

BLUE OCEAN EQUITIES PTY LIMITED
ABN 53 151 186 935

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2022

Liability limited by a scheme approved under
Professional Standards Legislation

BLUE OCEAN EQUITIES PTY LIMITED
ABN 53 151 186 935

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BLUE OCEAN EQUITIES PTY LIMITED
ABN 53 151 186 935

DIRECTORS' REPORT

Directors and Officers Indemnities and Insurance

During the financial year the Company paid an insurance premium, insuring the Company's Directors, (as named in this report), Company Secretary, Executive Officers and employees against liabilities not prohibited from insurance by the Corporations Act 2001.

A confidentiality clause in the insurance contract prohibits disclosure of the amount of the premium and the nature of insured liabilities.

Indemnification and Insurance of Officers and Auditors

The Company indemnifies, to the extent permitted by law, officers of the company when acting in their capacity in good faith in respect of liabilities to third parties and costs and expenses of successfully defending legal proceedings. The Directors named in this report have the benefit of indemnity.

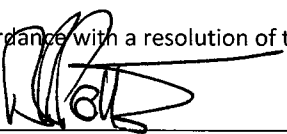
The company has paid insurance premiums in respect of contracts insuring all Directors and Secretaries against liabilities incurred in their capacity as Directors and Secretaries. The contract prohibits disclosure of the nature of the liabilities and amount of premiums paid and Corporations Act (2001) does not require disclosure under such circumstances.

Auditors' Independence Declaration

The lead auditors' independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2022 has been received and can be found on page 3.

Signed in accordance with a resolution of the Board of Directors:

Director:



Mr Brent Potts

Dated this 31st day of October 2022.

BLUE OCEAN EQUITIES PTY LIMITED
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DIRECTORS' REPORT

Information on Directors

The names of each person who has been a director during the year and to the date of this report are:

Mr Peter Gray
Mr Richard Granger
Mr David O'Halloran
Mr Brent Potts
Mr Adam Stratton

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Results

The profit of the company after providing for income tax amounted to \$3,751,399 (2021 profit \$4,949,216).

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company during the year.

Principal Activities

The principal activities of the company during the financial year were dealing in equities and securities, and corporate advisory, primarily in the Australian market.

No significant changes in the nature of the company's activity occurred during the financial year.

Events After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Environmental Issues

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Dividends paid or recommended

Dividends paid or declared since the start of the financial year are as follows:

- \$2,656,848.95 in fully franked dividends

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

AUDITOR'S INDEPENDENCE DECLARATION

The Board of Directors
Blue Ocean Equities Pty Limited
Level 29, 88 Phillip Street
SYDNEY NSW 2000

31 October 2022

Dear Board Members

BLUE OCEAN EQUITIES PTY LIMITED

In accordance with section 307C of the Corporation Act 2001, I am pleased to provide the following declaration of independence to the directors of Blue Ocean Equities Pty Limited.

As lead audit partner for the audit of the financial statements of Blue Ocean Equities Pty Limited for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporation Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely
ROACH & BRUCE CONSULTING PTY LTD



ANTHONY J BRUCE

BLUE OCEAN EQUITIES PTY LIMITED
ABN 53 151 186 935

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Income			
Revenue	<u>3</u>	12,934,908	15,118,376
Raw materials and consumables used		(1,962,335)	(2,375,856)
Expenditure			
Accountancy expenses		(108,317)	(87,055)
Advertising expenses		(4,500)	(955)
Auditor's Remuneration	<u>4</u>	(21,500)	(21,420)
Depreciation and amortisation expenses		(821,234)	(856,726)
Employee benefits expenses		(3,392,229)	(3,626,399)
Other expenses		(1,564,149)	(1,530,271)
Profit before income tax		5,060,644	6,619,694
Income tax expense	<u>6</u>	(1,308,725)	(1,670,478)
Over/under provision for income tax prior year		(520)	-
Profit for the year		<u>3,751,399</u>	<u>4,949,216</u>
Total comprehensive income for the year		<u><u>3,751,399</u></u>	<u><u>4,949,216</u></u>

The accompanying notes form part of these financial statements.

BLUE OCEAN EQUITIES PTY LIMITED
ABN 53 151 186 935

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	<u>8</u>	3,113,564	3,319,268
Trade and other receivables	<u>9</u>	1,152,666	1,719,125
Financial assets	<u>10</u>	597,636	-
Other current assets	<u>11</u>	1,239,236	1,154,927
TOTAL CURRENT ASSETS		<u>6,103,101</u>	<u>6,193,320</u>
NON-CURRENT ASSETS			
Tax Assets	<u>16</u>	171,592	122,285
Financial assets	<u>12</u>	1,757,162	101
Property, plant and equipment	<u>13</u>	553,601	1,374,836
TOTAL NON-CURRENT ASSETS		<u>2,482,355</u>	<u>1,497,222</u>
TOTAL ASSETS		<u>8,585,456</u>	<u>7,690,542</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	<u>14</u>	644,448	751,345
Lease Liabilities	<u>22</u>	573,339	814,201
Provisions	<u>15</u>	222,388	198,316
Tax Liabilities	<u>16</u>	1,245,032	738,767
Borrowings	<u>17</u>	31,551	125,227
TOTAL CURRENT LIABILITIES		<u>2,716,758</u>	<u>2,627,856</u>
NON-CURRENT LIABILITIES			
Provisions	<u>15</u>	98,256	193,261
Lease Liabilities	<u>22</u>	-	573,338
TOTAL NON-CURRENT LIABILITIES		<u>98,256</u>	<u>766,599</u>
TOTAL LIABILITIES		<u>2,815,014</u>	<u>3,394,455</u>
NET ASSETS		<u>5,770,443</u>	<u>4,296,087</u>
EQUITY			
Issued capital	<u>18</u>	4,199,999	4,199,999
Asset revaluation reserve	<u>19</u>	379,806	-
Retained earnings	<u>20</u>	1,190,638	96,088
TOTAL EQUITY		<u>5,770,443</u>	<u>4,296,087</u>

The accompanying notes form part of these financial statements.

BLUE OCEAN EQUITIES PTY LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Issued Capital	Asset Revaluation Reserve	Retained Earnings	Total
	\$	\$	\$	\$
Note				
Balance at 1 July 2020	4,199,999	-	(2,952,128)	1,247,871
Profit/(loss) attributable to equity shareholders			4,949,216	4,949,216
Dividends paid or provided for			(1,901,000)	(1,901,000)
Balance at 30 June 2021	<u>4,199,999</u>	<u>-</u>	<u>96,088</u>	<u>4,296,087</u>
Profit/(loss) attributable to equity shareholders			3,751,399	3,751,399
Asset revaluation reserve		379,806		379,806
Dividends paid or provided for	<u>7</u>		(2,656,849)	(2,656,849)
Balance at 30 June 2022	<u>18</u> <u>4,199,999</u>	<u>379,806</u>	<u>1,190,638</u>	<u>5,770,443</u>

The accompanying notes form part of these financial statements.

