

# Model Portfolio NET FLOW reporting

## Specification v0.3

Feb 2020

### Participants

The following document describes a suite of requirements for a FLOW reporting standard for reporting model portfolio information. The standard has been designed in consultation with the following firms: -

AMP	Colonial First State
APIR	Praemium
Financial Express	Copia
BT	Morningstar
IMAP	IRESS

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# Specification

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## 1. Introduction

This document specifies the file standards for managed account providers to provide model managers (creators) NET FLOW management reporting

## 2. Changes in this version of the specification

Version	Date	Author	Comments
0.1	Feb 2020	Rob Corben	First draft
0.2	17 March 2020	Rob Corben	Second draft
0.3	22 March 2020	Rob Corben	Updated adviser name from (o)ptional to (m)andatory

## 3. Delivering the file to your managed account provider

Your source data provider will inform you about:

1. File format (xlsx, csv, tab separated, JSON etc);
2. File exchange protocol (SFTP, FTPS, FTP, Email etc); Consult your data provider for details on their transfer protocol

## 4. File Contents

The Net Flow report is designed to capture capital movement between two date ranges.

Name	Format	(M)andatory / (O)ptional	Description
Start Period	dd/mm/yyyy	M	Report from date (inclusive)
End Period	dd/mm/yyyy	M	Report end date (inclusive)
Source	Alphanumeric, up to 40 characters	M	Administrator, platform or service name
Licensee	Alphanumeric, up to 20 characters	O when Service Name is provided	Name of AFSL holder
Service Name	Alphanumeric, up to 20 characters	O when Licensee is provided	Name of the organisation that the report is designed for
State	Alphanumeric, up to 3 characters	O	State of adviser
Adviser Name	Alphanumeric, up to 10 characters	M	Name of adviser or corporate authorised representative (CAR)
Model code	Alphanumeric, up to 10 characters	M	The identifier of the model that the target relates to, as provided by your managed accounts provider.

Model name	Alphanumeric, up to 100 characters	O	A short description for the model.
Account number	Alphanumeric, up to 10 characters	M	Identifying code for an account
Opening Balance	Numeric with up to 2 decimal places	M	Value of model at the beginning of the valuation period. Zero is an acceptable value
Closing Balance	Numeric with up to 2 decimal places	M	Value of Model at the end of the valuation period. Zero is an acceptable value
Cash inflow	Numeric with up to 2 decimal places	M	Sum of all capital (new money*) added to the model for the period
In specie inflow	Numeric with up to 2 decimal places	O	Sum of all new in specie contributions added to the model for the period. If in specie contributions cannot be calculated specifically, then the value of all contributions should be included in “Cash Inflow”
Income	Numeric with up to 2 decimal places	O	Sum of all income for the model for the period excluding fees
Fees	Numeric with up to 2 decimal places	O	Sum of all fees for the model for the period excluding income
Cash outflow	Numeric with up to 2 decimal places	M	Sum of all cash withdrawals withdrawn from the model for the period
In-specie outflow	Numeric with up to 2 decimal places	O	Sum of all in specie withdrawals from the model over the period. If this is not shown separately, then in specie withdrawals should be included in “Cash Outflow”
Net flow	Numeric with up to 2 decimal places	O	Sum of change in value including market movement and corp actions for the given model for the period
ISO Currency	Alphanumeric, 3 characters	M	Code to represent the various currencies used throughout the world.

\*New Money is defined as external cash added to the model from external sources.

