

Fund Advisory and Reporting

A&M's Fund Advisory and Reporting team structure a large range of funds including large Private Equity ("PE"), infrastructure and real estate houses as well as mid-tier funds and first-time entrants into the funds world.

The team also provide a full service offering to the house by utilizing their market leading technology-driven 'whole of fund' tax reporting process which allows us to service the compliance and reporting obligations for the whole of the fund.

This covers corporate and partnership tax returns for fund and advisor entities as well as creating bespoke investor reports for every LP and fund executive, detailing all of their investment returns from the fund in the tax year and detailed filing guidance of how to report those returns on a UK tax return including any necessary claims, elections and disclosures they should make.



Methodology & Tools

The A&M's Fund Advisory and tax reporting will follow typical investment cycle dealing with advisory and compliance on fund set up, sale/ acquisition of an investment, payment of investment management fees (e.g., carried interest or co-investment) and eventual winding up. Compliance obligations will be delivered annually each year, well in advance of the filing deadlines.

- Much of the work of the tax reporting and compliance service is focused on undertaking a 'real-time' analysis of all returns made through the fund structure and delivering compliance outputs well in advance of the tax filing dates ensuring LPs and executives can plan for potential tax due. This prevents crunch periods for in-house teams as the workload is spread over the year rather than immediately prior to a deliverable.
- Our technology is not a black box solution – it is a very transparent process where each stage of the process is signed off with the client so they can easily trace through their fund level distributions through the waterfall to each entity and subsequent investors.



RESULTS

- A tax efficient fund structure set up which works commercially in line with the Fund's objectives.
- Seamless compliance reporting taking pressure off the client ahead of key deadlines.
- Harmonious investor reporting to reduce risk of HMRC scrutiny.



BENEFITS

- A&M's advisory solution helps clients mitigate risk and save on costs. An appropriately structured fund gives partners and executives confidence that investment decisions and the subsequent fees and carried interest will be handled efficiently.
- Clients benefit from less manual tax compliance work. Incorporating our technology solution minimizes mitigates tax risk across the fund, reduces the burden on the client and reduces the risk of any human errors during the compliance process. The technology also allows us to scale our offering as our client's business grows (i.e., number of entity tax returns/ investor reports delivered) without large incremental costs.



Comprehensive fund lifecycle solution

Fund Executives

Provision of personal tax compliance and advisory services to individual fund executives. We have considerable expertise with advising on:

- Non-U.K. domiciled individuals and remittance basis planning;
- Inheritance Tax planning; and
- Family and trust issues.

Fund Structuring

Provision of fund tax advisory services including advising on:

- Establishment of new U.K. and overseas investment funds;
- Impact of changes to U.K. tax rules on fund structures and GPs (including the reforms to Corporation Tax loss relief);
- Tax treatment of co-investment and carried interest returns and structuring; and
- Tax issues for fund manager vehicles (including Salaried Members, Mixed Members, Self Employed DR, Profit Fragmentation rules).



Fund Reporting

Provision of fund tax reporting services including:

- Assistance with investor/ executive reporting including the preparation of bespoke investor reports to allow fund participants to accurately report their taxable allocations (including co-invest and carried interest) on their UK tax returns;
- Preparation and submission of partnership tax returns along with supporting computations for the fund partnerships;
- Preparation and submission of corporation tax returns along with supporting computations and accounts tagged in iXBRL format for relevant corporate vehicles; and
- Preparation and submission of LLP tax returns along with supporting tax computations for the LLP fund manager;

Fund Investments

Provision of transaction tax services on the acquisition and disposal of investments including:

- Buy-side tax due diligence and tax structuring services on the acquisition of new investments (including public-to-private transactions);
- Tax modelling and funds flow support;
- Re-organisation and refinancing;
- Sell-side tax due diligence services on a future sale of investments; and
- Initial Public Offerings.



Why contact A&M Taxand

A&M's Fund Advisory and Reporting service is distinguished as all team members can cross a broad range of tax specialisms including all fund compliance, fund structuring and private client services.

Our competitors will typically operate in silos unlike the collaborative A&M approach.

- A&M's team is led by senior decision-makers playing an active role in all projects. Smaller teams of senior professionals, based in a single location, deliver seamless results.
- A long-term relationship with in-depth knowledge of the full structure: working closely together through the investment lifecycle means the A&M team understand the client's structures including investments, funds and investor/executive requirements. This allows the team to identify a broad range of areas to advise the client as well as bring in wider A&M service lines e.g., PEPI, Valuations, TAG.

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ABOUT ALVAREZ & MARSAL TAXAND

Alvarez & Marsal Taxand, an affiliate of Alvarez & Marsal (A&M), a leading global professional services firm, is an independent tax group made up of experienced tax professionals dedicated to providing customized tax advice to clients and investors across a broad range of industries. Its professionals extend A&M's commitment to offering clients a choice in advisors who are free from audit-based conflicts of interest, and bring an unyielding commitment to delivering responsive client service. A&M Taxand has offices in major metropolitan markets throughout the U.S., and serves the U.K. from its base in London.

Alvarez & Marsal Taxand is a founder of Taxand, the world's largest independent tax organization, which provides high quality, integrated tax advice worldwide. Taxand professionals, including almost 550 partners and more than 2,500 advisors in 50 countries, grasp both the fine points of tax and the broader strategic implications, helping you mitigate risk, manage your tax burden and drive the performance of your business.

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