

# **Avanteos Investments Limited**

ABN 20 096 259 979

## **Annual Report**

**For the year ended 30 June 2024**



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The Directors of Avanteos Investments Limited (the "Company") present their report together with the general purpose financial statements (the "Financial Statements") for the year ended 30 June 2024.

## **Directors**

The names of the Directors of the Company holding office during the year ended 30 June 2024 and up to the date of this report were:

Jo-Anne Bloch  
John Brogden (retired 21 August 2024)  
Gregory Cooper  
Kelly Ghaleb  
Benjamin Heap  
David Lane (appointed 2 September 2024)

## **Principal activities**

The principal activities of the Company are to act as a Registrable Superannuation Entity Licensee and the provision of trustee, investment management and administration services.

There were no significant changes to the principal activities of the Company during the financial year.

## **Review of operations**

The Company recorded a net profit after tax for the year ended 30 June 2024 of \$68,651,000 (2023: \$39,986,000).

## **Dividends**

Total dividends of \$40,000,000 were declared and paid during the year ended 30 June 2024 (2023: \$55,000,000). Dividends paid during the year are disclosed in Note 9 to the Financial Statements.

## **Significant changes in the state of affairs**

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

## **Likely developments and expected results of operations**

Information as to the likely developments in the operations of the Company and the expected results of those operations in subsequent years have not been included in this report because, in the opinion of the Directors, they would prejudice the interests of the Company.

## **Environmental regulation**

The Company's operations are not subject to any particular or significant environmental regulations under Australian Commonwealth, State or Territory law.

## **Directors' and officers' insurance**

During the year, the CFS Group paid an insurance premium in respect of an insurance policy for the benefit of the Company and the Directors, Secretaries, Officers, and certain employees of the CFS Group. The insurance is appropriate pursuant to Section 199B of the *Corporations Act 2001* (the "Act"). In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy including the nature of the liabilities insured against and the amount of the premium.

### **Directors' and officers' indemnity**

The Constitution of the Company provides for the Company to indemnify each Officer on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses incurred by the Officer as an Officer of the Company. The Officers of the Company to whom the indemnity presently applies are any person who is, or has been, a Director or Secretary or Senior Manager of the Company. The indemnity is enforceable without the Officer having to first incur any expense or make any payment, is a continuing obligation and is enforceable by the Officer even though the Officer may have ceased to be an Officer of the Company. The indemnity also applies to liabilities incurred by the Officer both before and after the adoption of the Constitution.

In addition, the Company has entered into deeds of indemnity (in the form of individual deeds or an indemnity) to certain current and former Directors and Secretaries of the Company and its subsidiaries (together, Officers). Under these deeds, the Company:

- indemnifies, to the maximum extent permitted by law, Officers against liabilities incurred by the person in the relevant capacity; and
- is also required to maintain and pay the premiums on a contract of insurance covering the Officers against liabilities incurred in respect of the relevant office to the maximum extent permitted by law as described above.

### **Events subsequent to the Statement of Financial Position date**

The Directors are not aware of any matters or circumstances that has occurred since the end of the year that has 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 subsequent years.

### **Rounding of amounts**

The amounts contained in this report and in the Financial Statements have been rounded to the nearest thousand dollars (where rounding is applicable) under the option available to the Company by *Australian Securities and Investments Commission* ("ASIC") Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which the Instrument applies.

### **Auditor's Independence Declaration**

A copy of the Auditor's Independence Declaration as required under Section 307C of the Act is set out on page 4.

This report is signed in accordance with a resolution of the Board of Directors.



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Director

Sydney  
24 September 2024



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Avanteos Investments Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Avanteos Investments Limited for the financial year ended 30 June 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

A stylized, handwritten signature of the KPMG firm, appearing as 'KPMG' in a cursive script.

KPMG

A handwritten signature in cursive script that reads 'Rachel Gatt'.

Rachel Gatt

*Partner*

Sydney

24 September 2024

**Avanteos Investments Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2024

|   | Notes | 2024<br>\$'000   | 2023<br>\$'000   |
|---|-------|------------------|------------------|
| <b>Revenue</b>                                |       |                  |                  |
| Platform revenue                              | 2     | 752,481          | 719,843          |
| Other income                                  |       | 6                | 88               |
| Investment management expense                 |       | (245,021)        | (250,819)        |
| Product administration expense                |       | (11,835)         | (9,883)          |
| <b>Total revenue</b>                          |       | <b>495,631</b>   | <b>459,229</b>   |
| <b>Expenses</b>                               |       |                  |                  |
| Service fee                                   |       | (407,541)        | (408,656)        |
| Other   |       | (5,960)          | (8,392)          |
| <b>Total expenses</b>                         |       | <b>(413,501)</b> | <b>(417,048)</b> |
| <b>Operating profit</b>                       |       | <b>82,130</b>    | <b>42,181</b>    |
| Investment income                             | 3     | 15,966           | 11,832           |
| <b>Net profit before tax</b>                  |       | <b>98,096</b>    | <b>54,013</b>    |
| Income tax expense                            | 4     | (29,445)         | (14,027)         |
| <b>Net profit after tax</b>                   |       | <b>68,651</b>    | <b>39,986</b>    |
| <b>Other comprehensive income, net of tax</b> |       | <b>-</b>         | <b>-</b>         |
| <b>Total comprehensive income</b>             |       | <b>68,651</b>    | <b>39,986</b>    |

