



WHY AUTOMATION IS CRITICAL TO THE FUTURE OF FINANCIAL REPORTING

Clear and timely financial reporting is critical in the cross-border fund servicing space.

Managers increasingly are required to cater to the needs of investors who are tapping into niche opportunities and are demanding quick turnarounds and accurate financial information. In addition directors of managers and their funds face tight external regulatory and stock exchange listing deadlines for statutory financial statements, as well as the demands for timely financial reporting from other stakeholders such as tax authorities and external lenders.

As Ryan Harris, Senior Director, and Nathan Begbie, Manager, within the Fund Services division at JTC explain, some fund administrators are still being held back by legacy manual systems. Innovation and technology are rapidly providing much-needed solutions.

Providing directors and managers with comprehensive financial reporting services is a key part of JTC's fund services proposition in South Africa.

Working together with colleagues across the firm's global network, financial reporting is a critical element of the holistic fund administration solution, providing management accounts and financial statements. The process also needs to be optimal to allow for smooth external audits and to assist JTC's clients to cement their relationships with all stakeholders.

Investors are increasingly looking for accurate financial information and are exploring new opportunities as they seek greater yields in a shifting marketplace.

The issue is exacerbated by complex accounting and regulatory requirements across different jurisdictions where managers have multiple funds and structures, with varying asset types and investor geographies, regulated under varied regimes.

Any delays or inefficiencies in the financial statement preparation and audit process could result in undue costs to the funds and the lack of timely financial information to investors and other stakeholders.

CHALLENGES IN FINANCIAL REPORTING

Some administrators have underestimated these demands.

Manual processes and an over-reliance on legacy systems such as Microsoft Excel and Word are too basic for current needs, presenting major inefficiencies and a distinct lack of capability.

There are also questions around the suitability and compatibility of external financial statements solutions in the market that are fit for purpose alongside existing accounting software in the business.

Differences in jurisdictional regulatory frameworks and regular updates to accounting standards can also provide significant headaches.

Combined, this makes financial reporting time-consuming and inefficient, creating potential for inaccuracies and human error, in particular where large and complex financial data sets are concerned.

JTC has taken a proactive stance, ready to enhance the experience of our clients and capitalise on this opportunity.



EMBRACING INNOVATION

Backed by JTC's collective experience, digitally-driven solutions are pivotal when it comes to the type and quality of financial reporting now being demanded by boards and managers. When we deliver accurate, timely, tailored and well-presented financial reports, directors and managers can feel confident that they are meeting their regulatory deadlines as well as investors' demands, enabling investors to focus on what they do best: fundraising and generating returns.

Automating the financial reporting process through software solutions helps reduce costs, streamline audits, and ensure timely reporting. However, there is no universal solution, especially for off-the-shelf financial statements software solutions; what works for one client may not suit another.

JTC's approach to high-quality financial reporting is twofold:

- 1. Tailored Solution Selection:** Carefully selecting the best external software solution for each client, ensuring these solutions are fit-for-purpose and compatible with existing accounting systems to deliver cost and efficiency benefits.
- 2. In-House Automation:** Utilising JTC's Digital Innovation team to enhance efficiencies and customise the use of external software to meet varying client needs.

For many of our clients, we have rolled out specialist financial statement software. These solutions offer up-to-date accounting standards capability such as IFRS and UK GAAP for a variety of client entity structures and groups.

JTC also has access to financial statements solutions for clients that require tailored corporate branding – including logos, typesetting and visual templates. This includes listed structures where presentation requirements are dictated by stock exchange announcement requirements and tagging requirements.

Critically, external software solutions are also backed up by JTC's in-house capabilities to innovate and enhance in conjunction with existing accounting systems.

