*” by Alexander Osterwalder and Yves Pigneur



# KPMG Bahrain

Start Up's – Seed to Speed



## HOW TO DEVELOP A SUCCESSFUL START UP?

- Strong **Business Model**
- Marketing **Strategy**
- Product / service launch **Timing**
- Proactive addressing of **Legal** challenges
- Manage your **Cash** flow
- Identify the right **Team**
- Right **Pricing & Costing**
- Focus on **Quality** product / service
- Proactive management of transactions by **Book keeping**
- Maintain Focus and belief in the **Vision**
- Keep **Innovating**

# MSME's

- SMEs today form 99% of companies registered in Bahrain
- SMEs contribution to Bahrain GDP is around 30%

Category	Number of employees	Annual Turnover in BHD
MICRO	Upto 5	1 to 50,000
SMALL	6-50	50,001-1 Million
MEDIUM	51-100	1 Million to 3 Million

*\*Source - MOICT*



# KPMG Bahrain

## Initiatives for SME's & Start Up's





# KPMG in Bahrain – Enterprise

## KPMG's Entrepreneurship Forum

The club launched by KPMG in early 2014, provides an opportunity for entrepreneurs to meet every six months and share ideas and thoughts on topical issues and hear the views of local entrepreneurs, industry representatives and KPMG experts

Presently with over 100 members the Forum :