The above Statement of Profit or Loss and Other Comprehensive Income  
should be read in conjunction with the accompanying notes

**Avanteos Investments Limited**  
**Statement of Financial Position**  
As at 30 June 2024

|   | Notes | 2024<br>\$'000 | 2023<br>\$'000 |
|---|-------|----------------|----------------|
| <b>Current assets</b>                                 |       |                |                |
| Cash and cash equivalents                             |       | 49,272         | 39,301         |
| Receivables   | 5     | 51,395         | 51,466         |
| Financial assets at fair value through profit or loss |       | 272,174        | 272,229        |
| <b>Total current assets</b>                           |       | <b>372,841</b> | <b>362,996</b> |
| <b>Non current assets</b>                             |       |                |                |
| Deferred tax assets                                   | 4     | 325            | -              |
| <b>Total non current assets</b>                       |       | <b>325</b>     | <b>-</b>       |
| <b>Total assets</b>                                   |       | <b>373,166</b> | <b>362,996</b> |
| <b>Current liabilities</b>                            |       |                |                |
| Payables  | 6     | 61,107         | 66,735         |
| Intragroup tax payable                                |       | 906            | 14,785         |
| Provisions  |       | 1,043          | -              |
| <b>Total current liabilities</b>                      |       | <b>63,056</b>  | <b>81,520</b>  |
| <b>Non current liabilities</b>                        |       |                |                |
| Deferred tax liabilities                              | 4     | -              | 17             |
| <b>Total non current liabilities</b>                  |       | <b>-</b>       | <b>17</b>      |
| <b>Total liabilities</b>                              |       | <b>63,056</b>  | <b>81,537</b>  |
| <b>Net assets</b>                                     |       | <b>310,110</b> | <b>281,459</b> |
| <b>Equity</b>   |       |                |                |
| Share capital   | 7     | 238,531        | 238,531        |
| Retained earnings                                     |       | 71,579         | 42,928         |
| <b>Total equity</b>                                   |       | <b>310,110</b> | <b>281,459</b> |

The above Statement of Financial Position  
should be read in conjunction with the accompanying notes

**Avanteos Investments Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June 2024

|  | Notes | Share<br>Capital<br>\$'000 | Retained<br>Earnings<br>\$'000 | Total Equity<br>\$'000 |
|--|-------|----------------------------|--------------------------------|------------------------|
| <b>Balance as at 1 July 2022</b>               |       | <b>238,531</b>             | <b>57,942</b>                  | <b>296,473</b>         |
| Net profit after tax for the year              |       | -                          | 39,986                         | 39,986                 |
| Other comprehensive income, net of tax         |       | -                          | -                              | -                      |
| <b>Total comprehensive income for the year</b> |       | <b>-</b>                   | <b>39,986</b>                  | <b>39,986</b>          |
| <b>Transactions with owners of the Company</b> |       |                            |                                |                        |
| Dividends paid                                 | 9     | -                          | (55,000)                       | (55,000)               |
| <b>Balance as at 30 June 2023</b>              |       | <b>238,531</b>             | <b>42,928</b>                  | <b>281,459</b>         |
| <b>Balance as at 1 July 2023</b>               |       | <b>238,531</b>             | <b>42,928</b>                  | <b>281,459</b>         |
| Net profit after tax for the year              |       | -                          | 68,651                         | 68,651                 |
| Other comprehensive income, net of tax         |       | -                          | -                              | -                      |
| <b>Total comprehensive income for the year</b> |       | <b>-</b>                   | <b>68,651</b>                  | <b>68,651</b>          |
| <b>Transactions with owners of the Company</b> |       |                            |                                |                        |
| Dividends paid                                 | 9     | -                          | (40,000)                       | (40,000)               |
| <b>Balance as at 30 June 2024</b>              |       | <b>238,531</b>             | <b>71,579</b>                  | <b>310,110</b>         |

The above Statement of Changes in Equity  
should be read in conjunction with the accompanying notes



**Avanteos Investments Limited**  
**Statement of Cash Flows**  
For the year ended 30 June 2024

|  | Notes | 2024<br>\$'000  | 2023<br>\$'000  |
|--|-------|-----------------|-----------------|
| <b>Cash flows from Operating Activities</b>                              |       |                 |                 |
| Investment management fee, administration fee and other revenue received |       | 764,490         | 737,219         |
| Cash payments in the course of operations                                |       | (684,201)       | (700,617)       |
| Payments for claims and remediation costs                                |       | (2,628)         | (746)           |
| Receipts from reimbursements   |       | 220             | 990             |
| Income tax paid  |       | (43,666)        | -               |
| <b>Net cash provided by Operating Activities</b>                         | 10    | <b>34,215</b>   | <b>36,846</b>   |
| <b>Cash flows from Investment Activities</b>                             |       |                 |                 |
| Interest income received   |       | 2,224           | 1,985           |
| Distributions received from financial assets                             |       | 13,532          | 8,238           |
| <b>Net cash provided by Investing Activities</b>                         |       | <b>15,756</b>   | <b>10,223</b>   |
| <b>Cash flows from Financing Activities</b>                              |       |                 |                 |
| Dividends paid   | 9     | (40,000)        | (55,000)        |
| <b>Net cash used in Financing Activities</b>                             |       | <b>(40,000)</b> | <b>(55,000)</b> |
| Net increase/(decrease) in cash and cash equivalents                     |       | 9,971           | (7,931)         |
| Cash and cash equivalents at the beginning of the year                   |       | 39,301          | 47,232          |
| <b>Cash and cash equivalents at the end of the year</b>                  |       | <b>49,272</b>   | <b>39,301</b>   |

The above Statement of Cash Flows  
should be read in conjunction with the accompanying notes

## **1 Summary of material accounting policies**

### **(a) General information**

The financial statements of the Company for the year ended 30 June 2024 (the "Financial Statements") were approved and authorised for issue by the Board of Directors on 24 September 2024. The Directors have the power to amend and reissue the Financial Statements.