## 5. Example XLS / CSV format

From Date	To Date	Source	Licensee	Service Name	State	Adviser Name	Model code	Model name	Account number	Opening Balance	Closing Balance	Cash Inflow	In-species Inflow	Income	Cash Outflow	In-species Outflow	Net Flow	ISO Currency
01/08/2019	31/08/2019	XYZ Platform	ABC Licensee Services	ABC VIC	VIC	Phil Brown	MD0101	Max Wealth Australian Income	SMA111856099	0	100000	100000	0	0	0	0	100000	AUD
01/08/2019	31/08/2019	XYZ Platform	ABC Licensee Services	ABC VIC	VIC	Phil Brown	MD0101	Max Wealth Australian Income	SMA112185399	150000	152000	0	0	0	0	0	0	AUD
01/08/2019	31/08/2019	XYZ Platform	JKL Licensee Services	JKL ACT	ACT	John Smith	MD0101	Max Wealth Australian Income	SMA112467699	150000	155000	2000	0	0	0	0	2000	AUD
01/08/2019	31/08/2019	XYZ Platform	JKL Licensee Services	JKL ACT	ACT	John Smith	MD0102	Vista Australian Balanced	SMA112467699	0	100000	0	100000	0	0	0	100000	AUD
01/08/2019	31/08/2019	XYZ Platform	JKL Licensee Services	JKL ACT	ACT	John Smith	MD0102	Vista Australian Balanced	SMA113411199	0	100000	10000	90000	0	0	0	100000	AUD
01/08/2019	31/08/2019	XYZ Platform	JKL Licensee Services	JKL ACT	ACT	John Smith	MD0102	Vista Australian Balanced	SMA113411999	150000	152000			2000			0	AUD
01/08/2019	31/08/2019	XYZ Platform	ABC Licensee Services	ABC VIC	VIC	Phil Brown	MD0102	Vista Australian Balanced	SMA113412399	150000	100000			2000	52000		-52000	AUD
01/08/2019	31/08/2019	XYZ Platform	ABC Licensee Services	ABC VIC	VIC	John Smith	MD0102	Vista Australian Balanced	SMA113412599	150000	100000					50000	-50000	AUD
01/08/2019	31/08/2019	XYZ Platform	JKL Licensee Services	JKL ACT	ACT	John Smith	MD0103	Retail Conservative	SMA113411199	100000	110000						0	USD

## 6. Example TAB Delimited Format

From Date	To Date	Source Licensee	State	Adviser Name	Model code	Model name	Account number	Opening Balance	Closing Balance	Cash Inflow	In-species Inflow	IncomeCash Outflow	In-species Outflow	Net Flow	ISO Currency
01/08/2019	31/08/2019	XYZ Platform ABC Licensee Services	NSW	Phil Brown	MD0101	Max Wealth Australian Income	SMA111856099	0	0	100000	100000	0	0	0	AUD
01/08/2019	31/08/2019	XYZ Platform ABC Licensee Services	NSW	Phil Brown	MD0101	Max Wealth Australian Income	SMA112185399	150000	0	152000	0	0	0	0	AUD
01/08/2019	31/08/2019	XYZ Platform JKL Licensee Services	NSW	John Smith	MD0101	Max Wealth Australian Income	SMA112467699	150000	2000	155000	0	0	0	2000	AUD
01/08/2019	31/08/2019	XYZ Platform JKL Licensee Services	NSW	John Smith	MD0102	Vista Australian Balanced	SMA112467699	0	100000	0	100000	0	0	0	AUD
01/08/2019	31/08/2019	XYZ Platform JKL Licensee Services	NSW	John Smith	MD0102	Vista Australian Balanced	SMA113411199	0	100000	10000	90000	0	0	100000	AUD
01/08/2019	31/08/2019	XYZ Platform JKL Licensee Services	NSW	John Smith	MD0102	Vista Australian Balanced	SMA113411999	150000	2000	152000	0	0	0	0	AUD
01/08/2019	31/08/2019	XYZ Platform ABC Licensee Services	NSW	Phil Brown	MD0102	Vista Australian Balanced	SMA113412399	150000	2000	100000	52000	0	0	-52000	AUD
01/08/2019	31/08/2019	XYZ Platform ABC Licensee Services	NSW	John Smith	MD0102	Vista Australian Balanced	SMA113412599	150000	50000	100000	0	0	0	-50000	AUD
01/08/2019	31/08/2019	XYZ Platform JKL Licensee Services	NSW	John Smith	MD0103	Retail Conservative	SMA113411199	100000	0	0	0	100000	0	0	USD

