



Alternative Investment Fund Services

**Successfully Navigating
Regulatory Risks**



Local Firm. National Recognition. Global Reach.

Since forming in 1978, the Firm focused on providing the highest level of service to clients that shared their entrepreneurial vision.

Today, Keiter is one of the largest accounting and consulting firms in Virginia with over **160 employees**, including **20 partners**. We see our success as a testament not only to our knowledge and experience, but also our continued dedication to client relationships and our desire to help them grow their businesses.



1 Office



20 Partners



160+ Employees



Keiter is ranked in the Top 200 Firms in the Nation by revenues by *INSIDE Public Accounting* [2013 - 2018].



Best Accounting Firms to Work For by *Accounting Today* [2018].



Richmond Times-Dispatch

Top Workplace in the Mid-Sized Company category by *Richmond Times-Dispatch* [2018].



Best Accounting Firm in Central Virginia by *Virginia Living Magazine* [2015-2017].

Why Keiter?

We understand the unique business challenges that this industry encounters whether its taxation of carried interests, fair value measurements, loan loss reduction, loan portfolio enhancements, or compliance with the regulatory requirements of the SEC, FINRA, SIPC, and PCAOB for financial services companies and Dodd-Frank, Basel III, and the Consumer Financial Protection Bureau for financial institutions.



- › Personal client service
- › Extensive experience in alternative investment fund sector
- › Ideal choice for Funds with assets under management between **\$1 million — \$500 million**
- › More favorable fee ranges compared to Big 4 Accounting firms
- › A majority of our partners have prior experience working with Big 4 accounting firms
- › Accustomed to dealing with the complex tax and financial reporting issues

Financial Services Specializations

Broker Dealers

Full Service, Retail, and Investment Banking

- › Regulatory compliance for SEC, FINRA, SIPC, and PCAOB
- › Custody Examination Audits
- › Global Investment Performance Standards (GIPS*)
- › Tax Services
- › Assurance Services

Funds

Fund Managers, Private Equity, Hedge, Fund of Funds, Real Estate Funds

- › Income Tax Planning and Compliance
- › Assurance Services
- › Succession Planning
- › Strategic Business Planning / M&A
- › Investor Income Allocation
- › Fair Value of Investments
- › Nexus and Apportionment / Allocation of Income
- › FBAR

Bitcoin Services

Bitcoin custodians, Exchanges, Companies with Bitcoin Assets

- › SOC1/SSAE16 Reporting
- › Tax Services
- › Assurance Services



Representative Financial Services Client List

SYNOVUS

HORIZONSM
BANK



R RAFALKO
ADVISORS

VCF

Virginia Commercial Finance
Your Working Capital Lender™



TALL OAKS
CAPITAL



PACTOLUS
PRIVATE WEALTH
MANAGEMENT LLC

SIGNATURE.
REALIZING WEALTH'S POTENTIAL



Financial Services Management Team

Christopher L. Wallace, CPA

Business Assurance & Advisory Services Partner | Financial Services Industry Team Leader
804.273.6202 | cwallace@keitercpa.com



Chris has over 20 years of experience in public accounting providing audit and consulting services to clients in various industries. He is the Practice Leader of the Business Assurance and Advisory Services Group. Chris is responsible for the execution of the department's vision for growth, and for client service operations including staffing and resource allocation, technical accounting and financial reporting matters, and regulatory compliance.

Chris also serves as the leader of the Firm's Financial Services Industry Team, and in that role oversees services to the Firm's broker dealer, hedge fund, private equity fund, real estate fund, and other financial service clients. Prior to joining Keiter, Chris was a senior manager with the Richmond office of Ernst & Young. Chris' responsibilities included managing audit engagements for both publicly- and privately-held companies.

Gary G. Wallace, CPA

Tax Partner | Financial Services Industry Team
804.565.6025 | gwallace@keitercpa.com



Gary provides tax services to public and private entities and their owners in a variety of industry segments, including financial services, manufacturing, retail, and real estate. Gary has significant knowledge and experience in individual taxation, business taxation, including C and S corporations and partnerships. He advises clients on all aspects of tax matters, including tax accounting methods, multi-state tax matters, mergers and acquisitions, income tax accounting and representation with tax authorities.

