

your r&d

**SORTED**

# What is Sorted AI?

When tax agents and R&D Consultants (R&D Advisors) are preparing applications for the R&D tax incentive program on behalf of their eligible clients, they must gather and carefully interpret a significant volume of information to clearly explain the R&D activities conducted within the R&D regulatory requirements. This process can be challenging, even for experienced R&D Advisors, who must manage these time-consuming tasks alongside their existing workload.

While educational materials are available to assist in navigating the complex requirements and documentation, the plethora of information can be overwhelming, making it difficult to compile all necessary details efficiently and within a manageable timeframe. The solution is Sorted AI. Sorted AI is a specifically designed application developed for R&D Advisors to enter and manage the data and information related to their clients' R&D projects and activities through a single, intuitive interface, generating legislatively compatible, high-quality R&D submissions expediently and consistently. This technology is underpinned by a proprietary AI computing model known as **LAIRD** (Legislative AI Reporting & Documentation).

## Essentially Sorted AI is designed to allow R&D Advisors to:

- Gather and interpret data from innovative companies applying for the R&D tax incentive program.
- Prepare and manage R&D claims on behalf of their clients.
- Generate well-written, legislatively compliant R&D submissions.
- Empower team members to expedite the R&D claim preparation process.
- With the AI-driven Financial Query Generator module (Sorted FQG), R&D Advisors will be able to ingest client financials, auto-generate financial queries, collect responses, and categorise R&D expenditure items, for entry into the R&D financial workpapers further enhancing the efficiency and accuracy of the R&D claim preparation process.



Sorted AI is a virtual R&D expert designed for R&D practices, empowering their teams to produce results faster, more accurately, and consistently. Unlike other tools that merely convert source material into generic descriptions, Sorted AI ensures high-quality, legislatively aligned R&D claims with minimal extra effort.

Sorted AI expedites R&D claims by auto-generating submissions, allowing team members to review and add their own wording as necessary, saving significant time and effort overall.

### **This is what distinguishes Sorted AI from other generalist AI platforms.**

Essentially, Sorted AI provides an environment that comprehends the various components of the company and its industry, including applicable legislation, and the writing tone and permitted language for each R&D practice. Each prompt is constructed by utilising a prompt library within the LAIRD computing model, contextualising it within a ‘thread’ for each project. This thread operates like a conversation flow, focusing solely on a specific subject and gaining a deep understanding of it. In this context, the subject is the R&D project itself, and Sorted AI provides it with the necessary data sources to inform the required output accurately.

This tailored design ensures that Sorted AI eliminates irrelevant pre and post-amble typically generated by mainstream AI platforms, ensuring fields are populated with well-written, precise responses. This specialised approach provides superior results compared to commercially available AI platforms.

Another critical distinction is that Sorted AI operates in a highly secure environment that is not based on the ChatGPT framework or other publicly available Generative AI systems, ensuring the highest levels of privacy and confidentiality.

This is why Sorted AI gives you so much better results than interacting directly with ‘mainstream generative AI platforms that have not been developed with the same ‘smart’ tools or functionality that are present in Sorted AI.

**Sorted AI is a purpose-designed program, developed to expedite R&D claims. The program auto-generates R&D reports and submissions, saving R&D practices significant time and dollars.**

# How it works

Sorted AI offers an efficient solution for R&D Advisors to expedite their clients' R&D submissions. Instead of using multiple, disparate documents and spreadsheets, Sorted AI allows R&D team members to input all relevant R&D project information into an integrated, user-friendly platform. This system streamlines the submission process, ensuring expedient, accurate, and compliant R&D claim preparation.

## Accessible

Sorted AI is platform-agnostic and can be accessed via any Windows or Mac OS desktop through a browser, allowing information to be entered and extracted from any location. This ensures that all R&D project data is current and relevant, and timely reports are maintained. The system also supports version control and ensures data integrity and accuracy.