## 7. Example JSON Format

```
{
  "Flow sample txt file": [
    {
      "From Date": "01/08/2019",
      "To Date": "31/08/2019",
      "Source": "XYZ Platform",
      "Licensee": "ABC Licensee Services",
      "Service Name": "ABC VIC",
      "State": "VIC",
      "Adviser Name": "Phil Brown",
      "Model code": "MD0101",
      "Model name": "Max Wealth Australian Income",
      "Account number": "SMA111856099",
      "Opening Balance": "0",
      "Closing Balance": "100000",
      "Cash Inflow": "100000",
      "In-species Inflow": "0",
      "Income": "0",
      "Cash Outflow": "0",
      "In-species Outflow": "0",
      "Net Flow": "100000",
      "ISO Currency": "AUD"
    },
    {
      "From Date": "01/08/2019",
      "To Date": "31/08/2019",
      "Source": "XYZ Platform",
      "Licensee": "ABC Licensee Services",
      "Service Name": "ABC VIC",
      "State": "VIC",
      "Adviser Name": "Phil Brown",
      "Model code": "MD0101",
      "Model name": "Max Wealth Australian Income",
      "Account number": "SMA112185399",
      "Opening Balance": "150000",
      "Closing Balance": "152000",
      "Cash Inflow": "0",
      "In-species Inflow": "0",
      "Income": "0",
      "Cash Outflow": "0",
      "In-species Outflow": "0",
      "Net Flow": "0",
      "ISO Currency": "AUD"
    },
    {
      "From Date": "01/08/2019",
      "To Date": "31/08/2019",
```

```

"Source": "XYZ Platform",
"Licensee": "JKL Licensee Services",
"Service Name": "JKL ACT",
"State": "ACT",
"Adviser Name": "John Smith",
"Model code": "MD0101",
"Model name": "Max Wealth Australian Income",
"Account number": "SMA112467699",
"Opening Balance": "150000",
"Closing Balance": "155000",
"Cash Inflow": "2000",
"In-species Inflow": "0",
"Income": "0",
"Cash Outflow": "0",
"In-species Outflow": "0",
"Net Flow": "2000",
"ISO Currency": "AUD"
},
{
  "From Date": "01/08/2019",
  "To Date": "31/08/2019",
  "Source": "XYZ Platform",
  "Licensee": "JKL Licensee Services",
  "Service Name": "JKL ACT",
  "State": "ACT",
  "Adviser Name": "John Smith",
  "Model code": "MD0102",
  "Model name": "Vista Australian Balanced",
  "Account number": "SMA112467699",
  "Opening Balance": "0",
  "Closing Balance": "100000",
  "Cash Inflow": "0",
  "In-species Inflow": "100000",
  "Income": "0",
  "Cash Outflow": "0",
  "In-species Outflow": "0",
  "Net Flow": "100000",
  "ISO Currency": "AUD"
},
{
  "From Date": "01/08/2019",
  "To Date": "31/08/2019",
  "Source": "XYZ Platform",
  "Licensee": "JKL Licensee Services",
  "Service Name": "JKL ACT",
  "State": "ACT",
  "Adviser Name": "John Smith",
  "Model code": "MD0102",
  "Model name": "Vista Australian Balanced",
  "Account number": "SMA113411199",
  "Opening Balance": "0",
  "Closing Balance": "100000",
  "Cash Inflow": "10000",

```



```

    "In-species Inflow": "90000",
    "Income": "0",
    "Cash Outflow": "0",
    "In-species Outflow": "0",
    "Net Flow": "100000",
    "ISO Currency": "AUD"
  },
  {
    "From Date": "01/08/2019",
    "To Date": "31/08/2019",
    "Source": "XYZ Platform",
    "Licensee": "JKL Licensee Services",
    "Service Name": "JKL ACT",
    "State": "ACT",
    "Adviser Name": "John Smith",
    "Model code": "MD0102",
    "Model name": "Vista Australian Balanced",
    "Account number": "SMA113411999",
    "Opening Balance": "150000",
    "Closing Balance": "152000",
    "Income": "2000",
    "Net Flow": "0",
    "ISO Currency": "AUD"
  },
  {
    "From Date": "01/08/2019",
    "To Date": "31/08/2019",
    "Source": "XYZ Platform",
    "Licensee": "ABC Licensee Services",
    "Service Name": "ABC VIC",
    "State": "VIC",
    "Adviser Name": "Phil Brown",
    "Model code": "MD0102",
    "Model name": "Vista Australian Balanced",
    "Account number": "SMA113412399",
    "Opening Balance": "150000",
    "Closing Balance": "100000",
    "Income": "2000",
    "Cash Outflow": "52000",
    "Net Flow": "-52000",
    "ISO Currency": "AUD"
  },
  {
    "From Date": "01/08/2019",
    "To Date": "31/08/2019",
    "Source": "XYZ Platform",
    "Licensee": "ABC Licensee Services",
    "Service Name": "ABC VIC",
    "State": "VIC",
    "Adviser Name": "John Smith",
    "Model code": "MD0102",
    "Model name": "Vista Australian Balanced",
    "Account number": "SMA113412599",