BLUE OCEAN EQUITIES PTY LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	13,290,967	13,836,128
Payments to suppliers and employees	(11,130,716)	(9,481,870)
Proceeds from sale of securities	1,139,747	1,386,542
Interest received	3,505	6,706
Interest paid	(71)	-
Income tax paid	(852,286)	(392,000)
Net cash provided by (used in) operating activities	<u>23</u> <u>2,451,144</u>	<u>5,355,507</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Shares in associated companies	-	-
Payment for plant and equipment	-	-
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Share Holder capital	-	-
Dividends paid	(2,656,849)	(1,901,000)
Borrowings	-	(772,278)
Net cash provided by (used in) financing activities	<u>(2,656,849)</u>	<u>(2,673,278)</u>
Net increase (decrease) in cash held	(205,705)	2,682,228
Cash at beginning of financial year	<u>3,319,268</u>	<u>637,040</u>
Cash at end of financial year	<u>8</u> <u>3,113,564</u>	<u>3,319,268</u>

The accompanying notes form part of these financial statements.

BLUE OCEAN EQUITIES PTY LIMITED
ABN 53 151 186 935

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

The financial reports cover Blue Ocean Equities Pty Limited as an individual entity. Blue Ocean Equities Pty Limited is a for profit proprietary company incorporated and domiciled in Australia.

The functional and presentation currency of Blue Ocean Equities Pty Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 31 October 2022.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the directors' opinion, the Company is not a reporting entity because there are no users dependent on general purpose financial statements. This special purpose financial report has been prepared for distribution to the members to fulfil the directors' financial reporting requirements under the Corporations Act 2001. The accounting policies used in the preparation of this financial report as described below, are, in the opinion of the directors, appropriate to meet the needs of members.

These financial statements and associated notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

The significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.

BLUE OCEAN EQUITIES PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset where there is a legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses.

Assets are carried at cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment excluding freehold land, is depreciated on a straight line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

BLUE OCEAN EQUITIES PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Impairment of Non-Financial Assets

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement of the liability for at least one year after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting year. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of other comprehensive income.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

BLUE OCEAN EQUITIES PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

	2022	2021
	\$	\$
<hr/>		
3 Revenue and Other Income		
Revenue		
Sales revenue:		
Commission	1,956,073	1,611,445
Management and other fees	1,322,775	1,757,070
Corporate and advisory fees	9,652,556	11,542,155
ATO COVID-19 subsidy income	-	201,000
	<u>12,931,403</u>	<u>15,111,670</u>
Other revenue		
Interest Received	3,505	6,706
Total revenue	<u>12,934,908</u>	<u>15,118,376</u>
4 Auditors' Remuneration		
Auditor's Remuneration	<u>21,500</u>	<u>21,420</u>
5 Profit for the year		
Profit before income tax from continuing operations includes the following specific expenses:		
Expenses		
Cost of sales	1,962,335	2,375,856
Amortisation of Right of Use Asset	818,207	846,844
Depreciation of property, plant and equipment	3,027	9,882

BLUE OCEAN EQUITIES PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<hr/>		
6 Income Tax Expense		
The components of tax expense comprise:		
Income Tax Expense		
Current Income Tax	1,358,032	1,548,193
Future Income Tax Asset	(49,307)	122,285
	<u>1,308,725</u>	<u>1,670,478</u>
The prima facie tax payable on profit/(loss) before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on profit/(loss) before income tax at 25% (2021: 26%):	1,265,161	1,721,120
Add:		
Tax effect of:		
Non-deductible expenses	112,559	62,951
Movement in DTA	(49,307)	539,712
Less:		
Tax effect of:		
Other Deductible Expenses	(19,688)	(17,666)
Exempt Income	-	(9,750)
Prior year losses applied in current year	-	(625,889)
Income tax expense attributable to company	<u>1,308,725</u>	<u>1,670,478</u>
7 Dividends		
Fully Franked Dividend paid	<u>2,656,849</u>	<u>1,901,000</u>

BLUE OCEAN EQUITIES PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
8 Cash and Cash Equivalents		
Petty Cash plus cash on hand	432	1,653
Cash at Bank	<u>3,113,131</u>	<u>3,317,616</u>
	<u>3,113,564</u>	<u>3,319,268</u>
Reconciliation of cash		
Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	<u>3,113,564</u>	<u>3,319,268</u>
	<u>3,113,564</u>	<u>3,319,268</u>
9 Trade and Other Receivables		
Current		
Trade Debtors	1,050,755	1,532,692
Other Debtors - Dividends Receivable	5,627	-
Loans - Related Parties	<u>96,283</u>	<u>186,433</u>
	<u>1,152,666</u>	<u>1,719,125</u>
The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances.		
10 Financial Current Assets		
Shares in Listed Companies	<u>597,636</u>	<u>-</u>
11 Other Non-Financial Assets		
Current		
Deposits	929,033	929,033
Prepayments	<u>310,203</u>	<u>225,894</u>
	<u>1,239,236</u>	<u>1,154,927</u>
12 Financial Non-Current Assets		
Shares in Non-Listed Companies	<u>1,757,162</u>	<u>101</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<hr/>		
13 Property, Plant and Equipment		
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	1,926,102	1,926,102
Accumulated depreciation	(1,372,501)	(551,266)
Total Plant and Equipment	<u>553,601</u>	<u>1,374,836</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Furniture and Fixtures \$	Plant and Equipment \$	ROU Asset \$	Total \$
Balance at 1 July 2020	6,893	14,145	369,557	390,595
Additions	-	-	1,840,966	1,840,966
Depreciation expense	(585)	(9,297)	(846,844)	(856,726)
	<hr/>			
Balance at 30 June 2021	6,308	4,848	1,363,679	1,374,836
Additions	-	-	-	-
Depreciation expense	(585)	(2,442)	(818,207)	(821,234)
Carrying amount at 30 June 2022	<u>5,723</u>	<u>2,406</u>	<u>545,472</u>	<u>553,601</u>

14 Trade and Other Payables

Current

Trade Creditors	499,468	286,745
Other Creditors	63,128	81,256
ATO	81,852	383,343
	<u>644,448</u>	<u>751,345</u>

BLUE OCEAN EQUITIES PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
15 Provisions		
Provision for Annual Leave	161,058	198,316
Provision for Long Service Leave	159,586	193,261
Total provisions	<u>320,644</u>	<u>391,577</u>
Analysis of Total Provisions		
Current	222,388	198,316
Non-current	98,256	193,261
	<u>320,644</u>	<u>391,577</u>
16 Tax		
Liabilities		
Current		
Provision for Income Tax	<u>1,245,032</u>	<u>738,767</u>
Assets		
Non-Current		
Deferred Tax Asset	<u>171,592</u>	<u>-</u>
Deferred tax balances during the year		
	DTA	
Financial assets at fair value through profit or loss	4,703	
Employee benefits	18,547	
Accruals	5,658	
Market revaluation decrease	(78,214)	
	<u>(49,307)</u>	
17 Borrowings		
Current		
Borrowings - Credit cards	31,551	25,227
Borrowings - LXXXIX	-	100,000
Total Borrowings	<u>31,551</u>	<u>125,227</u>
18 Issued Capital		
4,199,999 Fully Paid Ordinary Shares of \$1	<u>4,199,999</u>	<u>4,199,999</u>

There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital of the company since the prior year.