## User-friendly

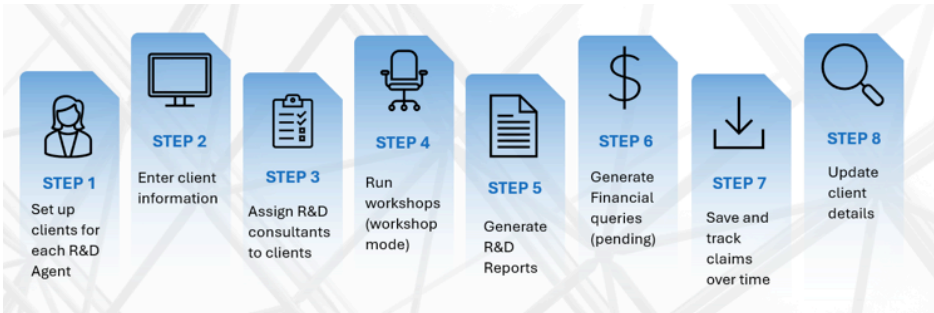
The Sorted AI platform is exceptionally user-friendly and intuitive, enabling R&D practices to easily gather the necessary information and organise data for straightforward reporting to key stakeholders, both internal and external. This includes the R&D advisory team, managers, clients, and the clients' tax agents.

## Accurate

The Sorted FQG module will offer a robust framework to capture financial data, collect R&D expenditure from applicants, and categorise items accurately to be entered into the R&D practice's financial workpapers. This ensures accuracy in R&D claims, enhances data integrity, and structures the R&D claim preparation process for superior results.

## Streamlined

Sorted AI streamlines R&D workflows by integrating all R&D project information into a 'single source of truth'. This reduces the time and effort required for submissions, allowing team members to focus on refining claims and developing client relationships instead of gathering and filing data. Sorted AI's accessible interface ensures accurate and consistent details, leading to faster and more reliable outcomes.



## R&D Practice Management Elements

- Purpose-driven, logical workflows
- Simple setup for team members, admin and clients
- Ability for the administrative team to set up client details
- Alignment of the fields with the RDTIA form
- Tracking and version control of claims across years



# What's under the hood?

There are five key aspects that drive the Sorted AI platform. These are:



## 01 Workshop Mode

The non-AI mode where the R&D team member collects data from the client, either in the form of notes taken in a workshop, by inputting client-provided R&D project information, or both. It follows a logical workflow covering all R&D project aspects required for submission, acting as a wizard to guide users through the required inputs.

## 02 Style Guide

The Style Guide ensures uniform presentation of information, guiding how the content is written to match the specific writing tone of the R&D practice. It imparts standard terminology, applies legislative guidelines where relevant, and a professional tone that can be customised for each R&D practice to deliver a unique and consistent format for all their team members.

- Uniform standards for consistency
- Legal guidelines for alignment
- Standard terminology for precise responses
- Simplified details for clarity
- Professional, consistent tone
- Customisable, to deliver a unique tone for each R&D practice
- Customised Style Guide

## 03 Lexicon

The Lexicon provides a tailored vocabulary for each R&D practice, indicating which words to use and which to avoid. This feature ensures precision and clarity, selecting elements of the R&D project that are compliant with the R&D legislation and aligning the content with the practice's specific linguistic preferences. Examples from the Lexicon include:

Use this	Instead of this
re-engineer, redesign, adjust	adapt
correct, repair, refine	debug
industry analysis, sector analysis, research	market research
testing environment, PoC environment, solution, technology	platform
extension, expansion	scale-up



