



# About Us

## The Firm

Abacus Consulting was established in 1999 by Tara Clements and Fiona Delamere. Our aim was to meet the increasing needs of clients requiring high quality, flexible training courses, provided by experienced, professional trainers. Our success has been based on our ability to develop and deliver tailor-made in-house training courses that meet those needs, while understanding the requirement to have sessions integrated in the business day with minimal disruption to the business process.

Through our consultancy service, we offer our clients our professional expertise on-site, on fund valuation and accounting matters, process risk management and other administrative areas such as anti-money laundering and compliance.

## The Training Methodology

All training sessions are run in an informal setting, encouraging delegate participation and maximising learning. The level of complexity and duration can vary, depending on your specific needs. The formats available are workshops, modules and short briefings. Full details are included in the "Structure & Costs" section at the back of this brochure.

Delegates' understanding can be tested in a variety of ways from "Test Your Knowledge" questions at the end of each session, to short written tests a few days after a training course. For workshops, worked examples are done by delegates throughout.

Course outlines included in this brochure are suggested formats and any mix of topics and detail can be used to structure your tailored training programme. Where possible, we will use real in-house examples to make the material client-specific and directly relevant.

All of our trainers are highly-skilled industry professionals, with extensive experience in their areas of expertise and have excellent training and communication skills.

## The Principals

***Tara Clements** has been working in the financial services industry since 1987. As a fellow of the Chartered Association of Certified Accountants, her roles have ranged from valuations, fund and corporate accounting, auditing, training and consulting. She has been an associate lecturer in finance at the Institute of Technology, Tallaght and the National College of Ireland, IFSC.*

***Fiona Delamere** has also been in the financial services industry since 1987. She is a fellow of the Chartered Association of Certified Accountants, Associate of the Institute of Taxation in Ireland and holds a Diploma in Financial Services Law. Her roles in the industry have varied greatly from investment accounting, valuations, general finance, corporate taxation, auditing, training and consulting. She has also been an associate lecturer with the National College of Ireland, IFSC.*





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# Section 1: Capital Markets

The capital markets are the arenas in which fund managers, investors, issuers and financial institutions operate. In this section we introduce the industry and securities issued.

## Introduction to Capital Markets

**Delegates:** New staff working in any financial services role with an interest in how capital markets operate

*Topics covered include:*

- Sources of finance
- Participants in the markets, investors & counterparties
- Stock exchange structures
- Terminology used
- Securities and risks within markets

## Introduction to Securities

**Delegates:** New staff working in valuations, investment accounting, fund administration & custody

*Topics covered include:*

- Security identifiers
- Equities
- Bonds
- Loan notes
- Convertibles
- Money market instruments
- Futures
- Options
- Forward foreign exchange contracts

## Introduction to Debt Securities

**Delegates:** Staff working in valuations, investment accounting, fund administration & custody

*Topics covered include:*

- Debt instruments, fixed and floating rate bonds
- Loan notes
- Convertible bonds
- Money market instruments
- Repurchase agreements, Open & Term repos
- Securitisation – mortgage-backed and asset-backed securities
- Bond ratings
- Bond yields





## Overview of Corporate Actions

**Delegates:** Staff working in valuations, pricing, custody or fund accounting roles

*Topics covered include:*

- Introduction to sources of finance & corporate actions
- Dividends – cash & scrip
- Bond coupons, conversions and capital redemptions
- Bonus issues
- Stock splits & reverse splits
- Rights issues
- Capital buybacks
- Take-overs & mergers
- De-mergers
- Spin-offs
- Effect of corporate actions on valuation of securities



## Introduction to Portfolio Management Techniques

**Delegates:** Staff with an interest in portfolio management

*Topics covered include:*

- Traditional fund strategies
- Alternative investment fund strategies
- Portfolio matching
- Asset selection
- Financial analysis – key ratios

## Introduction to the Investment Funds Industry

**Delegates:** Staff new to the funds industry

*Topics covered include:*

- Introduction to the structure of funds
- UCITS v Non-UCITS Funds
- Types of Investors
- Professional & Qualifying Investor funds
- Roles of Counterparties
- Outline of regulations
- Investment & borrowing restrictions
- Role of IFSRA, including reporting & application for authorisation

## Section 2: Derivatives

As the growth of alternative investments funds continues unabated, the use of derivative instruments is now more commonplace. In this section, each contract type is introduced and developed to illustrate how fund managers are using them.