```

```

    "Opening Balance": "150000",
    "Closing Balance": "100000",
    "In-species Outflow": "50000",
    "Net Flow": "-50000",
    "ISO Currency": "AUD"
  },
  {
    "From Date": "01/08/2019",
    "To Date": "31/08/2019",
    "Source": "XYZ Platform",
    "Licensee": "JKL Licensee Services",
    "Service Name": "JKL ACT",
    "State": "ACT",
    "Adviser Name": "John Smith",
    "Model code": "MD0103",
    "Model name": "Retail Conservative",
    "Account number": "SMA113411199",
    "Opening Balance": "100000",
    "Closing Balance": "110000",
    "Net Flow": "0",
    "ISO Currency": "USD"
  }
]
}

```

## 8. Issues Register

#	Description	Comments	Decisions
1.	With regards to the field “Source”, the same model could be run across many services e.g. Wealth02, Panorama and Praemium. In the situation where Praemium runs a service on behalf of someone else, Praemium would be listed as the source.	RC – The Source should represent the source data provider	
2.	In regard to Status: <ul style="list-style-type: none"> <li>Providers may not be able to provide one type of value or the other</li> <li>Daily trading would give rise to a mixture of both types of value</li> </ul>	The group decided that the rule should be that the entire report contains one type of value only and that the status field/flag be included to advise the user whether the value type is traded or settled.	
3.	In regard to the Inflow report <ul style="list-style-type: none"> <li>Report needs a separate income field. Fees need to be excluded from this field, however as some platforms are not able to accommodate this, this field should be optional.</li> </ul>	It was noted that unbundling of fees may be difficult for some platforms as well as attributing fees to specific models for model of models.	
4.	Adam from Praemium raised the issue of rebalances between 2 models. <ul style="list-style-type: none"> <li>An inflow from one and an outflow from another.</li> </ul>	Managing flows between models needs further consideration.	

5.	Transaction costs and how they are accounted for.	must be considered	
6.	When reporting to the model manager the client account number should not appear.	Praemium advised that they use an internal account identifier to overcome this.	
7.	Permission levels need to be taken into account – for instance, Advisers can only view their own accounts		
8.	Adviser codes across the platforms are inconsistent. Also, when advisers move to another licensee their adviser number changes	Potential solutions: use ASIC adviser number, F code (multiple ones may exist for each adviser), registration number	
9.	Indirect model of model i.e. models included in another model by another manager	Group agreed to defer until the next iteration	
10.	From Copia Following further feedback internally on the FUM reporting standards, we identified that we also use the following fields: <ul style="list-style-type: none"> <li>Product Name (may be called Badge, Plan, Product Type, Product Description; effectively a platform subtype)</li> <li>Transfer In</li> <li>Transfer Out (these are needed for data integrity; particularly evident where we need to identify closing balances that appear without a corresponding inflow, or closing balances that go to zero without outflows)</li> </ul>	Consider SOURCE as Product Name:  Transfer in/out has not come up before. Thoughts?	
11.	From Praemium Page 5, the exchange would only be mandatory if the asset code has been provided.		Now included
12.	As a model manager one cannot expect all the columns to add up.	To be discussed by the group	
13.	How do we make the report support direct and indirect flow?	To be discussed by the group.	

## 9. Participant Compatibility Register

The model creators / issuers, platforms and vendors below have reviewed the format and confirmed that their systems can support reporting using this format.

<b>Platform Name</b>	<b>Compatible</b>	<b>Not yet compatible</b>	<b>Confirming</b>
<i>Sample Platform name</i>	X		<i>Roger Smith</i>
AMP			
APIR			
Financial Express			
BT			
IMAP			
Colonial First State			
Praemium			
Copia			

Morningstar			
IRESS			