



Fund Services

Tailoring the right solution for you

► OUR PEOPLE

**EXPERIENCED
PROFESSIONALS &
RECOGNISED INDUSTRY
LEADERS.**



BDO Fund Services

BDO's Fund Services team comprises the most experienced professionals and recognized industry leaders in the Fund Industry sector in Cyprus. Our team has been involved in the funds industry for more than 15 years.

We specialize in offering tailor made solutions allowing our clients to set up and manage regulated funds anywhere in the EU. We also assist our clients launch their own EU Fund Management Company or Alternative Investment Fund Management Company in Cyprus.

Members of our team are frequent speakers in industry conferences, as well as authors of articles published in a number of fund journals. As senior members of the Cyprus Investment Funds Association, they work closely with the regulatory authorities to assist in the development and improvement of the Cyprus fund industry.

Our firm is part of BDO International, the fifth largest accountancy network in the world with 101 BDO Member Firms and a worldwide presence in over 145 countries with almost 55,000 people working out of 1,200 offices.

With more than 100 employees in Cyprus and the support of a number of specialized industry and functional centers of excellence within the BDO network, we have the resources necessary to provide fresh strategies and approaches to help meet your most complex challenges throughout the lifecycle of your fund.

BDO Cyprus operates through fully integrated teams that include professionals across our Audit, Tax and Advisory practices who combine a wide range of skills and experience tailored to meet the individual requirements of our clients.

Every member of our team contributes to BDO's reputation for building close personal relationships with our clients and our commitment to all our stakeholders that what matters to them matters to us. We work with our clients to define what exceptional client service means to them and we aim always to bring insight and up to date thinking to help them meet their objectives.

This brochure focuses on the services our firm provides to clients in the funds industry.

**Our experts provide
cost efficient and
operationally
effective solutions
to enable you to
meet all your fund
incorporation and
administration
requirements.**



Incorporation Services

BDO can assist you in obtaining regulatory approval for your investment vehicle and project manage the set-up of the fund acting as the point of contact for you with the regulatory authorities, as well as all the prospective participants, be the custodian banks, central administrators, accounting service providers and registrars.

Our team continuously monitors changes in regulation and will keep you updated of developments, providing advice on opportunities and challenges that may occur.

Our Services include:

- Designing the fund structure based on your and the investors' specific needs. Our experience in setting up funds in other European countries enables us to provide truly global solutions to meet your requirements
- Establishment of regulated Alternative and UCITS funds anywhere in the EU as standalone products or via our partnering fund management platforms
- Establishment of regulated fund management companies and alternative investment fund management companies and advising throughout the licensing procedure
- Assisting in the drafting of the necessary procedures manuals to comply with the relevant laws and regulations
- Advising to ensure compliance with the applicable UCITS management company and AIFM Laws
- Coordination of Securities Services Providers and other outsourcing solutions
- Drafting of the prospectus
- Preparation of business plans
- Set-up and structuring of Special Purpose Vehicles (SPVs) for conducting investments, if applicable.

Administrative Agent

Our fund administration department utilizes specialized fund administration software and BDO's expertise in core accounting and taxation areas to ensure the efficient administration of your funds affairs, including:

- Accounting for all transactions and movements
- Portfolio valuations
- Reconciling portfolios and accounting records with the service providers involved
- Checking investment restrictions
- Maintaining, storing and archiving accounting data
- Calculating taxes and levies
- Calculating and publishing net asset values
- Liaising with external auditors
- Preparing consolidated financial statements in accordance with the accounting standards required
- Preparing and sending out financial and legal reports

Registrar Agent

- Maintaining shareholder registers
- Registering and performing transactions (subscriptions, redemptions, conversions, transfers and distributions)
- Settling and monitoring transactions
- Convening shareholders to annual general meetings and issuing other communications
- Applying the anti-money laundering and counter-terrorism financing (AML) rules and control procedures
- Identifying clients (KYC / risk management)

Domiciliation and Client Communications

- Registered offices
- General secretary and administrative management
- Correspondence management
- Organizing board meetings
- Organizing shareholder meetings
- Managing notifications, notices, and legal announcements
- Managing invoices
- Maintaining, storing, archiving and destroying documents
- Managing the secure access to confidential data
- Assisting you to identify corporate officers with the relevant experience



▶ BUILDING TRUST
**DELIVERING WHAT WE
PROMISE, EVERYDAY FOR
EVERY CLIENT**

Audit Services

Our audit approach is tailored to suit the size and nature of the fund and draws up on our extensive industry knowledge.

Our statutory audit provides assurance on the truth and fairness of the funds' financial information; advice on controls and processing system weaknesses; confirmation of accounting treatments with respect to complex transactions; and specifically addresses any other regulatory reporting requirements.