BLUE OCEAN EQUITIES PTY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
19 Asset Revaluation Reserve		
Asset revaluation reserve	379,806	-
20 Retained Earnings/(Accumulated Losses)		
Retained earnings (Accumulated losses) at the beginning of the financial year	96,088	(2,952,128)
Net profit attributable to members of the company	3,751,399	4,949,216
Dividends provided for or paid	(2,656,849)	(1,901,000)
Retained earnings at the end of the financial year	1,190,638	96,088
21 Contingent Liabilities		
Estimates of the potential financial effect of contingent liabilities that may become payable:		
Contingent Liabilities		
The Company has given a banker's undertaking of \$729,033 (2021: \$729,033) to the landlord in respect of its premises lease. The Company has no other contingent liabilities at 30 June 2022 (2021: nil)		
	-	-
22 Lease Commitments (Right of Use Asset)		
On the 1st Dec 2020 Blue Ocean Equities entered in to a 2 year, 3 month lease for 700.5 square metres of office space, with a sub lease of \$100,00 pa to Vango mining. This liability was measured at the annual fixed lease payment of \$924,660, increasing by 3.75% per annum on the 1 December, discounted using the Company's estimated incremental borrowing rate (3%) as of 1 Dec 2020.		
Current lease liabilities	573,339	814,201
Non-current lease liabilities	-	573,338
	573,339	1,387,539
Right of Use Assets		
The recognised right-of-use assets relate to the following types of assets		
Properties	545,472	1,363,679

BLUE OCEAN EQUITIES PTY LIMITED
ABN 53 151 186 935

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<hr/>		
23 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit (Loss) after income tax	3,751,399	4,949,216
Non-cash flows in profit		
Depreciation and amortisation	821,234	856,726
Interest expense (directors loans)	-	4,349
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
(Increase)/Decrease in trade and other receivables	566,459	(1,196,735)
(Increase)/Decrease in financial current assets	(597,636)	-
(Increase)/Decrease in prepayments & deposits	(84,309)	69,680
(Increase)/Decrease in future tax assets	(49,307)	539,712
(Increase)/Decrease in financial non-current assets	(1,377,255)	20,000
(Increase)/Decrease in Right of Use Asset	-	(1,840,966)
Increase/(Decrease) in trade and other payables	(106,897)	239,027
Increase/(Decrease) in current provisions	24,072	(24,490)
Increase/(Decrease) in lease liabilities	(814,202)	961,506
Increase/(Decrease) in other liabilities	(93,675)	(2,210)
Increase/(Decrease) in non-current provisions	(95,005)	40,926
Increase/(Decrease) for Tax Provision	506,265	738,767
	<u>2,451,144</u>	<u>5,355,507</u>

BLUE OCEAN EQUITIES PTY LIMITED
ABN 53 151 186 935

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

24 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Company does not have any derivative instruments at 30 June 2022.

Objectives, Policies and Processes

Risk management is carried out by the Company's risk management committee under the delegated power from the Board of Directors. The Finance Manager has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the Company, these policies and procedures are then approved by the risk management committee and tabled at the board meeting following their approval.

Reports are presented at each Board meeting regarding the implementation of these policies and any risk exposure which the Risk Management Committee believes the Board should be aware of.

Specific information regarding the mitigation of each financial risk to which company is exposed is provided below.

The Company does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

25 Company Details

The registered office of the company is:

Level 29, 88 Phillip Street
SYDNEY NSW 2000


BLUE OCEAN EQUITIES PTY LIMITED
ABN 53 151 186 935

DIRECTORS' DECLARATION

The directors of the company declare that:

- 1 The financial statements and notes, as set out on pages 1 to 19, for the year ended 30 June 2022 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - (b) give a true and fair view of the financial position and performance of the company.
- 2 In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: 

Mr Brent Potts

Dated this 31st day of October 2022.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUE OCEAN EQUITIES PTY LIMITED ABN 53 151 186 935

Report on the Financial Report

I have audited the accompanying financial report of Blue Ocean Equities Pty Limited which comprises the statement of financial position as at 30 June 2022 and the statement of profit or loss and other comprehensive income and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 3, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditors' Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent

In conducting my audit, I have complied with the independence requirements of the Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

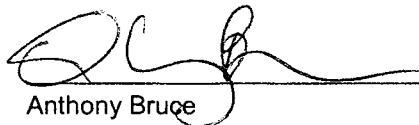
Auditors' Opinion

In my opinion:

- (a) the financial report of Blue Ocean Equities Pty Limited is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the year ended on that date, ***except for the value of unlisted assets. We are limited in our ability to accurately value the unlisted assets without a formal valuation. Accordingly, as the evidence available to us is limited, our audit procedures in respect to the unlisted assets had to be restricted. We are therefore unable to express an opinion on the value or recoverability of your investment in the unlisted assets;*** and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Name of Firm: Roach & Bruce Consulting Pty Ltd
Chartered Accountants

Name of Director:


Anthony Bruce

Address: Suite 7 Level 5, 66 Hunter Street SYDNEY NSW 2000

Dated this day 31st day of October 2022

ASIC Registered Agent Number
Lodging Party or Agent Name BLUE OCEAN EQUITIES PTY LIMITED
Address SE 1 L 29
88 PHILLIP ST
SYDNEY NSW 2000
telephone
facsimile
DX number

Electronic Lodgement
Document No. **7EBX92436**
Lodgement date/time: 31-10-2022 17:15:25
Reference Id: 172725321



Australian Securities and Investments Commission

form **FS70**

Australian financial services licensee

profit and loss statement and balance sheet

Corporations Act 2001
989B(2)

AFS licensee details

AFS licence number 412765
AFS licence name BLUE OCEAN EQUITIES PTY LIMITED
Auditor name ROACH & BRUCE CONSULTING PTY LTD

