



Independent Reasonable Assurance Report

To the Directors of Ord Minnett Limited

Opinion

We have undertaken a reasonable assurance engagement relating to Ord Minnett Limited's Managed Discretionary Account Service (the **MDA Services**) documented measures of Ord Minnett Limited (the **MDA Operator**) as operator of the MDA Services in order to form an opinion on the MDA Operator's compliance with its obligations relating to the provision of MDA services in accordance with the **ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968** (the **Instrument**) and the **Corporations Act 2001** (the **Act**) during the financial year ended 30 June 2023, as detailed in the attached 'Portfolio Administration & Reporting Services Control Procedures an Tasks – Discretionary (MDA)' (the **Report**) dated 18 August 2023.

In our opinion, in relation to the provision of Ord Minnett Limited's Managed Discretionary Account Service (as defined in the Instrument):

- Ord Minnett Limited has complied, in all material respects, with the documented measures detailed in the attached 'Portfolio Administration & Reporting Services Control Procedures an Tasks – Discretionary (MDA)' dated 18 August 2023 during the financial year ended 30 June 2023; and
- those documented measures met the conditions of subparagraph 912 AEE (a) of the Instrument for the period from 1 July 2022 to 30 June 2023 and the Corporations Act 2001 relating to the provision of MDA services at all times during the financial year ended 30 June 2023.

The report on the documented measures under subparagraph 912AEE(a) of the Instrument comprises:

- internal control systems, policies and procedures that comply with the conditions of the Instrument; and
- the Directors' assertions about the design and operation of the documented measures are included in the Directors' declaration.

Use of this Assurance Report

This report has been prepared for the Directors of the MDA Operator and the Australian Securities and Investments Commission. This report is prepared for the MDA Operator to comply with the requirements in the Instrument and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of the MDA Operator and the Australian Securities and Investments Commission, or for any other purpose than that for which it was prepared. Our opinion is not modified in respect of this matter.



Managements' responsibility for the Documented Measures

Management of the MDA Operator are responsible for:

- preparing, establishing and maintaining the documented measures of the MDA Services that it operates in accordance with the Instrument and the Act;
- ensuring the adequacy of the internal control procedures contained in the documented measures including the internal controls systems, policies, procedures and compliance with them during the financial year ended 30 June 2023; and
- ensuring that the documented measures met the conditions of the Instrument and the Act.

The Directors of the MDA Operator are responsible for

- preparing the Directors' declaration on the Directors' assertions about the design and operation of the Documented Measures; and
- ensuring the MDA Operator's obligations to comply with the requirements of the Instrument and the Act are met via the Documented Measures.

Our responsibility

We conducted our reasonable assurance engagement in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3100 *Compliance Engagements*. We believe that the reasonable assurance evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In accordance with ASAE 3000 and ASAE 3100 we have:

- used our professional judgement to assess the risk of material misstatement and plan and perform the engagement to obtain reasonable assurance that the Documented Measures:
 - are free from material misstatement, whether due to fraud or error; and
 - meet the conditions of the Instrument;
- obtained an understanding of the design and operation of the internal control systems, policies, procedures and the compliance measures as described in the documented measures;
- examined on a test basis of evidence on whether the MDA Operator complied with the requirements of the Instrument and the Act as described in the documented measures;
- considered relevant internal controls implemented on the compliance activity to meet the requirements of the Instrument and the Act when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Reasonable assurance is a high level of assurance, but is not a guarantee that it will always detect a material misstatement when it exists.



Independence and quality control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

Limitations of controls

Even if the controls are suitably designed and operating effectively, the documented measures may not meet the reporting requirements in the Instrument so that fraud, error or non-compliance with laws and regulations may occur and not be detected because of the inherent limitations of any internal control structure. Further, the internal control structure, within which the documented measures we have assured are designed to operate, has not been assured and no conclusion is expressed as to its design or operating effectiveness.

Any projection of the evaluation of the documented measures 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.

A reasonable assurance engagement is not designed to detect all weaknesses in the documented measures, as it is not performed continuously throughout the period and the tests performed are on a sample basis.

A handwritten signature of the KPMG firm, written in blue ink.

KPMG

18 August 2023



Independent Reasonable Assurance Report

To the Directors of Ord Minnett Limited

Opinion

We have undertaken a reasonable assurance engagement on the internal controls and other procedures relating to the preparation of the **Investor Statements** of Ord Minnett Limited (the **MDA Operator**) as operator of Ord Minnett Limited's Managed Discretionary Account Service (the **Managed Discretionary Account (MDA) Services**), and any other relevant person acting on behalf of the MDA Operator as documented in the attached 'Portfolio Administration & Reporting Services Control Procedures and Tasks – Discretionary (MDA)' dated 17 August 2023 (the **Documented Controls**). The Investor Statements comprise of the:

- Annual Investor Statements given under subparagraph 912 AEF (4)(a) of **ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968** (the **Instrument**); and
- Quarterly Investor Statements for each quarter during the year ended 30 June 2023 that have been given under subparagraph 912 AEF (2)(a) of the Instrument for the period from 1 July 2022 to 30 June 2023 (the **Quarterly Reports**).

