

Credit Suisse Family Office Webinar Series

Session 2 – The path towards finding the right reporting system for your Family Office

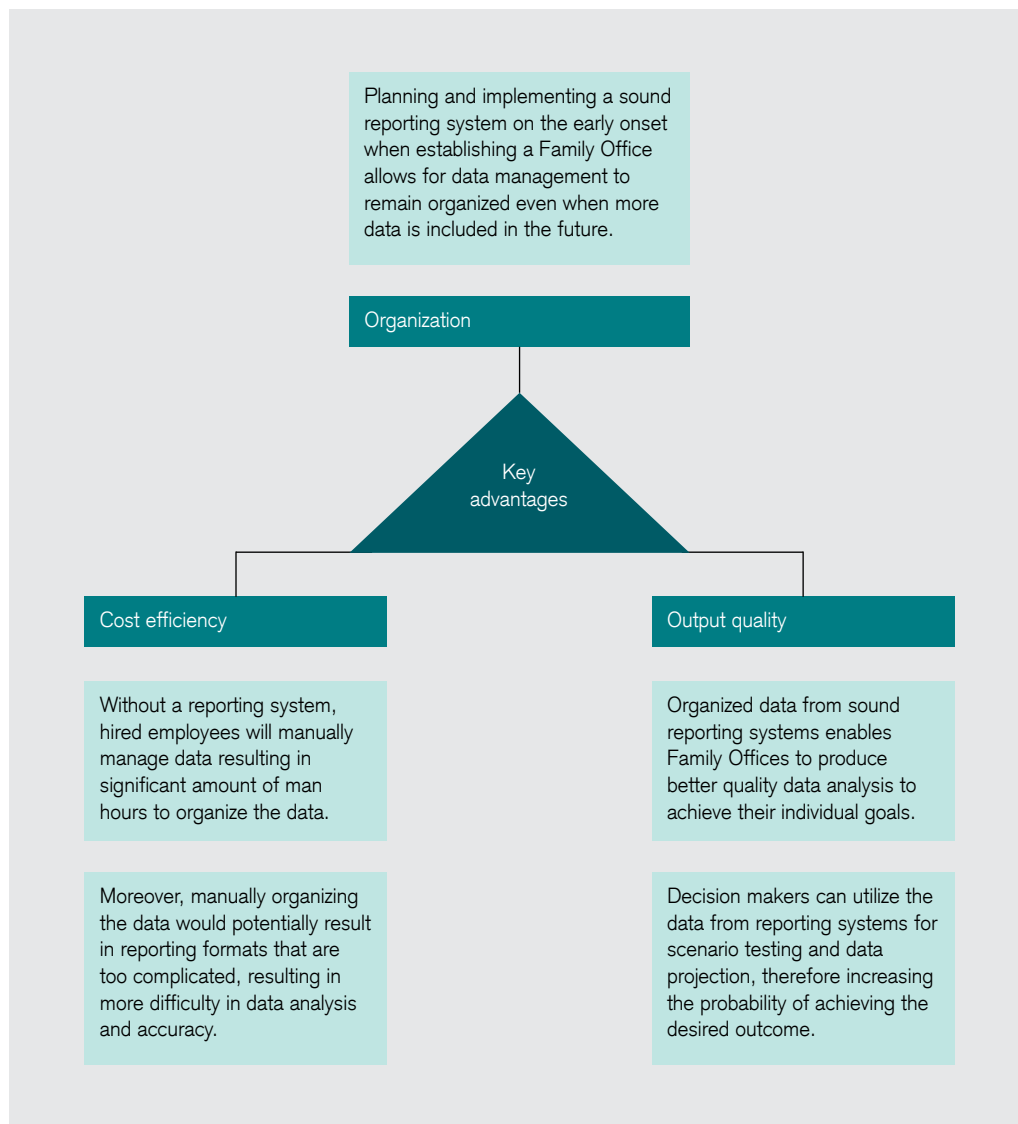


With the strong growth of Family Offices in Asia poised to continue, there is an increasing need for reporting solutions that are not only efficient, but more importantly, provide accurate tracking of management performance across the various assets owned by the family.



We believe that there are 5 areas to consider in order to ensure the smooth operation of a Single Family Office. Purpose, Pool of Assets, Process, Platform and People. Reporting Systems form a highly important component of Platform and Processes

said Thomas Ang, Head of Family Office Services, Credit Suisse APAC, in the second episode of the Credit Suisse Family Office Series, held on 14 May 2021.



The session was moderated by Thomas and together with Tanmai Sharma (Ceo and Founder of Canopy Pte Ltd) and Foo Kheong Lee (Director of Business Development SS&C GlobeOp), they shared their perspectives on the best practices of utilizing Reporting Systems for Family Offices via a panel discussion.

Organized, cost-effective and reliable, a suitable reporting system ensures that decision makers are constantly updated with high quality data for the optimal management of the Family Office.

Explaining reporting systems

The proper maintenance of records and building a strong reporting culture is a core element of a Family Office's services. A proper reporting system allows families to understand their investments, identify risks and strengthen their confidence in their Family Office. Reporting systems can be used in-house by the Family Office to maintain confidentiality or outsourced where complex reporting tools and software are required.