The Company is incorporated and domiciled in Australia. It is a company limited by shares. The address of the registered office is Level 15, 400 George Street, Sydney NSW 2000, Australia.

The Company acts as a Registrable Superannuation Entity Licensee ("RSEL") for superannuation funds.

The principal accounting policies applied in the preparation of the Financial Statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The Financial Statements cover the Company as an individual entity.

As an RSEL, the Company holds an RSE Licence (licence no. L0002691). The Company also holds an Australian Financial Services licence ("AFSL") (licence no. 245531).

### **(b) Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by *Australian Accounting Standards Board* ("AASB") and the *Corporations Act 2001*. The Company is a for-profit entity for the purposes of preparing these financial statements.

The Financial Statements of the Company also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The amounts contained in the Financial Statements have been rounded to the nearest thousand dollars (where rounding is applicable) under the option available to the Company by *Australian Securities and Investments Commission* ("ASIC") Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which this instrument applies.

The functional and presentation currency of the Company has been determined to be Australian Dollars ("AUD") as this currency best reflects the economic substance of the underlying events and circumstances relevant to the Company.

These Financial Statements have been prepared on a going concern basis and under the historical cost convention except for certain assets and liabilities as described in the accounting policies below.

The preparation of the Financial Statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. No critical estimates were used in preparing the Financial Statements.

### **(c) New accounting standards and future accounting developments**

The Group adopted AASB 2021-6 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards* (Amendments to AASB 1049, 1054 and 1060) from 1 July 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

## **1 Summary of material accounting policies (continued)**

### **(c) New accounting standards and future accounting developments (continued)**

The amendments require the disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 1 Summary of material accounting policies (2023: Summary of significant accounting policies) in certain instances in line with the amendments.

A number of other new accounting standards are also effective from 1 July 2023 but they did not have a material impact to the Group's financial statements.

AASB 18 *Presentation and Disclosure in Financial Statements* was issued in June 2024 and replaces AASB 101 *Presentation of Financial Statements*. The new standard introduces new requirements for the Statement of Profit or Loss and Other Comprehensive Income including:

- new categories for the classification of income and expenses including operating, investing and financing categories, and
- presentation of subtotals for 'operating profit' and 'profit before financing and income taxes'.

Additional disclosure requirements are introduced for management-defined performance measures and new principles for aggregation and disaggregation of information in the notes and the primary financial statements and the presentation of interest and dividends in the statement of cash flows. The new standard is effective for annual periods beginning on and after 1 January 2027 and will first apply to the Group for the financial year ending 30 June 2028.

This new standard is not expected to have an impact on the recognition of assets, liabilities, income and expenses, however there will likely be changes in how the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Financial Position line items are presented as well as some additional disclosures in the notes to the financial statements. The Company is in the process of assessing the impact of the new standard.

Additionally, there are no other standards or amendments that are effective subsequent to the end of the current year that would have a material impact on the results or financial position of the Company.

### **(d) Revenue recognition**

The Company recognised revenue as follows:

- The Company provides investment management services to superannuation funds for which it receives compensation in the form of investment management fees. The Company generates investment management fee revenue through agreements and is generally based on a percentage of funds under administration. The provision of investment management services is a single performance obligation and fees are recognised over the service period. Investment management fees are accrued and received monthly in accordance with the rates specified in relevant agreement. Investment management fees are recognised net of any fee rebates.
- The Company provides administration services to superannuation customers for which it receives compensation in the form of administration fees. The Company generates administration fee revenue through agreements and is generally based on a percentage of funds under administration and a flat monthly fee. The provision of administration services is a single performance obligation and fees are recognised over the service period. Administration fees are accrued and received monthly in accordance with the rates specified in the relevant agreement. Administration fees are recognised net of fee rebates or fees reimbursed to customers.

## **1 Summary of material accounting policies (continued)**

### **(d) Revenue recognition (continued)**

- In providing investment management services, where the Company outperforms an agreed upon benchmark, revenue is earned in the form of a performance fee. Performance fees are deemed to be a variable component of the investment management service and only recognised when it is highly probable that a significant reversal of the fees will not occur. These fees are received monthly or quarterly in accordance with the relevant agreement.
- The Company has entered into an agreement with Commonwealth Bank of Australia ("CBA") whereby the Company places customer deposits with CBA in exchange for a margin on the rate paid to members. The provision of this services is typically a single performance obligation and fees are earned daily and generally collected monthly.
- The Company provides trade execution and settlement services for superannuation funds. In exchange, the Company receives a fee based on the value of the trade. This service is a single performance obligation, and the revenue is recognised and collected on trade execution and settlement.
- The Company provides services to external investment managers who have funds on its platforms. In exchange, the Company receives an agreed fee. The services provided are a single performance obligation and are recognised over the service period. Fees are generally earned daily and collected annually.

