

global

ISSUE 13

FASTER, HIGHER, GREENER?

ALL ABOARD
FOR SUSTAINABLE
WINTER OLYMPICS

SUPERCHARGED

ASEAN REGION'S RACE TO DIGITALISATION

CLEANING UP

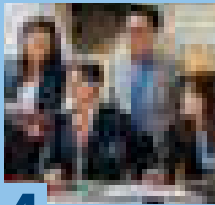
ON THE FRONTLINE IN THE MONEY LAUNDERING WAR

TIME FOR A BREAK?

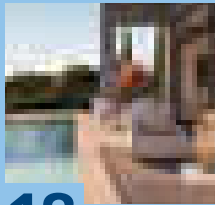
CHALLENGING TIMES FOR MEDITERRANEAN TOURISM

The network
for doing
business

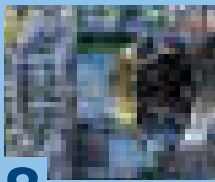
IN THIS ISSUE



4 FEATURE
ASEAN nations in drive for digitalisation



18 CLIENT STORY Seamless service for real estate specialists



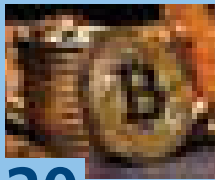
8 CLIENT STORY Global partners for science innovators Cosylab



19 SERVICE FEATURE International tax support



10 FEATURE
Working with clients to thwart financial crime



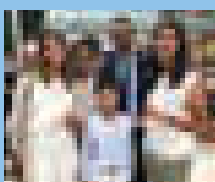
20 FEATURE
The future for cryptocurrencies



14 UHY SERVICES
How we deliver for our clients



23 SERVING CLIENTS SERVING COMMUNITIES



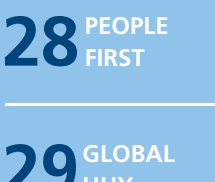
15 GLOBAL NEWS



24 PERSPECTIVES
Tourism challenges in the Mediterranean



16 PROFILE
Meet UHY's new chairman, Subarna Banerjee



28 PEOPLE FIRST



29 GLOBAL UHY MEMBERS' DIRECTORY

WORD OF WELCOME



As UHY International's new chairman, it gives me great pleasure to welcome you to issue 13 of *UHY Global*, our biannual magazine for businesses with an international outlook. These pages reflect the global engagement our independent member firms enjoy with businesses like yours, and the support we offer to help you achieve your goals.

It is sad to see the devastating impact Covid continues to have on lives and livelihoods. While we applaud the steps taken – from tentative economic recoveries to accelerated technology adoption to keep us in touch – we know the toll is high, and can only try to stay resilient and faithful to our personal and professional standards, to help each other through these difficult times.

Some of our features in *UHY Global* continue to reflect the pandemic. In Sun, Sea and Stasis, we look at what the future holds for a battered tourism sector in the Mediterranean and what can be done to protect the region from further economic shocks. Our member firm in Spain is working with one of the country's leading real estate developers on a project that anticipates a continued appetite for holidays in the sun – read about it in our client story Building Firm Foundations.

The critical role technology has played in helping businesses survive – and sometimes thrive – in the last 20 months cannot be overstated. Digitisation and digital skills will be key to economic recovery. In our feature Bridging the Gaps, UHY's ASEAN* member firm professionals provide insights from their experience

working with entrepreneurs, businesses and employees.

We also consider two other hot topics facilitated by advances in technology. Cryptocurrency has proliferated into mainstream finance in number and influence, to the point where central banks and sovereign states are looking at the benefits of digital currency as well as how to regulate it. You can read about it in our feature Crypto at the Crossroads.

Digitisation has also enabled new ways for the criminal laundering of money, exacerbating an already huge problem for institutions and professionals. In Show Us the Money, we look at some of the problems and solutions for tackling this crime through regulation and due diligence.

You can also read our roundup of global news and a celebration of some remarkable UHY people in Serving Clients, Serving Communities. As UHY International chairman, it is my privilege to help steer and support this excellent network of over 8,500 professionals in more than 100 countries. Thank you for engaging with us through *UHY Global*, which is also available to browse online at www.uhy.com/Global13 for additional content, extended narratives and useful links.

I wish you all a safe and prosperous 2022.

Subarna Banerjee
Chairman, UHY International

*The Association of Southeast Asian Nations, an economic union of ten member states, established in 1967.

FEELING THE HEAT

iStock.com/Dmytro Aksonov

Can Beijing 2022 strike a balance between an environmentally sustainable and a financially worthwhile Olympics?

Talk of the 2022 Winter Olympics and Winter Paralympics in Beijing in February and March has been all about world firsts and breaking records.

The first marker was set in 2015 when Beijing beat off challenger Almaty in Kazakhstan to be chosen by the International Olympic Committee (IOC) to host the 2022 Winter Olympics – becoming the first city to be awarded both the summer and winter Games.

MARATHON COSTS

China's goal to make the Winter 2022 Games the most environmentally responsible ever fuelled an ambitious vision and in May 2020 the Beijing Organising Committee released its sustainability plan, a blueprint that dovetailed with the IOC's announcement that the Games will be climate positive by 2030.

The capital and co-host city Zhangjiakou have adapted six venues from the 2008 Games to minimise construction costs. Beijing 2022's declared aim was to create a legacy of sustainability through its new venues, upgraded transport infrastructure, sports and tourism development, all while promoting healthy lifestyles and raising environmental awareness.

BOUNDLESS ENERGY

Gui Lin, of the Organising Committee's planning, construction and sustainability team, said: "Reusing the 2008 legacy venues helps Beijing 2022 stay ahead, verifying its promise to host the Winter Olympics in a sustainable way."

So the opening and closing ceremonies are being staged in the Beijing National Stadium (Bird's Nest), while the Beijing National Aquatics Centre (Water Cube), has been transformed into curling ice rinks. The six new venues were built using renewable technologies with energy saving, environmentally-sustainable materials. Energy is mainly solar and wind, and water is being recycled.

The venues are across three zones connected by a high-speed railway to maximise post-Games legacy use – popularising winter sports in and around Beijing to align with the campaign to encourage 300m people to take it up by the time the Games begin.

“

Beijing 2022's declared aim was to create a legacy of sustainability.

”

FROZEN ASSETS

These bold sustainability claims have been met with scepticism in certain quarters. Dissenting voices point out that mountainous regions around Beijing where alpine ski resorts have been built are not known for rainfall and certainly not for snow. It was reported that Beijing would need about 49 million gallons of water to create artificial snow.

History will judge whether the environmental sustainability claims were realised, but, a positive economic legacy is much harder to achieve.

Olympic host cities have often carried a legacy of debt, with the often-touted benefits of tourism, infrastructure and employment creation rarely clawing back revenues to justify the investment.

But China's determination to reap positive economic outcomes has been a characteristic blend of innovation and tenacity. The government took note that the only host to ever turn a profit was Los Angeles in 1984, due mainly to its solid existing sports, tourism and transport infrastructure – so China's Winter Olympics spend has been 10% of the 2008 Games and it has driven winter sports development via tax exemptions and access to resources. "In 1996, China had only 11 ski resorts, 20 years later, it had 646. Visitors tripled from 5.5m in 2009 to 15.1m seven years later," says Grace Shao of US business news channel CNBC. By 2020 over 1,200 winter sports competitions had been organised with 100m people taking part.

China has partially followed Japan's example and the Winter Olympics are being held without spectators from overseas – tickets were allocated to fully vaccinated fans in mainland China, providing atmosphere in the stadiums. China's Covid awareness means participants are subject to a strict 'closed loop' monitoring system, allowed to travel between venues only for 'training, competitions, and work'.

With enthusiastic home crowds and the 'recycling' of six Olympic stadiums and infrastructure from 2008, Beijing may have created an Olympics that, while not a perfect balance of sustainability and a positive economic legacy, could present a more hopeful and realistic model for future Games. ■

BRIDGING THE GAPS

DIGITALISATION AND DIGITAL RESKILLING ARE KEY TO UNLOCKING ASEAN'S REGIONAL ECONOMIC RECOVERY POST-COVID, BUT CHALLENGES REMAIN

While the pandemic has helped to accelerate digital adoption in many countries around the world – by a timescale factor of several years according to many analysts - in others it has shone a light on inherent weaknesses and potential barriers, for example the readiness of infrastructure and workforce to benefit from digital advance.

In Southeast Asia, considerable effort has been made over many decades to create a bloc of nation states that can effectively collaborate as an economy and bring increased security and prosperity

to the region. So it is no surprise that the pandemic has forced digitalisation to the top of the region's agenda as a key factor not only for future growth, but now for fast and robust economic recovery.

Recognising the priority, ASEAN (Association of Southeast Asian Nations) has set out a digital blueprint to help guide member state governments and regulators. The ASEAN Digital Masterplan 2025 specifies 'desirable outcomes' such as quality and coverage of fixed and mobile broadband, the provision of trusted digital services, consumer protection from digital harm, and a competitive business market for the supply of digital services. The vision is

compelling – to be a 'leading digital community and economic bloc, powered by secure and transformative digital services, technologies and ecosystem.'

On the ground, there is plenty of evidence that this is the desirable direction of travel. A recent World Economic Forum (WEF) survey of young people (aged 16 to 35) across the six largest ASEAN nations, determined that there is an expectation that their governments and employers will embrace a digital future, but that they must recognise and address the challenges, especially for micro and small-medium businesses (MSMEs), including better infrastructure rollout and the means to plug digital skills gaps.



iStock.com/sutlafk

Unsurprisingly, the more digital-savvy respondents had fared better during the pandemic, but the need for reskilling and upskilling across the board is clear.

NATIONAL LEADERSHIP

The reality is that for ASEAN countries, digitalisation moves at varying pace, reflecting domestic differences in digital preparedness and governmental leadership. Some economies have had digital programmes and incentives in place for years, while others are still catching up.

Singapore, for example, has the second smallest population of the ten ASEAN nations, but by far the highest GDP

per capita. As a gateway to China, one of Singapore's success factors is being connected to the rest of the world. Unsurprisingly in their 2021 budget, there has been a significant focus on further digital transformation and upskilling, with new emerging technologies and jobs programmes and an increase in financial support packages.

The government of ASEAN's largest country, Indonesia, has its sight set firmly on digitalisation as the route to becoming a top ten global economy by 2030 - it was ranked 16th pre-Covid, based on International Monetary Fund nominal GDP data. According to Revano Hananta, senior consultant, KAP Hananta

“

Success depends on the readiness of our society to 'go digital'.

”

Budianto & Rekan, UHY's member firm in Indonesia, the country's leadership is looking at infrastructure, governance and a digital society as the main ways forward. "Our government believes that digital infrastructure is the root of the problem," says Revano, "and they are taking steps to distribute this more evenly across the country. They also recognise the importance of public service transparency so they are implementing the concept of digitalised government services, which will also be more efficient and effective."

Like its ASEAN neighbours, Indonesia has to address the need for more digital education. "Success depends on the readiness of our society to 'go digital'," says Revano. "The government has launched massive digital talent programmes to support this aim, including online access to training."

PANDEMIC PUSH

Indonesia and Singapore are not alone in recognising the need for better digital systems, skills and policies. Malaysia, a country that has historically lagged behind its ASEAN peers, has done much to catch up, thanks in some part to the impact Covid-19 has had on the business community. Datuk Alvin Tee is group managing partner of UHY in Malaysia, and an elected director of UHY International who has supported MSMEs through an accelerated digital learning curve.

“It is the strong desire of our national workforce to be more digitally savvy.”

"Lockdown up-ended every possible business continuity plan, and disrupted businesses at their very core," he says. "The unprecedented scramble towards commercial survival was largely dependent on how fast a small business could pivot to online and mobile engagement with its customers, use cashless payments, and develop a contactless delivery model."

However, beyond the pandemic, Datuk Alvin believes there are still challenges to overcome. "There is no shortage of government initiatives to support digital adoption, and technology-related grants, subsidies, loans for digitalisation training and upskilling are abundantly available. The government has set out a digital plan for public sector services and is pushing hard for a 5G infrastructure to provide 80% coverage of the country. But skills and hardware aside, we have to have digital leadership at the top,

where generally leaders are senior to the digital generation and have a more cautious mindset. For me, effective digital transformation remains very much about the depth, effectiveness and scalable positive impact that it makes in an industry, a nation, or a region."

DIGGING IN

Vietnam and the Philippines are two ASEAN nations yet to achieve the digital momentum of their peers. Sharing similar population numbers and productivity, both countries have some catching up to do.

Pre-pandemic in 2019, Vietnam's Government signed Resolution 52, setting out guidelines and policies to enable the country's full participation in the benefits of the Fourth Industrial Revolution, dubbed Industry 4.0. It prompted a number of plans and improvement programmes from ministries, sectors and local jurisdictions with targets and goals for phased digitalisation including mobile online access, provision of public services, online government records and information systems, and digital banking.

"There are also plans to have three smart cities in three economic areas by 2025," says Thanh Nguyen, partner at UHY Auditing & Consulting Company Limited. "For this, and the further goal of regional – and global – smart city connectivity by 2030, we expect the Government





iStock.com/hxyume

will work hand in hand with the private sector as and when necessary to build out telecommunications infrastructures and achieve its objectives and plans.”

