

## White Outsourcing

Provider of accounting, investment administration and custodial services

October 2014



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**White Outsourcing Pty Limited**

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## About Us

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**White Outsourcing Pty Ltd ("WO")** is a specialist provider of outsourced middle and back office administration, accounting services and custodial services to a range of fund managers.

WO has a proud history built on our reputation for **quality, tailored** and **cost effective** integrated solutions for fund managers. Our business has grown as a result of referrals. White Outsourcing intends to continue to grow funds under administration without compromising service standards to existing clients.

White Outsourcing began as a division of the accounting firm Moore Stephens Sydney (MSS). When the practice which is now MSS was originally founded in 1923, the partners (in addition to offering the traditional chartered services of tax, audit, business services etc) also formed two Listed Investment Companies (one of which is still in operation today), and a workers compensation insurance company (which is now Employers Mutual Limited). As a result, the specialist accounting services, systems and expertise required to administer various investments was developed within the practice.

In the late 1990's WO's founders saw the opportunity to fill a gap in the market by supporting start up boutique fund managers. A couple of well regarded and successful boutiques became early clients and proved valuable referral sources. WO rapidly expanded its scale of operations and the range of fund administration services offered in the years that followed. In 2005, White Outsourcing was incorporated as a separate entity, which clearly distinguished WO's fund administration service offering in the market from traditional Chartered Accounting services. Effective July 2013, White Outsourcing was acquired by the Steadfast Group (ASX:SDF), as part of a successful ASX listing.

**As at October 2014, White Outsourcing service around 70 clients and have in excess of \$35bn of funds under administration.**

## Our Values

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### Professionalism

At WO, we understand that as an outsourced service provider of investment administration services, we are an extension of your business. We deal with our clients and their interested parties professionally at all times. We pride ourselves on offering the level of professionalism expected from large organisations yet without the inefficiencies.

### Quality

WO has experienced solid growth since inception as a direct result of the referrals we receive from performing quality work for existing clients. Our aim is to continue this path of growth but only to the extent that existing service standards are not compromised. Many of our processes and practices are developed and monitored by Chartered Accountants who understand the controls and processes necessary to ensure the delivery of consistent quality.

### Flexibility

WO have basic parameters within which we offer a tailored service. Provided there is no compromise to controls, we always seek to tailor our service offering to suit the needs of our clients. Unlike larger providers of investment back office, fund accounting services and registry services, we do not offer a rigid service offering to which all clients must conform.

### Complete solutions

We seek to involve ourselves with our clients at all stages of their development. We are in a position to advise clients on the establishment of investment structures, use of custodians, investment management, performance fee methodologies and compliance issues.

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## Why Choose Us?

