



Auditor's report for Australian financial services licensee

[Corporations Act 2001](#) (Corporations Act) s989B, s912AA, s912AB, s912AC

[Corporations Regulations 2001](#) (Corporations Regulations) reg 7.8.12A

Refer to Australian Securities and Investments Commission (ASIC) Regulatory Guide 166 *AFS licensing: Financial requirements (RG 166)* and the attached Guide before completing this auditor's report.

Australian financial services (AFS) licensee details (the 'licensee')	AFS licensee name <input type="text"/> AFS licence number <input type="text"/>
Contact details	Who should ASIC contact if there is a query about this auditor's report? Contact name/position description <input type="text"/> Telephone number (during business hours) <input type="text"/> Email address <input type="text"/>
Auditor details Auditor is an individual	ASIC registered company auditor number <input type="text"/> Given name <input type="text"/> Family name <input type="text"/> or ASIC authorised audit company registration number <input type="text"/> Authorised audit company name <input type="text"/> ACN/ABN <input type="text"/> or Auditor is an authorised audit company
Auditor is an audit firm	Firm name <input type="text"/> ABN <input type="text"/> Office, unit, level <input type="text"/> Street number and street name <input type="text"/> Suburb/City <input type="text"/> State/Territory <input type="text"/> Postcode <input type="text"/> Country (if not Australia) <input type="text"/>
Financial year	This auditor's report is for the financial year <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> to <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> [D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

1 Application statements

Limited licensee

Retail over-the-counter (OTC) derivative issuer, responsible entity, investor directed portfolio service (IDPS) operator, custodial or depository service, crowd-sourced funding intermediary, or corporate director of a retail corporate collective investment vehicle (CCIV)

Market participant or clearing participant

Has this auditor's report been prepared on the basis that the licensee was a limited licensee (as defined in regulation 7.8.12A of the Corporations Regulations) for any part of the financial year?

Yes ☐ No ☐

If 'Yes', from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

Has this auditor's report been prepared on the basis that during any part of the financial year the licensee was:

(a) a retail OTC derivative issuer?

Yes ☐ No ☐

If 'Yes', from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

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

Yes ☐ No ☐

If 'Yes', from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

(c) authorised to operate an IDPS as an IDPS operator?

Yes ☐ No ☐

If 'Yes', from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

(d) authorised to operate the business and conduct the affairs of a retail CCIV?

Yes ☐ No ☐

If 'Yes', from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

(e) authorised to provide custodial or depository services?

Yes ☐ No ☐

If 'Yes', from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

(f) authorised to provide a crowd-funding service?

Yes ☐ No ☐

If 'Yes', from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

Has this auditor's report been prepared on the basis that during any part of the financial year the licensee relied on being a market participant or clearing participant and during this period the licensee was a participant in the:

- (a) ASX market
- (b) Cboe market
- (c) ASX 24 market, and restricted its financial services business to participating in the ASX 24 market and incidental business
- (d) FEX market
- (e) NSX market
- (f) SSX market
- (g) licensed clearing and settlement facility operated by ASX Clear Pty Limited, or
- (h) 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?

Yes ☐ No ☐

If 'Yes', from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

Parts 3 to 8 of this auditor's report 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.

1 Continued ... Application statements

Body regulated by the Australian Prudential Regulation Authority (APRA)

Has this auditor's report been prepared on the basis that during any part of the financial year the licensee relied on being, and was, an APRA-regulated body?

Yes ☐ No ☐

If 'Yes', from ☐ ☐ / ☐ ☐ / ☐ ☐ to ☐ ☐ / ☐ ☐ / ☐ ☐
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

For financial years ending on or after 1 July 2015, Part 6 (with Part 3) 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 and a registrable superannuation entity licensee. Otherwise, Parts 3 to 8 of this auditor's report 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 statements

The licensee has prepared financial statements for the financial year. We have audited the financial 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 Corporations Act.