While results so far on infrastructure are apparent, the ‘softer’ (skills-based) part has been slower in coming. The country has slipped down various global indices on measures such as knowledge and technology innovation, research, and talent competitiveness. Thanh, however, remains optimistic.

“Despite our national focus on Industry 4.0, other countries are doing this faster, I agree,” he says. “But although there is no official announcement yet around specific training or retraining finance, for example, Resolution 52 is clear about the necessary support and incentives for business and individuals to participate in education, training and upskilling.

“Reports like the WEF ASEAN youth survey, and others, simply reconfirm the strong desire of our national workforce to be more digitally savvy. While there is a lot to do to upskill people in response to digital transformation, it is a responsibility that must be shared between individuals, employers and Government. Together they can drive the sustainable economic growth we need.”

MOVING FORWARD

The Philippines is another ASEAN country which is busy digging in and getting on with addressing the challenges of a rapidly digitalising world. According to Mike Aguirre, managing partner, UHY M.L. Aguirre & Co. CPAs, things are improving.



Digital transformation is a journey of effort, discovery and leadership.



“It is true that a 2020 World Bank report suggested our country’s challenges were due to the slow penetration of high-speed broadband,” says Mike, “but improvements have been made in the last year, and there has been a surge in telecommunications infrastructure rollout. In many ways the Covid-19 pandemic has accelerated digitalisation and we are seeing, for example, far greater use of digital payments and fund transfers now.” Indeed, Philippines central bank reported an increase in consumer digital transaction volumes in 2020 compared to 2019, and massive increases in both volume and value of fund transfers over the same period.

And it is not only consumer payments that have been positively impacted. “The pandemic has given rise to a number of innovations in business and government operations,” says Mike. “Online ordering systems with mobile courier vans, motorbikes and bicycles have facilitated food and other product deliveries to consumers, and we have online apps enabling passengers to ride tandem on motorbikes or to ride in private cars acting as surrogate taxis.”

Even judicial proceedings are conducted online using videoconferencing tools; education is delivered through digital platforms with the use of computers and laptops; and the government has recently set out a digital plan to improve the Philippines’ readiness for the global digital economy.

“Things are moving forwards” says Mike, “but unlike some other ASEAN countries the issue of reskilling or upskilling for a digital economy, while a persistent problem, is not the biggest problem. We have a greater need to address unemployment and underemployment, especially among the young. Two out of every three unemployed Filipinos are under 35 years of age and, according to the government’s own labour force survey, there are nearly three and a half million between the ages of 15-24 who are not in education, employment or training.”

The ASEAN digital blueprint shows good intent but clearly there are multiple and various reasons why its member nations will move at their own pace. There seems little doubt about the destination, or the political and societal will to get there, and in that sense a connected ASEAN region is inevitable and a prize to be cherished. As Datuk Alvin Tee in Malaysia puts it, “Digital transformation, be it for an individual organisation or a nation, is a journey of effort, discovery and leadership.”

It is going to be an interesting journey to watch. ■

THE SCIENCE OF GROWTH

UHY'S PERSONAL APPROACH AND GLOBAL REACH IS HELPING ONE SLOVENIAN COMPANY COMBINE BUSINESS ACUMEN WITH CUTTING-EDGE TECHNOLOGY

Cosylab is a company that is quietly changing the world. By building and integrating software and electronics for the world's most complex systems, the company helps drive innovation across science, medicine and industry.

Headquartered in Ljubljana, Slovenia, Cosylab is a commercial spin-off of the Jožef Stefan Institute, the country's largest research facility. Since its foundation in 2001, the business has steadily expanded its services, from building control systems for the world's largest scientific projects to developing innovative software solutions for particle-based cancer treatments and advanced industrial applications.

A measure of its success is that Cosylab's software is currently used by six out of ten of the world's largest Big Physics projects, and in more than 100 of the most prestigious global research facilities. As well as Big Science, the company also has a 43% market share in providing control systems for particle therapy machines.

As it has grown in size and reputation, Cosylab's geographical reach has also spread. Today, it is a truly global operation, with nine international offices in countries including Switzerland, Russia, Japan and the US. It is a joint stock company with a consolidated turnover of EUR 17.8 million (USD 20.5 million), employing 285 people.



UHY IN THE HEALTH SCIENCES AND CARE SECTOR

Experts from UHY's member firms have a thorough understanding of the life sciences sector and work with a wide range of organisations, from public healthcare providers to international systems and healthcare technology businesses. Services include financial and operational services, audit, regulatory and compliance management, and protecting intellectual property rights.

A NICHE MARKET

One problem with supplying complex bespoke control systems to niche markets is that there are not many of them. In 2017 Cosylab took the decision to broaden its customer base by developing its own software products for wider application and marketing them through licenses.

That decision is already paying off. The company has welcomed 60 new people to its workforce in the last year, despite the Covid pandemic, and is still actively recruiting. Chief financial officer Blaz Hrastar says faster growth is expected in the coming years – and just as it has in the past, the company will rely on UHY's international network to help facilitate that expansion.

FROM THE BEGINNING

UHY d.o.o in Ljubljana has been working with Cosylab since 2014, when the company first required an external auditor to satisfy Slovenian financial regulations. The relationship has also given its largely academic and research-focused workforce peace of mind. Blaz says: "Handling all the challenges of working in a fast-growing global company is not an easy task. You can try to understand everything on your own, or you can find a professional advisor. But you need somebody trustworthy."

Cosylab considered the Big Four accountancy firms but was also encouraged to evaluate UHY. "Actually, we prepared a trial question," says Blaz. "In answering, UHY was by far the most concrete. This is when we decided that we would like to work with them. They were straight to the point. We don't want answers wrapped in foil."

Cosylab's account is handled by UHY d.o.o's director Franci Žgajnar and his team, who prepare the yearly audit for the parent company and the consolidated report for the wider group.

Blaz is entirely satisfied with these services

and says working with UHY has brought added benefits, giving the technology-based business a greater appreciation of finance and financial structure, and ultimately the way successful businesses work. "It has completely changed our way of thinking," he adds. "We are much more structured, we have financials under control, and our people have embraced this new meaning and are now aware of what financial reports are all about."

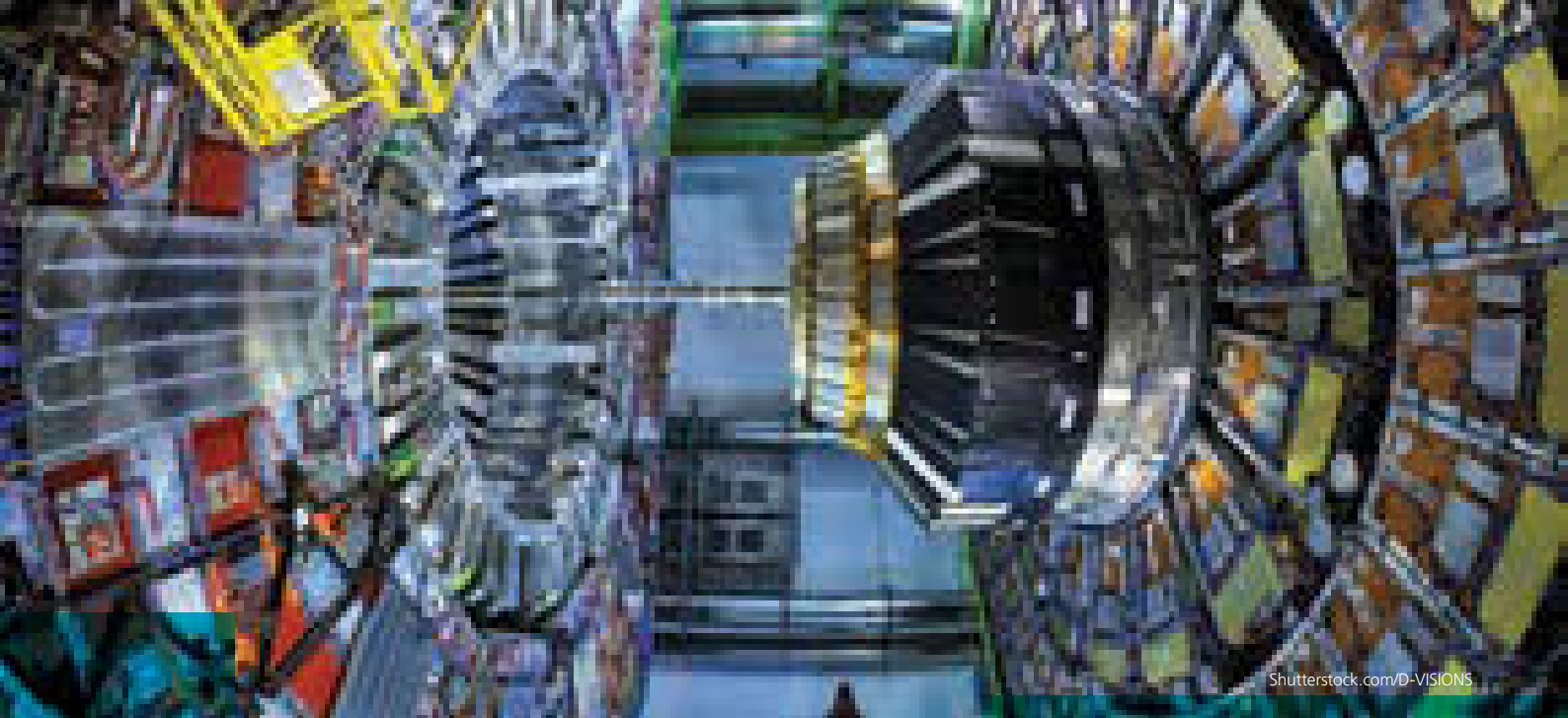
WIDENING HORIZONS

Blaz says he particularly appreciates UHY's personal approach to the relationship with Cosylab. He adds that Franci and the team have a real grasp of the company's vision and the challenges it encounters as it translates cutting-edge science into profitable services, and their services are tailored to Cosylab's needs.

For that reason, Blaz was happy to stay within the UHY network when Cosylab's expansion prompted a need for cross-border accountancy services. When the company opened its subsidiary in Switzerland in 2015, it enlisted the help of UHY member firm Balmer-Etienne AG to assist with questions around the Swiss tax system. The services of UHY Prostor LLC in the Ukraine were used to help with an office closure in 2020 and in the same year, UHY Italy performed due diligence on an Italian business Cosylab were looking to acquire.

"All the recommendations and connections for UHY firms came from Franci," says Blaz. "It really is worth a lot to be able to turn to one person you can trust and not have to search for yourself. This saves you a lot of time and in the end brings better results."

As Cosylab continues to grow, more UHY member firms may become involved. For now, Blaz is delighted with a professional service provider that knows Cosylab well and understands its unique opportunities and challenges. "It is reassuring when you know you have professional help just one phone call away," he says. ■



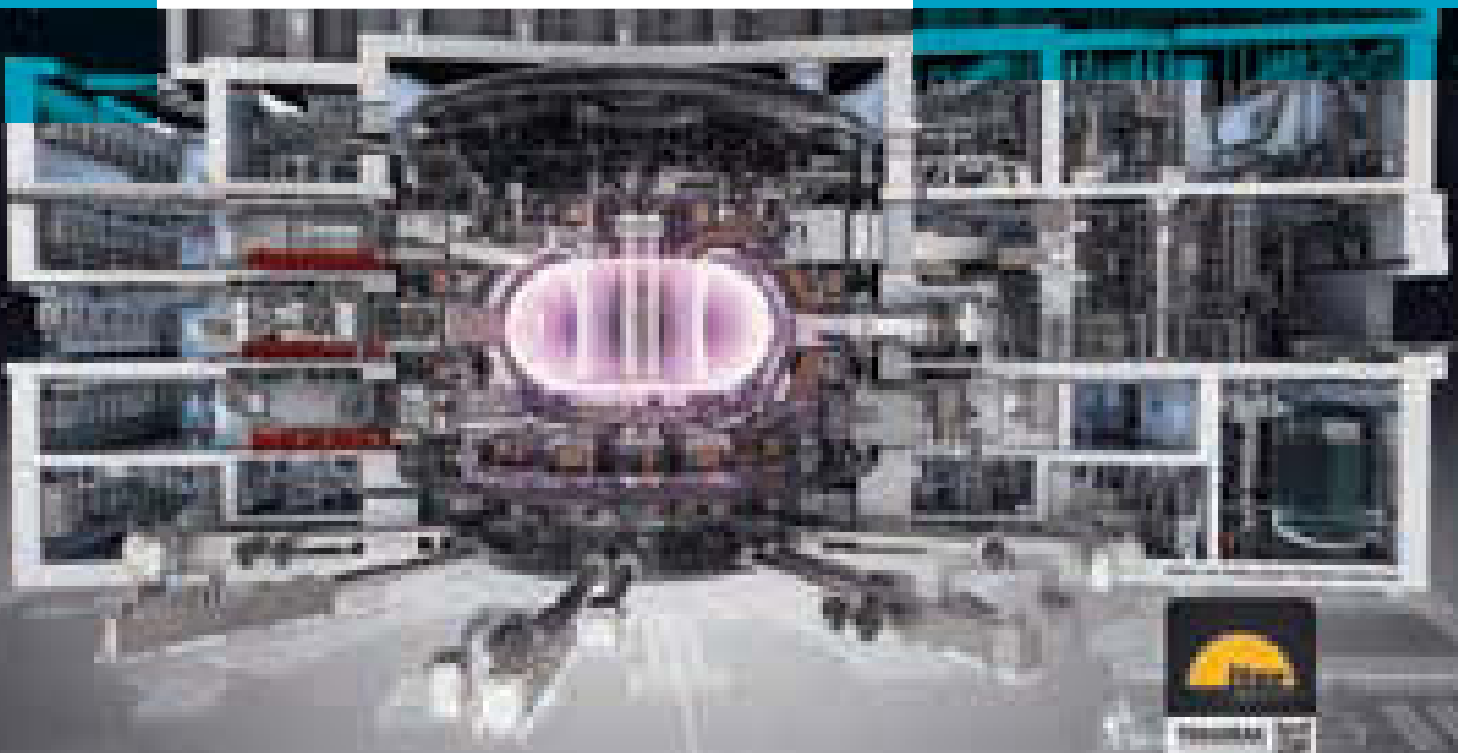
Shutterstock.com/D-VISIONS



“

The company has welcomed 60 new people to its workforce in the last year, despite the Covid pandemic, and is still actively recruiting.