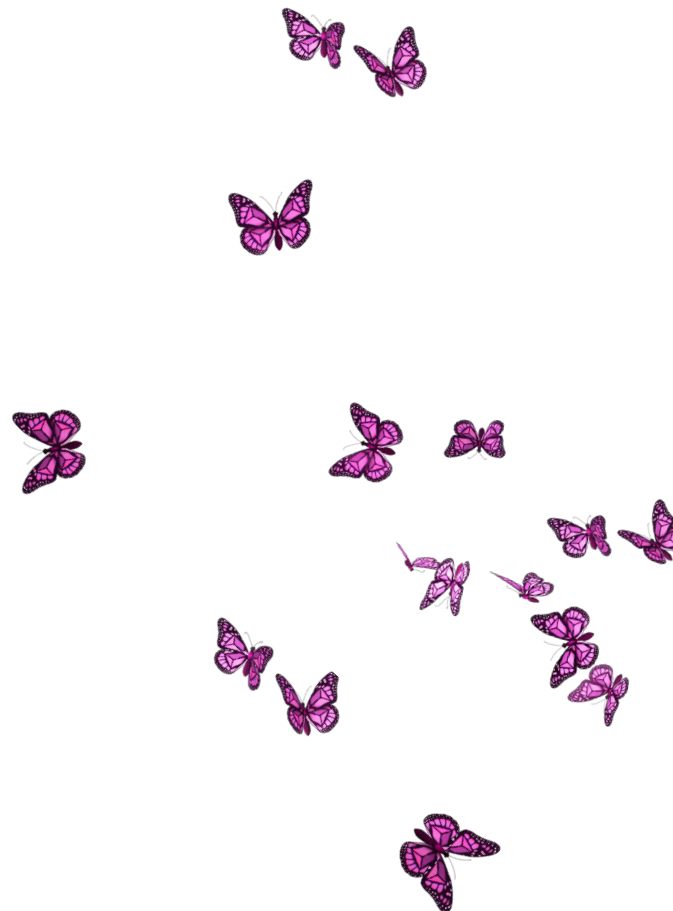
JTC's Digital Innovation team, based in Cape Town, provides progressive thinking to ensure that technology is up to date, optimised and fully integrated across our platforms and with existing tools, to deliver the best possible outcomes and stakeholder experience.

LOOKING AHEAD

Increases in cross-border regulatory requirements, accounting complexities and investor expectations mean that directors and managers will increasingly need to focus on enhancing financial reporting efficiencies. This to ensure there is quick, accurate, tailored reporting to support investors and other stakeholders.

Automation and innovation are not optional. JTC's proactive, technology-driven approach ensures both compliance and a competitive advantage.

Organisations that resist adopting an innovation-first mindset or persist with outdated manual processes risk being left behind in an increasingly competitive and digitalised landscape.



KEY CONTACTS

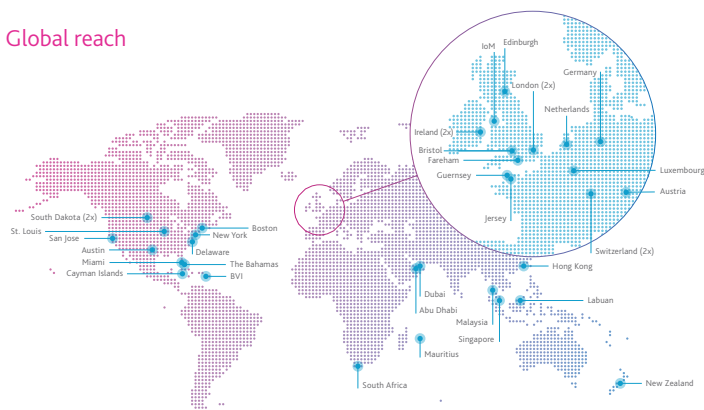


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Global reach



ABOUT JTC

JTC is a publicly listed, global professional services business with deep expertise in fund, corporate and private client services.

Every JTC person is an owner of the business and this fundamental part of our culture aligns us with the best interests of all of our stakeholders.

Our purpose is to maximise potential and our success is built on service excellence, long-term relationships and technology capabilities that drive efficiency and add value.

We value shared ownership

- › We operate around the principle that if our people have a stake in the business, they will do a better job for our clients.

We value relationships

- › We aim to work with clients who share our belief in the importance of building strong relationships over time.

We invest in our people

- › Over 83% of our employees hold a relevant professional qualification or are working towards this through our dedicated JTC Academy.

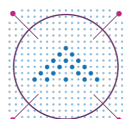
We embrace technology

- › We operate a variety of best-in-class systems to deliver and maintain an impeccable standard of administration and use technology to innovate in both service delivery and efficiency.

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AUTHORISED
BY THE FSCA
(INTERMEDIARY SERVICES ONLY)

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE (ESG)



- › Our environmental, social and governance (ESG) framework has at its heart our culture of shared ownership and is informed by our purpose, which is to help maximise the potential of every client, colleague and partner with whom we work.
- › We believe that we will thrive as a business by working in a sustainable way, operating within constantly evolving legal and regulatory frameworks, respecting the natural environment and creating a positive impact for the communities where we live and work.
- › We understand the ESG risks and opportunities our clients face and as a listed professional services business with expertise across a wide range of sectors, geographies and asset classes, we are ideally placed to support our clients with a range of solutions that help them meet their own ESG commitments and goals.



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