Streamlining statutory record to report (RTR)

Deloitte Global Statutory Reporting (GSR) Services

Future of statutory reporting 5x5: Insights and actions

Simplify, Standardize, and Automate

Despite ongoing digital transformation and an increased focus on governance, many multinational companies are falling behind in streamlining their process of GSR. Here are five insights and actions you can take to develop a cohesive strategy and capture operational efficiencies leveraging technology.

How 5 insights can be turned into 5 actions

1. Many multinational companies, across all industries, have hundreds of legal entities globally that require preparation and submission of financial statements under local accounting principles.
   - Initiate legal entity rationalization and an assessment of the current maturity state of statutory reporting process.

2. Many of these companies have decentralized and manual reporting processes resulting in delayed filings, operational inefficiencies, and inconsistencies in publicly disclosed information.
   - Develop a risk mitigating strategy and a business case for transformation based on KPIs and the success factors of a well-coordinated, centralized approach.

3. Controllership teams are realizing that their current digitalization and ERP implementation efforts are not equipped to resolve their statutory reporting challenges.
   - Involve GSR subject matter advisors on ways to leverage the existing IT structure/implementation plans to scale the record to report process.

4. There are modern cost-effective solutions available, both accounting and technological, to simplify, standardize, and automate GSR.
   - Familiarize yourself with the technologies and platforms available in the marketplace by attending demo sessions and by discussing options with advisors.

5. Organizations that have transformed statutory reporting have realized up to 40% efficiency gains within the first year related to savings in internal costs and processing time for report generation.
   - Implement purposeful solutions that elevate controllership and finance functions to more of a catalyst and strategist role and enable finance to focus on higher-value activities.

1Workiva 2021 Survey Report: Global Statutory Reporting Automation Trends
Statutory reporting KPIs: Reimagine and optimize people, process, and technology

In today’s rapidly changing digital environment, you need to know how you can leverage your existing plans and capabilities to build a well-connected, collaborative, and transparent statutory reporting model with the potential to save time, cost, and complexity. The following tiers can help you understand the underlying benefits of a simplified, standardized and automated GSR solution. Where does your organization fit?

<table>
<thead>
<tr>
<th>Key Performance Indicators (“KPIs”)</th>
<th>Trend</th>
<th>Traditional Reporting Model</th>
<th>ERP-based Model</th>
<th>Connected ERP-GSR Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td>High</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>Timely reporting/filings</td>
<td></td>
<td>Low</td>
<td>Better</td>
<td>High</td>
</tr>
<tr>
<td>Accounting errors/audit comments</td>
<td></td>
<td>High</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>Accounting policies and disclosures</td>
<td></td>
<td>Inconsistent</td>
<td>Inconsistent</td>
<td>Consistent</td>
</tr>
<tr>
<td>Tax, accounting and ESG coordination</td>
<td></td>
<td>Limited</td>
<td>Better</td>
<td>Collaborative</td>
</tr>
<tr>
<td>Operating model</td>
<td></td>
<td>Local/disconnected</td>
<td>Local/disconnected</td>
<td>Coordinated/Connected</td>
</tr>
<tr>
<td>Process</td>
<td></td>
<td>Low global visibility</td>
<td>Limited global visibility</td>
<td>Improved transparency</td>
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<tr>
<td>Technology</td>
<td></td>
<td>Multiple spreadsheets, manual reporting</td>
<td>Standardized reporting templates</td>
<td>Cloud-based report templates linked to ERP</td>
</tr>
</tbody>
</table>

GSR implementation: Delivered without interruption

Deloitte’s four step model for the GSR transformation can help you make the process cost effective and efficient.

**Blueprint**
- Assess current reporting process
- Develop entity rationalization and implementation strategy
- Incorporate appropriate cloud-based technology

**Test/Deploy**
- Conduct user acceptance training
- Provide training to your team
- Hypercare – technical, audit support, etc.

**Global Design**
- Identify datasets and sources
- Design workflows
- Harmonize cross-functional information and rationalize accounting adjustments

**Build**
- Reporting templates leveraging accelerators
- Automate GAAP to stat adjustments
- Automate report workflows and collaboration
Why choose Deloitte?

Domain experience across the globe.
We bring in-depth knowledge and experience in accounting advisory, digital controllership, technology implementation, and assurance services to be your trusted advisor in the GSR domain. We also leverage our access to the Deloitte Touche Tohmatsu Limited (DTTL) network of member firms and can provide assistance across the globe with local accounting standard knowledge and language fluency.

Real industry use cases.
We have successfully delivered end-to-end GSR solutions at large multinational organizations across various industries to help them achieve highly efficient, standardized, and automated statutory reporting processes and higher quality reporting.

Strategic technology alliances.
We have strategic alliances with market leading GSR technology providers, such as Workiva, that bring the right people, processes, and technologies directly to you.

A point of view.
Our global experience across industries provides us with a distinct perspective on what works for various organizations. We bring this perspective to you through accelerators that provide enhanced value to your organization.

Expansive resources, customized options.
Our professionals including, our delivery center in India, bring the right mix of trained accounting and technology resourcing. With our matured global delivery model and in-house tools, we bring multiple options to the table, from simply implementing the GSR technology solution, or establishing a GSR Center of excellence/ shared service center for your organization, to largely outsourcing the GSR function.

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