”



SHOW ME THE MONEY

KEEPING UP WITH EVER-CHANGING ANTI-MONEY LAUNDERING REGULATIONS CAN BE A CHALLENGE, SO PROFESSIONAL HELP IS CRITICAL



The United Nations (UN) estimates that between USD 800 billion and USD 2 trillion (between 2% and 5% of global GDP) is laundered globally every year. Money laundering entities were also revealed alongside tax evasion and corruption in the vast array of images and documents exposed in the Pandora Papers leak. It is endemic.

Against this background, national governments and international organisations are striving to fight back through stricter anti-money laundering (AML) legislation, regulation and monitoring. But how effective are

weak schemes for combatting AML and terrorist financing (CFT) – a process that has proven to be effective. Of 80 countries so far identified, 60 have taken measures to improve their AML and CFT measures.

In its most recent list of high-risk jurisdictions, FATF suggests that strategic difficulties are continuing to affect some countries in their approaches to AML, CFT and proliferation financing. These include Mozambique and Cambodia, among others.

Mozambique is currently reeling from the recent ‘tuna bonds’ scandal, in which corruption and money laundering linked to loans said to be for government-sponsored investment schemes – including a state tuna fishery – led to the arranging bank, Credit Suisse, being found culpable of serious failings in financial crimes control. Credit Suisse was fined nearly GBP 350 million (USD 475 million) for its part in a cover-up that resulted in a financial crisis for the country – the ultimate cost to Mozambique was estimated at USD 11 billion. While Mozambique enacted AML and CFT in legislation in 2013, many of its citizens are unbanked, without access to the documentation needed to carry out ‘know your customer’ processes. Findings from the Eastern and Southern Africa Anti-Money Laundering Group suggest that the lack of nationally coordinated efforts to understand money-laundering and terrorism financing undermines any laws in place.

As with many countries identified as high risk by the FATF, Cambodia made a commitment in 2019 to work with the organisation to strengthen the effectiveness of its AML legislation. The country passed new AML/CFT legislation in 2020, requiring reporting

“

The fight against money laundering is not a new one.

”

these efforts? And how can businesses navigate jurisdictional regulations effectively to ensure that they are compliant? We look at what is being done to meet the challenge of money laundering and the essential role that accountancy providers play in ensuring appropriate client due diligence.

STRATEGIC ISSUES

The fight against money laundering is not a new one. Over three decades ago, recognition of its growing menace prompted the G7 nations to establish the Financial Action Task Force (FATF) to examine and develop AML measures. Today, as an international watchdog, the FATF has a remit to ‘set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system’. As part of its programme to identify and monitor high-risk jurisdictions, it publicly lists countries with

organisations to perform advanced due diligence measures to maintain compliance, with increased penalties for non-compliance, and has also established a Financial Intelligence Unit in the Central Bank. But while there have been significant technical improvements in its compliance with FATF standards, Cambodia remains on the watchdog's high risk list. Strategic issues include a largely cash-based, dollarised economy, porous borders and loose oversight of casinos, all of which make both legal and illicit transactions hard to follow.

ROBUST REGIMES

Elsewhere in the world, international AML standards such as those outlined by the FATF are working with national legislation to good effect. The Global Coalition to Fight Financial Crime (whose members include the World Economic Forum, Europol, Refinitiv, the Atlantic Council and the Royal United Services Institute's Centre for Financial Crime and Security Studies) suggests moving away from a 'tick box' compliance approach and towards working with non-financial institutions, to make real change.

The UK has historically done well with AML efforts, achieving the highest rating from the FATF in 2018 for a 'well-developed and robust regime' in which money-laundering and terrorist finance activities are 'routinely and aggressively' investigated and prosecuted. In 2019, the

“
Chartered
accountants
should have zero
tolerance of fraud.”

Home Office, HM Treasury and UK Finance published the Economic Crime Plan, laying out additional strategic priority areas in the national fight against economic crime and building on previous AML and CFT commitments and 2018's Serious and Organised Crime Strategy. Under the new regulations, cryptoasset exchange providers, custodian wallet providers, art market participants and letting agency businesses all come under greater scrutiny.

Committed to strengthening its position as a global financial hub, the UAE has enhanced its AML/CFT measures to align with global best practices. In March 2021, the Ministry of Economy issued a new resolution listing 26 violations and corresponding fines for non-compliance. "The UAE periodically releases guidelines to create awareness around AML compliance," says James

Mathew, CEO and managing partner, UHY James Chartered Accountants, UAE. "Our team consistently maintains effective channels of communication with clients to help them stay on top of regulatory changes happening across the UAE."

James and his UHY colleagues around the world, play a key role in ensuring their clients comply with AML regulations, compliance and due diligence. Often identified as 'designated persons' in anti-money laundering and criminal justice legislation, accountants are critical gatekeepers in the fight against money laundering. Professional organisations support this designation, with Michael Izza, CEO of the Institute of Chartered Accountants in England and Wales (ICAEW), noting that "Chartered accountants should have zero tolerance of fraud, money laundering or any type of economic crime." Similar to banks and other financial institutions, accountancy firms are obliged to carry out client due diligence and obtain all relevant anti-money laundering documentation.

For James and his team, it is important that the service they offer covers all bases. "Our support is flexible and designed to assist our clients to ensure compliance with the UAE AML/CFT laws – be it drafting AML compliance policy and procedures or an internal suspicious transaction report (STR) form or a risk assessment form," says James.



Failing to be vigilant and unwittingly becoming complicit in economic crime can be a risk for accountants.



“AML experts also work alongside our clients to help them prepare annual reports to the board/senior management, annual business risk assessments (ABRA), annual AML returns and conducting mandatory AML training for employees.”

TECHNOLOGY AND EXPERTISE

Technology plays a part in tackling AML but is perhaps most effective when combined with professional expertise in person.

In 2019 the Central Bank of Ireland issued new Anti-Money Laundering and Countering a Financing of Terrorism Guidelines for the Financial Sector, setting out its expectations around the identification, assessment and management of AML and CFT risk. Under the new guidelines, politically exposed persons (PEP) now include those outside of Ireland as well as immediate family and known associates. With this in mind, UHY member firm in Ireland UHY Farrelly Dawe White Limited worked with a software solutions provider to develop a piece of software, designed to help the team manage the client onboarding process. At the point of initial contact with a potential new client, the software – known as Blackboard – triggers a staged process which includes client due diligence.

The pandemic has made AML due diligence harder, says Michael Bellew,

company director, UHY Farrelly Dawe White Limited. “Part of the requirements here are that we must meet the relevant individuals in person, however Covid has prevented that. A concession was granted to meet individuals via online teleconferencing or video calls. We have recently been advised that as travel restrictions are lifted we are now once again required to meet in person.”



Having a specialised team is crucial to identify money laundering.



He adds, “Clients need to be made aware of the particular forms of identity and proofs of address that are acceptable and those which are not. Our onboarding team uses a series of checklists which set out the acceptable forms of ID and proof of address.”

Failing to be vigilant and unwittingly becoming complicit in economic crime can be a risk for accountants, with potentially serious professional consequences. For this reason, having

specialised AML expertise is essential to ensure that both clients and professional integrity is protected.

“Having a specialised team is crucial to identify money laundering at an early stage during the client acceptance process,” says Raquel Hernández, organisational and HR director, UHY Fay & Co, Madrid. “Thanks to our AML procedure we have been able to detect several potentially risky businesses, which has reduced the possibility of our firm being used as a vehicle for financial crime and avoids a bad reputation,” she says. It is an ongoing battle. “Money laundering threats are dynamic. Criminals constantly devise new techniques and exploit the easiest targets so that the proceeds appear to come from a legitimate source,” says Raquel.

Strong networks are crucial throughout. The Global Coalition Against Financial Crime points to effective information sharing between public and private entities on a coordinated, global level as key to driving real change. And with the help of professional services firms with up-to-date, in-depth expertise and global reach, businesses can feel assured that they are compliant. ■

For more information about UHY’s capabilities, email the UHY executive office, info@uhy.com, or visit www.uhy.com

SERVING CLIENTS TODAY AND TOMORROW

Our clients appreciate how UHY's culture of working together makes a significant difference to seamless international engagements. We deliver because our member firms know each other well, we meet and connect regularly, and we share current thinking, specialist skills, and industry knowledge across the world.

We also share a common set of standards – not only the international quality standards demanded of our profession, but also the values by which every UHY member firm holds itself accountable to its clients including integrity, innovation, and international thinking.

UHY member firms offer the following services:

CORPORATE SERVICES

Note: Not all of the services described in this publication are provided by every UHY member firm. The provision of some services may be restricted in some areas depending on local legislation.

- **AUDIT & ASSURANCE**, including: statutory audit, internal reviews, compilation and review of financial statements including compliance with International Financial Reporting Standards (IFRS), special purpose and international audits.
- **BUSINESS ADVISORY & ACCOUNTING**, including: accounting and bookkeeping, outsourcing, business plans and independent business reviews, business valuations, financial planning and control, reviewing management reporting systems, company formations and company secretarial services including appropriate commercial and tax-efficient structures for international expansion and cross-border ventures, trusts and foundations, pension funds, charitable and philanthropic structures, interim finance & management, payroll administration, employee benefits and business systems.
- **CORPORATE FINANCE**, including: strategic business advisory services, business valuations, due diligence, transactional services (acquisitions, mergers, disposals, MBOs, IPOs) across all industry sectors and geographies, restructuring, exit strategies and startups.

- **CORPORATE GOVERNANCE & RISK MANAGEMENT**, including: corporate governance, risk management and consulting including Sarbanes-Oxley compliance services.
- **CORPORATE RECOVERY & INSOLVENCY**, including: debt collection, corporate turnaround, asset protection or repossession, or implementing good management practices, refinancing, valuations, debt management, insolvency planning, personal liability protection.
- **CORPORATE TAX**, including: direct taxation and indirect taxation, international tax such as tax-efficient structures for international expansion and cross-border ventures, transnational group structuring, VAT returns and advice, tax consultancy and transfer pricing.

- **FORENSIC ACCOUNTING & LITIGATION SUPPORT**, including: litigation support, valuations, economic damages, fraud evaluations, criminal proceedings and money laundering issues.

- **FUND SERVICES**, including: fund establishment and administration.
- **LEGAL**, including: tax law, labour law, etc.
- **INTERNATIONALISATION**, including: business contact introductions, local regulatory requirements and business etiquette, local business tax environment, business structuring and compliance, personal taxation, recruitment and labour law consultancy, transfer pricing, customs and other fiscal areas.
- **MANAGEMENT CONSULTING & SOLUTIONS**, including: internationalisation of businesses, human resources and recruitment services, information technology and software solutions.

PRIVATE CLIENT SERVICES

Key services include: wealth management for individuals and families, income tax and capital gains tax planning, international tax planning for expatriates and migrants, non-domicile status, trust services and management, inheritance planning.

OUR COMMITMENT TO QUALITY

Quality is one of UHY's main values – because it is so important to us we strive to achieve this in everything we do. Each of our independent member firms has signed a Quality Charter committing to the adoption and achievement of performance and service objectives considered essential to delivering this quality promise to clients.

The expectations we have of our member firms are benchmarked to recognised international professional standards. We set specific quality goals and expectations for our independent member firms to meet, covering areas such as client service efficiency and relationship management, professional work standards, depth and breadth of products, services and geographical coverage. Collectively, they represent our aim to provide clients with consistent, seamless, professional and timely cross-border services.

Our member firms are evaluated annually against UHY's quality expectations, allowing us to assess our performance and outcomes, and look for new ways to improve further. We focus on quality through:

- Leadership
- Client acceptance procedures
- Full membership of the Forum of Firms
- Compliance with ethical obligations set out by the International Federation of Accountants in its global standard, Code of Ethics for Professional Accountants
- Human resources policies and procedures, such as education and training
- And, of course, quality control procedures in accordance with internationally-recognised standards.

It is our belief in quality as a value and the successful implementation of that value across all our service areas that make our network more dedicated to quality than many other networks.