Our auditor's report includes a/an:

- ☐ qualified opinion
- ☐ adverse opinion
- ☐ disclaimer of opinion
- ☐ emphasis of matter or other matter paragraph – alerting readers that the financial reports/statements are prepared in accordance with a special purpose reporting framework
- ☐ emphasis of matter or other matter paragraph – for another reason
- ☐ material uncertainty on going concern
- ☐ unmodified opinion that the financial statements comply with the Corporations Act, including:

1. subject to paragraphs 2 and 3 below:

(a) the profit and loss statement and balance sheet are included in financial statements (within the meaning of paragraph 10 of Accounting Standard AASB 101 *Presentation of Financial Statements*) that:

- (i) give a true and fair view of the matters stated in the financial statements
- (ii) if the licensee is one or more of the following at the end of the financial year, have been prepared on the basis that Tier 1 reporting requirements (as described in Accounting Standard AASB 1053 *Application of Tiers of Australian Accounting Standards*) apply:
 - a body regulated by the Australian Prudential Regulation Authority
 - a participant in a licensed market
 - a participant in a clearing and settlement facility
 - a licensee that forms part of the retail over-the-counter derivative issuers sub-sector (as defined in regulation 61 of the [ASIC Supervisory Cost Recovery Levy Regulations 2017](#))
 - a licensee that forms part of the wholesale electricity dealers sub-sector (as defined in regulation 62 of the [ASIC Supervisory Cost Recovery Levy Regulations 2017](#))
 - a licensee that deals in financial products and that forms part of the corporate advisors sub-sector (as defined in regulation 63 of the [ASIC Supervisory Cost Recovery Levy Regulations 2017](#))
 - a licensee that forms part of the over-the-counter traders sub-sector (as defined in regulation 66 of the [ASIC Supervisory Cost Recovery Levy Regulations 2017](#))
 - a licensee that forms part of the wholesale trustees sub-sector (as defined in regulation 37 of the [ASIC Supervisory Cost Recovery Levy Regulations 2017](#))
 - a responsible entity of a registered scheme
 - a corporate director of a corporate collective investment vehicle
 - a licensee that holds an AFS licence that authorises the holder to provide a custodial or depository service, and
 - a licensee that holds an AFS licence that authorises the holder to operate an IDPS (as defined in [ASIC Corporations \(Investor Directed Portfolio Services\) Instrument 2023/669](#))

2 Continued ... Independent auditor's report - subsection 989B(3) of the Corporations Act

- (iii) if the licensee had 'control of an investee' as defined in Accounting Standard AASB 10 *Consolidated Financial Statements* at any time during the financial year, include both parent entity and consolidated financial statements except that an intermediate parent entity need not present consolidated financial statements where an exemption in the accounting standards applies
 - (iv) if the financial statements do not comply with a requirement of an accounting standard in order to give a true and fair view, disclose the non-compliance and its impact in the notes to the financial statements, and
 - (v) subject to paragraphs (i) to (iv) above, comply with the accounting standards, and
- (b) if the licensee is a body corporate, the board or other governing body of the licensee has resolved to the effect of paragraph (a).
- 2. If the licensee is a natural person, the financial statements may exclude revenue and expenses that do not relate to any business of the licensee or all revenue and expenses that do not relate to a financial services business of the licensee, provided the exclusion is noted in the financial statement.
- 3. If the licensee:
 - (a) is not a reporting entity (within the meaning of the first paragraph of the definition of 'reporting entity' in Accounting Standard AASB 1057 *Application of Accounting Standards*), and
 - (b) prepared a special purpose financial report for the immediately preceding financial year, then for its financial statements for a financial year commencing 1 July 2021 to 23 June 2022 and/or the comparative information in its financial statements for financial years commencing before 23 June 2023:
 - (c) if Chapter 2M of the Corporations Act does not require the licensee to prepare a financial report, the licensee may choose to only disclose the following:
 - (i) the profit and loss statement and balance sheet
 - (ii) information that would have been required by the accounting standards for special purpose financial reports for years commencing 1 July 2020, and
 - (iii) information necessary to give a true and fair view, and
 - (d) if Chapter 2M of the Corporations Act requires the licensee to prepare a financial report, the licensee must prepare financial statements for the purposes of reporting under Chapter 7 based on:
 - (i) Tier 1 reporting requirements if the licensee has 'public accountability' (as defined in Appendix A of Accounting Standard AASB 1053 *Application of Tiers of Australian Accounting Standards*), and
 - (ii) otherwise, either Tier 1 reporting requirements or Tier 2 reporting requirements.

