

Financial Statement Preparation

The Problem:

Financial statement preparation has been an arduous, time consuming, and error prone process. Using MS Excel, many hedge funds build reports, supporting charts, schedules and footnotes within a process that lacks proper control.

Without a database or systematic methodology for creating financial statements where schedules and footnotes must reconcile to each other, errors are inevitable and difficult to catch.

Senior members of investment management teams spend significant amounts of time on an inefficient process at the busiest time of year.

THERE HAS TO BE A BETTER WAY

More Demand, More Complexity

Regulatory demands have increased the complexity of reporting requirements, while investors demand additional transparency and frequency of reporting:

| From Investors: | From Regulators: |
|-----------------|------------------|
| • Transparency | • FAS 157 |
| • Frequency | • Form SH |
| • Timeliness | • FAS 161 |
| • Due Diligence | • IFRS |

The Solution:

AFSP - Automated Financial Statement Preparation

AIS Fund Administration (AIS) created AFSP which represents a fundamental change to the manual and error prone approach and processes surrounding the preparation of financial statements in the alternatives investment market.

AFSP combines a sophisticated general ledger designed for the financial market, ShadowSuite, with Confluence's Unity mapping software. Trial balance account and portfolio holdings data are pre-mapped, formatted and systematically error checked. The output is mapped to a customized MS Word template by an experienced AIS financial reporting team.

AFSP dramatically reduces the resources needed from the investment manager, increases efficiencies and reduces errors. This cost effective process reduces time to completion and allows for more frequent issuance of financial statements.



Features:

- Database driven process
- Automated error checks
- Statements mapped directly from GL
- Dedicated preparation team
- Output to customized MS Word templates
- Quick delivery of statements to investors

The Benefits:

- Financial statements are prepared with data directly sourced from the general ledger; the same data base that is used in the annual audit and investor statements. This reduces errors by minimizing manipulation of data and simplifying the audit process.
- Customized MS Word templates can be re-used for additional funds or to meet more frequent reporting requirements. This will save time and keep the look of the statements consistent.
- Automated error checks save time, ensuring the integrity of balances throughout the financial statements.
- A dedicated AIS financial statement preparation team is in place to ensure the expert and timely delivery of statements.
- The management company will experience a significant savings in time as well as direct and indirect expenses.



AIS Fund Administration

Your fund. Our fundamentals.

AIS Fund Administration

AIS is dedicated to provide full middle and back office outsourced support, as well as fund administration, to hedge funds.

Founded in 2002, our mission is to provide total daily operational support backed by comprehensive online daily reporting. The AIS service model is based on the premise that a daily approach is the best way to calculate a monthly NAV. Close the books every day to generate a NAV, and the month end process is quick and timely. Operational risk is reduced, and investor confidence is increased.

Today hedge funds are attracted to AIS because of our daily model, high level of service, and commitment to our clients. AIS Fund Administration is consistently recognized through industry awards for our quality of service. AIS has offices in New Jersey, London and Grand Cayman.

The AIS Service

AIS Fund Administration offers daily operational and fund accounting support to hedge funds. Services include middle office, back office, and fund administration. AIS has a reputation for providing cost effective support to all financial products and strategies.

Your AIS Team

Each client is supported by a dedicated team at AIS Fund Administration. The team approach ensures a single point of contact for quality and continuity of service. Teams in London and Hackensack provide daily support and are an extension of the fund manager's staff. Additionally, 25% of AIS professionals have a tertiary accreditation; CFA, CPA, MBA or doctorate.

Technology



Broker dealer strength general ledger system



On-demand, 24-7 365 reporting



Partnership and share allocation system

Reporting

The AIS proprietary manager reporting platform, AIS*direct*, generates financials, P&L attribution, collateral management reports, and NAV estimates, all on-demand 24/7. With a library of over 160 reports, hedge fund managers can report on any fund data, across any two points in time, across any trading strategy, from inception of the fund.

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