NAVInvest

Get more efficiency, precision and time saving with a strong Microsoft partnership

INVESTMENT MANAGEMENT SOLUTION
FOR ASSET MANAGERS AND FAMILY OFFICES

A WINNING COMBINATION
OF INDUSTRY SKILLS
& MICROSOFT SOFTWARE

Elysys is a software development, consulting and IT services company specialising in the implementation, maintenance and support of business solutions for the financial management industry.

Since its creation Elysys has focused on the delivery of complex financial management solutions, integrated with specialised third-party applications in industries as diverse as shipping, energy and investment management. Elysys chose to adopt the technology of Microsoft Dynamics NAV and its underlying development environment to create add-on applications which are fully integrated with all the core modules.

Elysys is established in the principality of Monaco and develops and markets both directly and through its partner network add-ons for Microsoft Dynamics NAV, targeted to investment and portfolio, private wealth and asset managers who are looking for a complete financial and investment management solution. NAVInvest is a mature product with a development history of more than six years and a number of versions delivered to clients to date provide an assurance of stability and reliability.

WHY THE NEED FOR
A DIFFERENT APPROACH?

A number of initiatives have been recently announced by governments, central banks and other groups in an effort to impose regulatory control on banks and other financial institutions. Notably the Basel accords aim to reduce financial risk and ultimately avoid the difficulties experienced by such organisations in the last financial crisis. Although the requirements are mainly targeted at large organisations - the so-called "too big to fail" institutions - the same principles apply to mid-sized companies.

The main factor that caused the disastrous lapse in risk management was not in the formulas, algorithms and the other sophisticated industry tools used to evaluate risk but in the inability to establish at any given time the entire risk exposure to a counterparty. The lack of integration of front office operations to middle and back-office left institutions vulnerable as there was no transparency of data within the organisation. The remedy to these systemic weaknesses is **reliable and accurate "straight through processing" (STP) - seamless, real-time, enterprise-wide integration of all transactions.**

INDUSTRY
CHALLENGES

The finance industry has had to cope with many shocks recently, highlighted mainly by events arising out of the financial crisis. The Madoff and other fraudulent schemes have shown the need for organisations to be able to demonstrate to their clients that their systems are auditable, industry proven and demonstrably transparent. This applies to all organisations irrespective of size or client profile. The same rules apply whether the ultimate beneficial party is a family group, institutional or private client. Compliance in its widest sense requires systems that are capable of setting up such rules and tracking the adherence to them by the organisation's staff. Systems must also be competitively priced, flexible and easy to implement and at the same time able to meet the growth requirements of a financial institution.

WHY
AN INTEGRATED,
SINGLE PRODUCT
IN FINANCE?

The introduction of enterprise class, integrated applications in industry and, in particular, manufacturing was hailed as a revolutionary advancement in business processes.

Yet many companies in the finance sector have continued to work with diverse products, based on the premise that the industry was too specific for an integrated single enterprise system. They continue to use fragmented proprietary legacy software, overlapping operations and interfacing transactions from one department to another.

Microsoft Dynamics NAV and NAVInvest aim to change this perception in the mid-sized market by delivering an end-to-end industry solution for the investment and portfolio management sector.
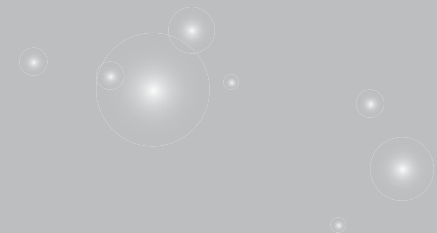
TECHNOLOGY

Microsoft Dynamics NAV has been in operation since 1984 with more than 1 million users throughout some 42 countries. With state of the art 3–tier system architecture and web service integration, running on MS SQL server, it offers a cost-effective, flexible and easily adoptable solution to organisations. Its integration to Microsoft office and one click export of data to Word and Excel gives users enhanced productivity and data analysis.

NAVInvest has been built in Microsoft Dynamics NAV using the same technology and development platform to create finance industry specific functionality, in the same proven and tested environment. Integration to external products such as Bloomberg and Reuters as well as other front desk trading platforms enables the effortless flow of data into the system. NAVInvest has been written inside Microsoft Dynamics NAV to achieve total integration with core modules and to achieve STP functionality.

Built-in document management capability means that financial institutions can attach scanned contracts and other relevant documentation to transactions as part of their control and system compliance.