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 under subsection 989B(4) of the Corporations Act):

- (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, 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 that sections 981B and 982B required the licensee to maintain (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, the licensee is responsible for establishing and maintaining effective internal controls in relation to the licensee's compliance with the requirements of the Corporations Act, and for operating and controlling accounts required by the Corporations Act in accordance with the Corporations 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 by the licensee as required.

2 Continued ... **Independent auditor’s report - subsection 989B(3) of the Corporations Act**

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.

Modified opinion

We have included a/an:

☐ 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 we have included a modified opinion 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 and Division 7 of Part 7.8 other than section 991A have been effective, and
- (b) each account that sections 981B and 982B of the Corporations Act required the licensee to maintain has been operated and controlled in accordance with those sections.

Report on records, information and explanations

Under regulation 7.8.13 of the Corporations Regulations, 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/an:

☐ 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 we have included a modified opinion 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 for the financial year, we received all necessary records, information and explanations from the licensee.

3 Scope – audit and review of financial requirements

The following applies to the opinions expressed in Parts 4 to 8 in this auditor's report

We have audited and reviewed (as applicable) aspects of the licensee's financial requirements as specified in the Corporations Act and the licensee's licence conditions. The financial requirements of AFS licensees and their audit obligations are further explained in ASIC's Regulatory Guide 166 *AFS licensing: Financial requirements* ([RG 166](#)).

The licensee's responsibility

The licensee is responsible for its compliance with the Corporations Act, and for such internal controls that it determines are necessary for its compliance.

Auditor's responsibility

We conducted our audit and review in accordance with the applicable standards issued by the Auditing and Assurance Standards Board. 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 we express no opinion 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 Corporations 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.

4 Licence conditions – base level financial requirements

Part 4 of this auditor's report:

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

Part 4 of this auditor's report 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 Corporations Act (as inserted by regulation 7.8.12A of the Corporations Regulations)
- (b) a retail OTC derivative issuer (refer Part 5)
- (c) authorised to operate registered schemes as a responsible entity (refer Part 6)
- (d) authorised to operate an IDPS as an IDPS operator (refer Part 6)
- (e) authorised to operate the business and conduct the affairs of a retail CCIV (refer Part 6)
- (f) authorised to provide custodial or depository services (refer Part 7), or
- (g) authorised to provide a crowd-funding service (refer Part 8).

4 Continued ... Licence conditions – base level financial requirements

Licence conditions

We express the following auditor’s opinions where the licensee’s cash needs option and dates are included. Where no dates are included, we express no opinion.

The opinions in Part 4 are based on the conditions in ASIC Pro Forma 209 *Australian financial services licence conditions* (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, we have made written amendments or notations on this auditor’s report to reflect these differences as necessary. Otherwise, we have attached the opinions required by the licensee’s licence 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 []’ [insert number 1 to 5 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
from [] []/[] []/[] [] to [] []/[] []/[] []
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

Modified opinion
We have included a/an:
[] 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 we have included a modified opinion above or in an annexure:

(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’
- (ii) had, at all times, a projection (covering at least the following three 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 Corporations 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.