In our opinion, in relation to the provision of Ord Minnett Limited's Managed Discretionary Account Service (as defined in the Instrument, by Ord Minnett Limited):

- the internal controls and other procedures of the MDA Operator and any other relevant person acting on behalf of the MDA Operator for the year ended 30 June 2023, as documented in the attached 'Portfolio Administration & Reporting Services Control Procedures and Tasks – Discretionary (MDA)' dated 17 August 2023 were suitably designed and operated effectively, in all material respects, to provide reasonable, but not absolute assurance that the following have not been materially misstated in accordance with the specified basis of preparation:
 - the Annual Investor Statements given under subparagraph 912 AEF (4)(a) of the Instrument for the year ended 30 June 2023; and
 - the quarterly reports for each quarter during the year ended 30 June 2023 that have been given under subparagraph 912 AEF (2)(a) of the Instrument; and
- the aggregates of assets, liabilities, revenue and expenses shown in the Annual Investor Statements provided by the MDA Operator for the year ended 30 June 2023 have been properly reconciled in all material respects, to the corresponding amounts shown in reports prepared by the holder of any retail client's portfolio assets (or if the holder is the retail client, by the MDA Operator) that have been independently audited.

We express no opinion as to whether the specified basis of preparation is appropriate to the needs of the Clients.



Use of this Assurance Report

This report has been prepared for the Directors of the MDA Operator. This report is prepared for the MDA Operator to comply with the requirements in the Instrument and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of the MDA Operator and the Clients, or for any other purpose than that for which it was prepared. Our opinion is not modified in respect of this matter.

Managements' responsibility for the Internal Controls

Management of the MDA Operator are responsible for:

- preparing the Documented Controls and the Investor Statements;
- establishing and maintaining an effective internal control structure, including the internal controls in relation to the preparation of Investor Statements given to the Clients;
- designing, implementing and operating the Internal Controls and other procedures to
 - ensure that the following have not been materially misstated:
 - the Annual Investor Statements given under subparagraph 912 AEF (4)(a) of the Instrument for the year ended 30 June 2023; and
 - the quarterly reports for each quarter during the year ended 30 June 2023 that have been given under subparagraph 912 AEF (2)(a) of the Instrument; and
 - ensure that the aggregates of assets, liabilities, revenue and expenses shown in the Annual Investor Statements provided by the MDA Operator for the year ended 30 June 2023 have been properly reconciled in all material respects, to the corresponding amounts shown in reports prepared by the holder of any retail client's portfolio assets (or if the holder is the retail client, by the MDA Operator) that have been independently audited
- identifying the risks that threaten achievement of compliance with the Instrument; and
- the presentation, preparation and accuracy of the information included in the Annual Investor Statements for the year ended 30 June 2023 and quarterly reports for each quarter during the year ended 30 June 2023.

The Directors of the MDA Operator are responsible for:

- preparing the Directors' Declaration on the Directors' assertions about:
 - the design and operating effectiveness of the internal controls; and
 - relevant accounting procedures (basis of preparation) in relation to the accounting and reporting of assets, liabilities, revenue and expenses included in the Investor Statements; and
- determining the accounting policies used as described in the specified basis of preparation, including the basis of accounting that:
 - complies with the requirements of the Instrument; and
 - meets the requirements of the Instrument.



Our responsibility

We conducted our reasonable assurance engagement in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagements on Controls*. We believe that the reasonable assurance evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We express no opinion as to whether the specified basis of preparation is appropriate to the needs of the Clients.

In accordance with ASAE 3000 and ASAE 3150 we have:

- obtained an understanding of the Documented Controls relevant to the preparation of the Investor Statements;
- examined on a test basis, to obtain evidence to support the suitability of design and operating effectiveness of the internal controls used by the MDA Operator to prepare the Documented Controls and Investor Statements;
- tested the aggregates of assets (other than assets held by a Client), liabilities, revenue and expenses shown collectively in the Investor Statements were properly reconciled by the MDA Operator to the corresponding amounts shown in reports prepared by the holder of the relevant retail client's portfolio assets (or if the holder is the retail client, by the MDA Operator) that have been independently audited; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Reasonable assurance is a high level of assurance, but is not a guarantee that it will always detect a material misstatement when it exists.

Independence and quality control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board.

We have also complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

Limitations of controls

Even if the controls are suitably designed and operating effectively, the Internal Controls may not meet the reporting requirements in the Instrument so that fraud, error or non-compliance with laws and regulations may occur and not be detected because of the inherent limitations of any internal control structure. Further, the internal control structure, within which the Internal Controls we have assured are designed to operate, has not been assured and no conclusion is expressed as to its design or operating effectiveness.