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- **True full service** – our clients can simply trade and WO will take care of everything else. This allows clients to be completely “hands off” from an operational perspective and focus on their core expertise of funds management.
  - **Alternatively**, our clients may have a number of administrative staff and choose to perform some functions internally. **WO is flexible** in regard to the services provided and where the boundaries of responsibility lie between WO and the client.
  - **Industry reputation and client base** – within the boutique funds management industry WO have a strong reputation as a premium service provider. This has enabled WO to attract a range of very successful boutique managers who have grown to become significant clients. Our ongoing review of systems and processes has enabled us to grow with these clients and continue to meet their changing needs. WO's client base demonstrates established expertise in dealing with investment managers who operate trusts as well as multiple mandates.
  - As a result of our experience with **start up boutique fund managers**, we are able to provide a great deal of **advice, support and contacts** to new clients starting up.
  - **WO's directors** are **actively** involved across **operational, client relationship** and **marketing activities**, and are therefore very aware of what is going on with clients, the business and the industry as a whole, playing an active role in the success of WO and our clients. Those involved with marketing and tendering for new clients are fully aware of operational processes and practices. WO does not market services which cannot be performed.
  - WO's management **continually reassess core systems** used in the business and are always on the look out for ways to **improve efficiency** and **reduce risk**. Our current systems were each selected for their superior functionality in each area of application. This approach was adopted over choosing a single system with deficiencies in non-core areas.
  - **Emphasis on quality – we do not just rely on system output**. Our systems and processes are largely based on a Chartered Accounting mind set of “doer” and “reviewer”. We have a rigorous system of documentation and review of all key processes performed.
  - **WO's flat hierarchy, proactive management and inclusive approach ensures that there is no bureaucracy** when dealing with our company. Decisions are made efficiently and change effected quickly. Ownership is taken of client matters with the goal to provide resolution that exceeds client expectations.
  - **Low staff turnover and high quality team members**. Each staff member receives rigorous one on one training upon induction and quickly take responsibility for a broad range of functions involved in servicing clients e.g. staff are responsible for calculating the unit price, answering client queries, overseeing their fund's registry work and invoicing their own clients. It means that our staff are aware of how an early function impacts on the overall process of calculating a unit price and has created a culture of hard work and ownership from which our clients benefit. This is very different to larger organisations whose staff may have responsibility for a single function in a ten step process.
  - **Independence** - as a 3rd party, WO provides your investors with an additional level of confidence in the credibility of the calculations we perform on your behalf
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## Our Services

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### Setting up new funds

As a result of our experience with a broad range of established and start up fund managers we are able to provide a great deal of advice, support and contacts to new managers, including detailed review and feedback of offer documents and management and performance fee wording. We can assist with providing useful contacts for legal, tax, audit and compliance services.

### Investment Administration

- Full Middle and Back office service offering
- Daily automated global trade matching and processing of trades executed by our clients
- Liaison with brokers, fund managers and custodians
- Reconciliation of portfolio records to custodian records
- Processing of Corporate Actions and Dividends (including Proxy Voting services)
- Provision of daily portfolio valuations in an agreed format
- Maintenance of tax records (including CGT, GST and tax components of income)
- Post-trade compliance monitoring functions
- Investment performance and attribution of returns
- Provision of month end reports in accordance with the requirements of investment mandates
- Calculation of management fees and performance fees in accordance with investment mandates
- ASIC Short Sell reporting obligations
- Completion of consultant surveys

### Global Custody

Through our global sub custodian partner, provide custody in over 90 countries

- Asset registration and safekeeping
- Trade settlement services
- Income collection and tax reclaim
- Corporate action notification and processing
- Proxy voting execution

### Unit Pricing and Fund Accounting

- Cayman Fund administration including net asset value / unit price calculations and share transfer services
  - Calculation of daily, weekly and monthly unit prices for a range of funds across various asset classes including domestic and international listed equities, fixed interest, bonds, derivatives and hedge funds (including multi-class, multi-series and equalisation method pricing)
  - Calculation of monthly Net Tangible Asset backing for ASX Listed investment company clients
  - Private Equity fund administration including call payments and unit pricing
  - Preparation and lodgement of Business and Instalment Activity Statements
  - Calculation of periodic and year end distributions and provision of statements to clients confirming income distribution
  - Preparation of year end and half yearly financial statements and statutory accounts
  - Liaison with auditors on our client's behalf
  - Calculation of management fees and performance fees in accordance with offer documents
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### Unit Registry (including AML/KYC/FATCA)

- Provision of full range of registry services in relation to wholesale and retail unit trusts (processing of applications, redemptions, transfers, provision of unit holder reporting and data extracts to clients)
- Online unit registry access for unit holders, advisers and fund managers
- Provision of share transfer services for Cayman Islands funds
- Establishment and reconciliation of applications accounts
- Calculation of adviser upfront and trail commissions
- Conducting Know Your Customer checks ('KYC checks') in line with Anti-Money Laundering Law
- Processing of quarterly, half-yearly or annual distributions
- Preparation and distribution of annual tax and distribution statements
- Preparation of annual periodic statements for Managed Investment Schemes, Corporations Law compliant
- Provision of ATO reporting including annual AIIIR's and quarterly TFN reports
- FACTA services covering initial investor screening and annual regulatory reporting