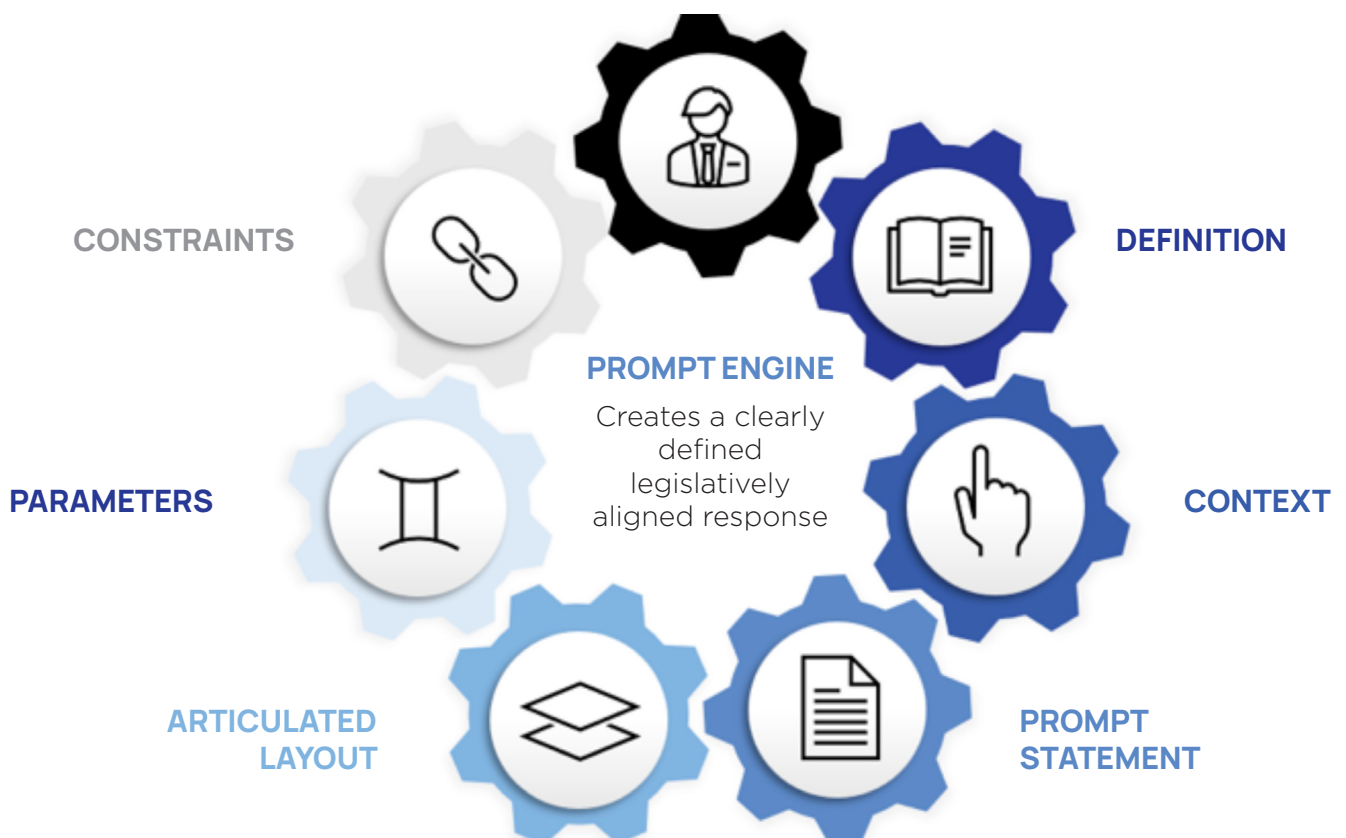
## 04 Embedded Legislation

This feature of the AI model integrates R&D legislation, case studies, and supporting information into its responses. By referencing current legislative requirements, it ensures that the selected R&D project elements comply with the legislation, generating accurate and compliant R&D claims. This will be fully integrated with the addition of Sorted LGA, the 'Deep Dive' legislative module.

## 05 Prompt Engine

At the heart of Sorted AI is a proprietary, multi-layered Prompt Engine, using the LAIRD computing model to meet specific R&D reporting requirements. It generates clear, compliant responses by selecting relevant descriptions within the Style Guide and Lexicon's context. This ensures accurate claim preparation and allows users to update responses with their own wording as needed.

### SECTOR-BASED EXAMPLES



# Comparison Matrix

We are aware that some users rely on publicly available AI platforms to prepare their R&D Tax Incentive claims. It is vital to understand the issues with this approach and the distinctions between the Sorted AI platform and mainstream generative AI programs, such as ChatGPT, Gemini, and Bard.

The table below provides these important distinctions:

General AI Platforms	Sorted AI Platform
<p>Generative AI lacks a distinctive voice, often producing generic responses, resulting in similar tones across different consultants. Using the Custom GPT function is limited in its breadth and struggles with nuanced tones.</p>	<p>Sorted AI incorporates your R&amp;D practice's specific writing tone, generating reports that reflect your company's unique voice and appear more human, rather than generic AI-generated responses. This ensures that all team members' reports are prepared in a consistent writing tone.</p>
<p>Generative AI does not have its own specialised vocabulary, often utilising generic terms that may not fit the specific context or industry requirements.</p>	<p>Sorted AI features a vocabulary tool that ensures consistent and accurate terminology by suggesting or replacing words. For instance, it replaces 'market research' with 'industry analysis' if the latter is more appropriate. The vocabulary grows and adapts over time, continually enhancing its sophistication.</p>
<p>Generative AI has potential privacy issues as generating R&amp;D reports using these tools can inadvertently expose sensitive client data to the public domain. This is a significant concern with all publicly available AI platforms.</p>	<p>In contrast, Sorted AI uses a designated server with features such as data encryption (at rest and in transit), multi-factor authentication and secure single sign-on, and role-based access control. The data resides on Bubble servers, inheriting robust security measures to ensure data privacy and security.</p>
<p>Generic AI platforms operate with a single prompt, offering basic, one-dimensional outputs. They do not integrate complex contextual information or specialised knowledge, resulting in more generic and less refined responses.</p>	<p>Sorted AI's prompts are multi-faceted, incorporating legislative context, specific rules, format guidelines, character limits, and sector-based examples. This ensures nuanced, consistent outputs, referencing other responses within the document for contextually-relevant results. The responses are expertly crafted and honed over time by R&amp;D domain experts.</p>

