

OpenAIR

Pension Accounting System

OpenAIR Concept

Business Benefits

Dataflows

Database Structure

Reporting

Schemes

Accounting Features

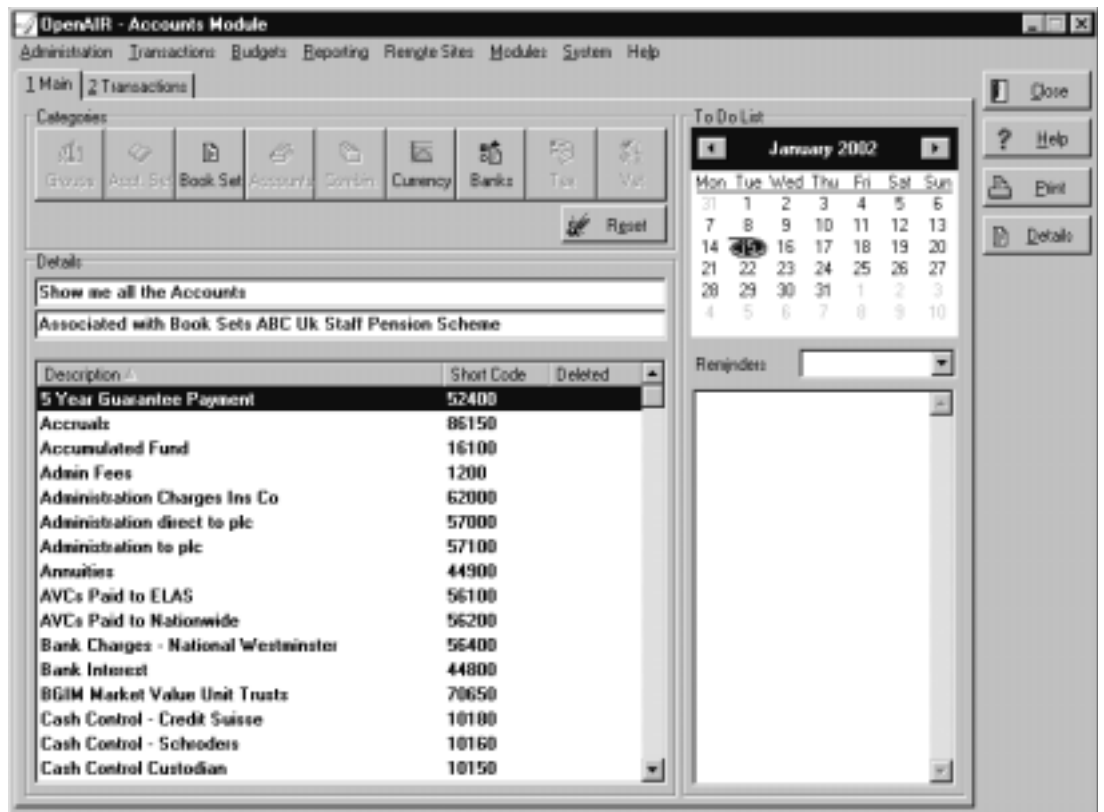
Accounts

Postings

Technical Features

Hardware

TVA



'A Time For Change'

With the introduction of the new SORP requirements, many pension fund accountants are finally starting to realise that there are emphatic advantages to using an accounting package that is designed specifically for pension funds.

Professional Pensions, June 2001

Euraplan Limited
3rd Floor
242 Vauxhall Bridge Road
London SW1V 1AU
Tel: 020-7963-4080
Fax: 020-7963-4090
Email: sales@euraplan.co.uk
Web: www.euraplan.co.uk



*Euraplan voted
'Systems & Software Provider
of the Year'*



*Leaders in Fund Monitoring and Pension Accounts
www.euraplan.co.uk*

The OpenAIR Concept



OpenAIR Concept

The 'OpenAIR' concept stems from a core objective of providing an **Open** System for **A**ccounts, **I**nvestment and **R**econciliation. OpenAIR consists of two modules, Investments and Accounts, both of which are fully compliant with OpenDatabase Connectivity (ODBC) relational databases and standard report writers.

Business Benefits

Dataflows

The two systems have been developed to interface with each other, although they can stand alone and have the flexibility to integrate with other systems, using leading-edge technology.

Database Structure

Reporting

OpenAIR dovetails with ease into existing IT strategies. The software can operate on Windows 9x/2000/XP/NT and Novell Netware platforms and is designed to operate with any Open Database Connectivity (ODBC) complaint Relational Database Management Systems (RDMS).

Schemes

Accounting Features

OpenAIR is Euraplan's flagship solution, it offers a revolutionary quality of pension accounting and investment monitoring to pension schemes.

Accounts

OpenAIR Accounts

Postings

Designed specifically with pension funds in mind, OpenAIR Accounts is a financial reporting system that provides complete control over all pension schemes' financial operations. It also produces Statement of Recommended Practice (SORP) accounts at the 'press of a button'.

Technical Features

Hardware

The system integrates securely with administration systems, payroll systems and third-party reporting tools. It ensures that efficient and automatic data entry methods can be used to offer time and cost savings.

TVA



The OpenAIR Concept



OpenAIR Investments

The principal benefits which pension schemes will enjoy from OpenAIR Investments is meticulous, independent verification of their custodians' and fund managers' activities and a reduction in the time spent collating and reporting on the pension schemes' investments. OpenAIR Investments puts a particular spotlight on income, market value, and realised and unrealised profit and loss on investments and currency.