### Introduction to Options

**Delegates:** Staff working in valuations, pricing, custody, trustee or fund accounting roles

*Topics covered include:*

- Introduction to options
- Terminology
- Features
- Risks & rewards
- Options markets
- Uses of options
- Valuation of options
- Accounting for options
- Types of options
  - Options on securities
  - Index options
  - Futures options
  - Interest Rate options
  - Currency options
  - Exotic options

### Introduction to Futures

**Delegates:** Staff working in valuations, pricing, custody, trustee or fund accounting roles

*Topics covered include:*

- Introduction to futures
- Terminology
- Features
- Exchange-traded futures
- Uses of futures
- Impact of margins
  - Initial margin
  - Maintenance margin
  - Variation margin
- Valuation of futures
- Accounting for futures transactions
- Types of futures
- Commodity futures
- Financial futures



### Introduction to Swaps and Forward FX Contracts

**Delegates:** Staff working in valuations, pricing, custody, trustee or fund accounting roles

*Topics covered include:*

- Introduction to Swap agreements
- Interest Rate Swaps
- Equity Swaps
- Currency Swaps
- Total Return Swaps
- Credit Default Swaps
- Valuation & accounting for swaps
- Forward FX Contracts
- Definition & uses
- Valuation & accounting for contracts



## Introduction to Hedging Techniques

**Delegates:** Staff working in valuations, pricing, custody, trustee or fund accounting roles

*Topics covered include:*

- Overview of risks in a portfolio
- Brief revision of hedging instruments
  - Futures
  - Options

- Forward FX Contracts
- Swap agreements
- How the instruments hedge the risks
- Evaluating the effectiveness of each 'hedge' using dummy portfolios
- Overview of IAS 39



## Section 3: Alternative Investments

This area of the funds' industry is the one experiencing the most growth. Here we look at the way in which the vehicles have evolved and are structured and organised, compared with traditional fund offerings. A key feature of these funds is performance fees which is also a high risk area. Workshops based on real fund examples with tailored worksheets illustrate the workings and calculations in this critical topic.

### Introduction to Alternative Investments Funds

**Delegates:** New and existing staff working with alternative investments funds

*Topics covered include:*

- Definition of an alternative investments fund
- History of alternative investments funds
- Key characteristics of alternative investments funds
- Techniques used e.g. short selling, leverage etc.
- Incentive/performance fees
- Performance compared with market
- Role of investment manager/advisor
- Frequency of trading
- Alternative investments fund classification
- Counterparties to an alternative investments fund
- Irish alternative investments funds - IFSRA regulation of Prime Brokers
- Accounting for alternative investments funds – areas of note

### Performance Fees

**Delegates:** Staff working in valuations, fund accounting, trustee & shareholder services roles

*Topics covered include:*

- Introduction to terminology used
- Fund & Shareholder level fees
- Equalisation
- Series of shares
- Performance fee redemptions
- Performance fee issues
- Use of prospectus/offering document
- Interim & partial redemptions
- Deferral of performance fee



### Overview of Alternative Investment Strategies

**Delegates:** Staff working in valuations, fund accounting & trustee roles

*Topics covered include:*

- Introduction & background to alternative investments funds
- Strategies employed and securities used
  - Long/Short
  - Event-driven
  - Merger arbitrage
  - Equity risk arbitrage/Statistical arbitrage
  - Quantitative equity arbitrage
  - Convertible arbitrage
  - Market Neutral
  - Market neutral arbitrage
  - Fixed Income
  - High yield/Income
  - Distressed debt
  - Fixed Income arbitrage
  - Macro
  - Global Macro
  - Emerging markets
  - Aggressive Growth
  - Multi-strategy
  - Managed Futures & Forwards



# Section 4: Transfer Agency/ Shareholder Services

In recent years, the scope of work undertaken by this key area in fund administration organisations has increased greatly. This section looks at the main areas of responsibility for this “front-line” department.

## Introduction to Shareholder Services

**Delegates:** Staff new to shareholder services/transfer agency and trustee departments

*Topics covered include:*

- What is Shareholder Services?
- Maintenance of Share Register
- Transactions, e.g. subscriptions, redemptions
- In-specie subscriptions
- Performance fee redemptions
- Income equalisation
- Distributions
- Daily reporting requirements, both internal and external
- Treatment of Irish resident investors
  - Finance Act 2000
- Customer service highlights
- Brief overview of anti-money laundering regulations
- Key features of Taxation of Savings Directive requirements
- Terminology - commissions, trailer fees etc.

