



Independent audit report by the auditor to the Board of Directors of Macquarie Investment Management Limited (MIML) on internal controls and other relevant accounting procedures as they relate to the specified annual investor statements for the year ended 30 June 2023

Scope

In accordance with the terms of the engagement letter dated 16 June 2023, we have undertaken a reasonable assurance engagement on the internal controls and other relevant accounting procedures of Macquarie Investment Management Limited (MIML) (the Administrator), including those of its custodians and any other relevant person acting on behalf of the Administrator, relating to the preparation of annual investor statements given to the clients of Mentor Portfolio Service (the Clients) on behalf of IOOF Investment Services Limited (the Operator) for the year ended 30 June 2023. These internal controls and accounting procedures are hereafter referred to as “the internal controls”.

Our engagement has been performed in order to express an opinion about the design of the controls to meet the criteria specified in Australian Securities & Investments Commission Class Order 13/763 “Investor directed portfolio services” (as amended) and the effectiveness of the internal controls in mitigating the risk of material misstatement in the Clients’ annual investor statements.

Directors’ and management’s responsibilities

The directors and management of the Administrator are responsible for maintaining and operating an effective internal control structure including the internal controls in relation to the preparation of annual investor statements of the Clients, which comprise for each Client a statement of the quantity and value of assets and liabilities held through the Administrator by the Client as at 30 June 2023 and the corresponding revenue and expenses of the Client for the year ended on that date.

The directors of the Administrator have determined that the accounting policies used and described in Macquarie Investment Management Limited Platform Valuation Policy (“the specified basis of preparation”), including the basis of accounting, are appropriate to meet the requirements of Australian Securities & Investments Commission Class Order 13/763 “Investor directed portfolio services” (as amended). No opinion is expressed as to whether the specified basis of preparation is appropriate to the needs of the Clients.

Our Responsibilities

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagements on Controls* and accordingly included such tests and procedures as we considered necessary in the circumstances. These procedures included testing that the aggregates of assets (other than assets held by a Client), liabilities, revenue and expenses shown collectively in the annual investor statements were properly reconciled in all material respects by the Administrator as at 30 June 2023 to the corresponding amounts shown in reports prepared by the custodians which have been independently audited.

PricewaterhouseCoopers, ABN 52 780 433 757

*One International Towers Sydney, Watermans Quay, Barangaroo NSW 2000, GPO BOX 2650, Sydney NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au*



These procedures have been undertaken to express an opinion whether:

- the Administrator maintained internal controls and other relevant accounting procedures in relation to the preparation of annual investor statements, including those of its custodians and any other relevant person acting on behalf of the Administrator, that were suitably designed and operated effectively in all material respects to ensure that the annual investor statements for the year ended 30 June 2023 are or have been given to Clients without material misstatements; and
- the aggregates of assets (other than assets held by a Client), liabilities, revenue and expenses shown in the Clients' annual investor statements for the year ended 30 June 2023 have been properly reconciled in all material respects by the Administrator as at 30 June 2023 to the corresponding amounts shown in the reports prepared by the custodians which have been independently audited.

Use of report

This report has been prepared solely for the Administrator, their clients and ASIC, to meet the requirements of Australian Securities & Investments Commission Class Order 13/763 "Investor directed portfolio services" (as amended) and may not be suitable for any other purpose. No responsibility will be accepted for any reliance on this report by anyone other than the Administrator, their clients and ASIC.

Our Independence and quality management

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on Quality Management 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*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Inherent limitations

Because of the inherent limitations in any internal control structure, it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, errors or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the control procedures 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 the design and operating effectiveness of controls is not designed to detect all weaknesses in control procedures or their operation as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the evaluation of 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.



The opinion expressed in this report has been formed on the above basis.

Opinion

In our opinion:

- the Administrator maintained internal controls and other relevant accounting procedures in relation to the preparation of annual investor statements, including those of its custodians and any other relevant person acting on behalf of the Administrator, that were suitably designed and operated effectively, in all material respects, to ensure that the annual investor statements for the year ended 30 June 2023 are or have been given to Clients without material misstatements; and
- the aggregates of assets (other than assets held by a Client), liabilities, revenue and expenses shown in the Clients' annual investor statements for the year ended 30 June 2023 have been properly reconciled in all material respects by the Administrator as at 30 June 2023 to the corresponding amounts shown in the reports prepared by the custodians which have been independently audited.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers.'

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'BSS Tompsett.'

BSS Tompsett

Partner

20 July 2023