These reporting systems often provide:

- Consolidation and reporting of all family assets
- Consolidated performance reporting
- Benchmark analysis
- Annual performance reporting
- Maintenance of an online reporting system
- Tax preparation and reporting

Clarity of purpose

Identifying a suitable reporting system for your Family Office is largely dependent on being clear about the goals and preferences of the decision maker and finding a service provider that can customize a reporting system that can cater to those specific requirements.

These 4 key questions can serve as a guideline for identifying the unique needs of a Family Office.

- What types of data are you receiving/need from the current stakeholders for your Family Office?
- Are you able to integrate your current data situation from above, with the intended Reporting System?
- What type of assets are you managing?
- Are the managed assets internal, external or both?

Potential pitfalls

Error rates exist in all reporting systems. As Family Offices obtain data from multiple stakeholders, data received are in various formats since each stakeholder manages data differently. Thus, there exists a probability for errors when reformatting the data for any reporting system. Regular effort is required to rectify these errors and ensure the smooth operations of reporting systems.

Every reporting system has a limited number of asset classes that it can keep track of. Thus, it is important to select reporting systems that can best track the asset classes your Family Office is focused on.

Data protection

For service providers, keep your client's identity anonymous. Reporting Systems do not require personal identity information to manage data. Removing this element could prevent cyber security threats that are directed to specific individuals.

For users, segregate your data storage into different locations. In the event of a data breach, only a part of your data will be compromised, diluting the impact of resulting consequences.

Stakeholder management in reporting

Adopt a collaborative approach by creating a separate database for all stakeholders and provide access for them to connect any of their systems to this database. By doing so, stakeholders are directly exposed to the complexities of data management and can clearly understand the reason behind problems that surfaced. This encourages collaboration between related stakeholders to solve these problems as well.

Build a process flow that highlights key data interaction checkpoints with each stakeholder for the Family Office to understand and identify opportunities to refine reporting within the model.

Keeping up with changes to Family Office set-ups

As the needs of the decision maker changes alongside the transformation or evolution of their Family Office, reporting systems will remain effective if there are regular checks and balances to ensure that requirements are consistently fulfilled as the data evolves.

For the transition from a single Family Office to a multi Family Office where external decision makers are now included, reporting systems require updates (eg. tax changes) to cater to a different set of regulatory requirements that come with external money management.

Lessons from US and Europe Family Offices

In general, professionalize your Family Office components as far as possible and focus on your strengths. Outsource middle office functions to professional service providers and hire professionals to help you locate the best talents for Family Office management.

Looking forward

Reporting systems free up bandwidth within Family Offices to focus more resources on achieving their desired objectives by reducing the effort to keep track of management performance of the family's assets. The main challenge lies in assessing and finding the ideal reporting system suited to your needs.

At Credit Suisse, our APAC Family Office Services team have been around for more than 10 years, collaborating with numerous business families and entrepreneurs across Asia to achieve their various objectives-including reporting. Discuss your reporting goals and preferences with us. Together with the support of our strong Family Office ecosystem network, let's work towards the ideal reporting system for you. Contact us via your Relationship Manager today.

Guest speaker



Tanmai Sharma
CEO and Founder of Canopy Pte Ltd

Tanmai, founder of Canopy, is a former Managing Director with Deutsche Bank. His areas of specialty before starting Canopy include structured transactions, cross-border arbitrage and correlation trading. He spent almost 20 years on various trading floors across the world and closed trades in 13 countries. Tanmai's other passions include computer programming, quantitative and behavioral finance. He has a MBA in Finance Systems from Indian Institute of Management, Ahmedabad.



Foo Kheong Lee
Director of Business Development at SS&C GlobeOp

Foo Kheong is Director of Business Development at SS&C GlobeOp – the Fund Administration and Middle Office Outsourcing division of SS&C. Prior to joining SS&C, Foo Kheong was a freelance consultant for emerging start-up managers and a Family Office. Overall, he has more than 25 years' experience in the financial services industry that includes 15 years as the COO/CFO of multi-billion dollar boutique fund managers in Singapore. Foo Kheong was COO at an India focused fund manager from 2012 to 2017 responsible for its overall operational infrastructure. Separately, as the CFO at a Pan-Asia and Emerging Markets hedge fund manager he was instrumental in setting up the Middle Office and Operations teams there. Prior to his roles in the buy-side, Foo Kheong was VP - Controller for Asia Pacific equities business for Merrill Lynch, managing teams in Singapore and Hong Kong. He started his career at Coopers & Lybrand and held various finance roles at broker dealers and private banks. Foo Kheong is a qualified accountant with CPA Australia and now resides in Sydney. He holds an MBA from the Manchester Business School, U.K. and a Bachelor of Commerce degree from the University of New South Wales, Australia.

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Contact us



Thomas Ang
Head of Family Office Services APAC

Thomas works extensively with Business Families across Asia Pacific to identify and address issues regarding generational transition of business and wealth. He specializes in family governance and development of transition roadmap of large multi-generational business families and Mandarin speaking families. He is a founding member of the Credit Suisse Family Office Services and is responsible for the creation of the Family Office Hub in Singapore.



Christos Anagnostopoulos
Head of Private Label Funds and Wealth Structuring APAC

Christos joined Credit Suisse in 2011 and he has been working with Families, UHNWIs and Managers globally to assist them in establishing their own Private Fund Structures. He specializes in designing and coordinating the set up of Private Label Funds and other Investment Structures in a wide variety of jurisdictions. Christos is responsible for the development of the Private Label Funds and Investment Structuring offering in Asia Pacific and he is based in Singapore since April 2017.

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