Gary has over 30 years of accounting experience both in the private and public sectors. Prior to joining Keiter, Gary was the Chief Financial Officer for The Riverstone Group, LLC and CCA Industries, Inc. His responsibilities included directing financial activities including accounting, financial reporting, budgeting, forecasting, tax and treasury matters, including a significant hedge fund investment portfolio. Gary acquired significant public accounting experience, as Tax Partner with the Richmond office of KPMG. In his over 20 years at KPMG, Gary was tax advisor to publicly and privately held business clients and individuals, principally in the retailing, distribution, real estate and financial services sectors.



Andrew K. Sledd, CPA CFE

Business Assurance & Advisory Services Partner | Financial Services Industry Team
804.545.4161 | asledd@keitercpa.com

Andrew has over 11 years of experience in public accounting in auditing not-for-profits and foundations, technology firms, resorts and social clubs, and ERISA plans. Andrew serves as an advisor to Keiter's financial services client base sharing his expertise in navigating the complex regulatory environment faced by broker/dealers in securities, registered investment advisors and alternative investment companies. As one of the team leaders on the Firm's Financial Services Industry team, he possesses a comprehensive understanding of SEC and FINRA rules and regulations. His responsibilities include managing financial statements audits and custody exams as well as leading the Firm's alternative investment administration practice. Andrew also works closely with fund managers during new fund formation and partnering with their external accounting administrators to address US GAAP and financial reporting issues.



John T. Murray, CPA

Tax Senior Manager | Financial Services Industry Team
804.418.6278 | jmurray@keitercpa.com

John has over 10 years of experience in both the private and public accounting practice areas. He applies his experience to provide insights and identify opportunities for closely-held businesses in the real estate, healthcare, private equity, and government contracting industries. In addition, John has multi-state tax experience in which he plans for state franchise and capital taxes as well as sales & uses taxes. He provides ongoing budgeting, forecasting, cash management, & compensation planning for many of his clients. In addition, John applies his expertise and knowledge in structuring transactions and reviewing proposed acquisitions in order to minimize the tax consequences for his clients. John is a member of the Firm's Financial Services and Emerging Business and Technology Industry teams.



How We Have Helped

Start-Up Fund Assistance

We assisted a new start-up fund, which was organized as a feeder fund of a master-feeder structure, with preparation of its initial financial statements and footnote disclosures. With a one month turnaround time, we were able to successfully meet regulatory and internal client deadlines. Our services to the Fund included:

- Calculating the allocation of the investment income, expenses, and unrealized gain from the master fund to the feeder
- Determining the allocations between the managing and non-managing members
- Calculating the financial highlight required footnote disclosures for ratio of expenses and net investment income to average net assets.
- Preparing the tax return for the fund, including the Form K-1's for its limited partner investors

Our role as the accounting advisor to this start-up fund enabled the fund to be prepared for its financial statement audit, and also enabled the fund to distribute its financial statement information and K-1's to its investors in a timely manner.

Complex Equity Sale

A registered investment advisor recently underwent a complex equity sale. The company formed a new subsidiary and transferred all assets and operations from the parent company to the new subsidiary. Simultaneously, a minority interest in the new subsidiary was sold and a note payable was issued in the name of the subsidiary.

We were able to assist the client in appropriately capitalizing and amortizing all of the direct financing costs associated with the issuance of the debt. We also assisted in ensuring all costs associated with the capital raise were applied against the contributed capital and not expensed through the income statement. Additionally, the covenants on the debt called for comparative audited financial statements to be submitted to the bank shortly after year end. We were able to determine the substance of the organization had not changed and were able to assist the client in drafting comparative financial statements in a timely manner after the audit was complete.

We can help you too.

Contact us to discuss how we can help you identify opportunities to grow your financial services business.

www.keitercpa.com

