

## We have the technology



Iain Stokes

### Identifying the right software for its needs can be a tough task for a fund administrator. Iain Stokes explains how one firm went about the task

To be able to service our clients in the best possible way and build competitive advantage, Mourant International Finance Administration (MIFA) needed an enterprise-grade software solution that would support all of our private equity fund administration offerings. As the marketplace becomes more sophisticated and formalised, the systems that fund administrators use must reflect this sophistication and enable organisations to grow and develop along with industry changes.

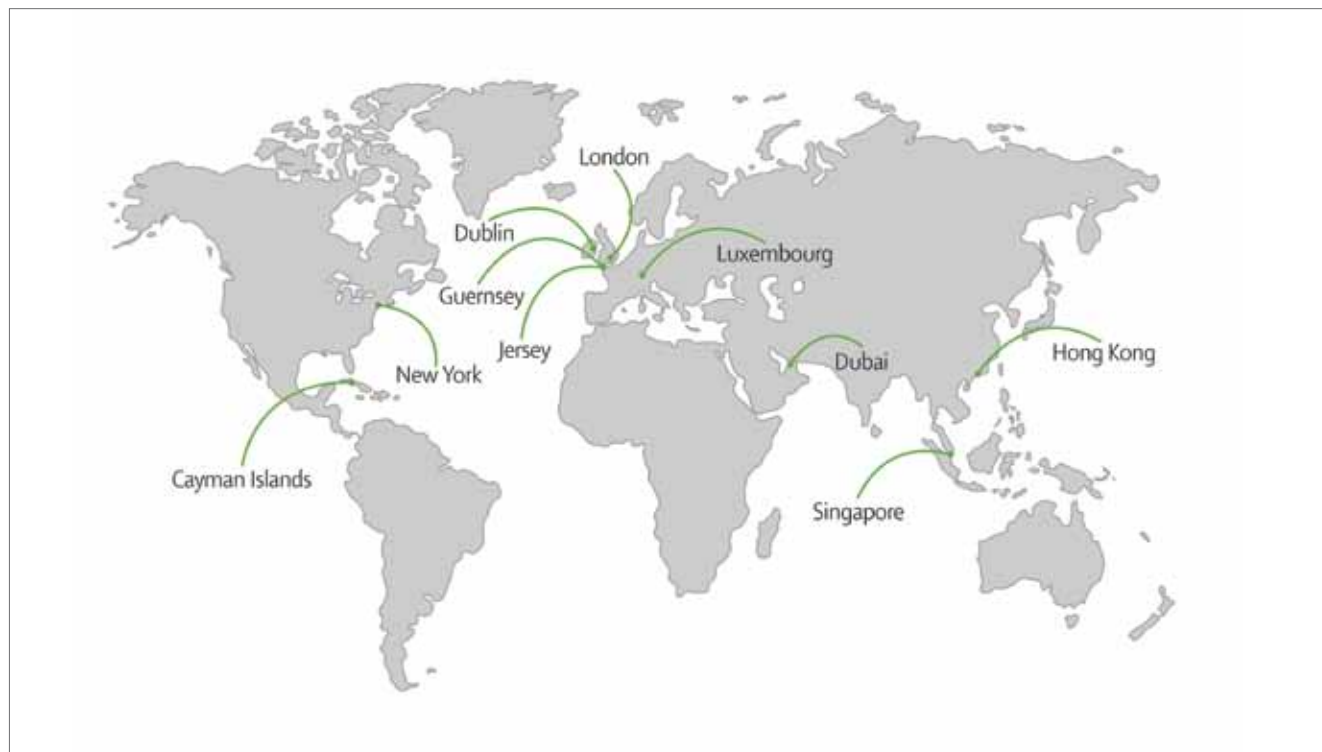
#### Choosing the right system: a challenge in itself

Deciding on a new system for any business is a difficult process. There are always many questions to be answered: Should we build? Should we buy? What do we want a system to do and where do we see our business going over the short-, medium- and long-term? Before undertaking a systems selection process, we needed to answer these questions at a high level. A strategic review was carried out to assess our business needs before starting down the road of selection.

In selecting a system there was a set of strict criteria to be met, along with the development of test plans and user requirements. Our criteria were built around an understanding of what our clients need from us: a system that is flexible enough to record any data points they may require; that will allow consolidated reporting across a range of entities; that can handle a variety of different entity types (limited

partnerships, limited companies, unitised entities, listed entities, etc.); and that does not pre-define the reporting but allows us the ability to build bespoke reports for different GAAP standards or client-specific reporting requirements. In addition, we needed a system that would support our internal processes, for example multi-jurisdictional access controls, data auditing controls and a quality support service, among many other things.

A range of vendors were invited to present their solutions and demonstrate how they would cope with a series of different scenarios faced by fund administrators. After evaluating these presentations it was clear the preferred supplier would be SunGard Investran, mainly because Investran is built around a general ledger (GL) module. With other products, a GL had been added to an investment or investor management system and was not the main focus of the product's offering. For a fund administrator, where the bulk of services provided are based around accounting, this distinction was key and differentiated SunGard Investran from its competitors. Members of the project and IT teams then travelled to the Investran headquarters to carry out a range of additional test scenarios focusing mainly on load testing to ensure that the product would be able to handle the large amount of data that we manage for our clients. Having met and exceeded all our requirements, Investran was recommended to the MIFA Board as the chosen solution.



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### Data migration: best left to the professionals

The migration of data from legacy systems to Investran was a key part of the project. Only if we loaded good quality data would we be able to benefit from the advantages of the new system.