### **(e) Expense recognition**

Except as otherwise stated in the accounting policies, expenses are recognised on an accrual basis as the relevant service is rendered.

### **(f) Income tax**

The income tax expense for the year is the tax paid or payable on the current year's taxable income based on the applicable income tax rate for Australia adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

Income tax is recognised in the Statement of Profit or Loss and Other Comprehensive Income, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

The current tax liability is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred taxes are provided for using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided for is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the Statement of Financial Position date and which are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred and current tax assets and liabilities have been offset in the Statement of Financial Position where they relate to the same taxation authority and where there is a legal right and intention to settle on a net basis.

## **1 Summary of material accounting policies (continued)**

### **(f) Income tax (continued)**

#### *Tax consolidation*

The Company is part of a tax consolidated group, of which Superannuation and Investments HoldCo Pty Limited ("HoldCo") is the head entity. The Company has entered into a tax funding agreement with HoldCo. Amounts payable or receivable under the tax funding agreement with HoldCo are recognised in accordance with the terms and conditions of the agreement as a current tax receivable or current tax payable on the Statement of Financial Position.

### **(g) Goods and services tax (GST)**

The Company is part of a GST consolidated group, of which HoldCo is the head entity. Net GST payable or recoverable is presented in the Statement of Financial Position as a payable to or a receivable from HoldCo.

Revenues, expenses and assets are recognised net of the amount of associated GST. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable.

Commitments and contingencies are disclosed net of any amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are presented in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, HoldCo are presented as operating cash flows.

### **(h) Foreign currency transactions**

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the date of each transaction. Amounts receivable or payable in foreign currencies during the year are translated at the rates of exchange on that date.

Monetary assets and liabilities denominated in foreign currencies are translated using the spot rates as at the reporting date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising from foreign currency transactions arising from operating activities are recognised in other revenue on the Statement of Profit or Loss and Other Comprehensive Income.

### **(i) Cash and cash equivalents**

Cash and cash equivalents is comprised of cash at bank and is measured at face value. Cash at bank earns interest at a floating rate based on daily bank deposit rates. Interest income is recognised on an accruals basis using the effective interest rate method and recognised as investment income on the Statement of Profit or Loss and Other Comprehensive Income.

## **1 Summary of material accounting policies (continued)**

### **(j) Receivables**

Receivables are financial assets largely due from customers for services performed in the ordinary course of business. They are for fixed amounts and are generally due for settlement within 30 days and are therefore all classified as current.

Receivables are recognised initially at the amount of consideration that is unconditional (at the original invoice amount) unless they contain significant financing components, when they are recognised at fair value. The Company holds the receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method.

### **(k) Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss predominately relate to investments in the FirstChoice Wholesale Cash Fund ("the Fund").

At initial recognition, the Company measures the financial asset at cost, which approximates fair value. Subsequently, it is measured at fair value and any gains or losses are recognised as investment income on the Statement of Profit or Loss and Other Comprehensive Income.

Distribution income from the financial assets is recognised as investment income in the Statement of Profit or Loss and Other Comprehensive Income when the right to receive payment is established.

### **(l) Payables**

Payables are carried at amortised cost and represent liabilities for services provided to the Company prior to the end of the year. These arise when the Company becomes obliged to make future payments in respect of the purchase of these services.

### **(m) Provisions**

A provision is recognised in the Statement of Financial Position when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

When a cost in relation to a provision is expected to be reimbursed by another party, a receivable is only recognised when it is virtually certain that the reimbursement would be received. In the Statement of Profit or Loss and Other Comprehensive Income the reimbursement is netted against the related expense.

### **(n) Offsetting**

#### *Offsetting of income and expenses*

Income and expenses are not offset unless required or permitted by an accounting standard. This generally arises in the following circumstances:

- Where gains and losses arise from a group of similar transactions, such as rebates on investment management and administration fees revenue;
- Where amounts are collected on behalf of third parties, where the Company is, in substance, acting as an agent only;
- Where costs are incurred on behalf of customers from whom the Company is reimbursed; or
- Where the Company is reimbursed from an insurer or related party from any remediation or settlements incurred, such as under the Conduct Indemnity Deed with CBA.

## **1 Summary of material accounting policies (continued)**

### **(n) Offsetting (continued)**

#### *Offsetting of assets and liabilities*

Financial assets and liabilities are presented net in the Statement of Financial Position when the Company has a legally enforceable right to offset them and there is an intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously.

### **(o) Contingent liabilities**

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or where an obligation from a past event exists but is not recognised because the transfer of economic resources is not probable or cannot be reliably measured. Contingent liabilities are not recognised on the Statement of Financial Position but are disclosed unless the outflow of economic resources is remote.

### **(p) Share capital**

Ordinary shares are classified as equity. Ordinary share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction, net of tax, of the share proceeds received.

### **(q) Dividends**

Dividends represent a distribution of profits that holders of ordinary shares receive from time to time. Dividends determined by the Directors are recognised with a corresponding reduction of retained earnings on the dividend payment date. The Directors take into consideration factors including the Company's cash flow requirements and relative capital strength in determining the amount of dividends to be paid.