OpenAIR Investments stores and reports all values in multi-currency. It has the ability to accrue outstanding trades, income and tax receivables on an ad-hoc basis. Input is secure and efficient through the automatic posting links Euraplan has with over 45 fund managers and custodians worldwide. Manual entries like automated postings are user, time and date stamped.

Independent checks are made on income received and receivable, corporate action entitlements and market valuations by taking the FT Information dividend, corporate action, exchange rate and pricing feeds.

The Way Forward

Euraplan is in a unique position to address the information technology requirements of the pension fund industry. It will continue to develop state-of-the-art fund monitoring and accounting solutions as an industry-leading software supplier. Euraplan is also investing heavily in the very latest technology in order to deliver systems that will further strengthen the business operations of its clients. The organisation is committed to providing the industry standard for pensions accounting and investment monitoring systems.



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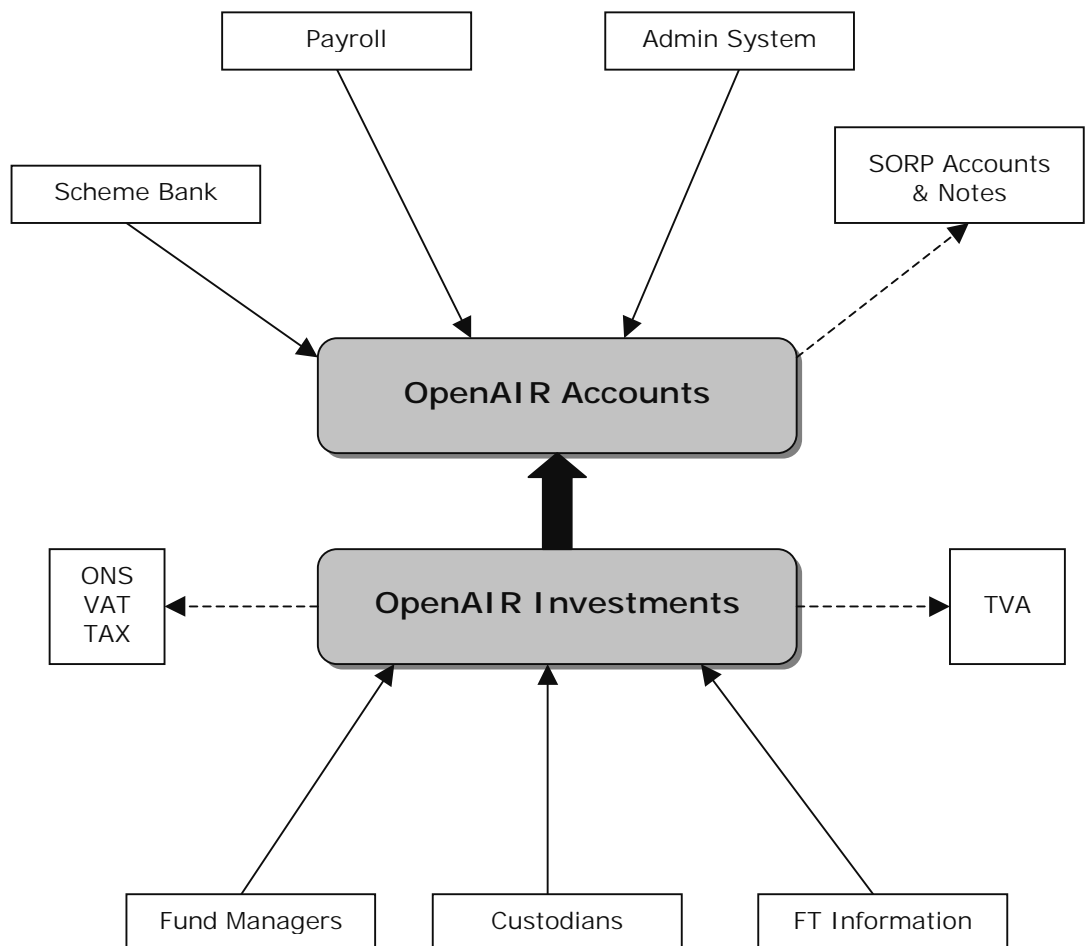
TVA

The OpenAIR Concept



The OpenAIR solution can automate the pension investment and accounting process from the moment a trade has been performed until it is reported in the year -end SORP accounts and notes.

Through the technology used the solution can 'speak' to other systems used within the pension scheme process i.e. banks, payroll, administration, fund managers and custodians. It can also output data to reports or other systems i.e. ONS Returns, VAT, Analytics TVA - Transaction Value Analysis (see page 17 for detail).



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Financial control of the pension scheme operation

- Fully auditable.
- Secure payments:
 - Data collection for payment requests.
 - Separate payment entry and authorisation prior to actual payment.
- SORP compliant accounting.
- Sophisticated enquiry and analysis.
- Integrates with key business systems e.g pensions payroll and pensions administration.
- Manual and automated bank reconciliation facility.
- Automated payroll import.

Time & cost reductions

- Minimises data entry duplication.
- Information stored where required.

IT strategy

- Technical compliance i.e. ODBC relational database and standard report writer.
- Future proof and Euro compliant.

Useability

- Single Document Interface allows the user to view only what is required to complete the task.

Security

- As all window components (e.g. menu items and buttons) are registered within the security system, it allows total control over which features individual users can access.
- This also applies to transaction entry; through posting templates which are attached to particular book sets/scheme accounts, posting errors are minimised.
- Payments can have controls applied to them through separate assignment of functions.