The serious task of migrating all of our client data, building a support team and then transitioning the application to a “business-as-usual” state was a difficult undertaking. Our approach to the migration process was to recruit and train a team of accountants to focus solely on the task of data

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migration. This strategy allowed the business teams to focus on their responsibilities to their clients without having to divert too much of their attention to the migration effort. In conjunction with this migration, we also started the process of building the team who would support this product on an

ongoing basis. This included a reporting team charged with developing and maintaining client reports, a support team with expert product knowledge to support the day-to-day users, a business analysis team to ensure that the product stays in-line with the business needs, and an infrastructure team to support the back-end systems that allow Investran to run.

With Investran implemented we have started to see some real competitive advantages. The quality of the information we report on is now higher due to the consistency and controls in place. The fact that Investran makes all data

reportable through its Report Wizard tool has led to faster turnaround times for client reporting requirements and ad hoc information requests. Having one source of truth allows powerful and accurate management reporting which drives more confident decision making. Consistency in processes and systems means that resources can more easily be

redeployed around the business to manage peaks and troughs in workloads. Where time is spent developing improvements in processes and automations, these can be rolled out to the whole organisation allowing everyone to benefit from the work. Consistency has also helped Mourant to receive

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excellent SAS 70 Type II reports because there is an established and thorough process which is followed around the business.

### Delivering real benefits for fund managers

All of this has brought serious benefits to our clients. All entities administered for each client now have consistent, comprehensive and combined reporting. By building an expert support team, our clients are able to benefit from our depth of knowledge without having to recruit and train their own staff. We have spent the necessary money and time to put an enterprise-level disaster recovery plan in place to ensure that data is never lost and that system functionality will be maintained in the event of a disaster. Our relationship with SunGard is hugely important to both parties. We work closely with SunGard to have issues addressed in an efficient manner and to tailor the current system (and future releases) to the needs of our clients.

We feel strongly that just buying a product is not enough. We must back it up with the knowledge and skills to make it work in the best possible way for each client's investor and investment structures. Because of the comprehensiveness of Investran, we now administer a range of different entities on the system, and rather than having one specific way of using Investran, we collaborate with our clients to understand their needs and configure the system accordingly. We believe that this is a key element of our service offering to clients. We have in-house experts who configure and tailor the system to each client. For example, we do not rely on out-of-the-box reporting but employ a reporting team to ensure that all reports can be customised.

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### Web-based access to reports

Recently Mourant built and is currently testing a web-based reporting portal to allow clients access to Investran data from a suite of different reports. We have a standard pack of reports which contains key financials, investment schedules, investor schedules, trial balances and others. We then work with each client to customise this pack and ensure they can access the information they need. Reports can be run dynamically (i.e. for different entities and dates, etc.) and then extracted back to client systems for presentation or further analysis. In addition to dynamic reporting, we are exploring ways this reporting portal can drive integrations with our clients. For example, reconciliation of our client account data with the client's CRM systems, or dashboards showing summary-level client account data in dynamic graphical format.

Our senior management team is delighted with the benefits that Investran has brought to us and our clients. Mourant International Finance Administration's chief executive Ian Lambert explains: "Investran is a core part of our long-term strategy of continually enhancing and improving the quality of our service to clients. I have been very impressed by our adoption process of the application and can really see the difference it is making to our clients and our organisation. I am excited by the opportunities it brings and I attach huge value to our strategic partnership with SunGard. Implementing Investran has been a key achievement for us and a real benefit for our clients."

*Iain Stokes is head of private equity fund administration at Mourant International Finance Administration*

# Company profile: Mourant International Finance Administration

Mourant International Finance Administration (Mourant) is one of the world's largest independent administrators of private equity, real estate, mezzanine, hedge and venture capital funds. Operating from ten locations worldwide, we can provide our award-winning fund administration services from a wide range of jurisdictions.

Mourant provides high quality, value-added fund administration by blending superior experience, operational efficiency and technology. With over \$170 billion in total commitments under administration, Mourant's clients range from small boutiques to some of the world's largest financial institutions.

Following nominations in four categories, Mourant was announced as the International Custody and Fund Administration's (ICFA) "Fund Administrator of the Year: European Offshore 2009" at their recent Global Awards ceremony. Last year, at their European ceremony, Mourant was awarded "Private Equity Fund Administrator of the Year" and "Fund Administrator of the Year: Channel Islands". In 2007 the firm was presented with the award of "European Fund Administrator of the Year" by Private Equity News.

Mourant's clients include some of the industry's most notable players, including CVC Capital Partners, Alpha Group, AXA Private Equity, Terra Firma and Carlyle Group.

Selecting Mourant as your fund administrator will allow you to enjoy genuine efficiencies and improved investor relations, resulting in real added value. Mourant's offices

are intentionally based in key jurisdictions so that we can coordinate effective administration for your funds whether they are based in Europe, the US, Asia or the Gulf region.

#### Our specialist team will:

- provide highly skilled and knowledgeable resource to all administrative workflows
- give you access to "best practice" knowledge that resides with us as a result of the size and scope of our business
- complement traditional fund administration functions with our treasury department and offshore legal expertise

#### Our award-winning services include:

- Fund accounting and financial reporting services
- Call and distribution preparation and processing
- Detailed investment or portfolio accounting and reporting
- Maintenance of investor information
- Investor communications
- Coordination of any regulatory filings and supervision of the audit process
- Provision of independent directors
- Corporate secretarial services
- Treasury and cash management services
- Compliance services
- US tax compliance services
- Channel Islands Stock Exchange listing services

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