



STANDARD LIFE

COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

QUICK FACTS

Industry

Financial service providers

Revenue

CAD 5 billion (€3.13 billion)

Employees

1,900

Headquarters

Montreal

Web Site

www.standardlife.ca

BusinessObjects™ Solution and Services
BusinessObjects™ Financial Consolidation application

Key Challenges

- Comply with multiple financial reporting standards
- Eliminate manual consolidation and reporting processes
- Improve auditability of required reconciliations
- Gain better process control
- Reduce timeline for financial reporting

Implementation Best Practices

- Ensured continuity of resources throughout the project life cycle
- Invested strategic effort in discovery phase to thoroughly plan efforts and resources for the project
- Involved business owners in implementation

Financial and Strategic Benefits

- Ensured consistent and accurate consolidations with standardized reporting formats
- Reduced risk with better audit trails
- Eliminated many manual tasks – refocusing resources on more strategic initiatives
- Provided access across departments to online financial reports
- Established formal change control for reporting processes

Why Business Objects Was Selected

- Application used at Standard Life plc in the United Kingdom
- Proven functionality supporting multiple reporting standards
- Support for fully automated consolidation processes
- Excellent audit trail
- Automated journal entries
- Scalability for high account volumes

Low Total Cost of Ownership

- Achieved implementation on time and within budget
- Maintained stable headcount in IT and business units
- Leveraged existing experience with application in the United Kingdom

Operational Benefits

- Automated consolidation and GAAP reconciliation processes
- Streamlined reconciliation between Canadian GAAP and International Financial Reporting Standards (IFRS)
- Eliminated hundreds of manual journal entries related to IFRS reclassifications and adjustments
- Automated updates of account balances from third-party general ledger software

The Standard Life Assurance Company of Canada (Standard Life) offers a wide variety of retirement, investment, and insurance products and services to over 1.3 million customers. As part of Standard Life plc, based in the United Kingdom, this Canadian company must comply with multiple financial reporting standards. By implementing the BusinessObjects™ Financial Consolidation application, Standard Life was able to streamline operations by automating its consolidation and reconciliation processes.



“With more efficient financial processes, we have improved the quality of our work.

We now spend more time providing strategic business analysis.”

Neil Thompson, Manager of Financial Systems, The Standard Life Assurance Company of Canada

www.sap.com/contactsap

Meeting the Challenge of Financial Consolidations

Founded in 1833, The Standard Life Assurance Company of Canada (Standard Life) is a financial service company with over 1.3 million customers. Part of the international Standard Life plc group based in the United Kingdom, this company with headquarters in Montreal is the group's largest operation outside of the United Kingdom.

Standard Life maintains an extensive portfolio of financial products and services – over 250 investment solutions and a broad range of both individual and group retirement, investment, and insurance plans. Consolidating the quarterly financials at such a diverse company is a significant undertaking. Further, Standard Life must report its financial results according to both Canadian generally accepted accounting principles (GAAP) and the International Financial Reporting Standards (IFRS) mandated by its parent company in Scotland.

Challenged by many manual accounting tasks and multiple reporting spreadsheets, Standard Life needed a better way to manage its complex reporting requirements. For executives in Montreal, the solution was clear: the BusinessObjects™ Financial Consolidation application. This software from Business Objects, an SAP® company, had the functionality to handle multiple financial standards. Moreover, Standard Life plc was

already using the solution in the United Kingdom for its IFRS reporting.

Standard Reports with Detailed Audit Trails

With BusinessObjects software, Standard Life has gained new control over its financial reporting processes. For example, departments no longer build and maintain independent spreadsheets. Rather, the company now uses standardized reports to present consolidated financial information that is consistent across organizations.

The company is also simplifying its financial consolidations by eliminating manual processes. Today, Standard Life relies on the application's built-in logic rules to automate hundreds of consolidation entries. Because of such automation, managers run consolidation reports with less risk of error. And these reports are easier to update with last-minute adjustments. With less manual intervention, Standard Life is shortening the timeline of its reporting cycles. As Steven Skipper, manager of financial reporting, explains, “Generating consolidation reports was once an obstacle in the critical path of our financial processes. That's no longer the case with the efficiency of the BusinessObjects application.”

Neil Thompson, manager of financial systems, chimes in to point out that the company also now has full traceability and transparency for the necessary reconcili-

ations between reporting standards. “The journal entries generated by the rules-based BusinessObjects application provide an exact audit trail as we reconcile the data for both Canadian reporting purposes and IFRS standards,” Thompson notes. “It makes it much easier to show both auditors and company management exactly what we've done.”

More Time for Strategic Analysis

These efficiencies are also improving productivity. In the past, the company shared financial information by e-mailing spreadsheets among departments. Now, business owners run online reports themselves. Both Thompson and Skipper agree that eliminating such manual tasks enables their staffs to spend more time on business analysis – providing valuable financial evaluation services to the company.

Insurance for Future Success

While BusinessObjects Financial Consolidation is already paying dividends, Standard Life anticipates even further benefits. “We really haven't experienced the full gain of the application yet,” says Thompson. “We expect to see greater efficiencies as we go through each reporting cycle.” Moreover, with the ability to comply with international standards, the company is prepared for a looming regulatory change that faces all Canadian companies as of 2011.

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