Relational database

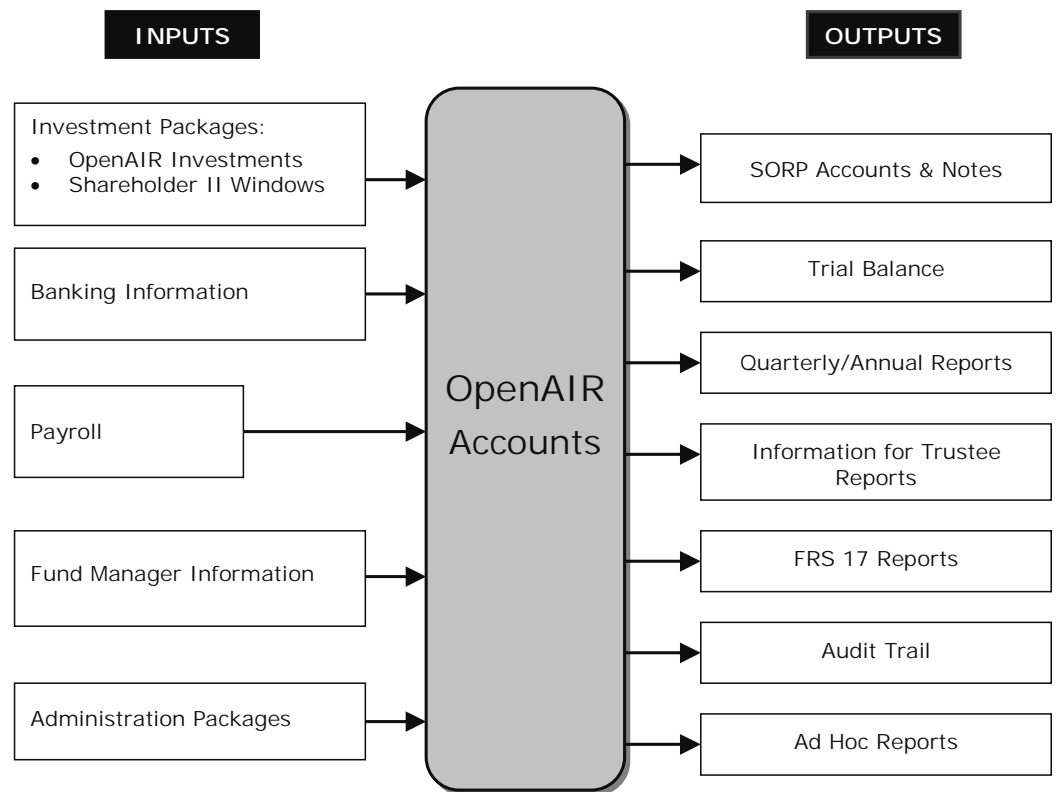
- Built in integrity checking.
- Reduces storage requirements.
- Reduces data redundancy.
- Easy data access and data manipulation.
- Configurable security.



Dataflows



OpenAIR Accounts can interface with various systems. This activity ensures that data is taken directly from its source, instead of being re-entered. This can significantly reduce data-entry time without sacrificing vital control systems. The extensive reporting facilities within OpenAIR ensure that all parties receive reports that are accurate, detailed and meaningful.



By using the latest technology, OpenAIR enables integration of all aspects of the pension scheme operation into a Financial Control Centre (FCC).

OpenAIR adds the accounting dimension to the operations of a pension scheme. By concentrating on the financial aspects of events, the trustees, through the pension accountant, can be assured that proper procedures are being followed.



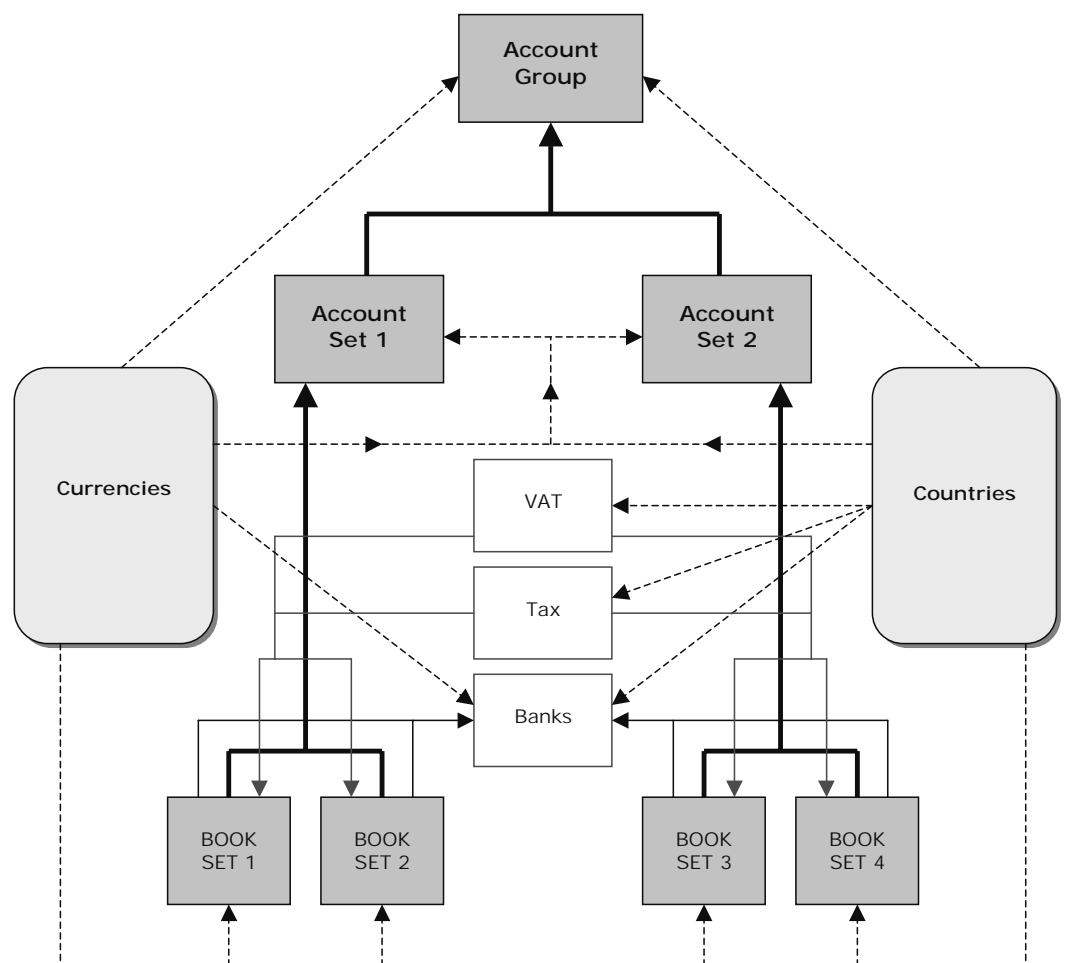
- OpenAIR Concept
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Database Structure



