

# A collection of case studies

## OneVue's UMA platform, Australia's #1 UMA

One account,  
many products,  
managed tax effectively



October 2010

OneVue UMA platform:

His view, her view, your view

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# The planning principal

**The challenge:** Benjamin is the principal of a mid-size financial planning practice and has 6 planners working for him. He is concerned about their clients' exposure to a particularly popular stock that is beginning to fall out of favour.

**The solution:** The OneVue UMA platform makes practice-level reporting easy and all Benjamin has to do is log on using his practice-level access.

Then he has a view of all his advisers, all their clients, and all their clients' assets. He can quickly see the exposure to any asset by client, by adviser and by the practice as a whole.

This consolidated view makes risk management much quicker and easier to carry out and allows his advisers to focus on clients without interruption.

# The DIY investor

**The challenge:** Sandra, an active investor, set up her self-managed super fund in 2007. She kept every piece of paper her buying and selling generated but had not filed a tax return by the time she saw an adviser three years later.

She also had no idea of her investment performance or how it compared with key indices.

**The solution:** Sandra's adviser came to OneVue to help sort out Sandra's mess. OneVue was able to reconstruct her portfolio, which allowed her adviser to measure the performance of her investments, calculate her capital gains, and provide her accountant with an accurate accounting record for the past three years.

Using the OneVue UMA platform, Sandra and her adviser were able to keep her records in good shape, be tax compliant, and were freed from the burden of paperwork.

At the same time, detailed reporting and the online order pad meant Sandra and her adviser remained in control of her portfolio.

# The small business owner

**The challenge:** Frank, a small business owner with a wide variety of assets in a \$3m self-managed super fund, is thinking of retiring. The assets include his business premises, a \$500,000 state government bond, 3 self-funding instalment warrants, 15 ASX-listed shares, 5 US-listed shares, and a \$500,000 family trust.

As his wife and 2 children are also members of the super fund, it is important to have consolidated reporting of the financial position and online access to member balances. It is also important for him to have a professional service handle the paperwork.

**The solution:** Frank's adviser turned to the OneVue UMA platform, which made both his client and his client's accountant happy. Frank's accountant was happy because all investments and income were substantiated by supporting paperwork and Frank was happy because he didn't have to pay his accountant anything more, freeing his accountant up to spend more time on value-added tasks such as better tax planning and client management.

The consolidated reporting across multiple entities enabled Frank's adviser to manage asset allocation more easily and to hold investments in the entity with maximum tax efficiency.

# The solicitor managing family trusts

**The challenge:** William manages dozens of deceased estates and family trusts but is running into capacity constraints when a particularly intricate situation arises.

Long-time clients Fred and Gladys have a family trust with the beneficiaries being them and their 2 children. Its assets are a \$2m family home, \$500,000 worth of shares in an SMA mandate, and a \$500,000 investment property.

Then Fred dies and his will creates a testamentary trust with his wife and children as beneficiaries. That trust created from Fred's will includes the property he had owned personally, 5,000 CBA shares and a \$400,000 term deposit, with income assigned to each beneficiary. Gladys is given the cash and investment property with the children sharing the CBA shares.

William and his adviser's challenge is to administer the estate, including the family trust, and to create a consolidated view of the estate's assets.

**The solution:** William's adviser recommends using the OneVue UMA platform and William receives the consolidated view he needs – plus an unexpected bonus. William also discovers the administrative demands on him are so much lighter that he massively increases the capacity of his back office.

# The planner advising on equities

**The challenge:** Kai, a financial planner who advises his clients on their equity holdings through individually managed accounts, has noticed their investment performance has been suffering. He enjoys researching and transacting for clients but recognises an increasing difficulty keeping their portfolios up to date.

**The solution:** Kai transforms his practice by moving clients from their individually managed accounts to separately managed accounts inside the OneVue UMA platform. This way he taps the expertise of professional portfolio constructors and money managers as well as harnessing the advantages of the OneVue UMA platform.

One of his clients, who moves \$1m in shares from her IMA to an SMA, is able to minimise capital gains tax by combining a personally managed portfolio with a professionally managed mandate.

Of the \$1m, \$700,000 worth of shares has a net cost of \$700,000 and no unrealised capital gain. The remaining \$300,000 worth of shares have a cost of \$175,000, leaving an unrealised capital gain of \$125,000 that would be taxed at her marginal rate.

