

## CASE STUDY

# AEO Audit BI Dashboard

Customs Brokers — United Kingdom

100% Declaration Auditing — Exceeding the AEO Standard

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AT A GLANCE	
<b>Client:</b>	Network of customs brokerage firms (United Kingdom)
<b>Challenge:</b>	Demonstrating to HMRC that declarations are being systematically audited as part of AEO compliance
<b>MyCustomsInfo™ Solution:</b>	Bespoke AEO Audit BI dashboard delivering 100% declaration audit coverage
<b>Key Differentiator:</b>	MyCustomsInfo™ audits 100% of declarations — far exceeding the AEO minimum standard of annual self-audit with sample-based review
<b>Outcome:</b>	Real-time proof of continuous, complete declaration auditing; successful AEO audits across multiple broker clients

## Background

Under the AEO (Authorised Economic Operator) framework, customs brokers in the United Kingdom are required to demonstrate to HMRC that they have effective internal controls for monitoring and auditing their customs declarations. HMRC expects brokers to show not just that declarations are filed correctly, but that there is an ongoing, systematic audit process in place to identify and correct errors.

Since the UK's departure from the EU, the demands on UK customs brokers have increased significantly. Several customs brokerage firms approached MyCustomsInfo™ with a common challenge: they were conducting internal audits but had no centralised, reportable way to demonstrate this activity to HMRC auditors.

## What the AEO Standard Requires

- **Annual Self-Audit:** AEO holders are obligated to conduct an internal self-audit at least once a year. This is a minimum ongoing compliance requirement after AEO authorisation is granted.
- **Verification of Declaration Accuracy:** Operators must have documented procedures for verifying the accuracy of customs declarations, including quality assurance measures to ensure customs value, classification, and origin are correctly established.

- **Compliance Programme:** AEO holders must maintain a Compliance Programme demonstrating that customs procedures are consistent with established protocols.
- **Post-Authorisation Customs Review:** HMRC conducts post-authorisation audits. Failure to comply with directions for improvement within the required period can lead to revocation of AEO status.

## Exceeding the Standard: 100% Declaration Auditing

*Where the AEO standard requires an annual self-audit based on representative sampling, MyCustomsInfo™ enables customs brokers to audit 100% of all customs declarations — continuously and in real time. This is not a marginal improvement. It represents a fundamental shift from periodic, sample-based compliance to continuous, complete assurance.*

The AEO framework establishes a floor, not a ceiling. MyCustomsInfo™ removes the constraints of manual processes entirely. With MyCustomsInfo™'s AEO Audit BI dashboard, every declaration filed through the broker's operation is automatically captured, analysed, and audited against configurable compliance rules. There is no sampling, no selection bias, and no gap between one audit cycle and the next.

Requirement	AEO Standard	MyCustomsInfo™ Approach
<b>Audit Frequency</b>	Annual self-audit (minimum)	Continuous — real-time as declarations are filed
<b>Declaration Coverage</b>	Representative sample or risk-based selection	100% of all declarations audited
<b>Audit Evidence</b>	Internal records, spreadsheets, periodic reports	Centralised BI dashboard with full audit trail
<b>Error Detection</b>	Identified at next annual review cycle	Flagged and logged immediately upon detection
<b>Corrective Actions</b>	Documented manually; tracked ad hoc	Logged, tracked, and time-stamped to resolution
<b>Reporting to HMRC</b>	Compiled manually ahead of audit visit	On-demand, HMRC-ready reports generated instantly
<b>Trend Analysis</b>	Limited or manual analysis	Automated trend identification across all declaration data
<b>Compliance Posture</b>	Periodic — reactive to annual cycle	Continuous — proactive and always audit-ready

## The MyCustomsInfo™ AEO Audit BI Solution

- **100% Declaration Audit Coverage:** Every declaration processed through the broker's operation is automatically captured and audited in the BI dashboard. Brokers can demonstrate to HMRC that their audit programme covers every single declaration.
- **Real-Time Audit Metrics:** The dashboard displays live metrics on audit status, error rates, corrective actions, and compliance trends — by value, commodity code, client, and risk category.
- **Exception and Error Reporting:** When the audit identifies an error or discrepancy, the BI dashboard logs the finding, the root cause, the corrective action taken, and the date of resolution.
- **CDS Integration:** The BI dashboard provides visibility over CDS-submitted declarations alongside any legacy CHIEF entries, giving brokers a complete audit picture across both systems.
- **Trend Analysis and Risk Profiling:** The BI dashboard analyses declaration data over time, identifying trends in error rates, high-risk commodity codes, or clients with recurring issues.
- **HMRC-Ready Reporting:** The dashboard generates formatted reports that brokers can present directly to HMRC during an AEO audit.

## Results

- **HMRC Recognition:** HMRC auditors have specifically commended the BI dashboard as evidence of a mature, technology-driven internal audit programme that significantly exceeds the minimum AEO requirements.
- **100% Audit Coverage Demonstrated:** Brokers can show HMRC that every declaration has been audited — not a sample, not a percentage, but every single one.
- **70% Time Saving:** Brokers have reduced the time spent preparing for HMRC AEO audits by an estimated 70%, as all evidence is available on-demand.
- **Competitive Advantage:** The ability to tell prospective clients “we audit 100% of your declarations, not just a sample” has been a powerful differentiator. Several brokers report winning new business on the strength of their MyCustomsInfo™-powered audit capability.
- **Continuous Improvement:** The trend analysis capability has allowed brokers to identify and address systemic issues before they become HMRC findings.

*“The AEO standard asks us to audit a sample. With MyCustomsInfo™, we audit everything. When we showed HMRC the dashboard, they said it was the most comprehensive audit evidence they had seen from a broker.”*

— UK Customs Broker, AEO Holder