COVID HAMPERS RECOVERY



shutterstock.com/Maxx-Studio

The latest IMF World Economic Outlook (WEO) projected global economic growth at 5.9% in 2021, citing pandemic

dynamics, supply disruptions, high commodity prices and consumer inflation as the reasons for a slight downgrade.

IMF managing director Kristalina Georgieva described economic recovery being 'hobbled' by the pandemic, and highlighted divergence between advanced economies – which are set to regain a pre-pandemic trend path by 2022 – and emerging markets and developing economies. Speeding up Covid vaccinations is recommended as a top policy priority, laying out steps

for vaccinating at least 70% of the population of all countries by 2022. Resolving trade tensions, strengthening rules-based multilateral trading, and finalising a global minimum tax rate for multinational companies are also identified in the WEO as key to recovery.

Looking forward, the report points to the importance of preparing for the post-pandemic economy, with green technology and digitalisation presenting new growth opportunities. Global growth of 4.9% is projected for 2022.

TRADE FOR TOMORROW

Thirty CEOs and chairpersons representing some of the world's largest companies have called on governments to re-engage in trade reform and reject protectionism.

In an open letter to world leaders, the multi-sector signatories say trade and investment support human development and that a trade recovery can form the basis of post-pandemic economic recovery. Calling for a resilient, sustainable and inclusive international trade system, they outline seven key areas for action: strengthening healthcare access, concluding meaningful agreements on electronic commerce and investment facilitation for development, advancing meaningful environmental agreements, effectively implementing and monitoring private-public cooperation, engaging in dialogue on trade system reforms, and resolving level-playing-field concerns.



istock.com/pigphoto

AUDIT EXPECTATIONS

Global accountancy organisation the Association of Certified Chartered Accountants (ACCA), in collaboration with national organisations in Australia, New Zealand and Canada, has issued a new report on narrowing the gap between expectations versus the reality of audit, with a focus on tackling fraud and issues around going concerns.

Building on 2019's Closing the Expectation Gap in Audit, the report

aims to ensure that audit meets the demands of public interest, calling for a holistic, multi-stakeholder audit system where all roles are clearly understood. Recommendations include involving forensic specialists in risk assessment while allowing auditors to apply professional judgement to identified risks, and going concern disclosures additional to those outlined by current international standards.

TWO-PILLAR TAX FOR 2023

A landmark deal has been signed by 136 countries and jurisdictions and formally endorsed at the recent G20 summit in Rome, Italy, bringing the OECD's two-pillar solution to addressing tax challenges in the digital economy a step closer.

Under Pillar One, the taxation of Multinational Enterprises (MNEs) wherever they operate and generate profits is expected to reallocate over USD 125 billion annually to market jurisdictions. Pillar Two introduces a global minimum corporate tax rate of 15% which is expected to raise around USD 150 billion per year in tax revenue. Proportional revenue gains are expected to be greatest in developing economies. Signatories to the agreement are aiming to sign a

multilateral convention in 2022, with effective implementation set for 2023.

OECD Secretary-General Mathias Cormann said: "This is a major victory for effective and balanced multilateralism. It is a far-reaching agreement which ensures our international tax system is fit for purpose in a digitalised and globalised world economy."



shutterstock.com/rafapress

HOPEFUL HORIZONS

AS INTERNATIONAL BUSINESS FACES AN UNCERTAIN FUTURE, UHY WELCOMES A CHAIRMAN WITH POSITIVITY, HUMOUR AND COMPASSION.



Subarna with his wife Olga, daughter Itziar and younger sons Nicolas and Lucas

“

Many of the current challenges for businesses can be solved by investing more in the global expansion of those businesses.

”

There could scarcely be a more daunting time to take the reins of one of the world's leading accounting and consultancy networks – the ongoing pandemic threat to human and economic health, commercial and market uncertainties, the fallout of Brexit and the global scramble to offset, contain and reverse climate damage. But if UHY's new chairman Subarna Banerjee is concerned he isn't showing it.

Subarna's positivity partly seems to come from a certainty that human beings are meant to connect – to live, to meet, to care for each other and to do business together. “Becoming chairman at a time when the globalisation of business is bouncing back so strongly after Covid is a really exciting prospect,” he says.

GLOBAL PARTNERSHIPS

“Many of the current challenges for businesses, such as inflation, supply chain disruption and staff shortages can be solved by investing more in the global expansion of those businesses. Our clients want us to work with them on that, partnering with them in more countries.” One of Subarna's priorities will be to keep improving the way UHY's international teams work together. “Lockdown has given us all a lesson in how easy and efficient it is to collaborate across multiple offices and time zones. Our members now have an even greater appetite to do more cross border work, collaborating with offices in different jurisdictions.” We spoke to Subarna shortly after he had made his first appearance at UHY's annual meeting as chairman, and his enthusiasm extended to celebrating the first face to face gathering since 2019. “I didn't think it would be so successful, we were livestreaming the event to accommodate everyone, but we had over 75 delegates in the venue and there was a great atmosphere after so many months of online meetings.”

Taking the reins from Dennis Petri, partner at UHY LLP, USA, Subarna – who already had a seat on the Board since January 2020 when he became managing partner at UHY Hacker Young (London & Nottingham), UK – thanked

his predecessor for his service. “He faced a phenomenally tough job, steering the network through unknown territory with the challenges of multiple lockdowns, member firms working from home, client unease and market jitters. He was a very reassuring presence. Thanks to him I’ve inherited a far less fraught task.”

MAKING CONNECTIONS

And for that task, Subarna is clear about his own priorities. “To get out there and meet member firms, support them as they develop their practices and expand what they offer. We also have our five year growth strategy to progress, which will allow us to serve our clients better in terms of service, sectors, quality and offering.”

Not to mention the hefty job of continuing to look after clients in his role at UHY Hacker Young, many of which are in charity and not-for-profit (NFP), sectors he has taken a lead in developing since he joined UHY Hacker Young alongside property, education and publishing. “We have also recently launched the UHY Hacker Young London/Nottingham strategy which includes some ambitious growth targets such as encouraging smaller scale merger and acquisitions (M&A) activity.”

If that all seems like a lot for one person, the context is that Subarna gets things done. His rise through UHY HY has been swift – joining as an audit partner in 2014, he was appointed national head of charities and not for profit in the same year, senior partner and the firm’s ethics partner in 2016, joined the executive committee in 2017, became managing partner in 2019 (effective in 2020) and then took his Board position.

INTERNATIONAL MINDSET

Born in Finsbury Park, London, Subarna came along five years after his parents Ranendra and Krishna moved to the UK from Kolkata (then Calcutta) in West Bengal, India to run their property portfolio. “They had lots of friends and business associates in the UK and loved living here – apart from the weather of course! I had a great childhood. I loved hanging out with my friends on bikes.”

Studying at an international school and doing Baccalaureate exams is one of the factors in giving Subarna his international mindset. “That has been important all



Subarna's three sons, Nicolas, Lucas and Guillermo

the way and of course reflects greatly in my UHY role. Academically though, I didn’t really come to life until I went to University College London (UCL) to study economics and geography in 1990. I loved my time at university.”



Our growth strategy will allow us to serve our clients better in terms of service, sectors, quality and offering.



After graduating in 1993 Subarna took a job with an eight-partner practice and qualified three years later. He then worked with various accountancy businesses including a Big 4 firm before moving to UHY.

FAMILY VALUES

Subarna married his Spanish wife Olga 25 years ago in Madrid, Spain and they have four children – daughter Itziar, who is studying a masters in medical law after graduating from Oxford, sons Guillermo, who works in Copenhagen for a medical devices company as an engineer, and Nicolas

and Lucas, who are both still at school.

His home life is as busy as you might expect in a large family but travel, playing tennis and favourite TV treats ensure he gets some downtime. “I enjoy watching Formula 1 with my son, who is fanatical about it – and I absolutely adore HBO’s Succession and await each new episode eagerly. It really is the best thing on TV.”

THOUGHTFUL LEADERSHIP

Thankfully Subarna has nothing in common with brutal patriarch Logan Roy. Indeed he is deeply committed to his NFP portfolio and is also driving UHY’s diversity and inclusion values. “The current UHY Board is in a very good place and we all get along really well – but I am all too aware that it is all male and I’m very committed to changing that.” This is clearly not a soundbite or just something he feels he ought to do – “I feel strongly that we’re missing out,” he adds.

Asked about his NFP capability Subarna mentions the Elton John AIDS Foundation (EJAF) as among those he is most proud to be associated with. “It is a remarkable organisation, and a much bigger enterprise than Elton’s music. It has raised hundreds of millions of pounds for programmes around the world and is among the top ten philanthropic funders of HIV/Aids grants worldwide (number one in Eastern Europe and Central Asia)*.”

“Not many people know that Elton John is so actively involved with the foundation. The audit takes place at his office in Shepherd’s Bush. I haven’t seen him yet. Just his chair...”

BRIGHT FUTURE

With his three years of tenure stretching into some of the most interesting times we have seen in the world so far this century, Subarna believes better times are ahead – and UHY, with its culture of communication and connection is well equipped to make the most of them. “Membership of UHY allows our firms to build large teams of experts across borders and to compete for ever bigger international mandates, and that can only be a positive thing for our network. My role will be to help that process and to accelerate growth in key global business centres. There is so much to feel hopeful about.” ■

*Source: The Elton John Aids Foundation

BUILDING FIRM FOUNDATIONS

UHY IS PROVIDING SERVICES TO THE JOINT VENTURE BEHIND A DEVELOPMENT OF LUXURY VILLAS NEAR MARBELLA IN SOUTHERN SPAIN

Altavista Property is a highly regarded real estate business on the Costa del Sol, Spain's sun-drenched tourist hotspot. It is the central hub of a group of companies that, together, develop, commercialise and service prestige properties in the greater Marbella region. The company also markets third party developments.

UHY Fay & Co, meanwhile, is the UHY member firm with offices in Marbella. The two businesses know each other well. When a long-term client came to Bernard Fay and his team with a vision to develop a real estate project in the area, Altavista was the suggested choice of development partner.

UHY Fay & Co's client, renowned Dutch entrepreneur Ronny Rosenbaum, had an interest in the Costa del Sol's buoyant property market. The project he envisioned would come to be known as La Finca de Jasmine.

The ambitious development is located south of Benahavis, a mountain village overlooking the coast. The gated development of luxury villas will be



UHY IN THE CONSTRUCTION & REAL ESTATE SECTOR

From local building companies to international consultancy groups, member firms across the UHY network have extensive experience in offering tailored services to the construction industry supply chain and real estate sector. Services include tax and corporate services, maximising capital allowances on commercial property, advising on the most efficient corporate structure, project finance advice and deal structuring and transfers of going concerns.

“

UHY Fay & Co has the ability to work on complex projects that involve many parties without losing sight of the small day to day tasks.

”

unlike anything seen in the area. “It is great that UHY Fay & Co was in the project from its inception as for the size of this project and its importance to our company we needed the best partner to handle all professional services” says Altavista CEO Michael Liggan.

A CHALLENGING ENVIRONMENT

The first task was to create a joint venture between the two parties. The obvious choice for the job was UHY Fay & Co. Michael says: “UHY Fay & Co was an obvious choice because of its local and specialist expertise”.

“UHY Fay & Co has a great reputation and track record in Marbella,” says Michael. “It is a firm that covers all the specialties a company like ours may need and they are well located for us and our clients. From the beginning, when first talks took place, we knew La Finca de Jasmine project would not find a better company to team up with in the south of Spain.”

Certainly, the project required a professional services partner with local expertise. Spain has a “challenging regulatory environment”, says Michael,

and with most of the interest in La Finca de Jasmine likely to come from abroad, the project has quite onerous reporting and internal auditing obligations. “That’s why we feel it is important to have the right support from a specialist professional service company,” he adds.

SEAMLESS SERVICE

Bernard Fay and his team at UHY Fay & Co provide a wide range of services for the joint venture and the development of the project, from simple tax returns and labour contracts to internal audits and legal and advisory services - and everything in between. UHY Fay & Co is a multidisciplinary firm able to provide a holistic service.

“UHY Fay & Co is well known and respected in the area and works seamlessly with other professional service firms, and also with the consultants of our clients,” says Michael. “Most important for us is the fact that a large chunk of what otherwise would have been our workload rests safely in their hands. This is quicker and more cost effective for us.”

Altavista values the close relationship it has with UHY Fay & Co that means someone is always available to answer a question, even out of hours. That is alongside the firm’s business-enhancing insight and attention to detail. “UHY Fay & Co has the ability to work on complex projects that involve many parties without losing sight of the small day to day tasks,” says Michael.

As visitors return to the Costa del Sol in the wake of the Covid pandemic, La Finca de Jasmine feels like the right project at the right time. Prestigious projects like La Finca de Jasmine are evidence of the ambition of both parties in the joint venture. The local and specialist knowledge of UHY Fay & Co will help ensure that ambition is fulfilled. ■

LOCAL KNOWLEDGE, GLOBAL EXPERTISE

The challenges of international taxation have never been more keenly felt than today.

The rapid globalisation of companies and countries over the last decades with the attendant movement of capital and people meant that decisions on investment, establishment and relocation have been matters of the highest concern for governments and business.

Now, the pandemic has posed further questions on international movement and accentuated a geopolitical trend towards protectionism. So as economies begin to emerge from lockdown with caution, businesses are reconsidering their best strategic options. Trusted advice from a worldwide network of tax professionals who provide both detailed local knowledge and who work together supporting multinational clients – is a must-have for any business operating (or planning to operate) across borders.

