

Improving financial and audit control

Many financial institutions are relying on a variety of systems to meet their accounting requirements, leading to duplicate information and unnecessary reconciliations between balances.

Misys Loan IQ's™ multi-currency, multi-GAAP, multi-entity accounting module combines STP and on-line accounting with real-time debits and credits functionality.

The result is a solution that eliminates duplicate effort and increases your organisation's overall financial and audit control – by helping you to record balances correctly the first time.

Solution overview

Misys Loan IQ's accounting module is powerful, robust and flexible enough to handle your organisation's most advanced financial reporting and accounting requirements.

Misys Loan IQ is proven to deliver productivity gains and minimise operational risk for clients. Misys Loan IQ allows your organisation to manage lender shares and portfolio positions across multiple entities, reducing the need for double entry and unnecessary reconciliation. Our solution's multi-currency capability also enables your organisation to better control the FX risk associated with non-home currency transactions.

Misys Loan IQ combines real-time accounting, feature-rich functionality and reporting by exception to deliver an accounting solution unmatched in the industry.

Benefits

- + Real-time debits and credits eliminates backlogs in error reporting and increases the accuracy of entries posted to the general ledger.
- + Daily proofs between the Misys Loan IQ sub-ledger and general ledger balances are performed. Discrepancies found are automatically reported to the end user, resulting in valuable time savings and minimal exposure.
- + Multi-currency, multi-GAAP capability ensures that the system is tailored to the specific needs of your business and your different offices' unique financial and regulatory requirements.
- + Multi-branch, multi-entity capability eliminates the need for double entry, resulting in increased accuracy and a reduced need for reconciliation.

Misys Loan IQ offers multi-currency and multi-GAAP functionality, and all processing is performed in compliance with FASB and IAS regulations.

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Misys Loan IQ manages lenders' shares and your organisation's portfolio position across multiple branches and multiple entities, eliminating the need for double entry. Financial institutions then benefit from increased accuracy, reduced need for reconciliation and fewer errors.

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Real-time debits and credits for accurate, up-to-the-minute information

Misys Loan IQ allows users to project on-line debits and credits before the transaction is released. Users are instantly notified if the system encounters an exception. This eliminates backlogs in error reporting and increases the accuracy of entries posted to the general ledger.

When the transaction is released, the general ledger entries are finalised. The system also edits general ledger entries for the accuracy of account numbers and other auxiliary data.

The system produces reports to capture any exceptions that occur when entries are created or posted. These reports are generated at the end of the respective batch job and can be automatically emailed to the end users.

Multi-currency, multi-GAAP functionality

Misys Loan IQ has multi-currency and multi-GAAP functionality, and all processing is performed in compliance with FASB and IAS regulations. The system monitors facility commitment level limits in any one currency, while allowing for loans to be booked in other currencies. The loan record is maintained in the currency of the loan – as is all processing of transactions such as interest, fee accruals, payments and drawdowns.

As a result, institutions can more accurately manage and quantify the FX risk associated with multi-currency, non-home currency transactions.

Multi-branch, multi-entity capability

Misys Loan IQ manages lenders' shares and the bank's portfolio position across multiple branches and multiple entities, eliminating the need for double entry. Our clients then benefit from more available and accurate data as well as a reduced need for reconciliation.

Misys Loan IQ also segregates portfolio position information across multiple branches and provides a consolidated view at the overall bank level.

Cashflow monitoring for enhanced control

Misys Loan IQ can help you to better control incoming and outgoing funds, and the application of such funds to open transactions. The system manages the distribution and receipt of funds within the bank as well as to and from the loan servicing area through funds transfer functions.

All incomplete cashflows are captured in the “work-in-progress” as settlement items. This information is sent to the user for monitoring and subsequent completion.

Misys Loan IQ allows the client to create customised views of balances, items and other related information.

Ensuring accurate, up-to-date Information

Misys Loan IQ's flow-down capabilities ensure all customer information, transaction entry data, amounts, audit trails and other associated information is automatically kept up-to-date. Furthermore, the system automates ageing of sub-ledger accounts, enabling the user to easily manage processing and reporting.

The edit and validation rules within Misys Loan IQ ensure that data is input and processed correctly. The system ensures full accountability is maintained by recording the names of all the people responsible for initiating each transaction.

Accurate, timely sub-ledger and general ledger reconciliation

For many financial institutions, reconciling loan-based transactions with the general ledger can be a significant challenge. Customers lose valuable time when it takes days to identify and then resolve exceptions.

Due to Misys Loan IQ's sophisticated on-line sub-ledgers, end-of-day reconciliation between the sub-ledgers and the general ledger is conducted swiftly and accurately.

Whenever differences are found, the system identifies the out-of-proof condition and automatically reports it to the individual responsible for resolution. Misys Loan IQ's online, real-time capabilities enable the user to swiftly and accurately investigate and resolve any discrepancies, thereby saving time and minimising exposure.

Customisable, real-time query of sub-ledgers

Misys Loan IQ provides the end user with the ability to query the sub-ledger in real-time. When the user generates a query, the system displays both summary and detailed balance information. The system allows the user to create customised views of balances, items and other related information.

The end user can access actual transactions and notebooks directly from the sub-ledger query, and can export the results of the query into a spreadsheet to conduct further analysis.

IAS 39 compliance

The International Accounting Standard (IAS) 39 demands that banks and other financial institutions disclose information about their financial assets and liabilities. This significantly increases the use of fair value accounting for financial instruments. IAS 39 is expected to have widespread impact on all users of financial instruments.

Misys Loan IQ provides your organisation with increased flexibility and control of your accounting activities throughout the loan lifecycle. Our solution allows you to book loan assets and account for them using a variety of accounting methods such as cost, lower cost or market (LOCOM) or mark-to-market (MTM).

This flexibility is invaluable in helping your organisation achieve IAS 39 reporting compliance.

To find out more about how Misys Loan IQ can help your business please contact: tcm.marketing@misys.com or visit: www.misys.com

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