- Provide support, guidance, and mentor the entrepreneurs and young leaders of Bahraini family businesses and small and medium enterprise companies
- Provide a platform where entrepreneurs can meet with peers and young and upcoming leaders, to discuss current and emerging issues, establish new business contacts and get an expert advice



# KPMG in Bahrain – Enterprise

## KPMG's Entrepreneurship Forum

- Platform for entrepreneurs to **NETWORK** and discuss business issues.
- **ENHANCE SKILLS** of entrepreneurs by arranging events on topics of relevance
- **SUPPORT** entrepreneurs by mentoring, coaching and guide them with any issues they may have;
- Create a strong network of **ENTREPRENEURS IN BAHRAIN**





# Start up - Majlis

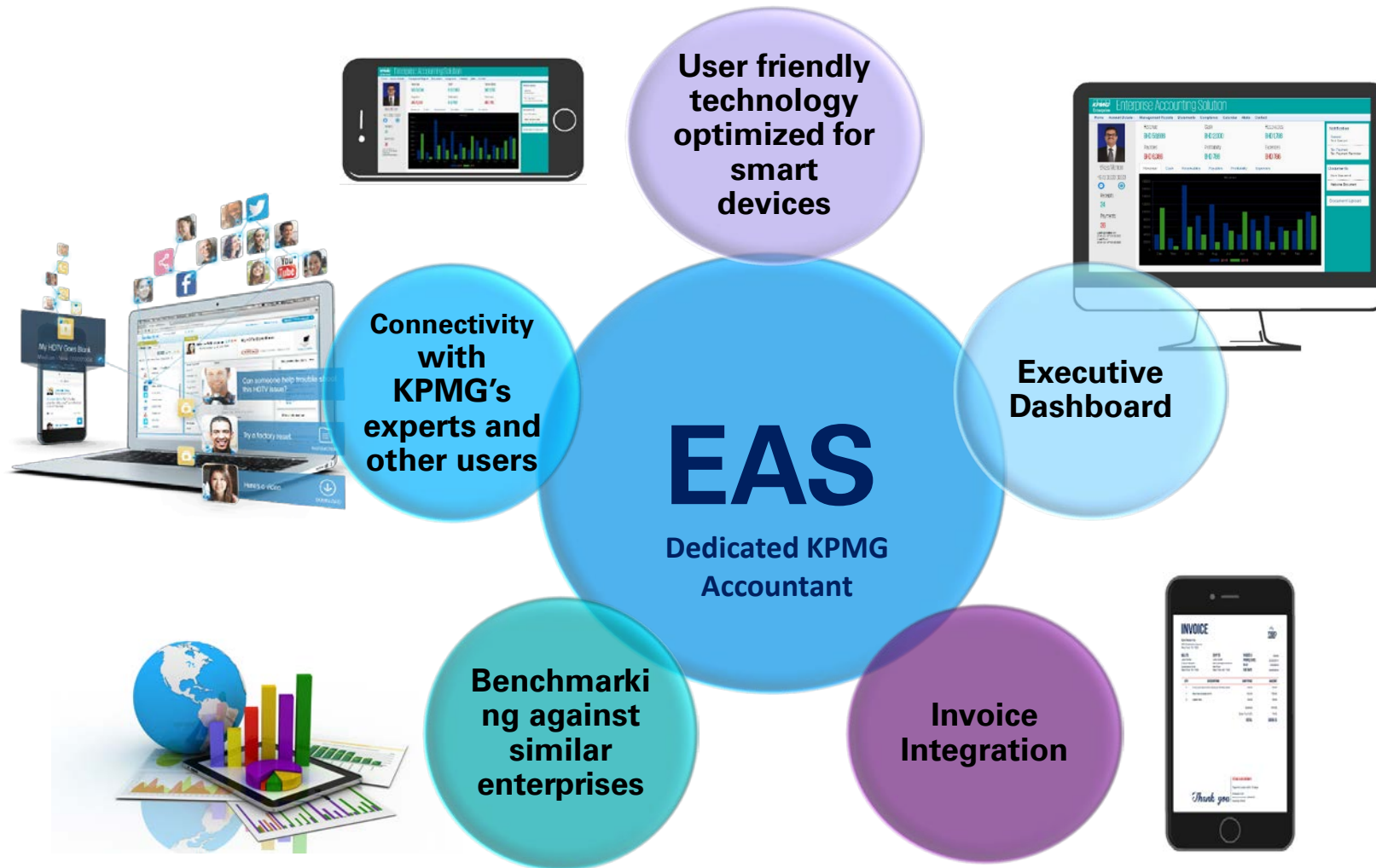
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KPMG in Bahrain strives to help start-up's grow and become more productive. With this in mind, the firm recently launched its 'Start-ups Majlis' - a new initiative aiming to provide start-up companies with free business consultancy and advice during pre-scheduled monthly sessions held at the firm's headquarter in Fakhro Tower. During the sessions, entrepreneurs will receive professional advice related to their business in the following areas:

- financial management
- IT and technology
- business processes
- legal and corporate affairs.



# Enterprise Accounting Solution

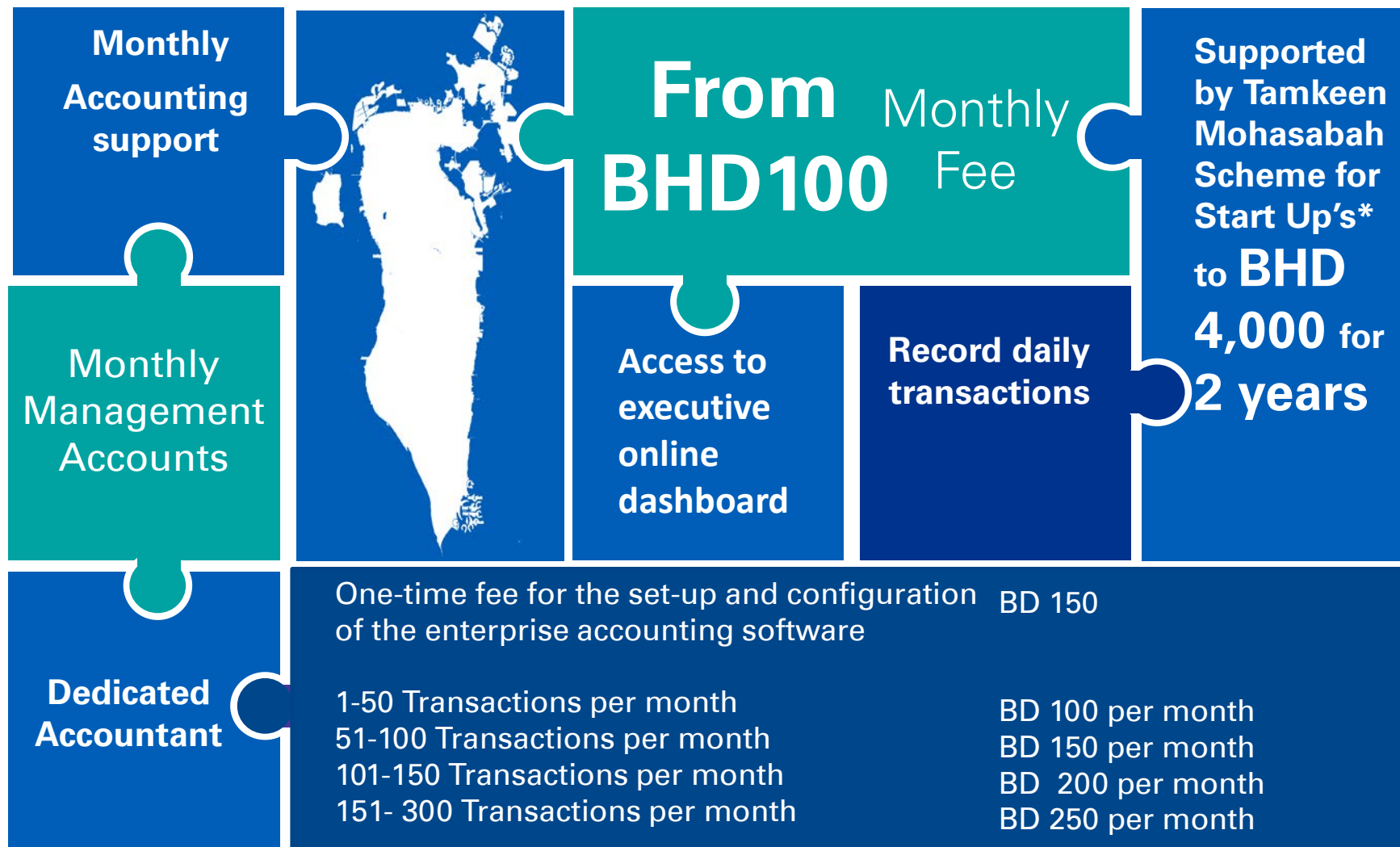


# Enterprise Accounting Solution





# Accounting support



\*Entities less than two years from date of commercial registration

# Audit & Advisory for Start up's & SME

## Audit of financial statements

From **BD 600** onward for Start Up's with up to 750 transactions per annum

We will conduct our audit in accordance with International Standards on Auditing ("ISAs"). Those ISAs require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. As a result of the inherent limitations in internal control and the test nature and other limitations of an audit, an audit cannot provide absolute assurance that there are no misstatements in the financial statements from fraud, irregularities or error.

## Assistance in preparation of Business plan

From **BD 2,500** for Start Up's

Our 'Engagement' will be to assist you with the preparation of a project plan and financial feasibility study report for the Project that will be based on setting up of your operations in the Kingdom of Bahrain. The project plan and financial feasibility study report shall have the following aspects covered:

- Business concept
- Company / Promoter profile (including vision & objectives)
- Service/ product offerings
- Target clientele and detailed business model
- Overview of the industry/ sector in Bahrain at a macro level (based on inputs from the client and secondary market research data)
- Market potential and marketing strategy (based on information provided by the Client)
- SWOT Analysis
- Key risks considerations
- Financial projections (based on assumptions provided by the Client)