### **(r) Reclassifications**

Where applicable, certain prior year amounts in the Financial Statements have been reclassified to conform to the current year presentation. The reclassifications have nil effect on previously reported total assets, total liabilities, net profit or net assets. In these financial statements, management made several reclassifications on the Statement of Profit or Loss and Other Comprehensive income. The reason for the reclassification to previously reported balances was to align the reported numbers to how management reports the balances internally and to align disclosures to similar companies.

## **2 Platform revenue**

|   | <b>2024</b>    | <b>2023</b>    |
|---|----------------|----------------|
|   | <b>\$'000</b>  | <b>\$'000</b>  |
| Investment management and administration fees | 718,521        | 687,482        |
| Ancillary fees                                | 32,459         | 30,992         |
| Transactions fees                             | 1,501          | 1,369          |
| <b>Total platform revenue</b>                 | <b>752,481</b> | <b>719,843</b> |

### 3 Investment income

|  | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| Distribution income  | 13,722        | 9,765         |
| Interest income  | 2,299         | 2,121         |
| Ner fair value losses on financial assets at fair value through profit or loss | (55)          | (54)          |
| <b>Total investment income</b>   | <b>15,966</b> | <b>11,832</b> |

### 4 Income tax

#### (a) Income tax expense

|   | <b>2024</b>   | <b>2023</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Current income tax expense  | 29,787        | 17,038        |
| Deferred income tax benefit   | (342)         | (818)         |
| Adjustments recognised in the period for current tax of prior periods | -             | (2,193)       |
| <b>Total income tax expense</b>                                       | <b>29,445</b> | <b>14,027</b> |

#### (b) Reconciliation of income tax expense to prima facie tax payable

|   | <b>2024</b>   | <b>2023</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Net profit before income tax  | 98,096        | 54,013        |
| Tax at the Australian tax rate of 30%                                 | 29,429        | 16,204        |
| Add: non-deductible expenses  | 16            | 16            |
| Adjustments recognised in the period for current tax of prior periods | -             | (2,193)       |
| <b>Total income tax expense</b>                                       | <b>29,445</b> | <b>14,027</b> |

#### (c) Analysis of deferred tax assets and liabilities

|  | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| <b>Deferred tax assets</b>                   |               |               |
| Provisions for expected credit losses        | 12            | 14            |
| Provisions – other                           | 313           | -             |
| <b>Total deferred tax assets</b>             | <b>325</b>    | <b>14</b>     |
| <b>Deferred tax liabilities</b>              |               |               |
| Reimbursement receivable                     | -             | (31)          |
| <b>Total deferred tax liabilities</b>        | <b>-</b>      | <b>(31)</b>   |
| <b>Net deferred tax assets/(liabilities)</b> | <b>325</b>    | <b>(17)</b>   |



#### 4 Income tax (Continued)

##### (c) Analysis of deferred tax assets and liabilities (continued)

All movements in deferred tax balances were driven by the origination and reversal of temporary differences.

#### 5 Receivables

|                                | <b>2024</b>   | <b>2023</b>   |
|--------------------------------|---------------|---------------|
|                                | <b>\$'000</b> | <b>\$'000</b> |
| Platform revenue receivable    | 46,429        | 45,847        |
| Interest receivable            | 243           | 168           |
| Distribution income receivable | 2,073         | 1,883         |
| Other receivables              | 2,650         | 3,568         |
| <b>Total receivables</b>       | <b>51,395</b> | <b>51,466</b> |

#### 6 Payables

|  | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| Service fee payable                    | 41,760        | 41,250        |
| Investment management expenses payable | 1,780         | 3,252         |
| Rebates payable                        | 11,571        | 10,091        |
| GST payable                            | 531           | 612           |
| Other payables                         | 5,465         | 11,530        |
| <b>Total payables</b>                  | <b>61,107</b> | <b>66,735</b> |

#### 7 Share capital

|   | <b>2024</b>          | <b>2023</b>          | <b>2024</b>    | <b>2023</b>    |
|---|----------------------|----------------------|----------------|----------------|
|   | <b>No. of Shares</b> | <b>No. of Shares</b> | <b>\$'000</b>  | <b>\$'000</b>  |
| Ordinary shares - issued and fully paid | 233,300,004          | 233,300,004          | 238,531        | 238,531        |
| <b>Closing balance</b>                  | <b>233,300,004</b>   | <b>233,300,004</b>   | <b>238,531</b> | <b>238,531</b> |

There was no movement in share capital in 2024 and 2023.

All shares are held by the Company's immediate parent, Superannuation and Investments FinCo Pty Limited ("FinCo"). Ordinary shareholders have the right to receive dividends and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amount paid up on shares held. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital. Ordinary shares carry one vote per share.

## 8 Capital management

The Company's objective when managing its capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure. Capital levels are regulated by external monitoring authorities, ASIC and the Australian Prudential Regulation Authority ("APRA") in accordance with the requirements of its AFSL.

The *Superannuation Industry (Supervision) Act 1993* requires the Company to maintain and manage, in accordance with APRA Prudential Standards, financial resources to cover the operational risk that relates to each registrable superannuation entity for which the Company serves as RSEL. *Prudential Standard 114 Operational Risk Financial Requirement* ("ORFR") establishes requirements relating to these financial resources including considering operational risk on its business operations to determine an ORFR Target Amount. The ORFR Target Amount for the Company is set as an amount equivalent to 25 basis points of funds under management ("FUM").