OpenAIR Accounts is a financial recording and reporting system designed specifically for pension schemes. Advanced relational database technology and design creates a flexible system of components that can be connected in numerous combinations.

Future and present needs are met through the system's business functionality and flexibility. Components can be in different currencies to provide multi-currency reporting.



Working Relationships

During our association with Euraplan, we have built up an excellent relationship. This has been helped by their professionalism and flexibility. OpenAIR Accounts and Investments are excellent systems, which is as equally important as our good working relationship with Euraplan.





Jimmy Walker Pensions Manager, Exel Trustees Ltd

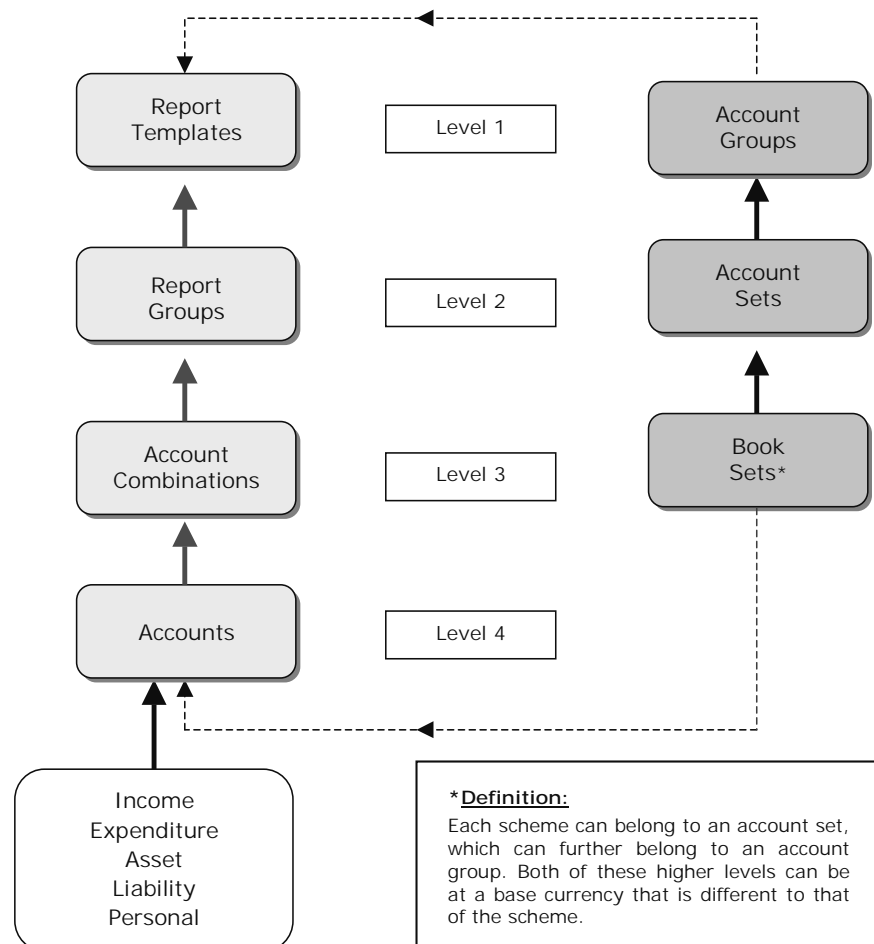
December 2001

Reporting



OpenAIR Accounts can create four different types of reports:

-  *Type 1: Hard coded* - SORP Accounts and notes, Trial Balance, Year-end and quarterly reports.
-  *Type 2: Ad hoc* - the creation of specific reports i.e. 'one-off' expense reports for trustees. These reports can also be saved for future use.
-  *Type 3: Output information* - the ability to send information in five varying formats including WORD and EXCEL. The data can then be manipulated into customised trustee reports.
-  *Type 4: Third Party Reporting* - information can be accessed via a third party reporting tool i.e. Infomaker or Crystal Reports.



Pension Scheme Specific

We chose Euraplan's OpenAIR Accounts system because it was, so far as we are aware, the only system dedicated entirely to pension scheme accounts.