UNDERSTANDING

UHY has independent member firms in over 100 countries and detailed access to tax legislation in many more. UHY member firms share working knowledge and communicate with each other regularly – this is part of the international service culture that the UHY network represents, and you can read more about this in our Cogs and Wheels feature on page 28.

Understanding clients' business aims, and understanding not only local laws

but regional and international best practice too, is at the heart of UHY's international tax services. A UHY global tax special interest group ensures all tax-certified member firms have access to the latest and upcoming changes in international taxation as well as the opportunity, through regular face-to-face or online meetings, to discuss the technicalities, case examples and implications for client businesses. It means that UHY member firms are able to offer best practice solutions to meet clients' strategic needs, for example keeping them operationally compliant with what can be a dauntingly complex set of regulatory and commercial requirements.

TRUSTED ADVICE ACROSS THE BOARD

Multinational client operations come with many challenges. Workforce mobility or expatriate management, for example, requires expertise in different tax and labour laws, definitions of citizenship, residency and non-residency, keeping relocating staff happy and managing payroll. Corporate, domestic and foreign income tax requires businesses to navigate complex issues of transparency, country-by-country reporting, profit repatriation, foreign tax credit systems or internal trading compliance and transfer pricing.

It is perhaps easy to see why tax can become a barrier to international growth or ambition. This is why having a joined-up global team of trusted tax professionals to call on is so important. ■

UHY INTERNATIONAL TAX SERVICES

CORPORATE TAX

- Preparing and submitting accounts
- Taking advantage of capital allowances
- Buying or selling a business
- Loss relief planning
- Capital gains tax
- Relief for expenditure on intangible assets
- International tax planning
- Mergers and acquisitions tax issues
- Indirect taxation - VAT, GST and customs planning
- Tax planning for ex-pat executives

TRANSFER PRICING

- Documentation and compliance
- Design and implementation of TP policies
- Creating models and policies for charging services to global affiliates
- Design of internal TP policies
- Benchmarking services
- Arm's-length intercompany pricing for tangibles, intangibles, services, royalties and financial transactions including preparation of benchmarking memos
- Preparation of defence files to mitigate risk from tax authority audits and enquiries
- Assisting clients with TP disputes and controversies
- Valuation services for tax and TP purposes
- TP analysis for highly leveraged companies.

GLOBAL MOBILITY & EXPAT SERVICES

- International payroll
- Personal tax for employees
- Advice on employee remuneration and benefit packages
- Tax equalisation
- Tax rulings
- Double taxation treaties
- Social security and labour law implications
- Tax and immigration registration requirements
- Deploying staff overseas in start-ups, or established operations
- Overseas staff integration
- Risk assessment relating to PE (permanent establishment)
- First assignee management (as part of an international expansion)
- People-related advisory for first time expansions
- International assignment programme evaluation
- Short-term business traveller advisory

PRIVATE CLIENT

- Income tax and capital gains tax planning
- International tax planning
- Non-domicile status advisory
- Trust services and management
- Inheritance planning

For more information on UHY's international tax services contact Andrew Snowden, head of UHY Global Tax Group a.snowdon@uhy-uk.com



CRYPTO AT THE CROSSROADS

CRYPTOCURRENCIES HAVE HAD A REMARKABLE YEAR, BUT MAINSTREAM ADOPTION IS STILL ELUSIVE. CAN THEY CLOSE THE CREDIBILITY GAP?

What to make of the topsy turvy world of cryptocurrency?

A snapshot of that world in 2021 goes something like this. In March the price of bitcoin hit an all time high of USD 60,000. By July its value had more than halved. At the time of writing one bitcoin is priced at below USD 50,000, days after reaching a new peak of USD 68,000.

In June El Salvador became the first country to pass laws accepting bitcoin as a bona fide legal tender. In September, China outlawed cryptocurrency mining and declared all cryptocurrency transactions illegal.

If all this sounds confusing, we've barely scratched the surface. Governments and central banks around the world regularly warn their citizens about the lawless nature of decentralised cryptocurrencies like bitcoin and ethereum, and at the same time draw up plans for state-backed alternatives (China is currently piloting a Digital Chinese Yuan and other nations developing the idea include Sweden, Russia and Thailand).

Beneath it all, the usual arguments rage. Cryptocurrency is unstable, volatile, and a cover for criminal activity. It is still highly unsuited to everyday transactions.

On the other hand, some investors are happy to ride the bitcoin rollercoaster because that is where big profits potentially lie. Others argue that the original reasons for bitcoin's creation still stand. Fiat currencies are controlled by authorities that can - should they wish - devalue them with the stroke of a pen, or deny citizens access to their bank

accounts. By cutting out the middlemen, cryptocurrencies avoid these risks, and can also reduce the cost of some transactions.

IMPOSSIBLE TO CONTAIN

That is a very basic summary of a highly complex situation, but it hints at the competing forces at work. Authorities are highly suspicious of cryptocurrencies, because they are



By cutting out the middlemen, cryptocurrencies avoid these risks, and can also reduce the cost of some transactions.



impossible to control, difficult to regulate and make financial markets more turbulent. A majority of the public in many countries thinks the same way. At the same time, there is a momentum behind cryptocurrencies that is proving impossible to contain. The popularity of bitcoin, ethereum and the rest explain the emergence of stablecoins (cryptocurrencies pegged to fiat currencies, usually the US dollar, or a commodity like gold) and state-backed digital currencies.

And their popularity is rocketing, despite the warnings of central banks. Recent

research revealed that global adoption of cryptocurrency grew by 881% in the year to August 2021, with Vietnam, India and Pakistan leading the way. The research, by blockchain data firm Chainanalysis, is designed to capture cryptocurrency adoption by ordinary people rather than investment funds.

Chainanalysis puts the popularity of cryptocurrencies in Vietnam partly down to a young, tech-savvy population with few options around traditional Exchange Traded Funds (ETFs). Thanh Nguyen, partner at UHY's Vietnamese member firm UHY Auditing & Consulting Co Ltd, agrees.

"The crystal clear reason for crypto's popularity in Vietnam is the perceived return on investment," he says. "If you look at bitcoin's remarkable recent recovery, it is easy to see how lucrative an investment could be, despite no legal protection under current local laws."

Ukraine comes fourth in the Chainanalysis survey, dropping from first place in 2020. Again, cryptocurrency adoption is led by a tech-native population, in this case alongside a vibrant start-up environment. Ukrainian companies regularly use cryptocurrency for business-to-business and cross-border transactions, side-stepping cumbersome banking processes.

But there are also more opaque reasons for preferring cryptocurrency over legal tender. "I agree that using cryptocurrencies opens huge opportunities for business, for making payments, as well as for market speculation," says Olha Irzhytskaya, business development manager at Ukrainian UHY member firm LLC AC UHY Prostor Ltd.

“

Cryptocurrency is unstable, volatile, and a cover for criminal activity. It is still highly unsuited to everyday transactions.

”

“But I think it is also a convenient way to legalise income. Over 46,000 bitcoins were recently discovered as intangible assets in the declarations of civil servants in Ukraine. Such a large amount may be explained by the fact that it is practically impossible to track the origins of cryptocurrency.”

A DRIVER OF CRIME?

Proponents have no problem with that, considering the lack of traceability around transactions is one of cryptocurrency's benefits. Inevitably, authorities take a different view. Cryptocurrency is struggling to shake off its reputation as a driver of nefarious online activity.

“Cryptocurrencies are by their nature extremely difficult to regulate and therein lies the problem,” says Andrew Hulse, a partner at UK member firm UHY Hacker Young. “For this reason they are the currency of choice for illegal activities. With this in mind, would any national government really want to be engaged in activity that supports drug dealing, modern slavery and terrorism whilst at the same time damaging the environment?”

That concern partly explains why El Salvador is currently the first and only country to make cryptocurrency legal tender. Another reason, according to Andrew, is that it remains difficult to report - and therefore tax - transactions that do not pass through financial intermediaries.

“At a time when governments are at last working together towards a minimum corporate tax rate, it is no surprise that crypto has not been recognised as legal tender,” he says.



Andrew hints at another reason which might dissuade national governments from legitimising cryptocurrency. Mining cryptocurrencies like bitcoin requires massive computing power and therefore consumes huge amounts of energy, potentially damaging efforts to reduce carbon emissions.

CRYPTOCURRENCY AND CREDIBILITY

But while there is no queue forming to follow El Salvador's lead, and indeed the decision has caused unrest in the country, very few governments have outlawed cryptocurrency entirely.

At the same time, bitcoin especially is gaining credibility as an investment vehicle, despite its inherent volatility. The first bitcoin electronic funds transfer (EFT) recently made its debut on the New York Stock Exchange, creating a more conventional way to invest in cryptocurrencies. Fintech companies not directly linked to cryptocurrency trading, like PayPal, Venmo, Square and Robinhood, now offer the option to buy and trade bitcoin within their apps.

There are also suggestions that cryptocurrencies could soon gain more real world applications. A few major companies - Microsoft and Starbucks are two - now accept bitcoin payments (though in Starbucks' case only through their app). Considerable excitement was recently generated by an Amazon

“

There are hints that the government may consider regulating cryptocurrency in the not too distant future.

”



“

There is no legal definition of cryptocurrency in Ukraine and the cryptomarket is, in fact, a shadow market.

”

job listing for a “digital currency and blockchain product lead”. Experts say that Amazon's acceptance of cryptocurrencies as payment could trigger a domino effect that pushes bitcoin into the mainstream.

In other words, away from China and a few other notable exceptions, government efforts to contain the bitcoin storm look to be in vain. Instead, there are increasing calls for regulation, which could make cryptocurrencies safer for investors and less appealing to criminals.

In Vietnam, Thanh says that cryptocurrency is at the crossroads. “In the short run, it is still a great investment channel. In the longer run, it depends on how the Government shapes policy around cryptocurrency. My view is that if the Government further legalises cryptocurrency, it will become mainstream. There are hints that the Government may consider regulating cryptocurrency in the not too distant future.”

The same may be true of Ukraine, where widespread adoption of cryptocurrency

may force the Government's hand. “There is no legal definition of cryptocurrency in Ukraine and the cryptomarket is, in fact, a shadow market,” says Olha, but adds that new regulations are in the pipeline. “The law has not come into force yet, but we expect that in the near future the issue of cryptocurrency recognition and cryptomarket regulation will be guided by law.”

OBSTACLES TO OVERCOME

Despite this activity, it is too early to tell if we are on the cusp of widespread mainstream adoption of cryptocurrency. There are still obstacles to overcome. Despite bitcoin's apparent popularity, the Ukrainian central bank currently refuses to recognise cryptocurrency as anything other than a store of value. It cannot be exchanged for property, goods, works or services. The same is true elsewhere.

But regulation provides credibility and, around the world, authorities have started to recognise that they have a duty of care towards cryptocurrency investors. A recent US Government report outlines legislation that would bring more regulation to the cryptocurrency market. US lawmakers have repeatedly expressed concern over the lack of regulation of bitcoin, ethereum and others.

If laws governing the use of cryptocurrency are enacted, the only thing stopping mainstream adoption - at least by the investment community - may be bitcoin's own remarkable rise, and the suspicion that creates. “History is full of examples of bubbles - from tulips to trains to dotcom startups - and crypto has all the same hallmarks,” says Andrew. “Will they go the same way? Only time will tell.” ■

DAN'S CAPITAL TRIUMPH

Congratulations to Daniel Hutson, partner at UHY Hacker Young's London office who joined 40,000 runners from across the world to complete the London Marathon in October 2021 (a further 40,000 competed virtually). Daniel, who as well as running also enjoys football, cricket and rugby, was competing to raise money for the UK team's national charity, Children with Cancer UK – he completed the run in four hours and 29 minutes and has raised over £4,500 for the charity in total.

"It was fantastic to complete the marathon, it was an incredible day with so many people lining the streets cheering the runners on and being a part of it was a humbling experience," said Daniel. "I'm so proud of the whole UHY Hacker Young team for the fundraising so far for Children with Cancer UK and it is such a wonderful charity to be involved with."

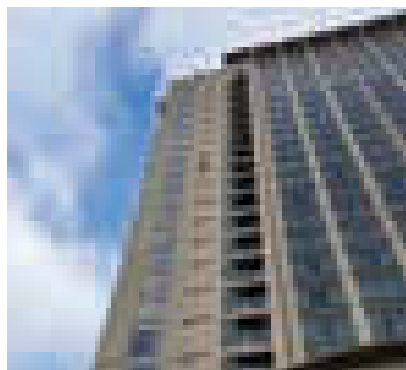


OVER THE EDGE

Going over the edge may not be something most of us aspire to but that is exactly what UHY Consulting's managing director Amy Gallagher (pictured left) and account executive Ashley LaGrow did in a daredevil fundraiser for children with critical illnesses in Atlanta, Georgia – abseiling 22 storeys down the city's Intercontinental Hotel. Amy and Ashley were among the first fundraisers to raise USD 1,000 or more to earn themselves a chance to go Over The Edge for the Make-A-Wish Georgia charity in August 2021. The event, which raised USD 3,200 is one of numerous fundraisers the team at UHY Consulting – part of UHY Advisors, Inc., US - has taken part in since it teamed up with Make-A-Wish and other charities.