At 30 June 2024, the Company's ORFR Target Amount was \$287,464,000 (2023: \$273,316,000) and the Company held \$286,174,000 (2023: \$272,229,000) to meet this obligation within cash and cash equivalents and financial assets at fair value through profit or loss. The amount held by the Company at 30 June 2024 and 2023 was within the Tolerance Limits set by the Board. Management regularly monitors the level of FUM and the required ORFR Target Amount to ensure the capital held is within Tolerance Limits set by the Board.

During the year, the Company complied with all externally imposed capital requirements.

In order to maintain or adjust the capital requirements, the Company may adjust the amount of dividend paid to its shareholders, return capital or issue new shares.

## 9 Dividends

### 2024

| Type               | Dividend per share \$ | Total amount (\$'000) | Date of payment  |
|--------------------|-----------------------|-----------------------|------------------|
| Interim - ordinary | 0.02                  | 5,000                 | 28 November 2023 |
| Interim - ordinary | 0.13                  | 30,000                | 25 March 2024    |
| Final - ordinary   | 0.02                  | 5,000                 | 28 May 2024      |
| <b>Total</b>       |                       | <b>40,000</b>         |                  |

### 2023

| Type               | Dividend per share \$ | Total amount (\$'000) | Date of payment  |
|--------------------|-----------------------|-----------------------|------------------|
| Interim - ordinary | 0.15                  | 35,000                | 13 December 2022 |
| Interim – ordinary | 0.04                  | 10,000                | 23 March 2023    |
| Final – ordinary   | 0.04                  | 10,000                | 29 June 2023     |
| <b>Total</b>       |                       | <b>55,000</b>         |                  |

## 10 Notes to the Statement of Cash Flows

Reconciliation of net profit after tax to net cash inflow from operating activities

|  | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| Net profit after tax   | 68,651        | 39,986        |
| Interest income received   | (2,224)       | (1,985)       |
| Distribution income received   | (13,532)      | (8,238)       |
| Net fair value losses on financial assets at fair value through profit or loss | 55            | 54            |
| <b>Changes in Assets and Liabilities</b>                                       |               |               |
| Decrease in receivables  | 71            | 9,292         |
| Increase in deferred tax assets  | (325)         | -             |
| Decrease in intragroup tax receivable  | -             | 60            |
| Decrease in deferred tax liabilities   | (17)          | (818)         |
| (Decrease) / increase in intragroup tax payable                                | (13,879)      | 14,785        |
| Decrease in payables   | (5,628)       | (16,198)      |
| Increase / (decrease) in provisions  | 1,043         | (92)          |
| <b>Net cash provided by operating activities</b>                               | <b>34,215</b> | <b>36,846</b> |

## 11 Financial risk management

The Company's activities expose it to a variety of financial risks including market risk, credit risk and liquidity risk. The Company's overall risk management program focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance and financial position of the Company.

### (a) Market risk

Market risk is the risk that the future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and market prices.

#### (i) Foreign exchange risk

The Company predominantly operates within Australia and the carrying amount of the Company's financial assets and liabilities are denominated in AUD. The Company does not have a material exposure to foreign exchange risk.

#### (ii) Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate and foreign currency risk). Price risk primarily arises from the Company's financial assets at fair value through profit or loss.

The table below demonstrates the impact on the Company's profit after tax and on equity based on the following changes in fair values with all other variables held constant.

|  | <b>2024</b>    | <b>2023</b>    |
|--|----------------|----------------|
|  | <b>\$'000</b>  | <b>\$'000</b>  |
| <b>Increase by 50 basis points</b> (2023: 100 basis points)  | <b>953</b>     | <b>1,906</b>   |
| <b>Decrease by 100 basis points</b> (2023: 100 basis points) | <b>(1,905)</b> | <b>(1,906)</b> |

## 11 Financial risk management (continued)

### (a) Market risk (continued)

The Company is also exposed to indirect price risk as a result of movements in investment markets that affects business performance. The key source of indirect price risk is the Company's exposure to fee income earned from the management and administration of investments on behalf of other parties where the fee income is derived directly related to the value of funds under administration or management.

#### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest rate risk primarily arises from cash and cash equivalents.

The table below demonstrates the impact on the Company's profit after tax and on equity based on the following changes in interest rates with all other variables held constant.

|  | 2024<br>\$'000 | 2023<br>\$'000 |
|--|----------------|----------------|
| <b>Increase by 50 basis points</b> (2023: 100 basis points)  | 172            | 275            |
| <b>Decrease by 100 basis points</b> (2023: 100 basis points) | (345)          | (275)          |

### (b) Credit risk

Credit risk is the risk of financial loss as a result of a customer or counterparty failing to meet its obligations to the Company.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets on the Statement of Financial Position. The majority of the Company's receivables are from fees based on funds that it administers and acts as the RSEL. Therefore, the credit risk on receivables is highly correlated with the risk management policies and practices of the funds for which the Company is the RSEL.

Exposures to external parties are monitored with an ageing analysis and follow up procedures with clients are implemented on a needs basis. One of the Company's largest credit risk exposure relates to cash at bank. The Company mitigates its risk by holding its cash and cash equivalents predominately with CBA.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historic information about counterparty default rates.