Reporting



OpenAIR Accounts uses ODBC technology with a range of industry databases. Any industry standard reporting tool may be used to access the data.

OpenAIR Concept

The system also contains a number of pre-defined reports and a user-defined view facility for quick enquiries.

Business Benefits

The Trial Balance display operates similar to Microsoft Explorer. The user sees the higher level and drills down to the detail.

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The screenshot shows a software window titled "Trial Balance Results for Book Set - Demo Group Pension Scheme (as at 31/12/2001)". The window has two tabs: "Parameters" and "Results". The "Results" tab is active, showing a tree view of account types under "Demo Group Pension Scheme (GBP)". The tree view includes "Asset Accounts", "Expense Accounts", "Income Accounts", "Liability Accounts", and "Personal Accounts". Below the tree view is a table with the following data:

Account Type	Pre-Payments	Net
Asset		45,033,193.97
Expense		39,202,143.64
Income		-84,428,483.19
Liability		-606,054.42
Personal		0.00
TOTAL	0.00	0.00

A full set of SORP reports created by using OpenAIR Accounts is available upon request.



Schemes



The number of schemes that OpenAIR Accounts can retain is limited only by the disk space of the system and the chosen relational database.

Schemes can be based in any currency and Tax and VAT office details can be attached. Each scheme can operate with an unlimited number of bank accounts.

OpenAIR Concept

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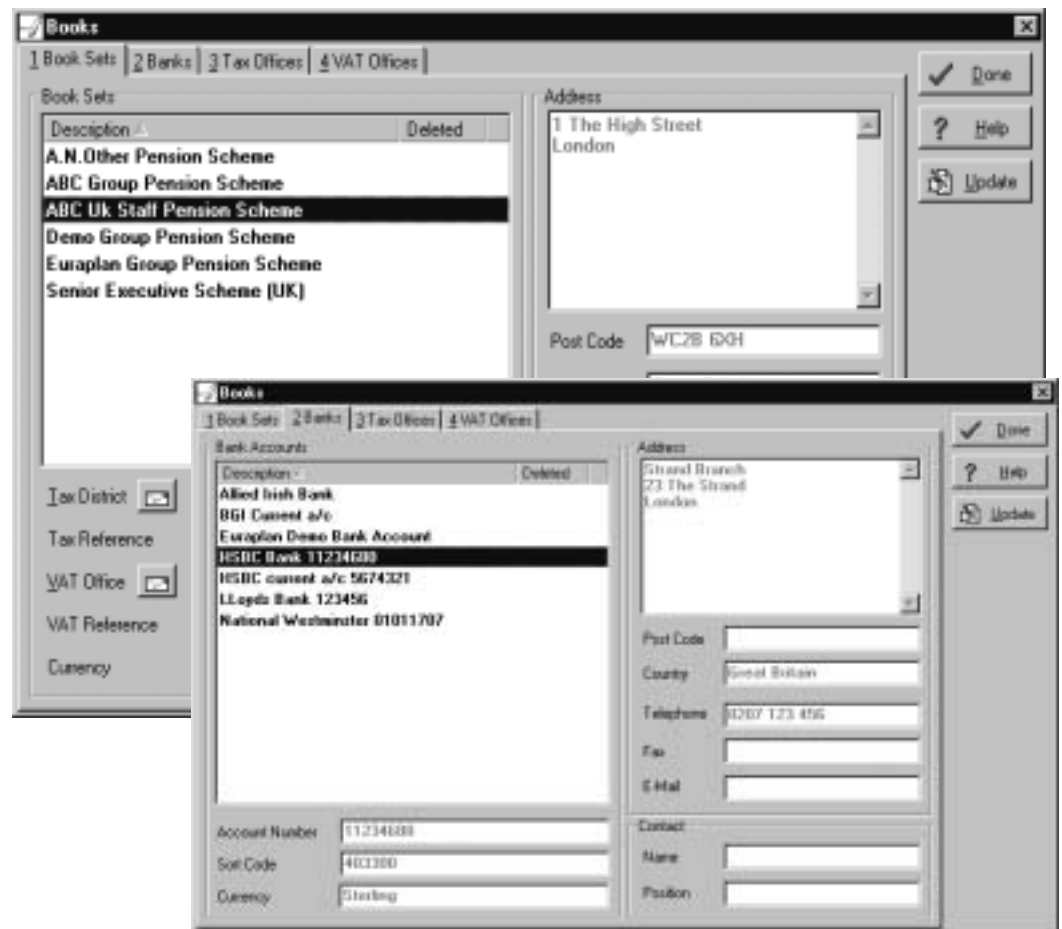
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Helpdesk Support System

Euraplan provide a friendly and efficient Help Desk. A representative also visits us regularly (say 4 to 5 times a year) to install up-dates, inform us of developments and generally see that we continue to be satisfied.

Malcolm Delahaye, Pensions Accountant, Bovis UK Pension Trustee Ltd
December 2001

Accounting Features



OpenAIR Accounts provides for Single or Multiple Scheme formats, whether Defined Benefit, Defined Contribution or Hybrid design with multi-currency options.