1. Which financial year are the 30-06-2022
accounts for?

2. Are you lodging this form as a disclosing entity?

No

3. Which of the following describes you during the year that these accounts are for?

A financial services licensee that is not a limited licensee - you are required
to attach your accounts and auditor's statement

PART 1

Summary results

5. Financial year 30-06-2022

6. Financial year results

(a) Total Revenue including Tax 12934908
Benefit

(b) Total Expenses including 9183509
Tax Expense

(c) Net Profit After Tax (a-b) 3751399

7. As at end of the financial year

(a) Total Equity 5770443

(b) Total Liabilities 2815014

Certification

12. Except as stated in paragraph 12A the licensee certifies that the profit and loss statement (Statement of Financial Performance) and balance sheet (Statement of Financial Position) and notes to the Statement of Financial Performance and Statement of Financial Position of the licensee ("financial statements") set out at paragraph 14 and summarised above:

- (a) give a true and fair view of the matters stated in the financial statements;
- (b) are included in a general purpose financial report that complies with: (i) Australian Accounting Standards, if the licensee has public accountability or is otherwise required by 12B (or elects) to apply Tier 1 reporting requirements; or (ii) Australian Accounting Standards - Simplified Disclosures, if the licensee applies Tier 2 reporting requirements; OR
- (c) if the licensee applies 12C, the financial statements are included in a special purpose financial report that complies with all of the recognition and measurement requirements of Australian Accounting Standards, and is in accordance with the disclosure requirements that apply to non-reporting entities subject to any treatment in the financial statements required in order to give a true and fair view that is not in compliance with Australian Accounting Standards, the effect of which is quantified in notes to the financial statements;
- (d) if the licensee is a body corporate, the board or other governing body of the licensee has resolved to the effect of (a) and (b) or (c).

12A. Where the licensee is a natural person, if noted in the financial statements, the licensee may exclude from the financial statements and notes thereto the revenue and expenses that do not relate to any business of the licensee or all the revenue and expenses that do not relate to a financial services business of the licensee.

12B. The following categories of licensee must apply Tier 1 reporting requirements regardless of whether they have public accountability: Securities exchange participants (including principal traders), futures exchange participants (including principal traders), retail OTC derivatives issuers, wholesale electricity dealers, corporate advisers who deal in financial products, OTC traders, wholesale trustees, responsible entities, corporate directors of corporate collective investment vehicles, custodians, IDPS operators and MDA providers.

12C. Licensees that do not have financial reporting requirements under Chapter 2M of the Corporations Act 2001 and previously prepared special purpose financial reports as a non-reporting entity may elect to transition to Tier 2 general purpose reporting requirements for financial years beginning on or after 1 July 2022 instead of 1 July 2021.

13. The licensee certifies that during the financial year it has complied with all financial requirements under its licence and the requirements relating to trigger points, except as has been disclosed in writing to ASIC.

Financial Statements

14. {Attach the financial statements which, if the licensee prepares consolidated financial statements for the licensee and its controlled entities, can be presented as separate items in the same document as the consolidated financial statements.}

Signature

This form must be signed

print name _____ capacity _____

print entity name (if entity acting as agent) _____

sign here _____ date ____/____/____

PART 2: To be completed by licensees that must comply with the audit requirement.

Refer Regulatory Guide 166: Licensing: Financial Requirements

Certification

The audit report in the form of Form FS71 lodged with this form is a true copy of the auditor's report on the financial statements under section 989B(3).

Qualification

Is there an audit qualification of financial statements?

No

Is there an emphasis of matter on financial statements?

No

Is there a material uncertainty on going concern?

No

Are there any exceptions on FS71?

No

Signature

This form must be signed

print name _____ capacity _____

print entity name (if entity acting as agent) _____

sign here _____ date ____/____/____

Authentication

This form has been authenticated by

Name BLUE OCEAN EQUITIES PTY LIMITED

This form has been submitted by

Name Brent POTTS

Date 31-10-2022

Auditor's Report for AFS Licensee

Refer to Australian Securities and Investments Commission (ASIC) Regulatory Guide 166 and the attached Guide before completing this form.

AFS licensee details (the 'licensee')

AFS licensee name

Blue Ocean Equities Pty Ltd

AFS licence number

412765

Lodgement details

Who should ASIC contact if there is a query about this form?

ASIC registered agent number (if applicable)

3218

Firm/organisation

Roach & Bruce Consulting Pty Ltd

Contact name/position description

Anthony Bruce

Telephone number (during business hours)

(02) 9232 8211

Email address (optional)

Postal address

Suite 7, Level 5, 66 Hunter Street

Suburb/City

Sydney

State/Territory

NSW

Postcode

2000

Auditor details

ASIC registered company auditor number (for individual auditor or authorised audit company)

356034

Family name

Given name

Provide details as registered with ASIC

or

Authorised audit company name

Roach & Bruce Consulting Pty Ltd

ACN/ABN

38 069 661 141

or

Firm name (if applicable)

ABN

Office, unit, level

Street number and street name

Suburb/City

State/Territory

Postcode

Country (if not Australia)

Financial year

This form is for the financial year / / to / /

1 Application Statements

Limited Licensee
Reg 7.8.12A

This form has been prepared on the basis that the licensee was a limited licensee for the following part of the financial year:

/ / to / /

Retail OTC derivative issuer,
Responsible entity, IDPS
Operators, Custodial or
Depository Service,
Crowd-sourced funding
intermediary

This form has been prepared on the basis that during the financial year the licensee was:

(a) a retail OTC derivative issuer

from / / to / /

(b) authorised to operate registered schemes as a responsible entity

from / / to / /

(c) authorised to operate an Investor Directed Portfolio Service (IDPS) as an IDPS operator

from / / to / /

(d) authorised to provide custodial or depository services

from / / to / /

(e) authorised to provide a crowd-funding service

from / / to / /

Market Participant or Clearing
Participant

During the financial year, the licensee relied on being a market participant or a clearing participant

from / / to / /

and, during this period the licensee was a participant in the:

- (a) ASX market; or
- (b) Chi-X market; or
- (c) ASX 24 market, and restricted its financial services business to participating in the ASX 24 market and incidental business; or
- (d) licensed CS facility operated by ASX Clear Pty Limited; or
- (e) licensed CS facility operated by ASX Clear (Futures) Pty Limited, and restricted its financial services business to participating in the licensed CS facility and incidental business; or
- (f) APX market

Parts 4 to 9 of this form are **not** applicable to any part of the financial year during which the licensee relied on being a market participant or clearing participant, and was a participant in a market or facility listed above.