# VAT Awareness

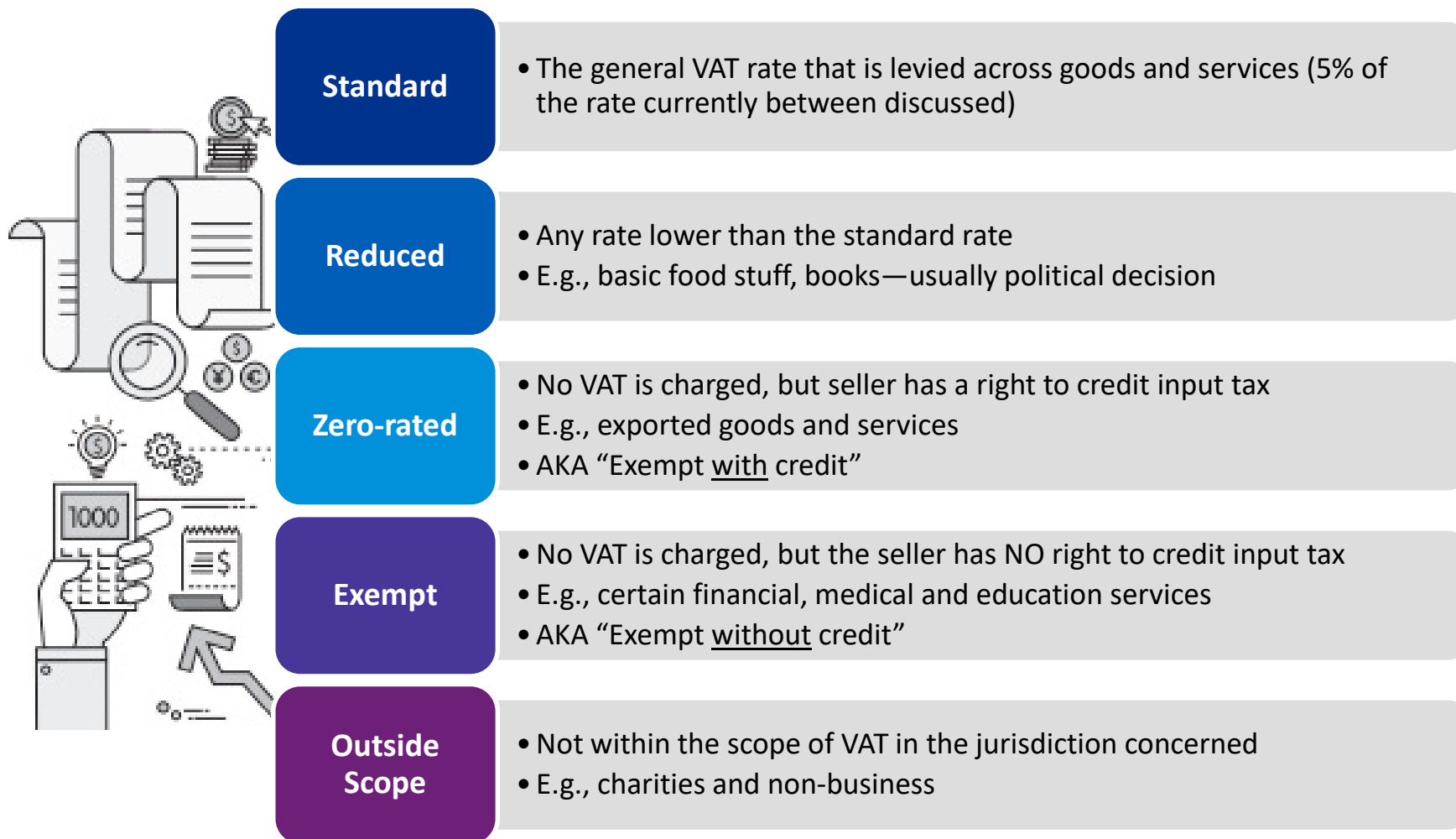
November 2018



