



## KPMG Asset Management Audit Platform

# Private Equity & Venture Capital

Introducing the data and technology-enabled approach for fund and investment adviser audits

## A better audit experience starts with a different approach.



**KPMG Asset Management Audit Platform (AMAP) is a key component of our automated audit platform, KPMG Clara. Specifically designed for funds and investment advisers, AMAP powers the audit process with automation, advanced analytics and AI capabilities. This data and technology-enabled approach helps deliver an exceptional experience, audit quality, efficiency and deeper insights..**

### Automate everything, except the critical thinking

We process data through automated routines combined with advanced analytics to produce a standardized output. This empowers your audit team to evaluate results in a critical and efficient manner by analyzing trends, relationships, and anomalies in order to focus on higher risk transactions and outliers.

### Inflows

- Third-party administrator reports
- Bank statements
- Internal reports
- Legal agreements
- Valuation models
- Market data
- Financial and investor data

- Extensive experience working with major fund administrators, brokers, custodians and fund accounting software providers to understand and process data from standard reports
- Extraction and validation tools provide a more seamless data collection process for large volumes of data
- AI-trained document readers effortlessly extract data and key terms from legal agreements and unstructured data



### Key Features

**Balances and transactions analyzed and tested include:**

- Investment and derivative transactions
- Investment holdings and roll forwards
- Capital allocations, including carried interest
- Management fees
- Complex private equity and venture capital investment valuations
- Disclosures and Financial highlights

**Aggregate and test transactions across the entire portfolio at the same time**

Private Equity | Venture Capital | Private Credit | Real Estate | Hedge | RICs | Fund of Funds | CIT | BDC

# Enhanced features for Private Equity & Venture Capital



## Systematic risk assessment

AMAP has AI-trained document readers that more seamlessly extract data and key terms from a variety of legal contracts for input into our automated routines. This helps us more quickly identify and focus on the risks that matter most during the audit.

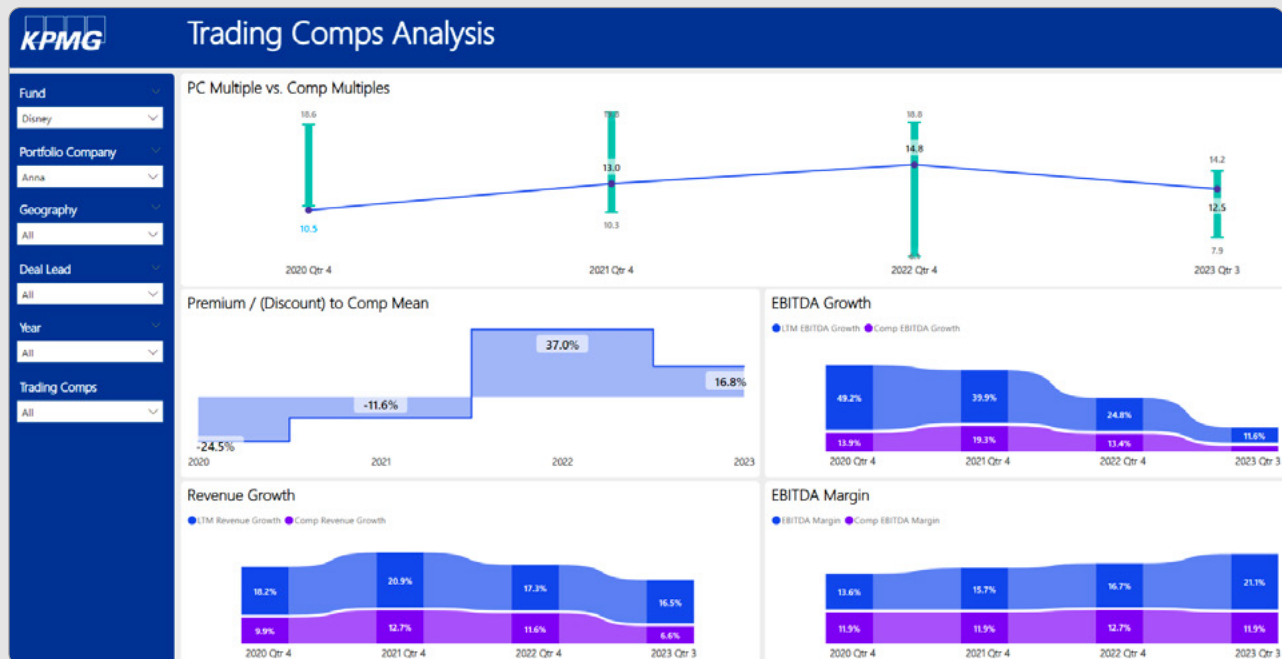


## Valuation testing for Private Equity & Venture Capital investments

Our suite of valuation tools can handle complex private equity and venture capital valuations, analyzing valuation inputs and market-based valuation information to help us identify areas of higher risk. Through automation, we can efficiently assess key inputs for a variety of valuation methodologies.

## Calibration: Guideline Public Company Method

AMAP has calibration tools and peer set analysis that enable us to better assess risks and evaluate the reasonableness of assumptions for a variety of valuation methods. For example, market data from comparable companies is calibrated with the portfolio company's multiple and key financial data.



## Complex capital and investment structures

AMAP has enhanced features for:

- Income and expense allocations from fund to partner level
- Custom distribution waterfall calculations
- Different fund structures, including master/feeder and co-investments
- Investments structured with special purpose vehicles (SPVs) and/or tax blockers
- Combined and consolidated financial statements.

# Benefits at a glance

## 1 Client experience

- Fewer follow-ups with more informed, focused questions from the audit team
- Data and technology driving quality-focused audit
- Real time execution, communication and delivery

## 2 Efficiency

- Streamlined approach to obtain and use your data
- Data-enabled approach to investigate and document differences
- Audit focused on higher risk transactions

## 3 Insights

- Deeper understanding of your investments and related risks
- Detailed and comprehensive transaction analysis can be used to identify areas for potential process improvements
- Communication of insights gained through enhanced reporting capabilities

## Highlights for other alternative investment sectors



### Hedge

Proprietary security pricing platform streamlines valuation testing for a wide range of private and public securities, including complex financial instruments, derivatives and cryptocurrencies.



### Private Credit

Valuation testing for a wide range of loans and debt securities, including customizable analytics for more complex private credit valuations to help assess credit risk and calculate independent prices using market yields.



### Real Estate

Advanced risk assessment and analytical tools for entities that record real estate assets at fair value and historical cost, including complex valuations and purchase price allocations.



### Fund of Funds

Streamlined data extraction from our AI-trained document readers combined with a suite of automated routines specifically designed for investments in other funds measured at Net Asset Value (NAV).

## Contact Us



**Troy Butts**  
National Asset Management  
Leader, Audit  
tbutts@kpmg.com  
(214) 840-2107

## To learn more

**KPMG Asset Management Audit Platform** for additional information on our data and technology-enabled audit approach



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2024 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. MGT 9125

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

Learn about us in:  | [kpmg.com](https://www.kpmg.com)