APRA Regulated bodies

During the financial year, the licensee relied on being, and was, an Australian Prudential Regulation Authority (APRA)

regulated body from / / to / /

For financial years ending on or after 1 July 2015 **Part 7** (with Part 4) is applicable for any part of the financial year where the licensee was an APRA regulated body and both a responsible entity of a registered managed investment scheme (MIS) and a registrable superannuation entity licensee (RSE licensee). Otherwise, **Parts 4 to 9** of this form are **not** applicable to any part of the financial year during which the licensee was an APRA regulated body.

2 Independent Auditor's Report - Subsection 989B(3) of the Corporations Act

Report on the Licensee's Financial Report/Statements

The licensee has prepared a financial report/statements for the financial year. The financial report/statements are those that the ASIC Form FS70 signed by the licensee on 31.10.2022 (insert the date Part 1 of the FS70 was signed) and initialled by us for identification relates. We have audited the financial report/statements and our auditor's report is attached to them.

Our auditor's report has been prepared for the licensee in order to meet its obligation to lodge it with ASIC in accordance with section 989B(3) of the Act.

Our auditor's report includes a

qualified opinion adverse opinion disclaimer of opinion

emphasis of matter or other matter paragraph

alerting readers that the financial report/statements is prepared in accordance with a special purpose reporting framework; and/or

for another reason

unmodified opinion that the financial report/statements of the licensee for the financial year are in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the financial performance and financial position of the licensee; and

(b) if the licensee:

(i) is a reporting entity, that the financial report complies with Australian Accounting Standards.

(ii) is not a reporting entity, that the financial statements are in accordance with all the recognition and measurement requirements of the Australian Accounting Standards, and in accordance with the disclosure requirements of the Australian Accounting Standards that apply to non-reporting entities,

except that where the licensee is a natural person if noted in the financial report/statements, the licensee may exclude from the financial report/statements and notes thereto the revenue and expenses that do not relate to any business of the licensee or all the revenue and expenses that do not relate to a financial services business of the licensee.

Report on Internal Controls and Required Accounts

We have audited, in relation to the financial year (excluding any period during which the licensee was a limited licensee pursuant to subsection 989B(4) of the *Corporations Act 2001*) (a) the operating effectiveness of internal controls used by the licensee to comply with (i) Divisions 2, 3, 4, 4A, 5 and 6 of Part 7.8 of the *Corporations Act 2001*; and (ii) Division 7 of Part 7.8 other than section 991A (the 'specified internal controls'), and (b) the operation and control of each account required by sections 981B and 982B to be maintained by the licensee (the required accounts).

Licensee's Responsibility for the Specified Internal Controls and Required Accounts

To the extent of the licensee's obligations under the *Corporations Act 2001*, the licensee is responsible for establishing and maintaining effective internal controls in relation to the licensee's compliance with the requirements of the Act, and for operating and controlling accounts required by the Act in accordance with the Act. The Licensee is responsible for identifying the control objectives, identifying the risks that threaten achievement of the control objectives, designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives, and operating effectively the controls as designed throughout the period.

Auditor's Responsibility

Our responsibility is to express an opinion based on our audit on the operating effectiveness of the specified internal controls and on the licensee's operation and control of the required accounts. We conducted our engagement in accordance with the Auditing and Assurance Standards Board's Standards. Those Standards require that we comply with relevant ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, throughout the period the specified internal controls operated effectively and the required accounts were operated and controlled as required.

An assurance engagement to report on the operating effectiveness of controls involves performing procedures to obtain evidence about the operating effectiveness of controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls did not operate effectively. Our procedures included testing the operating effectiveness of those controls that we consider necessary to achieve the control objectives identified. An assurance engagement of this type also includes evaluating the suitability of the control objectives.

Unless we have included a Disclaimer of Opinion below, we believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Inherent Limitations

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are operating effectively, the control objectives may not be achieved and so fraud, error, or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the controls that we have assured operate, has not been assured and no opinion is expressed as to its design or operating effectiveness.

An assurance engagement on operating effectiveness of controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

2 Continued... Independent Auditor's Report - Subsection 989B(3) of the Corporations Act

Modified opinion

We have included a

qualified opinion adverse opinion disclaimer of opinion

and the basis for this modified opinion is set out:

below

in an annexure marked (indicate identifying letter or symbol used to mark annexure)

Opinion

Unless a modified opinion has been included above or in an annexure, in our opinion, in all material respects, in relation to the financial year (excluding any period during which the licensee was a limited licensee):

(a) the internal controls used by the licensee to comply with Divisions 2, 3, 4, 4A, 5 and 6 of Part 7.8 of the *Corporations Act 2001*; and Division 7 of Part 7.8 other than section 991A have been effective; and

(b) each account required by sections 981B and 982B of the *Corporations Act 2001* to be maintained by the licensee has been operated and controlled in accordance with those sections.

Report on Records, Information
and Explanations

Pursuant to regulation 7.8.13 of the Corporations Regulations 2001, our responsibility is to provide an opinion on whether we received all necessary records, information and explanations from the licensee.

Modified opinion

We have included a

qualified opinion adverse opinion disclaimer of opinion

and the basis for this modified opinion is set out:

below

in an annexure marked (indicate identifying letter or symbol used to mark annexure)

Opinion

Unless a modified opinion has been included above or in an annexure, in our opinion, in all material respects, in relation to our auditor's report required under subsection 989B(3) of the *Corporations Act 2001* for the financial year, we received all necessary records, information and explanations from the licensee.

3 This part has been left blank intentionally

4 Scope - Audit and review of financial requirements

The following applies to the opinions expressed in parts 5 to 9 in this form.

We have audited and reviewed (as applicable) aspects of the licensee's financial requirements as specified in the *Corporations Act 2001* and the licensee's licence conditions. The financial requirements of Australian financial service licensees and their audit obligations are further explained in ASIC's Regulatory Guide 166 *Licensing: Financial requirements* (RG166).

The Licensee's Responsibility

The licensee is responsible for their compliance with the *Corporations Act 2001*, and for such internal controls that they determine are necessary for their compliance.

Auditor's Responsibility

We conducted our audit and review in accordance with the applicable standards issued by the Auditing and Assurance Standards Board (AUASB). Those standards require that we comply with relevant ethical requirements relating to audit and review engagements and plan and perform our audit to obtain reasonable assurance, and our review to obtain limited assurance about the licensee's compliance with the financial requirements in order to express our opinions.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our review procedures consisted primarily of inspection of evidence and observation of, and enquiry about, the operation of the procedures and internal controls of the financial risk management system and comparison and other such analytical review procedures we considered necessary.