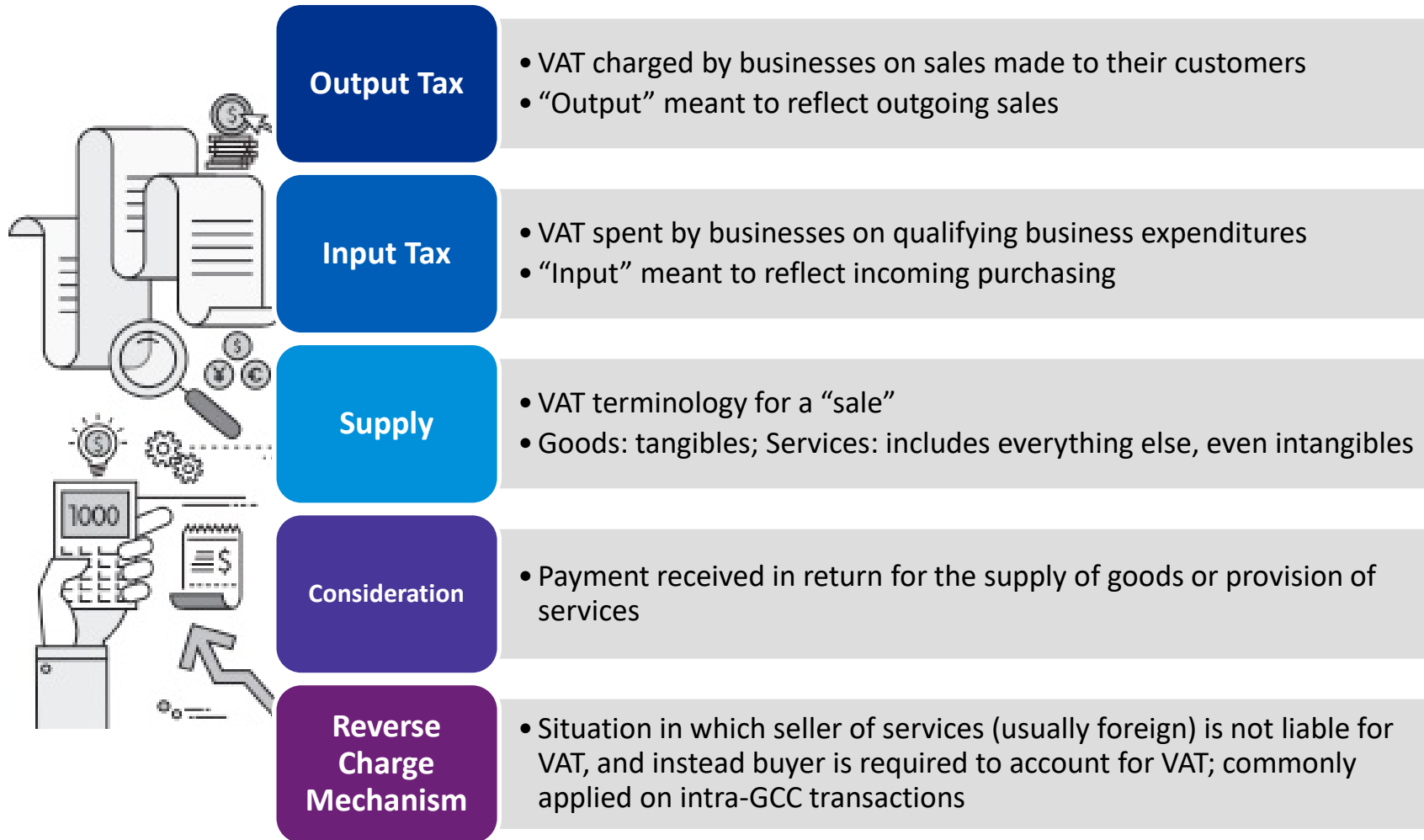
# Overview of the GCC framework agreement