"Covid has really affected children with critical illnesses who have had to take even more precautions than usual, leading to greater isolation during extremely fragile times," says Amy. "The UHY team joined forces with Make-A-Wish Georgia

to help creatively solve how to safely accomplish wishes for those children. "This was a life changing experience for me and Ashley. It is a really great cause, and it is a fun way to give back and support children, families and communities in the Atlanta area."



HONOUR FOR HELENA

The success of UHY HB EKONOM's CEO and managing partner Helena Budiša is well known to her member firm colleagues and many professionals across the UHY network so none will be surprised to see her win one of the Croatia business community's biggest accolades.

Helena has been named Inspirational Entrepreneur of the Year by Women in Adria, an organisation that 'inspires, informs and connects business women in the region'. Their finalists are 'ambitious, successful and dedicated women who have been taken in different directions by their entrepreneurial spirit'. Helena was nominated alongside businesswomen in the fields of beauty and health, tourism and service.

The award citation described Helena as having 'ruled the Dalmatian metropolis for more than 20 years'. It continues: 'Over the course of her decades-long career, she has achieved as much as many can only dream of. Her work is always focused on business development and the wellbeing of entrepreneurs.'

Helena says: "To win this award is a great honour. I only need to look at the calibre of my three exceptional co-nominees to see that. I am very fortunate to love what I do and my aim is always to achieve the very best for my clients and the business community."

SUN, SEA AND STASIS?

DRIVEN BY TOURISM FOR DECADES, COVID WAS CALAMITOUS FOR THE MEDITERRANEAN ECONOMY. A PANEL OF UHY EXPERTS DISCUSSES WHETHER IT IS TIME FOR A CHANGE IN DIRECTION



iStock.com/Freeartist

It is hard to overstate the importance of tourism to the countries bordering the Mediterranean Sea. The 29 countries that make up the region share 46,000km of often sandy coastline and a climate that is generally mild in winter and warm for the rest of the year.

History has favoured the area, gracing it with a wealth of architectural and cultural gems. In addition, technological development and happy accident have placed it within easy reach of millions of people for whom an annual migration to 'the Med' has become part of the summer routine.

The result is that, in normal times, a quarter of global tourism receipts are generated in the Mediterranean. But these are not normal times. As the world's premier

tourist destination before Covid-19, it is likely to retain that title in the pandemic's aftermath. But visitors to Southern and Mediterranean Europe nosedived from 304 to 88 million in 2020, and other Mediterranean regions were hit harder still.

How will the area react to this calamity? Waiting it out is one option, because the tourists will return eventually. But tourism is in Covid's frontline, and a fragile recovery in 2021 could be derailed by new variants and new lockdowns



“Total tourist receipts for the first quarter of 2021 amounted to one sixth of those from the same period in 2020.”

in 2022, as well as a sluggish global economy. Beyond Covid, the sector faces longer term threats from both climate change and its potential fixes, including increased taxation on air travel.

With that in mind, Mediterranean tourism appears to be a sector in flux. We asked UHY member firms in the region for their analysis of the situation, and their expert opinions on what tourism-dependent economies can do to meet the challenges of the post-Covid world.

WAKE-UP CALL

The historic sites, sandy beaches and idyllic islands of Greece welcomed over 31 million tourists in 2019, contributing around a quarter of the country’s GDP. But Covid has been a wake-up call.

Total tourist receipts for the first quarter of 2021 amounted to one sixth of those from the same period in 2020, says Christos Antonopoulos, partner at UHY Axon Certified Auditors S.A in Athens, Greece. A short, sharp shock was to be expected, but Christos worries that tourism’s recovery in the region could be slow, even if current indicators are positive.

“Given that the recovery from a recession primarily related to the services sector is usually slower than a recession mainly affecting the goods sector, the continuation of the situation could push the Greek economy into stagnation,” he says.

The situation is mirrored across the region. Cyprus attracted just under four million tourists in 2018, a historic high. But “the pandemic hit the tourism industry very severely,” says Antonis Kassapis, director of Cypriot member firm UHY Antonis Kassapis Limited. “The economy of Cyprus has for many years been based on services, with tourism being one of, if not the most important.”

GOVERNMENTS STEP IN

Unsurprisingly, governments across the Mediterranean region were forced to step in to protect an industry that will be vital to post-pandemic growth.

In Morocco, as elsewhere, the government prioritised tourist industry jobs. “A natural selection led to technical unemployment and layoffs, because so many establishments remained closed in the tourist seasons of 2020 and 2021,” says Najlaa Ben Mokhtar, partner and audit manager at UHY Ben Mokhtar & Co, Morocco.

“The government provided a monthly allowance to workers in the sector for almost a year, to ensure companies could get back on their feet when visitors return.”

Miriam López Jadraque is national marketing manager at Spanish member

“They say that the pandemic showed the vulnerability of economies overly dependent on traditional tourism.”

firm UHY Fay & Co, which has one of their offices based in the tourist hotspot of Marbella. She says the industry is pressing the government to extend the ERTE, an extraordinary Covid-related job protection scheme, until at least Easter 2022.

Spain is the world’s second most popular tourist destination, and the sector’s importance to the national economy is undeniable. Tourism’s contribution to national GDP fell from 12.4% in 2019 to 5.5% in 2020, according to the Spanish Tourist Board.

The Spanish National Statistics Institute (INE) announced that during the first half of 2021, 5.4m international visitors travelled to Spain compared to 10.8m before the pandemic.

The summer season has been positive thanks to the vaccine rollout and a rise in domestic tourism. “Nevertheless, the occupancy figures for autumn are not looking good and the sector is already asking the government to articulate measures in advance that allow employers to make plans,” Miriam adds.

DOING IT DIFFERENTLY

So how should the region react to such a unique circumstance? There is confidence that tourists will return, and the first truly Covid-clear summer (at least in terms of travel restrictions) may see record numbers as sun-starved consumers spend their lockdown savings.

Despite this, experts in the region are arguing the need for change. They say that the pandemic showed the vulnerability of economies overly dependent on traditional tourism. In the near future, global warming – and measures to keep it under control – may impact international tourist numbers more permanently. They urge governments and businesses to grasp the opportunity to diversify.

In Spain, diversification is starting with the tourism industry itself. “Tourism companies know they need to become much more efficient in their operations by paying more attention to productivity and competitiveness. They need to become more agile and able to react faster to changes in demand,” says Miriam.

The digitisation of the industry has been predicted for years. In 2020 tourism businesses were forced to act, with digitisation efforts in Spain advancing more in that year than the previous five. In Cyprus, too, there is recognition that tourism cannot return to “business as usual”, and that measures must be put in place to create a more resilient industry. “Diversification is needed not

“

New initiatives to encourage more domestic and year-round, activity-based tourism will help to create a more robust sector.

”

only from tourism to other industries, but also within tourism,” says Antonis. “For example, trying to attract tourists from new markets, or trying to spread tourism as much as possible over the whole year.” Najlaa says that in Morocco the immediate response to the pandemic was to try and encourage more domestic tourism. “Our clients in the tourism sector – hotels, catering, event agencies - turned to the local market to capture more national customers,” she adds.

This has been partially successful, but Moroccan tourism receipts are unlikely to exceed USD 4 billion in 2021, compared to USD 8.6 billion in 2019. Greater efficiency and agility are

clearly welcome. New initiatives to encourage more domestic and year-round, activity-based tourism will help to create a more robust sector. But is it enough? After the experience of Covid, do countries in the region need to think beyond the tourist dollar?

AN OVER-RELIANCE?

Of course, many already do. For all their reliance on tourism, Spain, Greece and Morocco are mixed modern economies with strengths in a number of areas. Despite its relatively small size, Cyprus has well developed specialisms in financial services and shipping. But local non-Mediterranean comparisons show how dependent the region is on

iStock.com/ Imgorthand





iStock.com/Starcevic

its beaches, climate and ancient history. Germany is the eighth most visited country in the world, but in a normal year tourism accounts for around 4.5% of the country's GDP, a third as much as Spain and less than a fifth as much as Greece.

Is there an over-reliance on tourism? Countries are bound to make the most of their natural advantages, whether that's the sandy beaches of Andalusia or the ancient wonders of Athens and Marrakesh. But Covid has emphasised the fragility of tourism as the foundation of economic stability.

For that reason, Antonis says that "diversification has been a very important target for a long time in Cyprus, but it is not so easy to do." The country's focus at the moment is on strengthening its position as an international and regional business centre, as well as exploiting significant quantities of offshore natural gas. In Greece, Christos says that many tourist businesses are modifying their offer to attract a new breed of digital nomads - freelancers who can work from anywhere with an internet connection. Thanks to Covid, there are more of them than ever. But Greece has been badly hit by tourism downturns before, and Christos believes that for the country's long term economic prosperity, Covid may be 'a blessing in disguise'.

"The government's goal over the next six

years is to retain tourism as a significant part of Greece's economic activity, but also expand the country's production base, boost manufacturing activity and incorporate new technologies in agricultural production," he adds.

Christos thinks the country is facing a one-off opportunity to diversify its economy on the basis of new green and digital industries, and that the pandemic has created the conditions for lasting change. He believes Greece will become a more attractive destination for conducting business, other than tourism, post-pandemic.

In Morocco, too, the pandemic has been seen as an opportunity to widen the economic mix. In October, the country officially launched Morocco Now, an initiative designed to position Morocco as a world-class industrial and export platform and to maximise foreign investments. "This is a new economic and territorial signature of the ambitions of the Kingdom of Morocco in terms of international investments," says Najlaa.

Morocco is already the second most attractive economy for investment in Africa, with well regarded specialisms in automotive, aeronautical and textile manufacturing alongside outsourcing services.

And that enthusiasm to embrace change

“

Total tourist receipts for the first quarter of 2021 amounted to one sixth of those from the same period in 2020.

”

is evident throughout the region, where the cataclysm of Covid has been met with a new focus on efficiency and economic diversity. Tourists will eventually flood back, to be met by a leaner, more creative sector in which traditional seasonal beach holidays are just one part of a wider offer.

In addition, national and regional governments appear to have recognised the need to widen the area's economic mix. The strength of their support over the next few years will be crucial in determining how the Mediterranean region rebounds from the next crisis, whether that arrives in the form of a financial crash, an extreme weather event or a global pandemic. ■



PEOPLE FIRST

In this Cogs and Wheels feature, we look behind the scenes at how the UHY international network's values and focus on people – staff and clients alike – has helped to create a successful and resilient service culture.

Much has been written about wellbeing and resilience throughout the pandemic, but it is an unassailable truth that it has been the care, friendship, support, determination and selflessness of people in communities and businesses that helped us weather the storm.

Covid constraints continue to affect countries around the world in 2022, so to the list of attributes we must add fortitude, perseverance and optimism.

The other side of the equation is the more mechanical side of things: adapting policies and processes, adopting new technology for delivering work and staying in touch, taking more risks, being more innovative, finding ways for our businesses to survive and even thrive, seemingly against the odds. But all of these activities come down to the same thing – people. Without considerate, determined, skilled and engaged employees and citizens, life would be a lot worse.

CULTURE

UHY is an international network of independent member firms which range in size from a few staff to many. Between them, they employ over 8,500 people worldwide. This year also marks the 35th anniversary of UHY's beginnings in the US and the UK, a transatlantic partnership that has grown to become a global service provider in over 100 countries today. The culture envisioned

by UHY's founding firms back then, and the values they brought, have been embraced across the network and the decades. Have fun, work hard and work together, think outside the box and put people first – your clients and colleagues.

The result is a global, collaborative culture that has given the network and its member firms a way of working built around people. For our clients, that means building long term relationships and helping them achieve their goals through results and trusted advice. Partners from UHY member firms around the world know each other well, professionally and personally, so they are able to provide consistent and seamless service to clients with international needs.

At a local level, firms also follow their own set of values, reflecting the commercial and social cultures they work in and their own heritage – many UHY member firms have been looking after clients and communities for a lot longer than 35 years, while others were founded more recently. But they share the same international outlook and collaborative approach that the UHY network represents.

CONNECTION

During the early months of the pandemic, UHY International board members made it their mission to contact member firms individually or in groups via videocall, to listen, understand

and encourage, so firms could share experiences, impacts and ideas.

A Covid-19 information channel was set up on the network's intranet, and UHY's schedule of annual regional meetings – an invaluable platform for inter-firm networking and knowledge sharing – went ahead as interactive online meetings, as did the annual global meeting with everyone involved. The programme of training and development webinars available for 8,500 professional staff was adapted to home working. The sense of connection flourished.

Member firms aimed to be as proactive as ever. Clients were contacted with reassurance and practical support, while firms switched rapidly to online communication and remote working. Many were able to help their clients establish different ways of working. Together they accelerated digitalisation plans and upskilled quickly to maintain business continuity. Remote teams learned how to work together online; leaders learned new ways to motivate and support from a distance. Neither client nor employee would be left to fend for themselves.

UHY member firms were already proud that their culture, values and work have often been persuasive factors in the clients' choice versus firms of other less joined up or less personally driven networks. During Covid, that same culture has proved also to be a rock and has helped to shape the resilience and success of many UHY member firms and their clients.