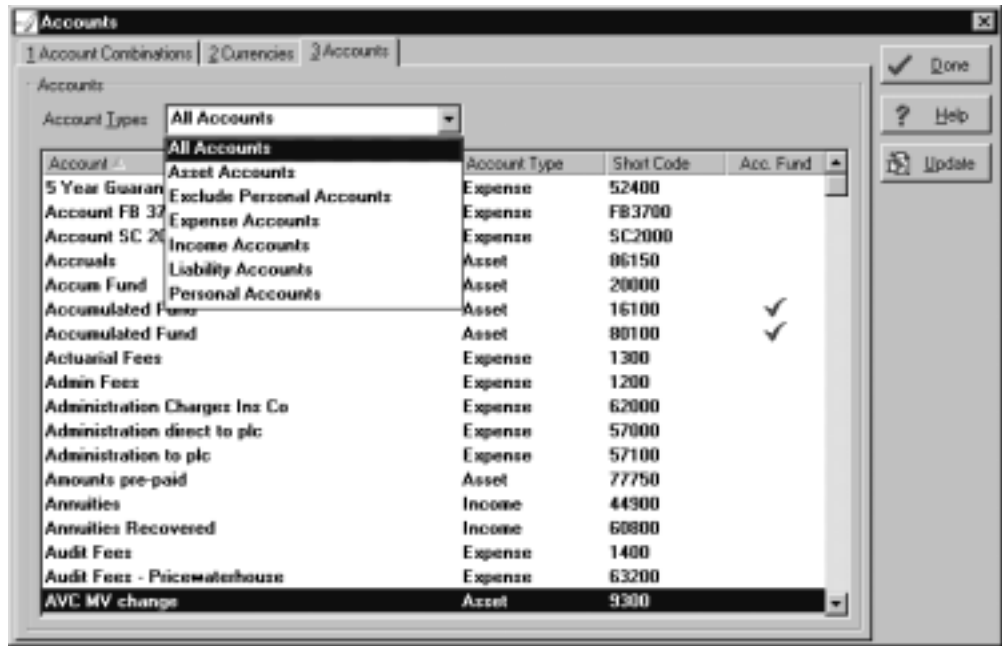
All schemes have the following accounting features in common:

-  Multiple bank account details.
-  Accounts shared by schemes.
-  Multiple account types: - asset, liability, income, expense and personal.
-  Multiple posting types: - receipts, payments, request for payments, journals and supplier invoices.
-  Multiple payment/receipt methods: - bank transfer, cheque, direct debit and standing order.
-  Postings: - pre-defined template control and ad hoc user entry.
-  Transaction information: - effective date, transaction reference/batch number, posting type, payment type, payment/receipt method, payee/received from (address, bank account, sort code), cheque number, account transaction reference and transaction user/date/time stamped.
-  VAT control.
-  Request for payments: - authorisation, pay/hold, allocate cheque numbers, print cheques and review/search for payments.
-  Bank reconciliation function, both manual and automated.
-  Automated payroll import facility.
-  Trial balance by account type.
-  Audit trail.
-  SORP Reporting: - fund account, net asset statement, notes to the accounts and ad hoc reports designed by user.
-  FRS 17 disclosure report.
-  Report writer and any other industry standard such as Crystal Reports.
-  Views: - transactions by scheme, account by scheme, bank account or currency.
-  Security: - transactions user/date/time stamped, user functions defined by administration and password protected at different levels.
-  Budget control and user definable variance analysis reports.
-  Remote site data entry: - automatic update to main site.
-  Investment module: - investment recording and settlement.

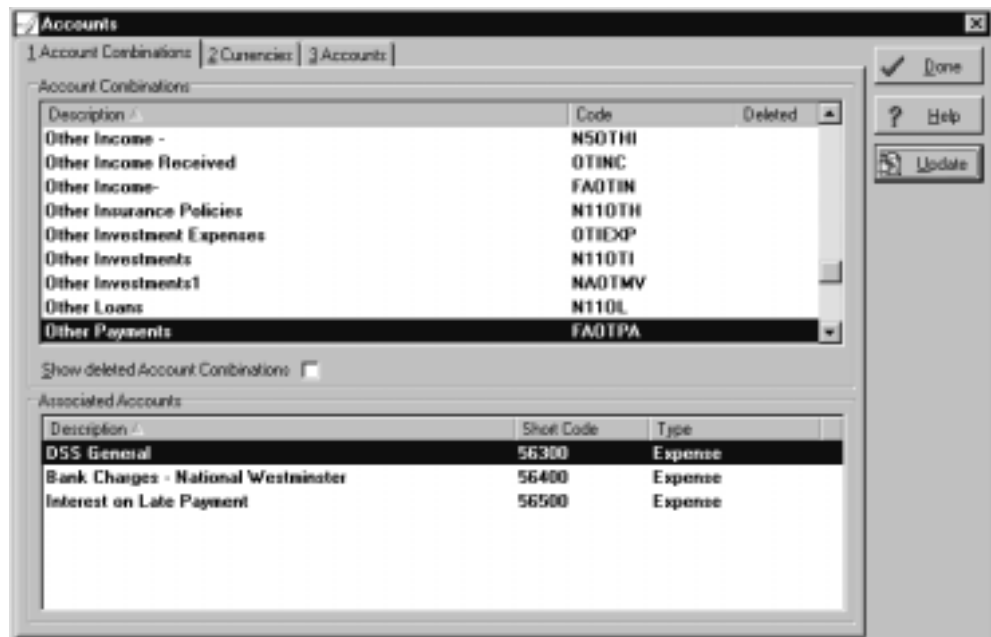
Accounts



OpenAIR Accounts can retain an unlimited number of accounts. Each account has a unique description and short code. The short code is user definable and may be alpha, alpha-numeric or numeric.



For reporting purposes, an account can belong to multiple account combinations allowing multiple reports to access any individual account.