4 Continued ... Licence conditions – base level financial requirements

‘Option 3’

Where the licensee used cash needs requirements ‘Option 3’

in relation to the period

from

to

Modified opinion

We have included a/an:

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)

‘Option 4’

Where the licensee used cash needs requirements ‘Option 4’

in relation to the period

from

to

Modified opinion

We have included a/an:

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 we have included a modified opinion above or in an annexure:

(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)

(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 Corporations 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.

Auditor’s report for Australian financial services licensee

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

In relation to the period

from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

Modified opinion

We have included a/an:

☐ 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 we have included a modified opinion above or in an annexure:

- (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)
 - (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 Corporations 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 Licence conditions – retail OTC derivative issuer

Part 5 of this auditor's report:

☐ 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 auditor's report applies only to the period during the financial year, if any, where section 912AB of the Corporations Act applied to the licensee (i.e. where the licensee was a retail OTC derivative issuer) – refer also to [ASIC Corporations \(Financial Requirements for Issuers of Retail OTC Derivatives\) Instrument 2022/705](#).

In relation to the period

from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

Modified opinion

We have included a/an:

☐ 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 we have included a modified opinion above or in an annexure:

(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
- (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 Corporations 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
- (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.

6 Licence conditions – responsible entity or IDPS operator or corporate director of retail CCIV

Part 6 of this auditor's report

☐ 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 auditor's report applies only to the period during the financial year, if any, where section 912AA of the Corporations Act 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 IDPS as an IDPS operator or was authorised to operate the business and conduct the affairs of a retail CCIV as a corporate director) – refer also to [ASIC Corporations \(Financial Requirements for Responsible Entities, IDPS Operators and Corporate Directors of Retail CCIVs\) Instrument 2023/647](#).

In relation to the period

from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

Modified opinion

We have included a/an:

☐ 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 we have included a modified opinion above or in an annexure:

- (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
 - (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
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 912AA(3)(c)
 - (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
 - (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.

7 Licence conditions – custodial or depository service provider

Part 7 of this auditor's report

☐ 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 auditor's report applies only to the period during the financial year, if any, where section 912AC of the Corporations Act applied to the licensee (i.e. where the licensee was authorised to provide custodial or depository services) – refer also to [ASIC Corporations \(Financial Requirements for Custodial or Depository Service Providers\) Instrument 2023/648](#).

In relation to the period

from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

Modified opinion

We have included a/an:

☐ 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 we have included a modified opinion above or in an annexure:

(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
- (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

(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) and other financial requirements in conditions on its licence

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)
- (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
- (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 net tangible assets 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).

8 Licence conditions – crowd-sourced funding intermediary

Part 8 of this auditor's report

☐ 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 auditor's report applies only to the period during the financial year, if any, where section 912AH of the Corporations Act 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 \(Financial Requirements for CSF Intermediaries\) Instrument 2017/339](#).

In relation to the period

from to
[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

Modified opinion

We have included a/an:

☐ 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 we have included a modified opinion above or in an annexure:

(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
- (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

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)
- (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
- (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.

9 Non-material misstatements and 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,

we have made the opinions '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 Corporations 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 we have previously reported to ASIC under section 990K of the Corporations Act or that we have included elsewhere in this auditor's report.

The non-material matters identified are set out:

☐ below

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

10 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 the Australian Auditing Standard on Quality Control *ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services 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.

11 Section 990K matters

Subsection 990K(1) of the Corporations Act 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.

Where we have identified any matters, we have reported all of them to ASIC as required by section 990K:

☐ previously

☐ in other parts of this auditor's report

set out:

☐ below

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

Signature

This auditor's report must be signed by:

- the individual auditor
- 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

Where auditor is a firm or authorised audit company

To the best of my knowledge, the information in this auditor's report and annexures is true and complete. Giving false or misleading information known to be false or where reasonable steps have not been taken to ensure the information is true and correct is a serious offence (see sections 136 and 137 of the *Criminal Code Act 2001* and section 1308 of the *Corporations Act 2001*).