The following table provides information regarding the credit risk exposure at the end of the year in respect of the Company's major classes of financial assets. The analysis classifies the assets according to Standard & Poor's long-term counterparty credit ratings.

| 30 June 2024                  | \$'000        | \$'000        | \$'000         |
|-------------------------------|---------------|---------------|----------------|
|                               | AA-           | Not rated     | Total          |
| Cash and cash equivalents     | 49,272        | -             | 49,272         |
| Receivables                   | 243           | 51,152        | 51,395         |
| <b>Total financial assets</b> | <b>49,515</b> | <b>51,152</b> | <b>100,667</b> |

## 11 Financial risk management (continued)

### (b) Credit risk (continued)

| 30 June 2023                  | \$'000        | \$'000        | \$'000        |
|-------------------------------|---------------|---------------|---------------|
|                               | AA-           | Not rated     | Total         |
| Cash and cash equivalents     | 39,301        | -             | 39,301        |
| Receivables                   | 269           | 51,197        | 51,466        |
| <b>Total financial assets</b> | <b>39,570</b> | <b>51,197</b> | <b>90,767</b> |

### (c) Liquidity risk

Liquidity risk refers to the risk that the Company will not have sufficient cash resources to settle transactions in full as they fall due. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities where necessary. The Company ensures that sufficient liquidity is maintained to meet its operating and regulatory requirements.

The Company's financial liabilities are short term in nature and normally settle within 30-90 days.

### (d) Fair value estimation

The Company discloses fair value measurements by level of the following fair value measurement hierarchy in accordance with AASB 13 *Fair Value Measurement*. The Company uses various methods in estimating fair value. The methods comprise:

- **Level 1:** The fair value is calculated using quoted prices unadjusted in active markets.
- **Level 2:** The fair value is estimated using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- **Level 3:** The fair value is estimated using inputs for the asset or liability that are not based on observable market data.

As at 30 June 2024 and 30 June 2023, the Company owns one financial asset measured at fair value through profit or loss, being an investment in the Fund. Fair value is calculated using the unit price of the Cash Fund at the balance sheet date multiplied by the Company's unit holding. The valuation of the investment in the Fund is considered Level 2 in the fair value hierarchy as at 30 June 2024 and 30 June 2023.

## 12 Key management personnel

In 2024, the Board of Directors and Chief Risk Officer have been determined to be the Key Management Personnel ("KMP") within the scope of AASB124 *Related Party Disclosures*. In 2023, it was determined that just the non-executive Directors were KMP.

## 12 Key management personnel (continued)

The compensation of KMP is outlined as follows:

|                              | <b>2024</b>      | <b>2023</b>      |
|------------------------------|------------------|------------------|
|                              | <b>\$</b>        | <b>\$</b>        |
| Short-term employee benefits | 1,465,632        | 973,430          |
| Post-employment benefits     | 83,695           | 64,568           |
| Other long-term benefits     | 135,450          | -                |
| Share-based payment          | 61,283           | -                |
| <b>Total compensation</b>    | <b>1,746,060</b> | <b>1,037,998</b> |

The Company receives management services from a related entity of CFS Group, Superannuation and Investments Services Pty Limited ("ServiceCo"), which includes the provision of KMP compensation. The Company does not remunerate these KMP or directly reimburse the related entity of CFS Group for this cost, rather an overall service fee is paid to ServiceCo.

There were no other transactions between the Company and KMP during the year (2023: \$nil).

## 13 Related party transactions

The immediate parent entity of the Company is FinCo and the ultimate parent of the Company is Comet Asia Holdings II Pte Ltd.

### *Related party transactions*

Transactions that have occurred with related parties are conducted on terms and conditions no more favourable than those available to external parties except as indicated otherwise.

The following transactions occurred with related parties:

|   | <b>2024</b>        | <b>2023</b>        |
|---|--------------------|--------------------|
|   | <b>\$</b>          | <b>\$</b>          |
| <b>Revenue</b>                          |                    |                    |
| Interest income – CBA                   | 2,299,087          | 2,121,254          |
| Platform revenue - CFSIL                | 383,648            | 340,192            |
| <b>Total revenue - related parties</b>  | <b>2,682,735</b>   | <b>2,461,446</b>   |
| <b>Expenses</b>                         |                    |                    |
| Investment management expense – CFSIL   | 237,802,437        | 244,998,411        |
| Other expenses – CBA                    | 10,882             | 5,030              |
| Product administration expense – CFSIL  | 5,428,545          | 4,689,761          |
| Service fee expense – ServiceCo         | 407,541,320        | 408,656,365        |
| <b>Total expenses - related parties</b> | <b>650,783,184</b> | <b>658,349,567</b> |

### 13 Related party transactions (continued)

#### Assets

|                                       |                   |                   |
|---------------------------------------|-------------------|-------------------|
| Cash and cash equivalents – CBA       | 49,271,700        | 39,300,660        |
| Interest income receivable – CBA      | 242,952           | 168,398           |
| Reimbursements – CBA                  | -                 | 101,499           |
| Receivables – CFSIL                   | 43,037,515        | 41,540,259        |
| <b>Total assets - related parties</b> | <b>92,552,167</b> | <b>81,110,816</b> |

#### Liabilities

|  |                   |                   |
|--|-------------------|-------------------|
| Intragroup tax payable – HoldCo            | 905,951           | 14,784,680        |
| GST payable – HoldCo                       | 531,153           | 611,917           |
| Payables – CFSIL                           | 253,165           | 2,724,186         |
| Payables – ServiceCo                       | 41,760,169        | 41,250,220        |
| <b>Total liabilities - related parties</b> | <b>43,450,438</b> | <b>59,371,003</b> |

### 14 Interest in unconsolidated structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual agreements.

A structured entity often has some or all of the following features or attributes:

- restricted activities;
- a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors;
- insufficient equity to permit the structured entity to finance its activities without subordinated financial support; and
- financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks.