Limitations

Because of the inherent limitations of any internal control structure it is possible that errors or irregularities may occur and not be detected. We have not audited the overall internal control structure of the licensee and no opinion is expressed as to its effectiveness. An audit is not designed to detect all weaknesses in control procedures or all instances of non-compliance as it is not performed continuously throughout the period and the tests performed are on a sample basis having regard to the nature and size of the licensee. Any projection of the evaluation of internal control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Where we have expressed an opinion in relation to projections our procedures have been restricted to an examination on a test basis throughout the relevant period to determine that the licensee had a projection in place, a review of projections identified on a test basis to ensure that they were materially in accordance with the requirements of the Act, as modified, to prepare projection of the licensee's cash flows as applicable, and testing that projections identified on a test basis were mathematically accurate based on the underlying assumptions as documented by the licensee. The underlying assumptions for projections are subject to significant uncertainties and contingencies often outside the control of the licensee. If events do not occur as assumed, actual results and cash maintained by the licensee may vary significantly from the projection. Accordingly, we do not confirm or guarantee the achievement of the projections, as future events, by their nature, are not capable of independent substantiation.

Accordingly, we have included such tests and procedures that we considered necessary in the circumstances. Unless we have included a Disclaimer of Opinion below, we believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit and review opinions.

5 Licence conditions - Base level financial requirements

Part 5 of this form:

- does not apply to the licensee for the full financial year
- applies to the licensee for all or part of the financial year

Part 5 of this form does not apply to any part of the financial year where the licensee was:

- (a) a limited licensee as defined in subsection 989B(4) of the Act (as inserted by Reg 7.8.12A).
- (b) a retail OTC derivative issuer (refer part 6).
- (c) authorised to operate registered schemes as a responsible entity (refer part 7)
- (d) authorised to operate an Investor Directed Portfolio Service (IDPS) as an IDPS operator (refer part 7) ; or
- (e) authorised to provide custodial or depository services (refer part 8)
- (f) authorised to provide a crowd-funding service (refer part 9)

Licence conditions

The following auditor's opinions are expressed where the licensee's cash needs option and dates are included. Where no dates are included no opinion is expressed.

The opinions in part 5 are based on the conditions in ASIC Pro Forma 209 [PF 209]. The opinions expressed below are to be read as though the PF 209 condition references 13 to 26 were replaced with to , which are the paragraph references to the identical conditions in the licensee's actual licence.

Where the licensee's actual licence conditions differ from the relevant PF 209 conditions, and where practical to do so, written amendments or notations have been made on this form to reflect these differences as necessary, otherwise we have attached the opinions required by the licensee's licensee conditions in an annexure marked (indicate identifying letter or symbol used to mark annexure)

Cash needs requirements option

The licensee used the cash needs requirements 'Option ', [number 1 to 5 is inserted as appropriate] as defined in the conditions of the licensee's licence (its licence).

'Option 1' or 'Option 2'

Where the licensee used cash needs requirements 'Option 1' or 'Option 2'

in relation to the period / / to / /

[D D] [M M] [Y Y] [D D] [M M] [Y Y]

where necessary we have included a

qualified opinion adverse opinion disclaimer of opinion

below or

in an annexure marked (indicate identifying letter or symbol used to mark annexure)

otherwise

(a) in our opinion, based on our audit, in all material respects, the licensee:

- (i) complied with all the financial requirements under conditions 13 to 26 (inclusive) of its licence other than paragraph 13(c) of its licence, except for paragraph (e) of the definition of "Option 1" under its licence if the licensee purports to comply with "Option 1"; and
- (ii) had at all times a projection (covering at least the following 3 months) that purported to, and appeared on its face to comply with, paragraph (a) of the definition of either "Option 1" or "Option 2" (as applicable) under its licence; and;
- (iii) correctly calculated the projections on the basis of the assumptions the licensee adopted for the projections; and

(b) based on our review, the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that, following an examination of the documents the licensee relied on in complying with "Option 1" or "Option 2" as defined under its licence, in all material respects:

- (i) the licensee did not satisfy the requirements of paragraph 912A(1)(h) of the Act for managing the risk of having insufficient financial resources to comply with the conditions of its licence; and
- (ii) the licensee failed to comply with the cash needs requirement using either "Option 1" or "Option 2" as defined under its licence (as applicable) except for paragraphs (a), (c) and (e) of the definition of "Option 1" or paragraphs (a) and (c) of the definition of "Option 2"; and
- (iii) if the licensee relied on "Option 1" as defined under its licence, the assumptions the licensee adopted for its projection were unreasonable; or
- (iv) if the licensee relied on "Option 2" as defined under its licence, the basis for the selection of assumptions to meet the requirements for the projection adopted was unreasonable.

5 Continued... Licence conditions - Base level financial requirements

'Option 3'

Where the licensee used cash needs requirements 'Option 3'

in relation to the period / / to / /

where necessary we have included a

qualified opinion adverse opinion disclaimer of opinion

below or

in an annexure marked (indicate identifying letter or symbol used to mark annexure)

otherwise:

(a) in our opinion, based on our audit, in all material respects, the licensee:

(i) complied with all the financial requirements under conditions 13 to 26 (inclusive) of its licence other than paragraph 13(c); and

(ii) has obtained from an Australian ADI or a foreign deposit-taking institution approved in writing by ASIC as an eligible provider an enforceable and unqualified commitment to pay on demand from time to time an unlimited amount to the licensee, or the amount for which the licensee is liable to its creditors at the time of demand to the licensee's creditors or a trustee for the licensee's creditors.

'Option 4'

Where the licensee used cash needs requirements 'Option 4'

in relation to the period / / to / /

where necessary we have included a

qualified opinion adverse opinion disclaimer of opinion

below or

in an annexure marked (indicate identifying letter or symbol used to mark annexure)

otherwise:

(a) in our opinion, based on our audit, in all material respects the licensee complied with all the financial requirements under conditions 13 to 26 (inclusive) of its licence other than paragraph 13(c); and

(b) in our opinion, based on our audit, in all material respects, following our examination of the documents prepared for subparagraph 13(c)(iv)(C), the licensee complied with subparagraph 13(c)(iv)(A) and subparagraph 13(c)(iv)(C) of its licence; and

(c) based on our review, the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that, following our examination of the documents prepared for subparagraph 13(c)(iv)(C) of its licence, in all material respects:

(i) the licensee did not satisfy the requirements of paragraph 912A(1)(h) of the Act for managing the risk of having insufficient financial resources to comply with the conditions in its licence; and

(ii) the basis for the selection of the assumptions adopted was unreasonable.