Name

Signature

Capacity

☐

auditor

☐

authorised audit company director

Date signed

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

ASIC registered company auditor number of signing auditor

For more information

Web www.asic.gov.au

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Telephone 1300 300 630



Guide:

Auditor's report for Australian financial services licensee

This guide does not form part of the auditor's report. ASIC includes it to assist you in completing the report.

Refer to Australian Securities and Investments Commission (ASIC) Regulatory Guide 166 *AFS licensing: Financial requirements* ([RG 166](#)).

[Corporations Act 2001](#) (Corporations Act) s989B, s912AA, s912AB, s912AC

[Corporations Regulations 2001](#) (Corporations Regulations) reg 7.8.12A

Signature	The auditor's report must be signed by: <ul style="list-style-type: none">the individual auditorif the auditor is a firm, by an ASIC registered company auditor who is a member of the firm, orin the case of an authorised audit company, by a current director.
Lodgement period	The auditor must provide the completed and signed auditor's report to the Australian financial services (AFS) licensee. The licensee must then lodge it as part of the 'Submit Australian financial services licence annual financial statements' transaction for the relevant financial year. Refer to AFS licensees – lodging annual accounts for further information.
Lodgement fees	Nil
Other forms to be completed	Nil
Lodgement details	<p>The AFS licensee must submit the auditor's report electronically as an attachment to the 'Submit Australian financial services licence annual financial statements' transaction on the ASIC regulatory portal.</p> <p>ASIC requires the AFS licensees to:</p> <ul style="list-style-type: none">complete the 'Submit Australian financial services licence annual financial statements' transactionattach electronic copies of their financial statements and auditor's report to the transaction as PDF files (that must not contain any active or encrypted content) and submit the transaction, andretain the signed auditor's report and financial statements for their records, as required under the ASIC Electronic Lodgement Protocol.
Application statements – Part 1	<p>The auditor is to provide date ranges in the application statements as appropriate. Where no date is included, no statement is taken to have been made.</p> <p>Limited licensee Note that under subsection 989B(4) of the Corporations Act, as inserted by regulation 7.8.12A of the Corporations Regulations, limited licensee means an AFS licensee that:</p> <ol style="list-style-type: none">does not deal with money to which Division 2 of Part 7.8 of the Corporations Act applies, andis only licensed to provide one or more limited financial services (refer to regulation 7.8.12A). <p>Market participant or clearing participant Refer to RG 166 (including RG 166.13 and Appendix 1) for guidance on where an AFS licensee may rely on being a market participant or a clearing participant.</p>

