pwc

Independent audit report by the auditor to the Board of Directors of The Trust Company (RE Services) Limited on internal controls and other relevant accounting procedures as they relate to the specified annual investor statements for the year ended 30 June 2019

Scope

We have audited the internal controls and other relevant accounting procedures of The Trust Company (RE Services) Limited (the Responsible Entity), including those of its custodian and any other relevant person acting on behalf of the Responsible Entity, relating to the preparation of annual investor statements given to the clients of Xplore Wrap (formerly Federation Managed Accounts) (the client) for the year ended 30 June 2019. These internal controls and accounting procedures are hereafter referred to as "the internal controls". Our audit 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 13/762 "Investor directed portfolio-like services" (as amended) and the effectiveness of the internal controls in mitigating the risk of material misstatement in the clients' annual investor statements.

The directors and management of the Responsible Entity are responsible for maintaining 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 Responsible Entity by the client as at 30 June 2019 and the corresponding revenue and expenses of the client for the year ended on that date.

The directors of the Responsible Entity have determined that the accounting policies used, including the basis of accounting, are appropriate to meet the requirements of Australian Securities & Investments Commission Class Order 13/762 "Investor directed portfolio-like services"(as amended). No opinion is expressed as to whether the specified basis of preparation is appropriate to the needs of the clients.

Our audit 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 Responsible Entity as at 30 June 2019 to the corresponding amounts shown in reports prepared by the custodian which have been independently audited.

These procedures have been undertaken to express an opinion whether:

- the Responsible Entity maintained internal controls and other relevant accounting procedures in relation to the preparation of annual investor statements, including those of its custodian and any other relevant person acting on behalf of the Responsible Entity, that were suitably designed and operated effectively in all material respects to ensure that the annual investor statements for the year ended 30 June 2019 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 2019 have been properly reconciled in all material respects by the Responsible Entity as at 30 June 2019 to the corresponding amounts shown in the reports prepared by the custodian which have been independently audited.

This report has been prepared to meet the requirements of Australian Securities & Investments Commission Class Order 13/762 "Investor directed portfolio-like services" (as amended). No responsibility will be accepted for any reliance on this report for any other purpose.

Inherent limitations

Because of the inherent limitations in any internal control structure, it is possible 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 audited operate, has not been audited and no opinion is expressed as to its effectiveness.

An audit is not designed to detect all weaknesses in control procedures 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 audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion:

- the Responsible Entity maintained internal controls and other relevant accounting procedures in relation to the preparation of annual investor statements, including those of its custodian and any other relevant person acting on behalf of the Responsible Entity, that were suitably designed and operated effectively, in all material respects, to ensure that the annual investor statements for the year ended 30 June 2019 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 2019 have been properly reconciled in all material respects by the Responsible Entity as at 30 June 2019 to the corresponding amounts shown in the reports prepared by the custodian which have been independently audited.

PricewaterhouseCoopers

PricewaterhouseCoopers

R Cooper
Partner

30 September 2019

Independent review report by the auditor to the Board of Directors of The Trust Company (RE Services) Limited on the specified annual investor statements for the year ended 30 June 2019

Scope

We have reviewed the annual investor statements given to the clients of Xplore Wrap (formerly Federation Managed Accounts) (the clients) for the year ended 30 June 2019 prepared by The Trust Company (RE Services) Limited (the Responsible Entity). The directors and management of the Responsible Entity are responsible for the 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 Responsible Entity by the client as at 30 June 2019 and the corresponding revenue and expenses of the client for the year ended on that date. The directors of the Responsible Entity have determined that the accounting policies used, including the basis of accounting, are appropriate to meet the requirements of Australian Securities & Investments Commission Class Order 13/762 "Investor directed portfolio-like services" (as amended). No opinion is expressed as to whether the specified basis of preparation is appropriate to the needs of the clients.

We have conducted an independent review of the annual investor statements in order to state whether, on the basis of the procedures described below, anything has come to our attention that would indicate that any annual investor statement given to any client is materially misstated.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the Responsible Entity's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less that given in an audit. We have not performed an audit of any individual annual investor statement and, accordingly, we do not express an audit opinion in relation to any client's individual annual investor statement.

We have also performed an independent audit of internal controls and other relevant accounting procedures of the Responsible Entity, including those of its custodian and any other relevant person acting on behalf of the Responsible Entity, as they relate to the preparation of the annual investor statements ("the internal controls") and have issued a separate unqualified audit opinion on whether the internal controls implemented by the Responsible Entity were suitably designed and operated effectively to ensure that there are no material misstatements in the clients' annual investor statements for the year ended 30 June 2019.

This report has been prepared to meet the requirements of Australian Securities & Investments Commission Class Order 13/762 "Investor directed portfolio-like services" (as amended). No responsibility will be accepted for any reliance on this report for any other purpose.

The Statement provided below has been prepared on the above basis.

Statement

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that any annual investor statement for the year ended 30 June 2019 given to any client is materially misstated.

PricewaterhouseCoopers

PricewaterhouseCoopers

RCooper

R Cooper
Partner

30 September 2019