The nature and extent of the Company's exposure are summarised below:

|   | <b>Jun-24</b>  | <b>Jun-23</b>  |
|---|----------------|----------------|
|   | <b>\$'000</b>  | <b>\$'000</b>  |
| Financial assets at fair value through profit or loss | 272,174        | 272,229        |
| Platform revenue receivable                           | 5,123          | 5,055          |
| <b>Total exposures</b>                                | <b>277,297</b> | <b>277,284</b> |

### 15 Remuneration of auditors

For the year ended 30 June 2024, KPMG was the Company's auditor. For the year ended 30 June 2023, PricewaterhouseCoopers was the Company's auditor. The following fees were paid or payable for services provided by the auditor of the Company.

## 15 Remuneration of auditors (continued)

|   | 2024             | 2023             |
|---|------------------|------------------|
|   | \$               | \$               |
| <b>Audit of the financial reports</b>                 |                  |                  |
| Audit of the financial reports – company              | 27,000           | 88,068           |
| Audit of the financial reports – superannuation funds | 981,495          | 850,000          |
| <b>Total audit of the financial reports</b>           | <b>1,008,495</b> | <b>938,068</b>   |
| <b>Other assurance services</b>                       | <b>704,364</b>   | <b>676,309</b>   |
| <b>Other services</b>                                 | <b>9,000</b>     | <b>-</b>         |
| <b>Total auditors' remuneration</b>                   | <b>1,721,859</b> | <b>1,614,377</b> |

All amounts payable to the auditor were paid by its related party, ServiceCo.

## 16 Contingent liabilities

Contingent liabilities exist with respect to these matters where it is not possible to determine either the extent of any obligation to remediate or the potential liability cannot be reliably estimated. Where it is determined that the disclosure of information in relation to a provision or contingent liability can be expected to seriously prejudice the Company, accounting standards permit the Company not to disclose such information.

The Company is party to the below class action claim in relation to its products:

1. On 9 October 2018, a class action was filed against a related party, Colonial First State Investments Limited ("CFSIL"), and CBA in the Federal Court of Australia. The claim initially related to investment in cash and deposit options (which are cash and deposit products provided by CBA) in the Colonial First State First Choice Superannuation Trust (FirstChoice Fund) and Commonwealth Essential Super and later expanded to join the Company as a party in respect of claims regarding the FirstWrap Pooled Cash Account.

The main claims are that members that invested in these cash and deposit options received lower interest rates than they could have received had the Company/CFSIL offered similar products made available in the market by another bank with comparable risk and that the Company/CFSIL retained the margin that arises through the internal transfer pricing process in respect of deposits made with CBA, for their own benefit.

It is claimed the Company/CFSIL breached their duties as a trustee of the funds, CFSIL breached its duties as a Responsible Entity of the underlying managed investment schemes and that CBA was involved in the Company's/CFSIL's breaches. The Company, CFSIL and CBA deny the allegations and are defending the proceedings.

No provisions have been raised by the Company in relation to the above matter as it is indemnified by CBA under the Conduct Indemnity Deed dated 1 December 2021 where CBA will have primary responsibility for the conduct of the response to and payment of these matters on behalf of the Company. Rather, provisions have been raised by CBA as at 30 June 2024 in accordance with the principles outlined in the accounting policy section of their financial report.

The Company has a contingent liability for any settlement arising from the above class action that are not paid by CBA.



**17 Events subsequent to the Statement of Financial Position date**

The Directors are not aware of any matter or circumstance that has occurred since the end of the year that has 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 subsequent years.

**Consolidated Entity Disclosure Statement**

Avanteos Investments Limited is not required by Australian Accounting Standards (AAS) to prepare consolidated financial statements and as a result subsection 295(3A)(a) of the *Corporations Act 2001* to prepare a Consolidated Entity Disclosure Statement does not apply to the Company.

**Directors' Declaration**

In the Directors' opinion:

- (a) The Financial Statements and notes for the year ended 30 June 2024 are in accordance with the *Corporations Act 2001*, including:
  - i) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
  - ii) giving a true and fair view of the Company's financial position as at 30 June 2024 and its performance for the financial year ended on that date;
- (b) The Consolidated Entity Disclosure Statement as at 30 June 2024 is true and correct;
- (c) Note 1(b) includes a statement that the Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board; and
- (d) 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 Directors.



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Director

Sydney  
24 September 2024



# Independent Auditor's Report

To the members of Avanteos Investments Limited

## Opinion

We have audited the **Financial Report** of Avanteos Investments Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2024;
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024;
- Notes, including material accounting policies; and
- Directors' Declaration.

## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

## Other Information

Other Information is financial and non-financial information in Avanteos Investments Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

### Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Company ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf) This description forms part of our Auditor's Report.

KPMG

Rachel Gatt  
Partner

Sydney

24 September 2024