5 Continued... Licence conditions - Base level financial requirements

'Option 5'

Where the licensee used cash needs requirements 'Option 5'

The licensee purports to comply with Alternative A in subparagraph 13(c)(v)(E) for the following period:

/ / to / /

[D] [D] / [M] [M] / [Y] [Y] to [D] [D] / [M] [M] / [Y] [Y]

The licensee relied on Alternative B in subparagraph 13(c)(v)(E) for the following period:

/ / to / /

[D] [D] / [M] [M] / [Y] [Y] to [D] [D] / [M] [M] / [Y] [Y]

in relation to the period / / to / /

[D] [D] / [M] [M] / [Y] [Y] to [D] [D] / [M] [M] / [Y] [Y]

where necessary we have included a

qualified opinion adverse opinion disclaimer of opinion is set out:

below or

in an annexure marked (indicate identifying letter or symbol used to mark annexure)

otherwise:

(a) in our opinion, based on our audit, in all material respects the licensee:

- (i) complied with all the financial requirements under conditions 13 to 26 (inclusive) of its licence other than paragraph 13(c); and
- (ii) complied with subparagraph 13(c)(v)(A) and (B) of its licence; and
- (iii) for any period when the licensee purports to comply with Alternative A in subparagraph 13(c)(v)(E), the parent entity has provided an enforceable and unqualified commitment to pay on demand from time to time an unlimited amount to the licensee or to meet the licensee's liabilities; and

(b) based on our review, the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that, for any period when the licensee relied on Alternative B in subparagraph 13(c)(v)(E), following our examination of the documents prepared for Alternative B, in all material respects:

- (i) the licensee did not satisfy the requirements of paragraph 912A(1)(h) of the Act for managing the risk of having insufficient financial resources to comply with the conditions in its licence; and
- (ii) the basis for the selection of the assumptions adopted was unreasonable.

6 Licence conditions - Retail OTC Derivative Issuer [CO 12/752]

Part 6 of this form:

- does **not** apply to the licensee for the full financial year
 applies to the licensee for all or part of the financial year

Part 6 of this form applies only to the period during the financial year, if any, where section 912AB of the *Corporations Act 2001* applied to the licensee (i.e. where the licensee was a retail OTC derivative issuer) – refer also to [CO 12/752].

In relation to the period / / to / /
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

where necessary we have included a

- qualified opinion adverse opinion disclaimer of opinion is set out:
 below or
 in an annexure marked (indicate identifying letter or symbol used to mark annexure)

otherwise:

- (a) in our opinion, based on our audit, in all material respects the licensee:
- (i) complied with subsections 912AB(4) and (5) and other financial requirements in conditions on its licence; and
 - (ii) had at all times a projection that purports to, and appears on its face to, comply with paragraph 912AB(3)(a); and
 - (iii) correctly calculated the projection in paragraph 912AB(3)(a) on the basis of the assumptions the licensee adopted for the projection; and
- (b) based on our review, the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that, following our examination of the calculations, assumptions and description prepared under paragraph 912AB(3)(c) and relied on by the licensee in complying with paragraph 912AB(3)(a), in all material respects:
- (i) the licensee did not satisfy the requirements of paragraph 912A(1)(h) of the Act for managing the risk of having insufficient financial resources to comply with subsections 912AB(4) and (5) and other financial requirements in conditions on its licence; or
 - (ii) the licensee failed to comply with paragraphs 912AB3(b), (c) or (d); or
 - (iii) the assumptions the licensee adopted for its projection in paragraph 912AB(3)(a) were inappropriate.

7 Licence conditions - Responsible Entity or IDPS Operator [CO 13/760]

Part 7 of this form:

- does not apply to the licensee for the full financial year
 applies to the licensee for all or part of the financial year

Part 7 of this form applies only to the period during the financial year, if any, where section 912AA of the *Corporations Act 2001* applied to the licensee (i.e. where the licensee was authorised to operate registered schemes as a responsible entity or was authorised to operate an Investor Directed Portfolio Service (IDPS) as an IDPS operator) – refer also to [CO 13/760].

In relation to the period / / to / /
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

where necessary we have included a

- qualified opinion adverse opinion disclaimer of opinion is set out:
 below or
 in an annexure marked (indicate identifying letter or symbol used to mark annexure)

otherwise:

- (a) in our opinion, based on our audit, in all material respects the licensee:
- (i) complied with paragraph 912AA(3)(b) and subsections 912AA(4) and (8) and other financial requirements in conditions on its licence; and
 - (ii) had at all times a projection that purports to, and appears on its face to, comply with paragraph 912AA(3)(a); and
 - (iii) correctly calculated the projection in paragraph 912AA(3)(a) on the basis of the assumptions the licensee used for the projection; and
- (b) based on our review, the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that, following an examination of the calculations, assumptions and description prepared under paragraph 912AA(3)(c) and relied on by the licensee in complying with paragraph 912AA(3)(a), the projections prepared under paragraph 912AA(3)(a) and the document prepared under paragraph 912AA(3)(e), in all material respects:
- (i) the licensee did not have adequate systems for managing the risk of having insufficient financial resources to comply with subsections 912AA(4) and (8) and other financial requirements in conditions on its licence; or
Note: Paragraph 912A(1)(h) requires a licensee (other than certain bodies regulated by APRA) to have adequate risk management systems; or
 - (ii) the licensee failed to comply with paragraph 912AA(3)(c); or
 - (iii) the licensee will not have access when needed to enough financial resources to meet its liabilities over the projected term of at least the next 12 months; or
 - (iv) the licensee will not hold at all times during the period to which the projection relates in cash or cash equivalents, an amount equal to or greater than the current amount the licensee is required to hold in cash or cash equivalents under subsection 912AA(8); or
 - (v) the assumptions the licensee adopted for its projection in paragraph 912AA(3)(a) were unreasonable.

8 Licence conditions - Custodial or depository service provider [CO 13/761]

Part 8 of this form:

does **not** apply to the licensee for the full financial year

applies to the licensee for all or part of the financial year

Part 8 of this form applies only to the period during the financial year, if any, where section 912AC of the *Corporations Act 2001* applied to the licensee (i.e. where the licensee was authorised to provide custodial or depository services) – refer also to [CO 13/761].

In relation to the period / / to / /

[D D] / [M M] / [Y Y] [D D] / [M M] / [Y Y]

where necessary we have included a

qualified opinion adverse opinion disclaimer of opinion is set out:

below or

in an annexure marked (indicate identifying letter or symbol used to mark annexure)

otherwise:

(a) in our opinion, based on our audit, in all material respects the licensee:

- (i) complied with paragraph 912AC(3)(b) and subsections 912AC(4) and (7) (or did not need to comply with subsections 912AC(4) and (7) on the basis that subsection 912AC(5) applied) and other financial requirements in conditions on its licence; and
- (ii) had at all times a projection that purports to, and appears on its face to, comply with paragraph 912AC(3)(a); and
- (iii) correctly calculated the projection in paragraph 912AC(3)(a) on the basis of the assumptions the licensee used for the projection; and

(b) based on our review, the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that, following our examination of the calculations, assumptions and description prepared under paragraph 912AC(3)(c) and relied on by the licensee in complying with paragraph 912AC(3)(a), the projections prepared under paragraph 912AC(3)(a) and the document prepared under paragraph 912AC(3)(e), in all material respects:

- (i) the licensee did not have adequate systems for managing the risk of having insufficient financial resources to comply with subsections 912AC(4) and (7) of this section (if applicable) and other financial requirements in conditions on its licence; or
Note: Paragraph 912A(1)(h) requires a licensee (other than certain bodies regulated by APRA) to have adequate risk management systems.
 - (ii) the licensee failed to comply with paragraph 912AC(3)(c); or
 - (iii) the licensee will not have access when needed to enough financial resources to meet its liabilities over the projected term of at least the next 12 months; or
 - (iv) the licensee will not hold at all times during the period to which the projection relates in cash or cash equivalents, an amount equal to or greater than the current amount the licensee is required to hold in cash or cash equivalents under subsection 912AC(7); or
 - (v) the assumptions the licensee adopted for its projection in paragraph 912AC(3)(a) were unreasonable; and
- (c) if the licensee sought to comply with the NTA requirement in paragraph 912AC(4)(b) on the basis that it was an **incidental provider**, the auditor has no reason to believe that licensee did not satisfy the requirement in paragraph (b) of the definition of incidental provider in subsection 912AC(12).

9 Licence conditions - Crowd-sourced funding intermediary - ASIC Corporations (Financial requirements for crowd-sourced funding intermediaries) Instrument 2017/339

Part 9 of this form:

- does **not** apply to the licensee for the full financial year
 applies to the licensee for all or part of the financial year

Part 9 of this form applies only to the period during the financial year, if any, where section 912AH of the *Corporations Act 2001* applied to the licensee (i.e. where the licensee was authorised to provide a crowd-funding service, and is not a licensee of a type referred to in section 912AH(1)(b) – refer also to ASIC Corporations (Financial requirements for crowd-sourced funding intermediaries) Instrument 2017/339.

In relation to the period / / to / /
 [D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

where necessary we have included a

- qualified opinion adverse opinion disclaimer of opinion is set out:
 below or
 in an annexure marked (indicate identifying letter or symbol used to mark annexure)

otherwise:

- (a) in our opinion, based on our audit, in all material respects the licensee:
 (i) complied with paragraphs 912AH(2)(b) and (2)(f) and other financial requirements in conditions on its licence; and
 (ii) had at all times a projection that purports to, and appears on its face to, comply with paragraph 912AH(2)(a); and
 (iii) correctly calculated the projection in paragraph 912AH(2)(a) on the basis of the assumptions the licensee used for the projection; and
 (b) based on our review, the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that, following an examination of the calculations, assumptions and description prepared under paragraph 912AH(2)(c) and relied on by the licensee in complying with paragraph 912AH(2)(a), the projections prepared under paragraph 912AH(2)(a) and the document prepared under paragraph 912AH(2)(e), in all material respects:
 (i) the licensee did not have adequate systems for managing the risk of having insufficient financial resources to comply with paragraph 912AH(2)(f) and other financial requirements in conditions on its licence; or
Note: Paragraph 912A(1)(h) requires a licensee (other than certain bodies regulated by APRA) to have adequate risk management systems.
 (ii) the licensee failed to comply with paragraph 912AH(2)(c); or
 (iii) the licensee will not have access when needed to enough financial resources to meet its liabilities over the projected term of at least the next 12 months; or
 (iv) the licensee will not hold at all times during the period to which the projection relates in cash, an amount equal to or greater than the current amount the licensee is required to hold in cash under paragraph 912AH(2)(f); or
 (v) the assumptions the licensee adopted for its projection in paragraph 912AH(2)(a) were unreasonable.

10 Non-material Matters

Where we have expressed opinions in:

- a) Report on Internal Controls and Required Accounts in Part 2;
- b) Report on Records, Information and Explanations in Part 2; and
- c) Parts 4 to 8

the opinions have been made "in all material respects" based on our audit or review (as appropriate), which were planned and performed based on our assessment of materiality.

We include below or in an annexure, details of non-material matters identified when performing the audit or review procedures referred to above. These are matters that relate to:

- a) the specified internal controls not being effective, or the required accounts not being operated and controlled as required (Report on Internal Controls and Required Accounts in Part 2);
 - b) necessary records, information and explanations not being received from the licensee (Report on Records, Information and Explanations in Part 2); and/or
 - c) the licensee not complying with the matters referred to in our opinions (in Parts 4 to 8), including as appropriate:
 - i) compliance with the financial or other conditions of its licence;
 - ii) compliance with requirements of the Act;
 - iii) whether the licensee had the required cash flow projections;
 - iv) whether the projections have been correctly calculated;
 - v) whether the basis for selecting assumptions adopted was unreasonable; and
 - vi) whether the licensee had adequate risk management systems.
- as referred to in the opinions we expressed.

We have not included in this part any matter that has been reported to ASIC previously under section 990K of the Act or that has been included elsewhere in this form.

The non-material matters identified are set out:

- below or
- in an annexure marked (indicate identifying letter or symbol used to mark annexure)
-
-
-

11 Independence and Quality Control

We have complied with the relevant ethical requirements relating to assurance engagements, which include independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Australian Standard on Quality Control ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

12 Section 990K Matters

Subsection 990K(1) of the *Corporations Act 2001* requires that, if in the performance of duties as auditor of the licensee, we become aware of a matter referred to in subsection (2), we must, within 7 days after becoming aware of the matter, lodge a written report on the matter with ASIC and send a copy of the report to the licensee, and to each licensed market (if any) and each licensed CS facility (if any) in which the licensee is a participant.

We have reported all matters to ASIC as required by section 990K, either previously, in other parts of this form, or set out:

- below or in an annexure marked (indicate identifying letter or symbol used to mark annexure)
-
-
-

Signature

To the best of my knowledge, the information in this form and annexures is true and complete (it is an offence to provide false or misleading information to ASIC).

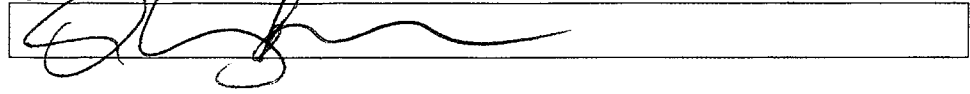
This form must be signed by:

- the individual auditor; or
- if the auditor is a firm, by an ASIC registered company auditor of the firm; or
- in the case of an authorised audit company, by a current director.

Name

Anthony Bruce

Signature



Capacity

Auditor

Authorised audit company director

Date signed

3 1 / 1 0 / 2 2
[D] [D] [M] [M] [Y] [Y]

Lodgement

Lodge the form online by:

- visiting the ASIC website www.asic.gov.au
- using Standard Business Reporting enabled software. See www.sbr.gov.au for more details.

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Telephone 1300 300 630