

Shadow accounting (open-ended funds, CLOs, SMAs, hedge funds) support to Europe-based alternative investment manager

30%

operational cost savings

40%

client bandwidth saving

ca. USD40bn

in AuM

CLIENT CHALLENGES

- One of the largest Europe-based alternative investment managers, with global expertise in senior secured loans, high-yield bonds, private credit, structured credit, special situations and multi-strategy credit
- Client was looking for an extended team to assist with
 - Liquidity management, cash projections, preparation of cash ladder, co-ordination with MO to clear aged cash breaks with the help of in-house and third-party applications
 - Cash reconciliation, asset rollovers, Income and capital distribution and invoice processing in WSO system
 - Fund control activities such as invoice verification and cross-checking of daily, weekly, bi-monthly/monthly NAVs from different sources for various loan funds and comparison with Fund Admin reports
 - Help with monthly and quarterly European and US payment reports and providing investment risk support to compliance teams

OUR APPROACH

- We deployed a team of 18 domain experts with experience in CLOs, SMAs, structured products and liquidity management to provide support in the following areas:
 - Validating errors in overnight imports of data from broker to client system, providing heads-up to team about the type of error and resolving them with the IT team
 - Started performing daily top-day activity in parallel with the Liquidity Management team for European and US portfolios by positing daily FX, MTM adjustments

- Bi-directional cash reconciliation between the broker system and the WSO system to ensure all the transactions are recorded in the WSO system, and tracking cash breaks
- Preparing daily, weekly, bi-monthly and monthly cash reconciliation files for direct lending funds
- Processing invoices for different categories such as tax, fees, expenses and charges
- Logging the invoices with signatures and sending them for a liquidity check; after confirmation from liquidity team, sending to FA for payment
- Preparing monthly and quarterly payment reports for US and European CLOs
- Collateral principal amount tie-out, data-point reconciliation (ratings, defaults, haircuts) and validation
- Third party tools used by our team: WSO; Nexen; Alluve; RBSi; Everest; S&P; Moody's

IMPACT DELIVERED

- To avoid a last-minute rush at the client's end, we picked up tasks before the client team logged in
- Freed up 40% of client bandwidth so they could focus on launching new fund/s
- Started managing 50 CLO deals in Europe and the US
- Added technical resources to help team capitalise on automation opportunities
- [financial tax advisory outsourcing](#)

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We empower our clients to drive revenues higher. We innovate using our proprietary technology and automation solutions. We enable our clients to transform their operating model and cost base.