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Report groups use account combinations in order to consolidate the account balances.

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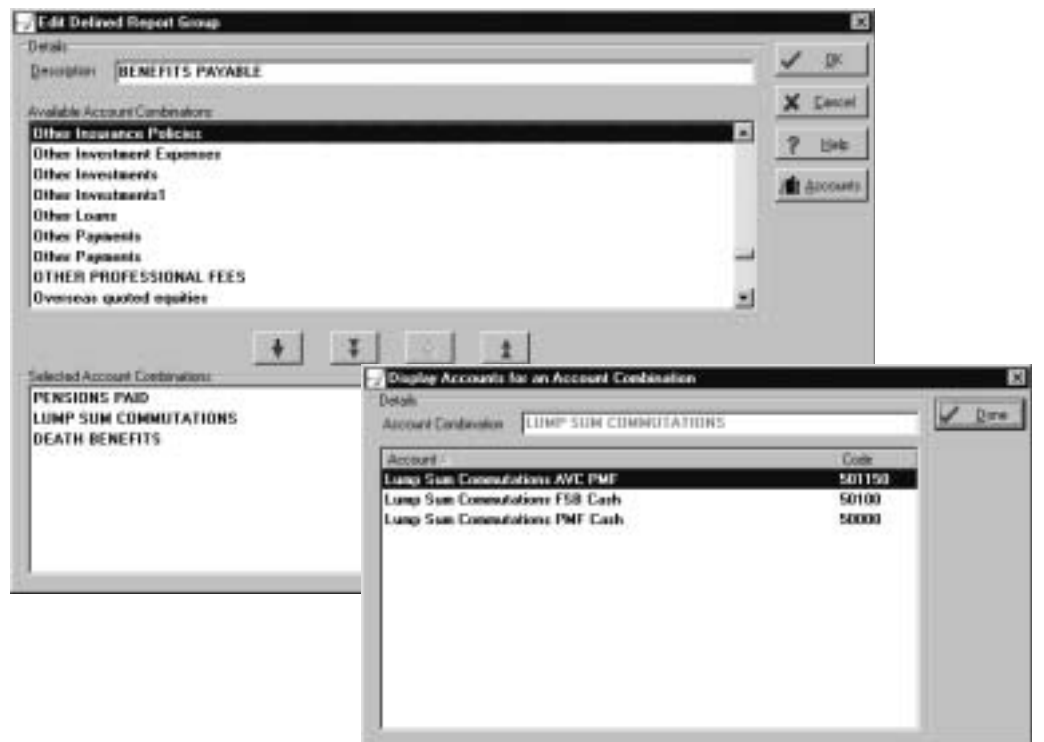
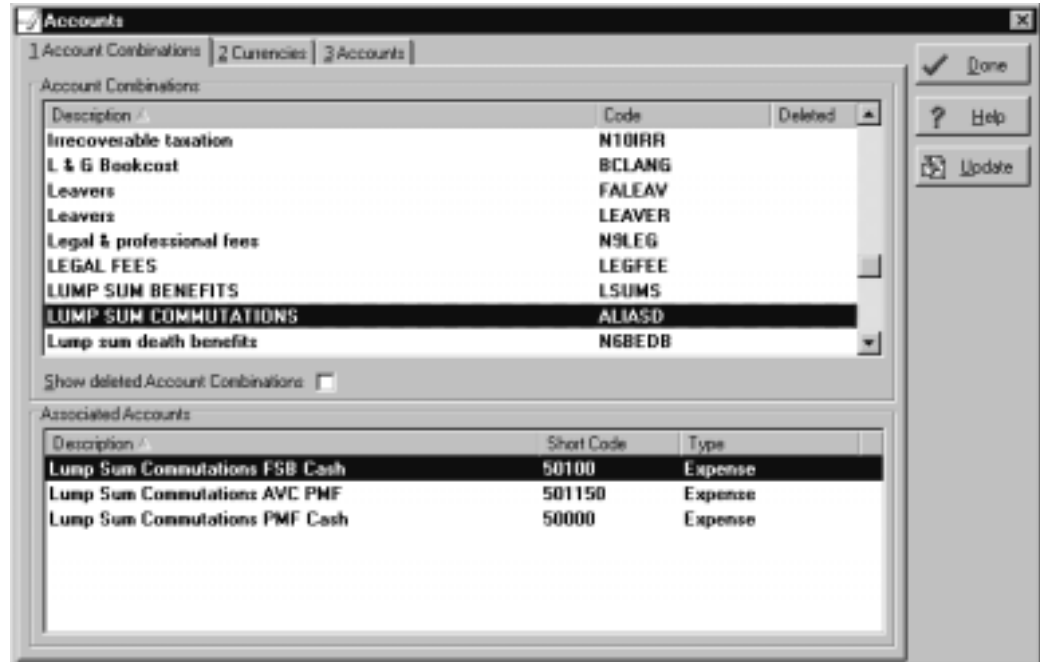
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Postings



There are three methods of posting transactions within OpenAIR Accounts:

- Ad hoc postings, where accounts are chosen at the time of posting.
- Template postings, where accounts and the sign of the posting are preset.
- Automatic transactions, where transactions are entered at a remote site and sent to update the main database. Also includes an automated payroll import facility.

Pre-defined posting templates can be set up on just one occasion and then linked to various schemes so that only those schemes can use the template. This approach saves a great deal of time. Templates can also be set up for any regular posting type i.e payments, receipts, request for payments, journals etc. For example, these could be monthly contributions, refunds, transfers out, commutations and investment postings.

