

Delivering Market Leading Change for Investment Managers



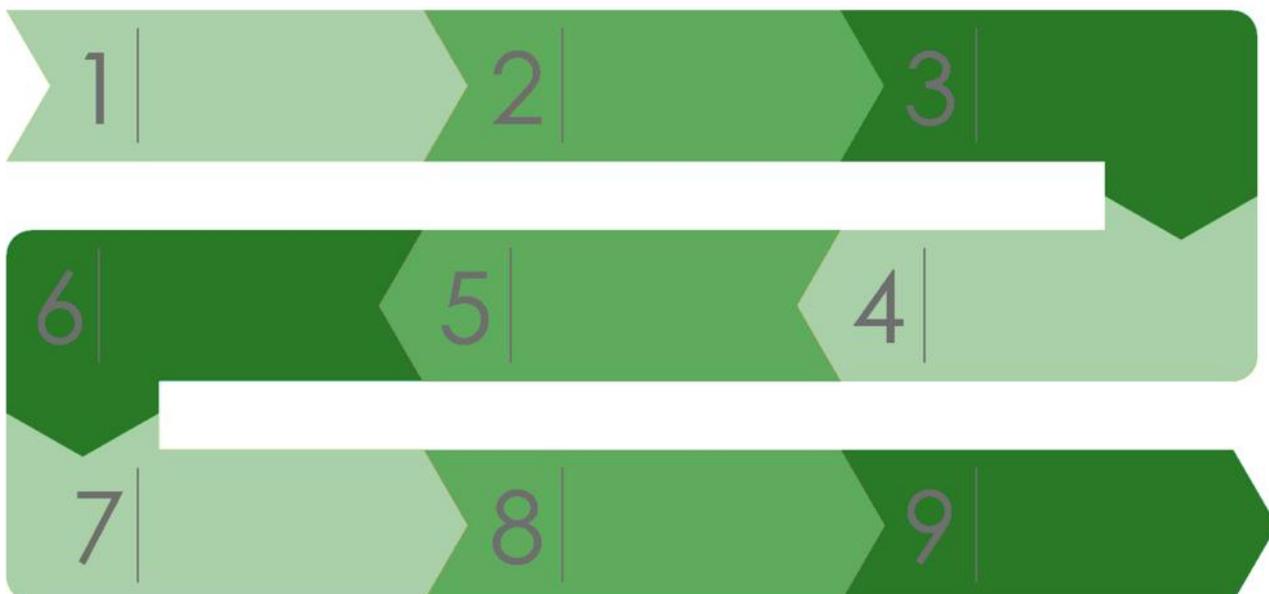
ISC is an experienced mix of talented consultants providing trusted advice to the Investment Management community. Included in our consultancy team are Performance professionals from the Investment Management community that are highly experienced in all aspects of Performance and GIPS.

Please read on to review our GIPS Compliance Service.

ISC provide a project framework to complete the necessary steps to reach Compliance with GIPS as well as the subsequent annual Verifications.

Pathway to GIPS® Compliance Service

ISC will produce the project brief, project plan and assist in the necessary steps to reach compliance with the standards. ISC will work with the asset manager to become GIPS compliant ensuring that all the relevant material is ready to be reviewed prior to and during the verification phase. The significant areas of the route to meeting the required levels of service in line with GIPS are



More details on these steps

1. Firm Definition and Scope

The first step is to establish the area of the firm that will need to comply with the standards and the funds that are within the company that will all need to be managed under these controls. The track record can be applied retrospectively but only where the firm has been in existence with the funds in scope for the whole period of the historical records. The funds will need to be under the ownership of the firm as defined for the track records to be usable.

2. Governance Established

A committee will need to be formed to oversee the ongoing compliance with the standards as well as working and steering groups for the project. Other governance will be required for managing the movements between composites and dealing with the issues of outliers and errors.

3. Fund Data Collated

Based on the funds in scope the documentation as executed with clients or issued on behalf of the various fund ranges will need to be collated. These agreements or fund documents need to be reconciled against

- benchmarks used for the performance calculations
- rules applied for the management of the assets
- investment objectives monitored in line with trading decisions

4. Controls Created

ISC will review the controls that are established and make recommendations to the working group where these need to be enhanced or created to meet the standards. If there are new controls a review will ensure effectiveness before they are checked during the verification exercise.

5. Ensure Consistency

Where composites are created by grouping funds these need to have a consistent treatment of asset valuations, accounting and performance measurement processes. The performance results are checked to identify if any outliers exist, making a recommendation for treatment to be sanctioned by the GIPS oversight committee.

6. Policies and Procedures

ISC can provide a template for the overall GIPS manual covering the procedures necessary to meet GIPS compliance and references for adhering to the standards. The manual defines how the firm meets its compliance requirements and the on-going controls to be put in place to meet the standards. There may be a need to be updates to other policies within the firm, bringing the policy statements made in line with GIPS guidance.

7. Technology Implemented

The storage of composite data may require a system that can evidence the necessary calculations sourced from performance system(s). The selection, as well as due diligence on the providers, can be part of the overall project as managed by ISC. Other systems such as a Performance Measurement engine or documentation storage could be factors in improving the overall end to end process.

8. Composites Allocated

The stage to allocate funds to the composites, can if required, use ISC provided templates for the funds under management calculations, fund matrix and the composite library. The data stored in all these areas needs to fully cross reference in order that consistency can be evidenced to meet the standards.

9. Marketing Training

The overall objective is to allow the composite performance measures to be used in any marketing material or sales pitches. The usage of these figures as created need to be illustrated based on the standards to ensure any disclosures comply. To help the transition to using these guidance templates by the sales and marketing teams training can be delivered by ISC.

Once all points above have been established, the verification exercise can also be performed by ISC, using different resources thereby applying the necessary independence. However, if the firm wishes to select an alternative verifier than ISC, then ISC are able to review the market and recommend the most cost effective and suitable verifier for the firm.

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WHO ARE ISC?

Performance professionals from the asset management community. ISC provide consultants experienced in all aspects of Performance and GIPS.

Up to date with GIPS and industry changes.

HOW CAN WE HELP?

ISC will produce the project brief, project plan and assist in the selection of a GIPS verifier. ISC will work with the asset manager to become GIPS compliant and will work with the asset manager to ensure that all the relevant material is ready to be reviewed prior to and during the verification phase.

WHY CHOOSE ISC?

ISC is ideally placed to help the asset manager gain GIPS compliance. Our deep understanding of how asset managers work is unrivalled and we have specialists from the Performance and GIPS section of the industry. Having worked for asset managers we align our service to meet your needs.

Warren Goillau FCCA
Director
warren.goillau@iscltd.com
020 7096 1361
07753 573826

Investment Solutions Consultants Ltd
www.iscltd.com

Julian Baines
Senior Consultant
julian.baines@isckltd.com
020 7096 1361
07867 389956