## Anti-Money Laundering – Regulations & Procedures

**Delegates:** All staff in fund administration companies dealing with investors

*Topics covered include:*

- Origins of the legislation
- FATF – original & revised 40 recommendations
- FATF – special recommendations for terrorist financing

- Irish legislation
- Legislation in other jurisdictions
- Definition of money laundering
- Other offences
- Penalties
- The process of money laundering
- Designated bodies & financial institutions
- Requirements under the legislation
  - Identifying the customer
  - Keeping records
  - Reporting
  - Internal procedures\*
- Suspicious transactions
- Unusual dealing patterns/abnormal transactions
- Dealing with OFAC

*\* Client specific - should be included to make the course comply with IFSRA best practice guidelines*

## Compliance Issues in Investment Funds (Transfer Agency)

**Delegates:** Staff in shareholder services & trustee roles or other supervisory fund administration roles

*Topics covered include:*

- Application for authorisation of fund with IFSRA
- Qualifications of directors
- Introduction to KYC requirements under anti-money laundering regulations
- Overview of Finance Act 2000
- Overview of EU directive on Taxation of Savings
- Reporting to IFSRA
- Data Protection Act

## Section 5: Fund Reporting

In this section we look at the reporting requirements for funds to the various counterparties. The reports are covered, together with key controls and processes for their preparation. Accounting requirements and the main disclosure notes are also discussed.



### Valuation Preparation & Controls

**Delegates:** Staff working in valuations, fund accounting & trustee roles

Topics covered include:

- Introduction to securities
- Introduction to basic corporate actions
- Introduction to basic futures & options
- Pricing sources & price types
- Security identifiers
- Valuation of securities \*
- Calculation of income
- Creation & cancellation of shares/units in issue
- Calculation of various fees \*
- Controls on pricing and trading activity\*
- Reconciliations
- Effect of corporate actions on prices
- Effect of distributions on valuation \*
- Use of Trial Balance report

*\* Client specific - information regarding the actual valuation process & control reports in use will make this course more relevant*

### Fund Statutory Reporting

**Delegates:** Staff new to investment fund accounting with some accounting Experience

Topics covered include:

- Introduction to statutory statements required
- Recording of trades in both equities and fixed income securities
- Recording of corporate actions including dividends
- Accounting for derivatives
- Accounting for money market instruments including hedges
- Recording of subscriptions and redemptions
- Accounting for income equalisation & distributions
- Notes and disclosures required for statutory statements
- Deadlines for reporting to shareholders and regulators





# Section 6: Compliance & Professional Standards

The management of reputational risk for any organisation is critical. In this section we examine how financial services companies can meet compliance obligations and develop professional standards among its staff to achieve this goal.

## Introduction to Derivatives from a Trustee's Perspective

**Delegates:** Staff working in Trustee or Valuation departments dealing with derivatives in regulated funds

*Topics covered include:*

- Role of Trustee
- Risks in an investment fund
- Introduction to Derivative Securities
  - Forwards
  - Futures
  - Options
  - Swaps
- Stock-lending and Repurchase agreements
- UCITS/Non-UCITS Regulations
- Reporting to shareholders and regulators

## Introduction to General Compliance Issues in Investment Funds

**Delegates:** Staff working in Trustee or Compliance areas

*Topics covered include:*

- Introduction to Risk and Risk Management
- Brief overview of VaR – uses and limitations

- Highlighting areas of concern – exposure to risk
- IFSRA the Regulator
- Overview of EU Taxation and Savings Directive
- Introduction to UCITS and NU Regulations
- What is SAS 70?
- Listing on the Irish Stock Exchange
- Capital Adequacy Directive

## Customer Services & Professional Standards in Fund Administration

**Delegates:** Staff working in any area of fund administration

- Building and maintaining reputation
- Controls and Procedures
- Professionalism in staff
- Service Level Agreements - creation and monitoring
- Procedures
- Who are the customers
- What is service?
- Hallmarks of good v bad service
- Telephone use
- Use of voicemail
- Correspondence, including business writing
- Use of E-mail
- Reporting/Deadlines
- Turnaround times for queries
- IFSRA reporting

## Section 7: Consulting Services

With our extensive experience in a range of areas in the funds' industry, we offer a valuable consulting service to our clients. This includes:

- i) Review of policies and procedures
- ii) Preparation of training and procedures manuals
- iii) Design of system-specific training modules
- iv) Analysis of training needs and development of tailored training programmes

For further information, please contact us at [info@abacusconsulting.com](mailto:info@abacusconsulting.com) or by telephone at +353 1 8512075.



### Copyright & Confidentiality

Abacus Consulting agrees to hold in confidence any information confidential or proprietary to a client and not to disclose it to others, without the prior written consent of the client.

Abacus Consulting retains the copyright of all training materials used and supplied

### Courses & Materials Note

Attendees will receive a copy of the course slides, course notes and worksheets with solutions, where they are used.

Courses attended may qualify for Continuing Professional Development (CPD) credits for professional accounting and legal bodies.