Kai's client moves the \$700,000 parcel into a professionally managed mandate and looks after the \$300,000 parcel herself so as not to trigger any capital gains tax liability.

Each year she moves a small percentage of shares to the professional mandate – few enough to stay in her marginal tax bracket and pay CGT at the lowest possible rate.

# The newlyweds

**The challenge:** When Anna and George married, they brought their own investments with them as well as establishing joint investments.

Each had participated in the various CBA sales as well as investing together in an SMA income mandate, which also included CBA.

Their adviser is concerned that between them, they have far too many CBA shares to be prudent.

**The solution:** The adviser transitions all Anna and George's holdings to the OneVue UMA platform so she can use its consolidated drill-down reporting to get a true picture of their exposure to CBA.

When she shows them how overweight they are, she gives them a choice to manage their risk: either sell their personal holdings or review the SMA mandate.

As both Anna and George have considerable unrealised capital gains on their personal holdings, they decide to change the mandate.

# The retirees

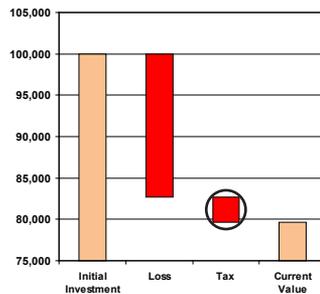
**The challenge:** Husband and wife retirees Bob and Jane had invested in a traditional managed fund. However, market volatility cut the value of their investment by 15%. Yet at tax time, they had to report a 20% capital gain.

Other people's redemptions forced the fund to sell assets to cover the redemptions and that realised capital gains even though Bob and Jane lost money. To compound their problems, the gains also affected their pension and healthcare card entitlements.

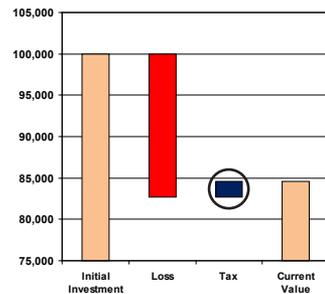
**The solution:** Bob and Jane's adviser recommends a separately managed account for professional management of their investments. This means they don't inherit other people's capital gains. They are taxed only on the shares they own and any future capital gains will be both visible in advance and truly earned.

## How tax treatments vary

Unit trust



SMA



Note: Illustration only. Source: OneVue

Their separately managed account also sits comfortably in the OneVue UMA platform so they and their adviser get a consolidated view of all their other assets as well as the SMA.

# The corporate super adviser

**The challenge:** For 25 years, Ivan has advised on corporate super and insurance. However, for the past 10 years, he has watched with increasing alarm as many of his bigger clients left to invest in their own self-managed super funds. He was also losing many of his smaller clients to industry funds.

About 5 years ago, he looked at self-managed super funds but they were complex and he was too busy.

Now Ivan wants to create a premium service for executives in corporate super and insurance so he looks again at self-managed funds to find a simple solution he can use.

**The solution:** Ivan turns to OneVue's OneStepSMSF, which does the paperwork in less than 15 minutes and works seamlessly with a professional SMSF administrator who handles all the technical and compliance issues.

As part of Ivan's premium service, he advises clients with self-managed super funds to use the OneVue UMA platform to give them a consolidated view of their total wealth, including the performance of both their super and non-super investments.

# The terminally ill member

**The challenge:** Adrienne, who has \$1.5 million in a self-managed super fund with her adult son, is diagnosed with a terminal disease. To compound her crisis, the disease is so far advanced that she is expected to die in a matter of weeks.

Adrienne's children are adults and not dependents for tax purposes. Because of the terminal illness, she can make an immediate lump sum withdrawal from her portion of the fund, which is worth \$1 million.

Adrienne is in a race against time and it could be costly if she is forced to wait for her accountant to determine her exact proportion of the fund. If she acts quickly, she can withdraw the \$1 million tax free and distribute it as part of her estate. If she doesn't, the \$1 million will stay locked in her fund and her estate will have to pay 15% tax on it – a bill of \$150,000.

**The solution:** Adrienne already has a self-managed super fund on the OneVue UMA platform so she knows her balance 24/7. Immediately, her adviser goes online to get her unaudited balance and prepares advice to withdraw her total as a lump sum.

Sadly, she died just a few weeks later but knew that her beneficiaries were \$150,000 better off.