Component	Sign	Amount	VAT Amount	VAT Rate	Account
Gross Lump Sum Commutation	+				50100
Gross Lump Sum Commutation	+				50000
Gross Lump Sum Commutation	+				501150
Tax Liability	-				17000
Net Lump Sum Commutation F	-				NET

The accounts and their treatment are preset. The user enters:

- Effective date.
- Transaction reference.
- Payment method.
- Cheque number (if it is an after event payment or receipt).
- Prepayment or accrual.
- Payee and payee details.

All transactions have a unique posting system number and are stored with the user details and a date/time stamp.

Technical Features



OpenAIR dovetails into existing IT strategies that require 32 bit Windows implementation, client/server architecture and relational database technology.

OpenAIR Concept

Single Document Interface - the client is offered only those choices that affect immediate operations.

Business Benefits

ODBC Standard – the client can use any industry standard report writer to create and save sophisticated reports for re-use.

Dataflows

Euraplan can provide remote database administration, if an in-house IT department does not wish to manage the database.

Database Structure

By using ODBC technology, various corporate database strategies can be accommodated. This allows the pension scheme to conform to corporate IT requirements.

Reporting

32 bit application developed using the Delphi 5 RAD tool.

Schemes

Supported platforms:

- Windows 95/98/ME
- Novell Netware (3.12 & above)
- Windows 2000 Server & above (the future).

Accounting Features

Accounts

Client/Server architecture.

Postings

Industry standard ODBC compliant databases compatibility including:

- Microsoft SQL Server (versions 6.5, 7 and 2000)
- Oracle (version 8.1.6 and above)
- Informix
- Sybase.

Technical Features

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Choosing OpenAIR Against Alternatives

There were a number of reasons why this product was selected over other options including:






- *The best functional fit - 97% for the weighted business requirements.*
- *Strategic fit with BUPA's existing hardware and architecture.*
- *Cost and time reductions for external audits.*
- *Euraplan does the set-up of the account structure prior to implementation on site, hence the system can be used from day one.*

Steve Dalton, IS Project Manager, BUPA
December 2001




Hardware Requirements






The OpenAIR Investments and Accounts modules are 32-bit applications which will run on the following operating systems:

-  Windows 95/98/ME
-  Windows NT 4.0
-  Windows 2000/XP
-  Windows NT 4/2000 Terminal Server
-  Windows NT 4/2000 Terminal Server/Citrix Metaframe

The recommended minimum hardware requirements for the client installation of OpenAIR are as follows:







-  Pentium 100Mhz
-  64mb RAM
-  50mb free disk space

However, as with all client/server applications, OpenAIR will perform more effectively if the client PC can match or exceed the following recommended specifications:




-  Pentium III 500Mhz
-  64mb RAM
-  50mb free disk space

Past experience indicates having excess RAM capacity (256mb plus) coupled with a rapid processor (Pentium III class or above) can assist OpenAIR in processing reports in an effective manner.

OpenAIR has been designed to work with any ODBC compliant database such as:

-  Microsoft SQL Server (versions 6.5, 7 and 2000)
-  Oracle (version 8.1.6 and above)
-  Sybase
-  DB2
-  Informix
-  Ingres

The minimum hardware requirements for the server is dependent on the choice of database, but as a guideline the following specifications are the recommended minimum:

-  Pentium II 300Mhz
-  126mb RAM
-  300mb free disk space

Past experience indicates running the database on a server with a minimum of 512mb RAM assists OpenAIR in processing reports quickly and effectively.

Transaction Value Analysis



Inalytics and Euraplan are proud to announce a new working relationship to enhance the effectiveness with which pension funds manage their transaction costs.

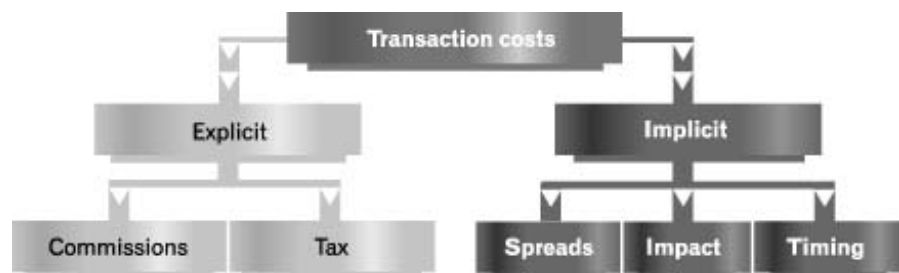
'The impact of transaction costs on pension funds' assets and by extension on fund growth has suddenly become highly topical following the publication of the Myners report. We have entered a working partnership with Euraplan to provide pension funds with a practical solution to this complex challenge.'

Rick Di Mascio, Chief Executive, Inalytics

The new transaction cost analysis service, branded TVA, is available to all Euraplan's Shareholder for Windows and OpenAIR Investments clients. The service captures all aspects of transaction costs and provides the analysis in clear and concise reports, with the ability to analyse costs by asset class, fund manager and broker.

Transaction costs are a significant and largely hidden charge on investment performance. TVA meets the needs of pension funds for complete clarity and certainty in the calculation of transaction costs.

Transaction costs are not just commissions but comprise several items, many of which are not transparent. The components are interrelated, as the following model illustrates.



'Transaction costs are an important cost to pension funds. For trustees to fulfil their duty to act in the best interests of their beneficiaries, trustees must ensure that these costs are properly managed'

Paul Myners,
Myners Report, 6 March 2001