



GENERAL
RESEARCH

NOT FOR DISTRIBUTION - CONFIDENTIAL



SKYBOUND WEALTH MANAGEMENT

FINANCIAL REPORTING IMPLEMENTATION PROPOSAL



CONTENT

Executive Summary	5
Current Reporting Software	7
Software Research	9
Recommendation	13



THE BEGINNING IS THE MOST IMPORTANT PART OF THE WORK.

PLATO

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Why?

- Enhancing the management reporting is a key initiative in supporting the Skybound Wealth Management International (SWM) growth.
- The current accounting software has limitations in consolidating SWM multiple currency management reports.
- Currency conversions and group management reports are manually prepared.
- Alternative solutions need to be considered to address our concerns.

How?

- Conduct a software research and identify a suitable accounting software for the needs of SWM.
- Migrate from Sage 50 to a multi-functional accounting software that can handle multiple currency consolidations.
- Reliance on manual consolidation procedures to be limited in order to create more accurate and reliable management reports.

What?

- Demo walk through of potential accounting software.
- Assess online reviews for any negative feedback on possible accounting software.
- Identify a recommended software package and obtain references from current users.

Next Steps:

- Upon approval, implement the recommended software.
- Closely monitor the new software set up.
- Arrange training for key personnel.
- Configure a budgeting and cash flow management structure within the implemented software.

CURRENT REPORTING SOFTWARE



CURRENT REPORTING SOFTWARE

Sage 50 Accounts Professional is currently used for the SWM financial reporting.

Due to the multi-currency (USD, GBP, EUR, CHF, AED) structure of the group, Sage 50 does not have the necessary capabilities of allocating regional transactions and consolidating the group management accounts on monthly, quarterly or annual basis.



Benefits

- Key personnel are familiar with the software.
- Sage 50 has affordable annual premiums of £3,600.

Drawbacks

Sage 50 does not have the multi currency consolidation function resulting in the following drawbacks:

- Manual preparation of consolidated financial management reports.
- Major risks of inaccuracy and transcription errors on manually consolidated reports.
- Extremely time consuming for the finance team to prepare, review and finalize the consolidated management reports.
- Delays in submission of management reports for monthly performance reviews.
- Allocation of regional transactions is limited resulting in inaccurate regional performances reports.
- Sage 50 has a rigid chart of accounts set up.
- All the manual work involved with using Sage 50 limits the finance team's focus towards more operational and strategic roles for SWM.

SOFTWARE RESEARCH



SOFTWARE RESEARCH

In pursuit of a software package that meets the financial reporting requirements of SWM we conducted a research and considered the following:

SOFTWARE	STRENGTHS	WEAKNESSES	IMPLEMENT
	<ul style="list-style-type: none"> ▪ Designed for use by medium to larger sized businesses providing greater efficiency within business functions and operations. ▪ Oracle is the world's second-largest vendor of software as a service, with more than 5.5 million subscribers worldwide. ▪ Offers three consolidation solutions depending on the complexity of group structure. ▪ Comprises of multi-dimensional real time reporting platform. 	<ul style="list-style-type: none"> ▪ Oracle is more suitable for larger entities. ▪ The software and implementation value are over our expected spend range. ▪ Approximate annual cost of £50,000 and an implementation cost of £40,000. 	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>
	<ul style="list-style-type: none"> ▪ Recognized by the American Institute of Certified Public Accountants (AICPA) as a top provider of financial-related applications. ▪ Includes automated multiple currency management system. ▪ Delivers consolidated financial reports with one-click. ▪ A cloud-based financial management platform that houses cloud computing and accounting in a single tool. 	<ul style="list-style-type: none"> ▪ Functionality is more tailored for larger organizations. ▪ A high-end software, with an annual premium of £33,000 and an initial £33,000 implementation fee. ▪ Take on and set up costs are not feasible. 	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>

SOFTWARE RESEARCH

SOFTWARE	STRENGTHS	WEAKNESSES	IMPLEMENT
	<ul style="list-style-type: none"> ▪ Allows integrated functions for streamlined, end-to-end financial management with improved financial reporting and compliance. ▪ The preferred solution for tens of thousands of small and medium sized companies across the globe. ▪ Automatically distributes transactions across two or more companies. ▪ Comprises of multi-entity and multiple currency consolidation function. ▪ Middle range software with an annual subscription of £15,000. 	<ul style="list-style-type: none"> ▪ Sage 300 is a server based software and incurs server maintenance expenses. ▪ Software has a lengthy consolidation process. ▪ High implementation and system set up fee of approximately £30,000. 	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<ul style="list-style-type: none"> ▪ Maintains compliance with multi-currency, multi-ledger, multi-legislation and multi-language functionalities. ▪ Key capabilities include real time analytics, library of over 400 reports and user defined roles for internal controls. ▪ Excellent intercompany trading and multi-company usability as the system creates multiple legal entities within the same database for consolidation functions. ▪ Subscription costs are estimated to be £10,800 per annum with an additional £8,000 implementation and training fee. 	<ul style="list-style-type: none"> ▪ The UK office does not offer support to organizations outside its jurisdiction. ▪ Sage X3 is more suitable for manufacturing businesses. 	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