# The wrap platform user

**The challenge:** Kim has a few conservative investments – a term deposit, 7 wholesale managed funds, an endowment policy, and an insurance bond – and wants to keep things simple.

She tries to keep track of her investments with a wrap platform because she likes to have a single account and a single view. She also likes to have a consolidated tax report and to see the value of her investments daily.

However, the wrap platform can't track the term deposit, the endowment policy or the insurance bond.

**The solution:** Kim's adviser recognises that a OneVue UMA platform will give her all these features and offers to move her portfolio to the OneVue UMA platform.

After the move, Kim is delighted as she has everything she wants: a single account, a single view, a consolidated tax report and the ability to view her investments daily – all her investments.

# The adviser wanting to add value

**The challenge:** Bradley has 36 clients with sizeable term deposits.

He recognises that helping them get the best rates when their deposits mature and managing the rollovers would deepen his relationship with them.

However, the paperwork is so burdensome and the effort so time consuming that Bradley leaves his clients to manage their own rollovers, even though:

- They are unlikely to get the best rates,
- They are exposed to poaching attempts by bank-based financial planners.

**The solution:** Bradley moves his clients to the OneVue UMA platform and its term deposit hub.

In just a few clicks, he compares term-deposit rates on a single screen, selects the best, and then moves client money into it.

He is also able to maintain control over the funds and limit his clients' exposure to poaching attempts.

And his clients appreciate what he has done for them. They get the best rates and are freed from all the paperwork that usually goes with being proactive when term deposits mature.

# The risk-averse investor

**The challenge:** Kris is retired with a \$3 million portfolio and no need for ongoing income. All he wants is to preserve his capital.

At his adviser's instigation, Kris puts 80% of his funds into high yielding fixed-term deposits with Australian banks and just 20% into equities. To defer income and tax, the term deposits pay interest on maturity in the following financial year.

However, extreme volatility in the sharemarket has left Kris upset as he watches the value of his equity holdings fall 25%, which reduces his total capital by 5%.

**The solution:** OneVue solves Kris's problem with its UMA platform and a variety of unlisted fixed-interest investments.

Unlike his previous position, Kris' accrued interest is accounted for monthly, which reduces the impact of any falls in his shares. Income and tax are still deferred until the following financial year and he now has a true view of his portfolio's value and performance.

OneVue's UMA platform shows him and his adviser at any time how much has been made, which facilitates a range of advice and investments.

# The planner moving to fee for service

**The challenge:** Melissa wants to change her business model to fee for service and to offer professionally managed equity portfolios.

She has trialed the OneVue UMA platform on a handful of clients and is impressed with its reporting capabilities. Now she wants to move the top third of her clients across but fears a mass migration of clients will occupy large amounts of her staff's time and effort.

**The solution:** OneVue's dedicated transitions team partners Melissa to take the burden off her back office. OneVue's experts in project management work with her para-planning team to ensure a smooth transition, which includes arranging prepopulated transfer and application forms.

OneVue arranges information seminars for those clients Melissa wants to target for transition and OneVue also organises for investment managers to join Melissa in the presentation.

The investment managers and OneVue work with Melissa to give clients comfort around the transition and support her in fielding questions.

The result is that Melissa's best clients are moved to a system with greater reporting capabilities while she saves time and money in the back office during the transition. She is now comfortable transitioning the rest of her clients.

# The art lover

**The challenge:** Samuel's investments include a beachside investment unit worth \$600,000 with a \$400,000 mortgage, which he rents out. He also owns 4 pieces of art worth \$25,000, which he keeps at home to enjoy.

The challenge he faces is twofold. Not only does he find it burdensome to administer and report on the unit's income and expenses, he struggles to maintain a complete view of his total assets and net worth.

**The solution:** Samuel includes the rental property as an administered asset on the OneVue UMA platform's other assets and liabilities service. That way he can use our expertise to reconcile the property's income and expenses.

He includes the artworks as non-administered assets on the OneVue UMA platform at no cost. His adviser can update their value regularly for inclusion in calculations of his total net worth.

This solution also offers him a neat option if his circumstances change. If he decides to live in the beachside unit and rent the artworks to a gallery, he can simply swap both between the administered and self-administered service options within the UMA. He will still be free of paperwork headaches and continue to have his asset values and income reliably reported.

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