It is no surprise then, that in a rapidly changing world, UHY's 'people first' is one thing that is not going to change anytime soon. ■

GLOBAL MEMBERS DIRECTORY

We are a Top 20 global accountancy network* and our success is built on attentive, personal service. You will find UHY member firms ready to advise you in more than 100 countries, covering nearly 330 major business centres. We have over 8,500 professionals delivering world class solutions across all types of industry. And our connectedness means we can find solutions for you and your business, by calling on the vast experience of UHY colleagues worldwide. Our UHY Global member firm directory pages will show you where we are.

*International Accounting Bulletin World Survey 2021. UHY International ranks 18th largest accountancy network by fee income.

AFGHANISTAN

UHY Shafiq Umar Daraz & Co Chartered Accountants, Kabul
Contact: Muhammad Shafiq
Email: mshafiq@uhy-af.com
Website: www.uhy-af.com

ALBANIA

UHY Elite sh.p.k, Tirana
Contact: Artan Xhiani
Email: info@uhy-elite.com
Website: www.uhy-elite.com

ANGOLA

UHY A Paredes e Associados-Angola Auditores e Consultores, S.A., Luanda
Contact: Armando Paredes
Email: aparedes@uhyangola.com
Website: www.uhyangola.com

ARGENTINA

UHY Macho & Asociados,* Buenos Aires
Contact: Roberto Macho
Email: rmacho@uhy-macho.com
Website: www.uhy-macho.com

AUSTRALIA

UHY Haines Norton
Contact: Michael Coughtrey
Email: mcoughtrey@uhyhnsyd.com.au
Website: www.uhyhn.com
Offices in: Adelaide, Brisbane*, Busselton, Dunsborough, Gladstone, Melbourne, Perth, Sydney*

AUSTRIA

UHY-Tax Wirtschaftstreuhand GmbH, Linz
Contact: Stephan Schlager
Email: office@uhy.at
Website: www.uhy.at
Also in: Horn, Salzburg, Vienna, Villach

AZERBAIJAN

UHY Audit LLC, Baku
Contact: Hashim Aliyev
Email: office@uhy-az.com
Website: www.uhy-az.com

BAHAMAS

UHY Bain & Associates, Nassau
Contact: Dr. John S. Bain
Email: john@uhy-bs.com
Website: www.uhy-bs.com

BAHRAIN

UHY El Sayed El Ayouty & Co, Certified Public Accountants, Bahrain
Contact: Mohamed Alshayeb
Email: info@uhy-elayouty.com
Website: www.uhy-elayouty.com

BANGLADESH

UHY Syful Shamsul Alam & Co, Dhaka
Contact: Syful Islam
Email: syful@ssacbd.com
Website: www.ssacbd.com
Also in: Chittagong

BELARUS

UHY BusinessCollegia LLC, Minsk
Contact: Denis Kastjans
Email: audit@collegia.by
Website: www.uhy-bc.by

BELGIUM

UHY-CDP Partners, Brussels
Contact: Chantal Bollen
Email: c.bollen@cdp-partners.be
Website: www.cdp-partners.be
Also in: Liège

BOLIVIA

Berthin Amengual Y Asociados Srl, La Paz
Contact: Wilton Aleman
Email: berthinlp@berthinamengual.com
Website: www.berthinamengual.com
Also in: Santa Cruz

BOSNIA AND HERZEGOVINA

Revident d.o.o., Mostar
Contact: Matko Knezevic
Email: matko.knezevic@uhy-ba.com
Website: www.uhy-ba.com
Also in: Grude, Sarajevo

BRAZIL

UHY Bendoraytes & Cia – Auditores Independentes*, São Paulo
Contact: Franklin Bendoraytes
Email: franklin.bendoraytes@uhy-br.com
Website: www.bendoraytes.com
Also in: Londrina, Rio de Janeiro

CANADA

UHY Victor LLP, Montreal
Contact: Ken Shemie
Email: kshemie@uhyvictor.com
Website: www.uhyvictor.com

UHY Forbes Andersen LLP, Toronto

Contact: Paul Andersen
Email: paul@fa.ca
Website: www.forbesandersen.com
Also in: Milton

CHILE

UHY Guiñazú & Asociados SpA,* Santiago
Contact: Ximena Guiñazú.
Email: xguinazu@uhy-cl.com
Website: www.guinazuasociados.cl

CHINA

ZhongHua Certified Public Accountants LLP,* Shanghai
Contact: Liqian Sun
Email: info@zhonghuacpa.com
Website: www.zhonghuacpa.com
Also in: Anhui, Beijing, Guangdong, Hangzhou, Henan, Jiangsu, Shenzhen, Sichuan, Yunnan

COLOMBIA

UHY Consultores S.A.S.
Contact: Diego Charry
Email: diego.charry@uhy-co.com

COSTA RICA

UHY Auditores y Consultores, S.A., San José
Contact: Omar Pérez Rosales
Email: operez@uhy-cr.com
Website: www.uhy-cr.com

CROATIA

UHY HB EKONOM d.o.o., Split
Contact: Helena Budisa
Email: split@uhy.hr
Website: www.uhyincroatia.com

UHY RUDAN d.o.o., Zagreb

Contact: Vedrana Miletic
Email: info@uhy.rudan.hr
Website: www.uhyincroatia.com

CYPRUS

UHY Antonis Kassapis Limited, Nicosia
Contact: Antonis Kassapis
Email: uhy@uhy.com.cy
Website: www.uhy.com.cy

CZECH REPUBLIC

AUDITOR, spol. s r.o., Prague
Contact: Georg Stöger
Email: georg.stoeger@auditor.eu
Website: www.auditor.eu
Also in: Brno, Pelhrimov

DENMARK

inforevision, Copenhagen
Contact: Vibeke Düring Reyes Jensen
Email: vd@inforevision.dk
Website: www.inforevision.dk

DOMINICAN REPUBLIC

UHY Calderon Gonzalez & Asociados, Santo Domingo
Contact: Arabelis Calderón González
Email: arabelis.calderon@uhy.com.do
Website: www.uhy.com.do

ECUADOR

UHY Assurance & Services Cia. Ltda., Quito
Contact: Freddy Cevallos Bustamante
Email: f.cevallos@uhyecuador.ec
Website: www.uhyecuador.ec

EGYPT

UHY United For Auditing, Tax, Advisory & Financial Services, Cairo
Contact: Ahmed Hegazy
Email: info@uhy-united.com
Website: www.uhy-egypt.com

UHY Waled Mounir and Muhammad Arafa, Alexandria

Contact: Waled Mounir
Email: info@uhy-eg-alex.com
Website: www.uhy-egypt.com

EL SALVADOR

UHY Asesores Y Consultores, S.A De CV., San Salvador
Contact: Bryan Pérez
Email: bperez@uhy-sv.com
Website: www.uhy-sv.com

FRANCE

UHY GVA,* Paris
Contact: Emmanuel Gayte
Email: emmanuel.gayte@uhygva.com
Website: www.uhygva.com
Also in: Lille, Lyon, Marseille, Montpellier, Saint-Denis De La Réunion, Toulouse

GEORGIA

UHY LLC, Tbilisi
Contact: Guka Ubiria
Email: gubiria@uhy-ge.com
Website: www.uhy.ge

GERMANY

UHY Deutschland AG*
Contact: Dr Ulla Peters
Email: berlin@uhy-berlin.de
Website: www.uhy-deutschland.de

Clostermann & Jasper Partnerschaft mbB, Bremen

Contact: Tobias Stuber
Email: info@clostermann-jasper.de
Website: www.clostermann-jasper.de
Also in: Hamburg

Dr. Langenmayr GmbH
Wirtschaftsprüfungsgesellschaft, Munich
Contact: Johannes Bitzer
Email: munich@uhy-deutschland.de
Website: www.dr-langenmayr.de

Dr. Leyh, Dr. Kossow & Dr. Ott KG, Cologne
Contact: Thomas Wahlen
Email: koeln@lko.de
Website: www.lko.de

UHY Lauer & Dr. Peters KG*, Berlin
Contact: Dr Ulla Peters
Email: berlin@uhy-berlin.de
Website: www.uhy-berlin.de
Also in: Rostock

UHY Wahlen & Mannsky, Frankfurt
Contact: Stephanie Mannsky
Email: stephanie.mannsky@uhy-ffm.com
Website: www.uhy-wahlen.de

GHANA
UHY Voscon Chartered Accountants, Accra
Contact: Henry Djangmah
Email: info@uhyvoscon-gh.com
Website: www.uhyvoscon-gh.com

UHY Godwinson (Chartered Accountants), Accra
Contact: Godwin Azasu
Email: info@uhygodwinson-gh.com
Website: www.uhygodwinson-gh.com

GREECE
UHY Axon Certified Auditors S.A., Athens
Contact: Chris Antonopoulos
Email: info@axonaudit.gr
Website: www.axonaudit.gr
Also in: Crete

GUATEMALA
UHY Pérez & Co,* Guatemala City
Contact: Omar Pérez Rosales
Email: operez@uhy-perez.com
Website: www.uhy-perez.com

HONDURAS
UHY Auditores y Consultores, S.A., Tegucigalpa
Contact: Omar Pérez Rosales
Email: operez@uhy-hn.com
Website: www.uhy-hn.com

HONG KONG
Tai Kong CPA Limited,* Hong Kong
Contact: Robert Kong
Email: robertkong@tkcpa.com.hk
Website: www.tkcpa.com.hk

UHY-Advisory and Secretarial Knowledge Limited
Contact: Allan Kong
Email: allankong@uhy-ask.com
Website: www.uhy-ask.com

UHY Prime HK CPA Limited,* Hong Kong
Contact: Michael Tsang
Email: michaeltsang@uhy-hk.com
Website: www.uhy-hk.com

HUNGARY
Bergmann Accounting & Auditing, Budapest
Contact: László Hegedus
Email: laszlo.hegedus@bergmann.hu
Website: www.bergmann.hu
Also in: Szeged

INDIA
Chandabhoy & Jassoobhoy, Mumbai
Contact: Sunil Hansraj
Email: sunil@cnj.in
Website: www.cnj.in

Lodha & Co,* Kolkata
Contact: R.P. Singh
Email: rpsingh@lodhaco.com
Website: www.lodhaco.com
Also in: Chennai, Hyderabad, Jaipur, Mumbai, New Delhi

INDONESIA
KAP Hananta Budianto & Rekan, Jakarta
Contact: Venancia Wijono
Email: venancia@hananta.com
Website: www.hananta.com
Also in: Semarang, Surabaya

IRAN, ISLAMIC REPUBLIC OF
Hadi Hesab Tehran, Tehran
Contact: Hamid Reza Keyhani
Email: keyhani@hadihesab.com
Website: www.uhy-ir.com

IRELAND
UHY Farrelly Dawe White Limited, Dundalk
Contact: Alan Farrelly
Email: alanfarrelly@fdw.ie
Website: www.fdw.ie
Also in: Balbriggan, Dublin, Newry

ISLE OF MAN
UHY Crossleys LLC, Ballasalla
Contact: Andrew Pennington
Email: apennington@crossleys.com
Website: www.crossleys.com

ISRAEL
UHY Shtainmetz Aminoach & Co.,* Tel Aviv
Contact: Kobi Shtainmetz
Email: k@cpa.co.il
Website: www.cpa.co.il

ITALY
UHY Audinet Srl, Rome
Contact: Andrea D'Amico
Email: a.damico@uhyaudinet.com
Website: www.uhyaudinet.com
Also in: Florence, Padua

UHY Associati S.t.p.r.l. (Accounting, Payroll & Tax), Milan
Contact: Sabino Dente
Email: s.dente@uhyassociati.com
Website: www.uhyassociati.com

FiderConsult Srl (Tax & Accounting), Florence
Contact: Simone Biagiotti
Email: s.biagiotti@uhyitaly.com
Website: www.uhyitaly.com
Also in: Milan, Rome

JAPAN
UHY Tokyo & Co., Tokyo
Contact: Nobuyuki Hara
Email: info@uhy-tokyo.or.jp
Website: www.uhy-tokyo.or.jp
Also in: Kyoto, Nagoya

JORDAN
UHY Arab Auditors, Amman
Contact: Nabil Haddad
Email: nih@arabauditors.jo
Website: www.arabauditors.jo

KAZAKHSTAN
UHY SAPA-Consulting LLP, Almaty
Contact: Torebek Kurmanov
Email: office@uhy-kz.com
Website: www.uhy-kz.com
Also in: Aktobe, Astana, Atyrau, Shymkent, Ural'sk

KENYA
UHY Kenya, Nairobi
Contact: Daniel Kabiru
Email: dkabiru@uhy-ke.com
Website: www.uhy-ke.com

KOREA, REPUBLIC OF
UHY Daeyoung Accounting Corp., Seoul
Contact: Sam Shin
Email: skshin@daeyoungcpa.com
Website: www.daeyoungcpa.co.kr
Also in: Incheon

KUWAIT
UHY Pillars Advisory, Kuwait City
Contact: Wael Arafat
Email: wael@uhypillars.com
Website: www.uhypillars.com

LEBANON
UHY Andy Bryan, Beirut
Contact: Elie Abboud
Email: beirut@uhy-lb.com
Website: www.uhy-lb.com

LUXEMBOURG
UHY Finova S.à.r.l., Luxembourg
Contact: Jürgen Fischer
Email: j.fischer@finova.lu
Website: www.uhyfinova.lu