SOFTWARE RESEARCH

SOFTWARE	STRENGTHS	WEAKNESSES	IMPLEMENT
	<ul style="list-style-type: none"> A cloud accounting software designed specifically for business with multiple entities and multi currencies. The software has been tested and accredited by the Institute of Chartered Accountants in England and Wales. Offers simultaneous real-time access to accounting records and business documents. Contains a group consolidation module that converts multi currencies to one reporting currency upon consolidation. Centrally maintains exchange rates and automatically posts gains or losses on exchange rate changes. Produces regional and departmental financial reports for analysis and review. The annual premiums are approximately £11,700 with an estimated once off implementation cost of £3,500. 	<ul style="list-style-type: none"> Not a well-known, however it has positive reviews from Deloitte, Grant Thornton, PwC and Salamanca Group. Support is only available via remote access, e-mails and phone calls. The implementation process can be remotely completed however if required Josh or an Accounts IQ representative can travel for live support at an additional cost. 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



RECOMMENDATION



RECOMMENDATION



Based on the research performed, we recommend migrating to AccountsIQ.

Transitioning the Skybound Wealth Group from Sage 50 to an efficient financial reporting software is vital for the long term growth of the group.

AccountsIQ contains the main features required to improve and automate SWM's current reporting system.

It will approximately take less than two months to set-up and implement AccountsIQ.

Considering that the group has a December year end, it would be preferred to have the system up and running by January 2020.

Below is a summary of some of the key features included AccountsIQ:

Consolidation of Multiple Subsidiaries

Flexible Chart of Accounts Layouts

Business Intelligence & Analysis

Multiple Sub-group Structures Within a Group

Cash flow Forecasting Module

Advanced Budgeting and Forecasting

User Defined Roles for Multi-Entity Administration

Centrally Controlled Exchange Rates

Document Manager

DISCLAIMER & DISCLOSURE

This presentation (the "Presentation") is issued on a confidential basis by Skybound Capital Limited ("Skybound") for information purposes only and is subject to change without notice.

This Presentation, its contents and any information provided or discussed in connection with it are strictly private and confidential and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose, without the consent of Skybound (provided that you may disclose this Presentation on a confidential basis to your legal, tax or investment advisers (if any) for the purposes of obtaining advice). Acceptance of delivery of any part of the Presentation by you constitutes unconditional acceptance of the terms and conditions of this notice.

This Presentation does not itself constitute an offer to subscribe for or purchase any securities, investment product or investment management services. This Presentation is not intended to be relied upon as the basis for an investment decision, and is not, and should not be assumed to be, complete. It is provided for information purposes only. Any investment is subject to various risks, none of which are outlined herein. All such risks should be carefully considered by prospective investors before they make any investment decision.

You are not entitled to rely on this Presentation, and no responsibility is accepted by Skybound or any of its directors, officers, partners, members, agents or advisers or any other person for any action taken on the basis of the content of this Presentation. Skybound does not undertake to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies therein which may become apparent.

The views, opinions and forecasts expressed in this document are based on Skybound's research, analysis and house views at the time of publication. Tax assumptions may change if the law changes and the value of tax relief will depend upon individual circumstances.

No undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of Skybound or any of its respective directors, officers, partners, members, employees, agents or advisers or any other person as to the accuracy or completeness of the information or opinions contained in this Presentation and no responsibility or liability is accepted by any of them for any such information or opinions.

Past performance is not indicative of future results. The value of investments may fall as well as rise and investors may not get back the amount invested. Changes in rates of foreign exchange may cause the value of investments to go up or down. No representation is being made that any investment will or is likely to

achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided.

The internal rates of return or IRRs presented on a "gross" basis do not reflect any management fees, carried interest, taxes and allocable expenses of the kind that will be borne by investors in a fund, which in the aggregate may be substantial.

Statements contained in this Presentation that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Skybound. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. In addition, this Presentation contains "forward-looking statements." Actual events or results or the actual performance of the Fund "the Fund" may differ materially from those reflected or contemplated in such forward-looking statements.

Certain economic and market information contained herein has been obtained from published sources prepared by third parties and in certain cases has not been updated through the date hereof. While such sources are believed to be reliable, neither Skybound nor any of its directors, partners, members, officers or employees, agents or advisor or any other person assumes any responsibility for the accuracy or completeness of such information.

No person, especially those who do not have professional experience in matters relating to investments, must rely on the contents of this Presentation. If you are in any doubt as to the matters contained in this Presentation you should seek independent advice where necessary. This Presentation has not been submitted to or approved by the securities regulatory authority in any state or jurisdiction. Except for Skybound and certain other identified representatives of the Fund, no person has or will be authorised to give any information or representation relating to this Presentation.

This document does not constitute a solicitation, invitation or investment recommendation, and before selecting a financial product or fund. We recommended that investors seek specialised financial, legal and tax advice.