In addition to the independent audit we offer advisory services in the areas of financial reporting, regulatory compliance, independent controls and risk assessment.

Our Services include:

- Audit of the statutory annual financial statements based on International Financial Reporting Standards (IFRS) as adopted by the European Union, that comply with the applicable law and the local reporting requirements
- Compliance reporting and other regulatory reporting for clients, such as review of half-yearly reports as required by the regulatory authorities
- Consultation on audit and accounting matters.

Tax Services

Our tax professionals have an outstanding ability to formulate effective strategies for optimizing taxes, implementing innovative tax planning while effectively maintaining compliance with all relevant Laws and regulations.

Our clients are expertly guided through the entire scope of fund tax issues, tax effects of trading strategies and corresponding offering memorandum tax language.

Our local tax professionals maximize the use of our global presence and expertise to deliver services that perfectly correspond to our clients' local and international tax planning needs.

Our Services include:

- Fund tax structuring and transaction analysis
- Preparation and submission of corporate tax returns
- Review of procedures, systems and policies to ensure compliance with tax obligations
- International tax planning for cross-border investments and transactions
- VAT Services in relation to fund service providers

Advisory Services

BDO provides a full range of business advisory services for both regulated fund management companies and independent investment advisors.

Internal Audit, Risk and Compliance Services

Through our assurance services to the fund management company and the investor, we ensure that critical business issues as well as existing and potential risks are being effectively monitored and mitigated so that potential losses and fraud can be prevented, not just detected.

Our expert team delivers services enabling our clients to manage strategic risks and identify changes that lead to industry best practices and cost reduction. We also help organizations benefit from a risk-based strategy by working with them to transform their internal audit function from a traditional, transaction-based role to one that can deliver value added business information.

We analyze the adequacy and effectiveness of the design of internal controls in order to provide critical recommendations. Our teams are multidisciplinary, drawing from other service lines as-needed to share expertise with professionals experienced in financial and operational internal auditing, IT, data analytics, fraud analytics and risk assessment.

Our Services include:

- Internal Audit function outsourcing
- Compliance reviews
- Creation of procedures and manuals according to the provisions of the relevant law, Internal Policies and the regulatory authorities' Policy Statements and Guidelines
- Internal control reviews for the improvement of the Internal Control environment and communication procedures
- Risk assessment and evaluation studies
- Review of existing risk management and governance processes to identify areas for operational and cost improvement.



Financial Risk Management

BDO's financial risk management specialists assist regulated investment firms and investment funds, in Cyprus and abroad, to match the risk management framework with the defined risk strategy. We conduct critical assessments of the implementation of risk strategy in all areas of the business, while keeping in mind business realities and regulatory requirements. Our team assists clients to design and implement an effective risk management framework and infrastructure that will optimize the use of risk capital, risk methods, processes and systems.

Our Services include:

- Analyzing, preparing and / or reviewing the fund's investment policy
- Defining the investor risk appetite of a particular investment fund
- Designing the reporting and governance framework
- Carrying out reviews of risk management and governance processes of the fund to identify areas for improvement
- Implementing quantitative measures for the management of credit liquidity and concentration risk
- Providing solutions for tailor made software and IT applications for financial risk management and reporting.

Transactions & Restructuring (T&R)

We support the development and growth of our clients by assisting them in landmark decisions such as strategic planning, raising finance, restructuring and acquisitions all the way to the operational integration of a transaction.

BDO's Transactions & Restructurings personnel offer expertise in the following areas:

- Corporate Finance solutions that maximize corporate value while minimizing financial risks
- Mergers and acquisitions, disposals of subsidiaries, public private partnerships and other transactions
- Transaction Services during each phase of a transaction
- Restructuring of underperforming companies or healthy companies with underperforming divisions
- Support Services involving investigations on behalf of clients for various transaction related business issues and disputes.

Our advisors can help fund management companies plan and implement strategic and financial strategies that guide them to financial growth.

Our Services include:

- Provide Equity and Debt Capital Advisory / Procurement / Solicitation
- Assist on valuation and accounting treatment of complex financial instruments
- Support the acquisition of new investments and/or the divestment of existing investments
- Manage cross-border mergers or fund liquidations
- Advise on exit planning and assist implementation
- Manage Fund listings and re-domiciliation.



▶ OUR COMMITMENT
TO BE THE LEADER FOR
EXCEPTIONAL CLIENT
SERVICE.

How can BDO help?

BDO offers a 'one stop service' for all funds in order to facilitate, accelerate and simplify the process of setting up and managing such vehicles. Our services are tailored to your specific circumstances and requirements and executed to the highest standards.

Please contact us for a free consultation to discuss your requirements and how BDO can help you meet your objectives.

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