The standard reporting tool is SQL Server Reporting Services and a number of reports are supplied with the solution. In addition, a wide range of third-party products built for Microsoft Dynamics provide sophisticated BI capability for analysis and reporting, Excel enhancement to integrate natively to the NAV SQL database and many other user-friendly tools.

INTERPRISE SOLUTION

- Treasury Management
- Investment Management
- CRM
- Accounting
- Advanced Cash Management

INVESTMENT
PRODUCTS

The ability in the system to define investment types enables users to cover a very wide range of investments within the following classes, whether accounts are managed internally or externally:

• Equities
• Bonds
• Hedge funds
• Structured notes
• Preferred shares
• Private Equity
• Derivatives - Options, Futures, CFDs

Furthermore, the Advanced Cash Management granule of NAVInvest enhances standard NAV functionality on the following products:

• Loans / borrowings
• Term deposits
• Spot currency contracts
• Forward currency contracts

Flexible design enables users to define investment classes, e.g. identify distressed assets, distinguish between options held for hedging or speculation and many other system configurations.

PORTFOLIO
POSITION
& ANALYSIS

Risk managers have instant access in summary format to all portfolios with drill down access to underlying transactions and navigation to linked entries in accounts, bank, CRM and other modules. At the click of a button they can export to Excel and carry out advanced portfolio and transaction analysis. In addition, they can identify the status of each transaction in the workflow process of their organisation, i.e. whether a traded, settled or simulated transaction.

TRADING
PERFORMANCE

NAVInvest enables users to restate their portfolio position on the basis of market values and exchange rates as well as to restate in the company's base currency, using pre-defined data, normally imported from market sources. This can be done at any level of detail, from an individual investment to the entire company and at any given time. Additionally all revenue recognition, including realised, unrealised gains (market and / or forex), realised and accrued coupons, actual and accrued loan and deposit interest for assets and liabilities associated to the portfolio is executed automatically.

Management, clients and owners can therefore ascertain at any time not only the performance of a portfolio or group of portfolios, but also attribute it to asset class, currency fluctuations, fund manager or any other predefined dimension. Equally, the transactions can be optionally posted to the General Ledger and reported in the financial and management statements at the organisational entity or any consolidation level.

LIQUIDITY
MANAGEMENT

NAVInvest provides financial institutions with the tools to schedule all their deposits and obligations as well as the revenues from coupons, fixed interest securities, etc. so that they can estimate their future liquidity position. Unsettled transactions are taken into consideration in estimating cash positions in real-time so that operations can take proactive action in assessing risk according to portfolio requirements.

Borrowings can be leveraged against portfolio assets and the ratio of debt to portfolio valuation monitored to ensure that it remains within required margins.

AUDIT TRAIL
& COMPLIANCE

How often have middle or back office users been asked to justify a portfolio daily position at some future point of time?

NAVInvest provides both the capability to take a snapshot at any time of the portfolio position and to detail all the transactions, mark-to-market, etc. that have resulted in a specific portfolio valuation. STP means that your portfolios are always in sync with your accounting. All transactions are time-stamped, user identified and access security is user definable.

STATUTORY & ACCOUNTING REQUIREMENTS

The treatment of assets and disposals of investments in NAVInvest conforms to the weighted average cost method, which is universally acceptable. All accounting rules and automation is user definable and the treatment of transactions conforms with IFRS, IAS and US GAAP.

WORKFLOW

NAVInvest enables the treatment of transactions on the basis of the STP principle described earlier. Workflow and business logic can be configured by the users in accordance with the level of complexity of their organisation.

FRONT OFFICE	MIDDLE OFFICE	BACK OFFICE
Provisional Entries	Control & Verification	Execution Accounting Treasury

PHYSICAL ASSETS

The NAV Financial management module includes a fixed assets module that enables the treatment of physical assets and these can be associated with the portfolio or not depending on the requirements of the organisation.

PURCHASING & SALES MODULES

NAV includes a standard packaged purchasing module which provides the ability to account for costs incurred other than those associated to specific investments, e.g. fund administration and marketing expenses. In addition the sales module can be used to invoice client fees and other operational indirect revenue.

CRM MODULE

Financial institutions can use the marketing module to link portfolios to their customer database, organise prospect marketing campaigns, customer segmentation and targeting, follow-up client contact and track events associated to their clients such as the submission of periodic statements, reporting, etc. Furthermore Microsoft CRM and Microsoft Dynamics NAV are connected by Microsoft's own integration so financial institutions which already use the former can expand their software solution by adopting NAVInvest.

DISCOVER ALSO

NAVCash

ADVANCED CASH MANAGEMENT
FOR MICROSOFT DYNAMICS

Elysys

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