General AI Platforms	Sorted AI Platform
<p>Generative AI can produce hallucinations because it is designed to handle a wide range of tasks without specialisation, leading to inaccurate or irrelevant responses when applied to specific domains such as R&amp;D.</p>	<p>Sorted AI, however, is purpose-designed specifically for R&amp;D submissions, eliminating the risk of hallucinations by focusing exclusively on this domain. Its multi-faceted prompts and legislative context ensure accurate and relevant responses, avoiding the need for multiple iterations.</p>
<p>Generative AI lacks persistent memory, meaning it does not retain context from previous interactions. Each response is generated in isolation, relying only on the immediate input without leveraging past data, leading to inherently disjointed and inconsistent outputs.</p>	<p>Sorted AI contextualises responses by integrating them with other fields in the R&amp;D submission. It also enhances continuity and accuracy over time by storing and referencing data from multi-year claims, ensuring coherent and contextually relevant outputs.</p>
<p>Generative AI can process text effectively but often struggles with numerical data and financial tasks. It is not designed to handle complex financial information well, which can lead to potential errors and inconsistencies.</p>	<p>Release 2 will involve the incorporation of Sorted FQG, a module specifically developed for managing financial queries to clients. It ingests financial data, categorises expenses such as contract expenditure and salaries, and generates financial queries for clients to address. This allows R&amp;D Advisors to update and prepare comprehensive data sets for input into their financial workpapers, resulting in significant time savings and enhanced accuracy.</p>
<p>Generative AI lacks embedded knowledge of R&amp;D legislation, making it unable to ensure compliance with specific legislative requirements.</p>	<p>Release 3 will include the incorporation of a module that fully integrates R&amp;D legislation and relevant case studies into its back-end. This dynamic reference source will help to select compliant aspects of the client's R&amp;D project, enhancing accuracy and relevance in responses. This element will expand and evolve over time with consistent application of the embedded and continuously growing body of knowledge.</p>

# Features of Sorted AI

- Sorted AI is specifically designed for R&D submissions, streamlining the entire process. Unlike generic AI platforms, it meets the unique needs of R&D practices with specialised functionalities.
- The technology supports workshops, client data collection, and efficient preparation and management of submissions, featuring a user-friendly interface and secure back-end information storage. It overcomes the limitations of generalist AI platforms by establishing a unique tone and vocabulary for each R&D practice.
- Sorted AI's workflow ensures no information is missed or lost. It securely stores and organises data collection and content generation, prompting user input for accuracy.
- The AI Auto Generation feature improves efficiency, enabling expedient preparation and submission of high-quality claims. R&D Advisors are prompted to approve each main step and add their own content, ensuring their involvement and embedding their own input and expertise throughout the process.
- Finally, Sorted AI integrates all aspects of managing an R&D practice's clients and their submissions, covering every part of the R&D claim process.

# Product Roadmap

The Sorted AI technology platform comprises a number of uniquely developed modules that are specifically created for specific usage with federal legislation.

The R&D Report-writing tool is now fully operational and is being used to assist R&D Advisors to significantly reduce data collection and report generation time across their R&D tax incentive submission requirements.

## Release 2: Sorted FQG - Q1 of FY25

In the current stage of development, the R&D Financial Queries and Expense Calculation and Categorisation module (Sorted FQG) will assist R&D team members in collecting client financial information, calculating R&D expenditure, and categorising items before inputting to the financial workpapers.

## Release 3: Sorted LGA - Q2 of FY25

This module will be followed by Sorted's 'Deep Dive' Legislative Alignment tool, called Sorted LGA (Legislative Application), which will thoroughly apply all relevant legislative information to ensure alignment, compliance and accuracy in R&D submissions.

## Release 4: Sorted R&D - Q4 of FY25

Sorted R&D, due for release in Q4 of the 2025 Financial Year, will be a client-facing record-keeping tool that will enable R&D applicants to conduct and document their R&D activities and expenditure in a streamlined and legislatively compliant manner. Their R&D Agent will also have access to this information, allowing them to provide guidance and use the data to assist with their R&D submissions.

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