### Other Outsourced Services

- Accounting services for funds management companies including monthly management accounts, tailored payroll administration, BAS/IAS, accounts payable, and year end statutory accounts
- Company Secretarial services for Listed Investment Companies including ASX reporting, preparation of board meeting papers, AGM services, and assistance with board policies

## Our Clients

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WO has grown primarily from word of mouth referrals, to service around 70 clients with in excess of \$35 billion of funds under administration (as at October 2014).

Quality of service has been our distinguishing mark in the industry; therefore, during our significant periods of growth, service to existing clients has always been maintained as our first priority.

Our clients include:

- **Wholesale fund managers** responsible for a range of **institutional mandates**. Services provided include valuations, performance attribution and analytics, and month end reporting.
- **Retail and wholesale unit trusts**, including **multi-class, multi-series** and **equalisation** priced funds.
- **Cayman fund structures**
- **ASX Listed Investment Companies (LIC's)**. WO provide an end to end service including company secretarial
- Management accounting and payroll service clients

We provide services covering **various asset classes** and **fund structures** including **Australian and international Equities, Fixed interest, Bonds and Derivatives within Hedge funds, Property funds, Private equity funds and Fund of funds**.

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## Our Systems

**Investment operations system** – WO utilise a multi-currency investment management system with integrated asset and tax management functions which is used to upload client approved trading details, accrue and pay income (covering dividends, interest and trust distributions), record cash movements, FX transactions and generate accounting and tax reporting which is sent to clients, used in unit pricing and tax work (such as distribution calculations and tax provisioning) and preparation of financial statements. Our system is developed in Australia and handles Australian tax reporting requirements.

**Fully integrated unit pricing, registry and general ledger system** – used to calculate unit prices, maintain the general ledger, record investor details and transactions as well as generate reports such as a trial balance, investor / client registry reporting (including application, redemption, transfer, change of details, distribution, tax and annual transaction statements).

**Information / data systems** – used to obtain pricing and corporate action data, upload client trading details into the investment ledger system, and calculate performance returns and attribution.

## Key Personnel



**PETER ROBERTS (B. Bus, CA)**

Director

Direct +612 8262 2828

[pr@whiteoutsourcing.com.au](mailto:pr@whiteoutsourcing.com.au)

Peter has been with WO since 1996, and has been a director since 2005.

Peter is the Managing Director of WO. Peter is also the company secretary for four Listed Investment Companies.

Peter comes from a chartered accounting background, having commenced his career with KPMG.



**ANDREW HARRISON (BA Hons)**

Director

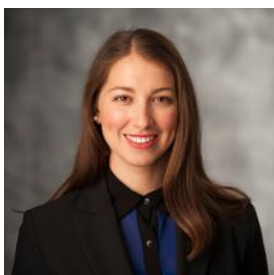
Direct +612 8262 2882

[arh@whiteoutsourcing.com.au](mailto:arh@whiteoutsourcing.com.au)

Andrew has been with WO since 2002, and has been a director since 2005.

Andrew is responsible for sales and relationship management across the firm.

Andrew has over 10 year's operations experience. Prior to WO Andrew worked the UK with Jupiter Asset Management.



**TANYA SIDERATOS (B. Bus, CA)**

Director

Direct +612 8262 2822

[tad@whiteoutsourcing.com.au](mailto:tad@whiteoutsourcing.com.au)

Tanya has been with WO since 1998, and has been a director since 2013.

Tanya oversees the day to day operations of WO covering back and middle office functions and the accounting and unit registry areas for our unit trust, fund manager and Listed Investment Company clients. Tanya comes from a chartered accounting background.

## Contact us

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