MALAYSIA
UHY,* Kuala Lumpur
Contact: Alvin Tee Guan Pian
Email: uhy-kl@uhy-my.com
Website: www.uhy.com.my
Also in: Johor Bahru, Penang

MALTA
UHY Pace, Galea Musù & Co, Lija
Contact: David Pace
Email: djpace@uhymalta.com
Website: www.uhymalta.com

MAURITIUS
UHY & Co., Moka
Contact: Dominique Samouilhan
Email: dsamouilhan@uhy.co.mu
Website: www.uhy.co.mu

MEXICO
UHY Glassman Esquivel y Cia S.C.,* Mexico City
Contact: Oscar Gutiérrez Esquivel
Email: oge@uhy-mx.com
Website: www.uhy-mx.com
Also in: Monterrey, Querétaro, Villahermosa

MOROCCO
UHY Ben Mokhtar & Co, Tangier
Contact: Mohamed Ben Mokhtar
Email: contact@uhy-benmokhtar.ma
Website: www.uhy-benmokhtar.ma

MOZAMBIQUE
UHY Auditores e Contabilistas Certificados, Limitada, Maputo
Contact: Carlos Siteo
Email: director.geral@uhy-mz.com
Website: www.uhy-mz.com

NEPAL
UHY Suvod Associates Chartered Accountants, Kathmandu
Contact: Akash Suman
Email: akash@suvodassociates.com.np
Website: www.suvodassociates.com.np
Also in: Itahari

NETHERLANDS
Govers Accountants/Consultants,* Eindhoven
Contact: Paul Mencke
Email: mencke@govers.nl
Website: www.govers.nl

NEW ZEALAND
UHY Haines Norton (Auckland) Ltd,* Auckland
Contact: Grant Brownlee
Email: grantb@uhyhn.co.nz
Website: www.uhyhn.co.nz
Also in: Helensville, Kumeu

NICARAGUA
UHY Auditores y Consultores S.A, Managua
Contact: Bryan Pérez
Email: bperez@uhy-ni.com
Website: www.uhy-ni.com

NIGERIA
UHY Maaji & Co, Lagos
Contact: Gabriel Idahosa
Email: info@uhy-ng-maaji.com
Website: www.uhy-ng-maaji.com
Also in: Abuja, Benin City, Ebutte Metta, Ejigbo, Garki, Kaduna, Kano, Lokoja, Maiduguri, Owerri, Port Harcourt, Wuse, Yola

NORWAY
Revisorgruppen AS, Oslo
Contact: Kirsti Armann
Email: post@rg.no
Website: www.rg.no
Also in: Akershus, Åndalsnes, Arendal, Bergen, Drammen, Førde, Kristiansand, Kvam/Norheimsund, Sarpsborg

PAKISTAN
UHY Hassan Naeem & Co, Lahore
Contact: Ibne Hassan
Email: ibnehassan@uhy-hnco.com
Website: www.uhy-hnco.com
Also in: Islamabad, Karachi

PANAMA
UHY Botello & Marquez, Panama City
Contact: Diógenes Botello V.
Email: dbotello@uhy-pa.com
Website: www.uhy-pa.com

PARAGUAY

UHY Consultoria Integral Del Mercosur, Coronel Oviedo
 Contact: Miguel Vera
 Email: cime@cime.com.py
 Website: www.cime.com.py
 Also in: Asunción, Ciudad del Este

PERU

UHY Blancas Sandoval & Asociados, SAC,* Lima
 Contact: Carlos Hugo Sandoval Zapata
 Email: carlos.sandoval@uhy-bsa.com
 Website: www.uhy-bsa.com
 Also in: Miraflores (Lima), San Borja (Lima), Surco (Lima)

PHILIPPINES

UHY M.L. Aguirre & Co. CPAs,* Makati City
 Contact: Michael Aguirre
 Email: ask@mlaguirre.org
 Website: www.mlaguirre.org

POLAND

UHY ECA Group, Kraków
 Contact: Roman Sereďynski
 Email: roman.seredynski@uhy-pl.com
 Website: www.uhy-pl.com
 Also in: Poznań, Warsaw, Wrocław, Zabrze

PORTUGAL

UHY & Associados SROC Lda, Lisbon
 Contact: António Oliveira
 Email: geral.lisboa@uhy-portugal.pt
 Website: www.uhy-portugal.pt
 Also in: Azores, Funchal, Porto

PUERTO RICO

UHY Del Valle & Nieves PSC,* San Juan
 Contact: Rafael Del Valle-Vega
 Email: info@uhy-pr.com
 Website: www.uhy-pr.com

QATAR

UHY Ammo & Co, Doha
 Contact: Moomen Elsalawy
 Email: inquiry@uhy-qa.com
 Website: www.uhy-qa.com

ROMANIA

UHY Audit CD S.r.l., Bucharest
 Contact: Camelia Dobre
 Email: camelia.dobre@uhy-ro.com
 Website: www.uhy-ro.com

RUSSIAN FEDERATION

UHY Yans-Audit LLC,* Moscow
 Contact: Nikolay Litvinov
 Email: yans@uhy-yans.ru
 Website: www.uhy-yans.ru

SAINT LUCIA

UHY A.P. Walcott and Associates, Castries
 Contact: Anthony Walcott
 Email: awalcott@uhy-lc.com
 Website: www.uhy-lc.com

SAUDI ARABIA

UHY Abdul Jabbar Certified Accountants and Consultants Office, Jeddah
 Contact: Elsayed Elbousseyri
 Email: elbousseyri@uhy-sa.com
 Website: www.uhy-sa.com
 Also in: Riyadh

SERBIA

UHY REVIZIJA d.o.o., Belgrade
 Contact: Jasmina Macura
 Email: ekirezivizija@uhy-ekirezivizija.rs
 Website: www.uhy-ekirezivizija.rs

SEYCHELLES

UHY Premier Financial Services Limited, Mahé
 Contact: Vimal Damry
 Email: vimal@premier-seychelles.com
 Website: www.premier-seychelles.com

SINGAPORE

UHY Lee Seng Chan & Co,* Singapore
 Contact: Sen Choon Lee
 Email: info@uhylsc.com.sg
 Website: www.uhylsc.com.sg

SLOVAK REPUBLIC

AUDITOR SK s.r.o., Bratislava
 Contact: Georg Stöger
 Email: georg.stoeger@auditor.eu
 Website: www.auditor.eu

SLOVENIA

UHY d.o.o., Ljubljana
 Contact: Franci Žgajnar
 Email: uhy@uhy.si
 Website: www.uhy.si

SOUTH AFRICA

UHY Hellmann (SA), Johannesburg
 Contact: Carlos Pedregal
 Email: carlosp@uhy.co.za
 Website: www.uhy.co.za

SPAIN

UHY Fay & Co,* Marbella
 Contact: Bernard Fay
 Email: bfay@uhy-fay.com
 Website: www.uhy-fay.com
 Also in: Barcelona, Madrid*, Malaga, Santa Cruz Tenerife, Santander, Santiago de Compostela

SRI LANKA

UHY Centra Management Associates, Colombo
 Contact: Ismath Abdul Sathar Mohamed
 Email: asmismath@uhycentra.com
 Website: www.uhycentra.com
 Also in: Kandy

SWEDEN

Revisorerna Syd, Malmö
 Contact: Mattias Nilsson
 Email: info@revisorernasyd.se
 Website: www.revisorernasyd.se

Winthers Revisionsbyrå AB, Stockholm

Contact: Ragnar Santesson
 Email: info@winthers.se
 Website: www.winthers.se

SWITZERLAND

Balmer-Etienne AG, Luzern
 Contact: Stefan Wigger
 Email: info@balmer-etienne.ch
 Website: www.balmer-etienne.ch
 Also in: Stans, Zürich

TAIWAN

UHY L&C Company, CPAs, Taipei
 Contact: Lawrence Lin
 Email: lawrencelin@uhy-taiwan.com.tw
 Website: www.uhy-taiwan.com.tw

THAILAND

UHY Yongyuth Accounting and Son Co., Ltd., Bangkok
 Contact: Panit Mokarakorn
 Email: panityas@uhy-th.com
 Website: www.uhy-th.com

TUNISIA

UHY CNBA, Tunis
 Contact: Raoudha Ben Abdelkrim
 Email: r.trojet@uhy-cnba.com
 Website: www.uhy-cnba.com

TURKEY

UHY UZMAN Sworn in CPA and Independent Auditing Inc., Istanbul
 Contact: Şenol Çudın
 Email: uzman@uhy-uzman.com.tr
 Website: www.uhy-uzman.com.tr
 Also in: Ankara, Istanbul, Izmir

UGANDA

UHY Thakkar & Associates, Certified Public Accountants, Kampala
 Contact: Sam Thakkar
 Email: sam@uhy-ug.com
 Website: www.uhy-ug.com

UKRAINE

UHY Prostor Ltd, Kiev
 Contact: Alexander Koinov
 Email: a.koinov@uhy-prostor.com
 Website: www.uhy-prostor.com

UNITED ARAB EMIRATES

UHY James Chartered Accountants, Dubai
 Contact: James Mathew
 Email: james.mathew@uhy-ae.com
 Website: www.uhy-ae.com
 Also in: Fujairah, Sharjah

UNITED KINGDOM

UHY Hacker Young,* London
 Contact: Subarna Banerjee
 Email: london@uhy-uk.com
 Website: www.uhy-uk.com
 Also in: Abergavenny, Abingdon, Ashford, Belfast, Birmingham*, Brighton & Hove, Bristol, Broadstairs, Cambridge, Chester, Hungerford, Huntingdon, Letchworth, Manchester*, Newbury, Newport, Nottingham, Sheffield, Sittingbourne, Swindon, Winchester, York

UNITED STATES

UHY Advisors, Inc., Farmington Hills, Michigan
 UHY LLP,* New York
 Contact: Michael Mahoney
 Email: mmahoney@uhy-us.com
 Website: www.uhy-us.com
 Also in: Albany (New York), Ann Arbor (Michigan), Atlanta (Georgia), Catskill (New York), Columbia (Maryland), Detroit (Michigan), Farmington (Connecticut), Farmington Hills (Michigan), Houston (Texas), Hudson (New York), Kansas City (Missouri), Kingston (New York), Long Island (New York), Miami (Florida), New York City (New York), Orange County (California), Port Huron (Michigan), Rye Brook (New York), Saratoga Springs (New York), St Louis (Missouri), Sterling Heights (Michigan), Woodland Hills (California).
 UHY LLP is a licensed independent CPA firm that performs attest services through an alternative practice structure with UHY Advisors, Inc. and its subsidiary entities. UHY Advisors, Inc. provides tax and business consulting services through wholly owned subsidiary entities that operate under the name of "UHY Advisors".

URUGUAY

UHY Gubba & Asociados,* Montevideo
 Contact: Hugo Gubba
 Email: info@uhygubba.uy
 Website: www.uhygubba.uy

UZBEKISTAN

UHY Tashkent LLC, Tashkent
 Contact: Sarvarkhon Karimov
 Email: s.karimov@uhy-uz.com
 Website: www.uhy-uz.com
 Also in: Khorezm, Navoi

VENEZUELA

UHY Servicios Legales & Tributarios, S.C., Caracas
 Contact: Luis Sotillo
 Email: l.sotillo@uhy-ve.com
 Website: www.uhy-ve.com
 Also in: Puerto Ordaz, Valencia*

VIETNAM

UHY Auditing & Consulting Co. Ltd., Hanoi
 Contact: Thanh Nguyen
 Email: thanht@uhyvietnam.com.vn
 Website: www.uhy.vn
 Also in: Ho Chi Minh City

ZAMBIA

UHY AMO Certified Public Accountants, Lusaka
 Contact: Dion Banda Dault
 Email: d.banda@uhy-amocpa.com
 Website: www.uhy-amocpa.com

* UHY firms asterisked signifies that they are registered with the Public Company Accounting Oversight Board (PCAOB). They are enabled under section 102 of the US Sarbanes-Oxley Act 2002 to prepare or issue audit reports on US public companies and their subsidiaries abroad. Under section 103 of the Act, the PCAOB has established auditing and related attestation quality control, ethics and independence standards, and rules to be used by registered public accounting firms, in the preparation and issuance of audit reports.



LET US HELP YOU ACHIEVE FURTHER BUSINESS SUCCESS

To find out how UHY can assist your business, contact any of our member firms. You can visit us online at www.uhy.com to find contact details for all of our offices, or email us at info@uhy.com for further information.

UHY is an international network of legally independent accounting and consultancy firms whose administrative entity is Urbach Hacker Young International Limited, a UK company. UHY is the brand name for the UHY international network. Services to clients are provided by member firms and not by Urbach Hacker Young International Limited. Neither Urbach Hacker Young International Limited, the UHY network, nor any member of UHY has any liability for services provided by other members. © 2022 UHY International Ltd.

The editorial opinions expressed in the magazine may not necessarily be those of UHY International Ltd or its member firms. Every effort is made to ensure accuracy but the publishers cannot be held responsible for errors or omissions. No part of this magazine may be reproduced in any form without prior permission of UHY International Ltd. We thank all contributors. Design: Flex with UHY International. Editorial: Flex with UHY International. Photography supplied by UHY member firms, their clients and from stock.

