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MainstreamBPO offers an effective IMA/SMA solution

MainstreamBPO's subsidiary FundBPO is now supporting the IMA/SMA back office administration requirements for a number of clients.

FundBPO is able to offer scalability in resourcing, subject matter expertise and independence. In the current market Investment Managers, Advisers and Stockbrokers need to seriously consider the demands when providing back office services. There are resource costs and continuity issues while the AUM is small, there can be a lack of economies of scale in important skill sets (corporate actions, tax reporting, trade settlement and custody reconciliations) and independence of valuation is paramount in investor's minds after the GFC.

FundBPO is offering this service to those clients using the widely accepted IRESS Portfolio System (IPS). Among other features, the system offers web access to investors, straight through processing of trades and customised client reporting. Most managers use IRESS for domestic trading and the IPS module fits nicely to achieve straight through processing. This reduces errors and failed trades as there is no double handling and it avoids the concept of "fall on the floor" processing. The web portal is like having your own low cost broker account with the value add of an Active Investment Manager. To compliment the solution FundBPO has invested in reports for custody reconciliations, email trade confirmations, fee and brokerage processing, margin lending and tax reporting. We have leveraged our expertise in fund administration and adopted it to this new technology. IRESS also caters for direct integration to the adviser's desktop by automating transactional data feeds to Xplan.

FundBPO believes managed accounts are going to see growing popularity over the coming years as an alternative to managed funds due to the Capital Gains Tax advantages and principles of equity required between investors. It can also be a new form of revenue for advisers adapting to some of the commission constraints.

FundBPO has the ability to offer Ima's for fund managers looking to mirror existing managed funds. It is able to support international holdings and has access to distribution and execution solutions.

About MainstreamBPO

MainstreamBPO is a back office administrator of fund and superannuation administration. It is owned and operated by the founders Byram Johnston and Martin Smith. It employs 55 people in Sydney and Melbourne. It currently supports 31 clients with 100 managed funds and 11 super funds.

Spokesperson

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