Any projection of the evaluation of control procedures to future periods is also subject to the risk that they may become inadequate in the future because of changes in conditions, or that the degree of compliance with the Instrument may deteriorate.



A reasonable assurance engagement on the 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.

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18 August 2023



Independent Auditor's Review Report

To the Directors of Ord Minnett Limited

Conclusion

We have reviewed the summaries of transactions given as part of the **Managed Discretionary Accounts** (the **MDA**) services provided by Ord Minnett Limited (the **MDA Operator**) to its retail clients during the year ended 30 June 2023 (the **Annual Investor Statements**) given under subparagraph 912 AEF (4)(a) of **ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968** (the **Instrument**).

We have also reviewed the quarterly reports for each quarter during the year ended 30 June 2023 that have been given by the MDA Operator under subparagraph 912 AEF (2)(a) of the Instrument for the period from 1 July 2022 to 30 June 2023 (the **Quarterly Reports**).

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Annual Investor Statements and the Quarterly Reports for the year ended 30 June 2023 given to the clients of Ord Minnett Limited have been materially misstated or have not been presented, in accordance with the specified basis of preparation.

The Annual Investor Statements under subparagraph 912 AEF (4)(a) of the Instrument and the Quarterly Reports under subparagraph 912 AEF (2)(a) for the Instrument, for each client, comprise the following summary information in relation to the requirements of the subparagraph 912 AEF (1) under the Instrument:

- Particulars of all transactions effected as part of the MDA services provided to the client during each three month period (the **reporting period**) ending on each quarter day;
- The particulars of, and a reasonable valuation of, each of the client's portfolio assets at the end of the reporting period;
- As at the beginning and the end of the reporting period, the total value of the Client's portfolio assets and the total value of liabilities that the client has that were incurred in the operation of the MDA services;
- All revenue and expenses including fees and charges relating to the MDA services; and

The Directors' assertions about the controls over the Annual Investor Statements and Quarterly reports are included in the Directors' declaration.

Emphasis of matter – basis of preparation and restriction on use and distribution

The Annual Investor Statements and the Quarterly reports have been prepared by the MDA Operator in accordance with the specified basis of preparation in order to comply with the requirements of the Instrument. As a result, the Annual Investor Statements and the Quarterly reports may not be suitable for another purpose.

Our report is intended solely for the Directors of the MDA Operator and the clients and should not be used by or distributed to any other parties. We disclaim any assumption of responsibility for any



reliance on this Auditor's Report, or on the Annual Investor Statements and the Quarterly reports to which it relates, to any person other than the Directors of the MDA Operator and the clients. Our conclusion is not modified in respect of this matter.

Responsibilities of management for the Annual Investor Statements and the Quarterly Reports

Management of the MDA Operator are responsible for:

- the presentation and preparation of the clients' Annual Investor Statements and Quarterly Reports for the year ended 30 June 2023 in accordance with the specified basis of preparation in order to comply with the requirements of the Instrument; and
- such internal control as management determine is necessary to enable the preparation of Annual Investor Statements and Quarterly Reports that are free from material misstatement and non-compliance with the Instrument, whether due to fraud or error.

The Directors of the MDA Operator are responsible for

- preparing the Directors' declaration on the Directors' assertions about the controls over the Annual Investor Statements and the Quarterly Reports; and
- determining the accounting policies used as described in the specified basis of preparation. The specified basis of preparation including the basis of accounting comply with the requirements of the Instrument and meet the needs of the Clients.

Auditor's responsibility for the review of the Annual Investor Statements and the Quarterly reports

Our responsibility is to express a conclusion on the Annual Investor Statements and the Quarterly Reports based on our review.

We conducted our review in accordance with *Standard on Review Engagements ASRE 2405 Review of Historical Financial Information Other than a Financial Report* and other auditing standards applicable to a review engagement in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Annual Investor Statements and the Quarterly Reports have been materially misstated or have not been presented, in accordance with the specified basis of preparation in relation to the requirements of the Instrument. We express no opinion as to whether the specified basis of preparation is appropriate to the needs of the Clients.

A review of the Annual Investor Statements and the Quarterly Reports consists of making enquiries, primarily of the MDA Operator's personnel responsible for the Annual Investor Statements and the Quarterly Reports, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have also performed an independent audit of internal controls and other relevant accounting procedures of the MDA Operator, including those over its custodian(s) and any other relevant person acting on behalf of the MDA Operator as they relate to the preparation of the Annual Investor Statements and the Quarterly Reports (the internal controls). We have issued a separate unqualified audit opinion to provide reasonable, but not absolute, assurance that the internal controls implemented by the MDA Operator were suitably designed and operated effectively to ensure that there are no material deviations in controls as they relate to the preparation of the clients' Annual



Investor Statements for the year ended 30 June 2023 and the Quarterly Reports for each quarter during the year ended 30 June 2023.

ASRE 2405 requires us to comply with the independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board.

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18 August 2023