Client monies – Part 2	<p>When expressing an opinion on the effectiveness of the specified internal controls and that each account required by sections 981B and 982B of the Corporations Act to be maintained by the licensee (the required accounts) has been operated and controlled in accordance with the relevant provisions of the Corporations Act, the auditor must obtain reasonable assurance that client money is correctly treated by the licensee and paid into or out of the required account only as required or permitted by Division 2 of Part 7.8 of the Corporations Act.</p> <p>To obtain this assurance, the auditor would ordinarily perform audit procedures on client money that include:</p> <ul style="list-style-type: none"> • verifying that the licensee maintains the required accounts and that they are appropriately designated as a trust account or client segregated account • testing that the licensee banks client money into the required account within one business day of receipt (sections 981B and 982B) • testing that the licensee only makes payments into or out of the required account as required or permitted under Division 2 of Part 7.8, and • verifying that the licensee has appropriate processes for regularly reconciling the balances in the required account. <p>When expressing an opinion on the financial statements and to obtain reasonable assurance on compliance with the client money requirements of Division 2 of Part 7.8 of the Corporations Act, the auditor would ordinarily perform substantive audit procedures on client money that includes:</p> <ul style="list-style-type: none"> • sample selection and testing of client balances through the use of external client confirmations • testing the client trust ledger reconciles to the bank reconciliations • investigation of reconciling differences in client money reconciliations that include clients' trust account and segregated accounts bank reconciliations • testing to ensure that the licensee appropriately banks and applies monies, and • audit procedures to reduce the risk of material misstatement of the financial statements for the classification and disclosure of clients' assets and the corresponding client liabilities.
Modified opinions – Parts 2 to 8	<p>Where the auditor needs to express a modified opinion, including a qualified opinion, adverse opinion or disclaimer of opinion (as per the relevant Auditing and Assurance Standards Board standards) this is to be included in the auditor's report in the space provided or in an annexure.</p> <p>The basis for the modified opinion and the modified opinion itself is to be included with appropriate titles, i.e. 'Basis for qualified opinion', 'Basis for adverse opinion', 'Basis for disclaimer of opinion', 'Qualified opinion', 'Adverse opinion', 'Disclaimer of opinion'.</p>
Non-material misstatements – Part 9	<p>The nature, timing and extent of procedures to be planned and performed for an audit or review conducted in accordance with the Australian Auditing Standards are determined based on the auditor's assessment of materiality.</p> <p>In Part 2 of the auditor's report, the opinion required to be provided on the licensee's financial statements is on whether the financial statements give a true and fair view. The other opinions required in Parts 2 to 8 of the auditor's report are made in all material respects – Part 9 relates to these other opinions.</p> <p>Where, during the course of the audits and reviews for these other opinions, misstatements are identified and accumulated by the auditor that are not considered to be material and have not otherwise been reported in Parts 2 to 8, the auditor should report them in Part 9.</p>
Section 990K matters – Part 11	<p>Subsection 990K(2) of the Corporations Act requires that a report must be given in relation to any matter that, in the opinion of the auditor:</p> <ul style="list-style-type: none"> (a) has adversely affected, is adversely affecting or may adversely affect the ability of the licensee to meet its obligations as a licensee (b) constitutes or may constitute a contravention of: <ul style="list-style-type: none"> (i) a provision of Subdivision A or B of Division 2 of Part 7.8 of the Corporations Act (or a provision of regulations made for the purposes of such a provision) (ii) a provision of Division 3 of Part 7.8 (or a provision of regulations made for the purposes of such a provision) (iii) a provision of Subdivision B or C of Division 6 of Part 7.8 (or a provision of regulations made for the purposes of such a provision), or (iv) a condition of the licensee's licence, or (c) constitutes an attempt to unduly influence, coerce, manipulate or mislead the auditor in the conduct of the audit. <p>See also ASIC Regulatory Guide 34 <i>Auditor's obligations: Reporting to ASIC</i> (RG 34).</p>
Procedure	<p>You must complete all applicable fields as indicated on the auditor's report. If any required fields are incomplete or contain invalid data types, the licensee will not be able to answer the questions in and submit the 'Submit Australian financial services licence annual financial statements' transaction.</p>

Penalty	It is an offence not to comply with subsection 1311(1) of the Corporations Act.
How to provide additional information	<p>Annexures</p> <p>If there is insufficient space in any section of the auditor's report, you may alternatively submit annexures as part of the report.</p> <p>To make any annexure conform to the regulations, you must:</p> <ol style="list-style-type: none"> 1. use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides 2. show the AFS licensee's name and licence number 3. number the pages consecutively 4. print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied 5. mark the annexure with an identifying letter or symbol - e.g. a, b, c or 1, 2, 3 6. endorse the annexure with the words: This annexure (mark) of (number) pages referred to in the Auditor's report for Australian financial services licensee 7. sign and date the annexure. <p>The same person(s) who signed the auditor's report must sign the annexure.</p>
Privacy	The information provided to ASIC in the auditor's report may include personal information. Please refer to our privacy policy (www.asic.gov.au/privacy) for information about how we handle your personal information, your rights to seek access to and correct personal information, and to complain about breaches of your privacy.

For more information

Web www.asic.gov.au
 Need help? www.asic.gov.au/question
 Telephone 1300 300 630