# Basics of VAT



# Basics of VAT (cont.)



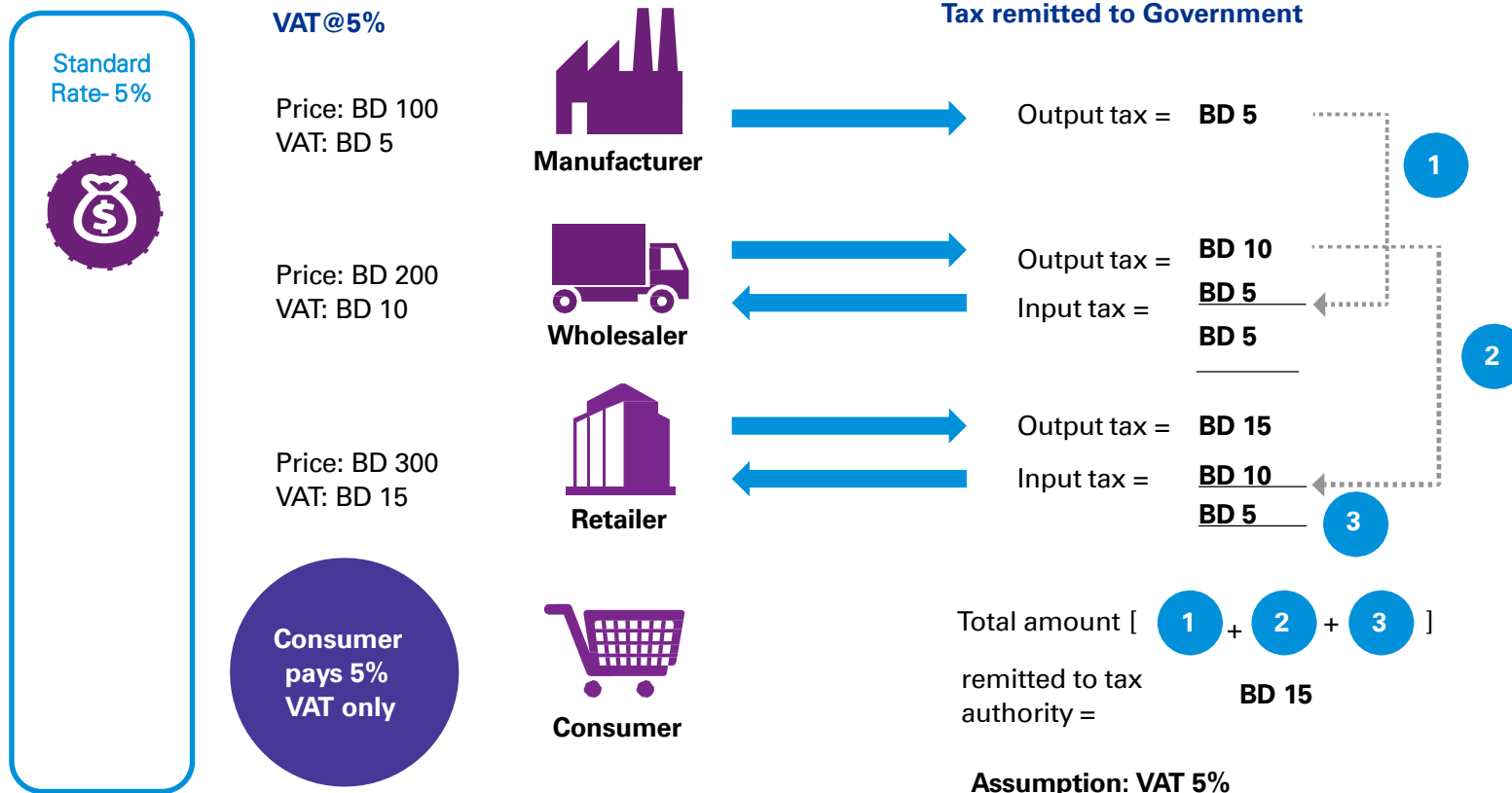
# Registration phasing and thresholds

The National Bureau for Revenue (NBR) has announced the following VAT registration deadlines for businesses. The deadlines are contingent on the value of annual supplies:

Annual Supplies (BHD)	Registration Deadline	Effective Date of Registration
> 5,000,000	20 December 2018	1 January 2019
> 500,000 and < 5,000,000	20 June 2019	1 July 2019
> 37,500 and < 500,000	20 December 2019	1 January 2020



# VAT example: Standard-rated



# VAT invoices

Invoice should include:

Invoice Number

Counterpart details

- Business name
- Business address
- VAT number

**Company Name Ltd.**

Company Address  
Town  
Country  
Postcode  
Email  
Country

VAT No.

**Invoice**  
**1234**

Company Address  
Town  
Country  
Postcode  
Email  
Country  
VAT No.

Reference: 0000  
PO Number: 0000

Invoice issued on 00/00/00

Payment due by 00/00/00

QTY	Description	N e t 0	V A T %	V A T 0	G r o s s 0
		000		000	000
		000		000	000
		000		000	000
		000		000	000

Your details

- Business name
- Business address
- VAT number

# Compliance Documentation



VAT records must be kept on record for a specified time period.

Records would be required both on paper or electronically.

Records must be accurate, complete and readable.

## Examples of records that need to be kept



Copies of all issued invoices



Originals of all received invoices



Debit or Credit notes



Custom documentation  
(import/export)



All gifts or items without consideration must be accounted for.



Supply/purchases of zero-rated or VAT exempt goods/services must be accounted for.



A VAT General Ledger Account must be maintained





# THANK YOU



[kpmg.com/social media](https://kpmg.com/social-media)



[kpmg.com/app](https://kpmg.com/app)

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