There is no assurance that the investment objective of the Fund or any other cell is achievable. Investments in the Fund will be on the terms set out in the Fund's Offering Memorandum and Constitution.

The content of this Presentation has not been independently verified nor has it, from a UK perspective, been approved by an authorised person, within the meaning of the UK Financial Services and Markets Act 2000 ("FSMA"), as amended.

As an unregulated collective investment scheme, distribution and promotion of Interests in the Fund are restricted for the purposes of section 21 and 238 of FSMA to persons who are "Qualifying Investors", being persons who are investment professionals within the meaning of Article 19(5) of the FSMA (Financial Promotion) Order 2005, as amended ("FPO") or Article 14(5) of the FSMA (Promotion of Collective Investment Schemes) (Exemptions) Order 2001, as amended ("SPO"), sophisticated investors within the meaning of Article 50 of the FPO or Article 23 of the SPO and high net worth companies, unincorporated associations etc. falling within Article 49(2)(1) to (d) of the FPO or Article 22(2)(a) to (d) of the SPO.

Where the content of this Presentation is approved by an authorised person, within the meaning of the FSMA ("Authorised Person"), Qualifying Investors also include eligible counterparties and professional clients within the meaning of chapter 3 of Conduct of Business Sourcebook ("COBS") of the FCA Handbook made by the UK Financial Conduct Authority ("FCA"), certain persons which are exempt from the FSMA prohibition on carrying any regulated activity in the UK without being authorised to do so by the FCA (other than appointed representatives provided the Presentation relates to a regulated activity in respect of which they are exempt), certified sophisticated investors, certified high net worth investors and self-certified sophisticated investors, in each case within the meaning of COBS 4.12 for whom the Authorised Person considers that an investment in the Fund is likely to be suitable based on a preliminary assessment of these investors' profile and objectives.

Skybound is not authorised to carry on investment business in the UK, and potential investors are advised that all, or most, of the protections afforded by the UK regulatory system, will not apply to any investment in the Fund. This Presentation is not for distribution to retail customers.

In Hong Kong, the document is directed only at Professional Investors (as defined under applicable regulations) and not intended for, and should not be used by, non-Professional Investors.

PLEASE NOTE

This document is used for marketing purposes only and is, therefore, more general in nature. For more detail and accurate information relating to the Fund please email info@skyboundcapital.com or speak to one of the team members directly.

CONTACT DETAILS



UNITED KINGDOM

Skybound Capital (UK) Ltd [Reg. No. 6708492]

3rd floor, 33 Bruton Street, London, W1J 6QU

Tel: +44 207 099 8328

Skybound Capital (UK) Ltd is authorised and regulated by the Financial Conduct Authority in the United Kingdom (No. 537301)



HONG KONG

Skybound Capital (HK) Ltd [Reg. No. 1621759]

21/F, Chuang's Tower, 30-32 Connaught Road Central, Central, Hong Kong

Tel: +852 2253 6296

Skybound Capital (HK) Ltd has a Type 9 Asset Management License from the Securities and Futures Commission of Hong Kong (No. AXR396)



MAURITIUS

Skybound Capital Limited [Reg. No. 49313]

2nd floor, Block B, Ruisseau Creole Offices, La Mivoie, Riviere Noire, Mauritius

Tel: +230 483 5422

Skybound Capital Limited has a GBL1 License, a CIS Manager License and an Investment Advisor (Unrestricted) License under the Financial Services Commission in Mauritius (No. C103000742)



AUSTRALIA

Skybound Capital (AU) Pty Ltd [Reg. No. 601 221 345]

Suite 202, Level 2 The Wave, 89-91 Surf Parade, Broadbeach 4218, Queensland, Australia

Tel: +61(0)7 5581-2401



SOUTH AFRICA | Cape Town

Skybound Capital (Pty) Ltd [Reg. No. 2001/005987/07]

7th floor, Letterstedt House, cnr. Main & Campground Roads, Newlands, 7700

Tel: +27 21 657 4999

Skybound Capital (Pty) Ltd [Reg. No. 2001/005987/07] is a licensed Category I, II and IIA Hedge fund FSP with the Financial Sector Conduct Authority (FSP No. 35733)



SOUTH AFRICA | Durban

Gleneagles Park, 10 Flanders Drive, Office 3A Ground Floor, Mount Edgecombe, 4302

Skybound Capital (Pty) Ltd [Reg. No. 2001/005987/07] is a licensed Category I, II and IIA Hedge fund FSP with the Financial Sector Conduct Authority (FSP No. 35733)



SOUTH AFRICA | Port Elizabeth

7 Westbourne Road, Richmond Hill, Port Elizabeth, 6001

Skybound Capital (Pty) Ltd [Reg. No. 2001/005987/07] is a licensed Category I, II and IIA Hedge fund FSP with the Financial Sector Conduct Authority (FSP No. 35733)

info@skyboundcapital.com

www.skyboundcapital.com



WWW.SKYBOUNDCAPITAL.COM