Margaret Street Administration Services Pty Limited

GS 007 Management Control Report 2022

For the year 1 July 2021 to 30 June 2022

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SECTION I

Statement by the Management of Margaret Street Administration Services Pty Limited (MSAS)

The accompanying description has been prepared for clients who have used the MSAS asset management, investment administration and registry services system, and theirauditors, who have a sufficient understanding to consider the description, along with other information including information about controls operated by clients themselves, when assessing the risks of material misstatements of clients' financial reports/statements.

MSAS confirms that:

(a) The accompanying description in Section II fairly presents the MSAS asset management, investment administration and registry services system forprocessing clients' transactions throughout the period 1 July 2021 to 30 June 2022. The criteria used in making this statement were that the accompanying description:

i. Presents how the system was designed and implemented, including:

- The types of services provided, including, as appropriate, classes of transactions processed.
- The procedures, within both information technology and manual systems, by whichthose transactions were initiated, recorded, processed, corrected as necessary, andtransferred to the reports prepared for clients.
- The related accounting records, supporting information and specific accounts that were used to initiate, record, process and report transactions; this includes the correction of incorrect information and how information was transferred to the reports prepared for clients.
- How the system dealt with significant events and conditions, other thantransactions.
- The process used to prepare reports for clients.
- Relevant control objectives and controls designed to achieve those objectives, including the control objectives for MSAS provided in Guidance Statement 007 *Audit Implications of the Use of Service Organisations for Investment Management Services.*
- Controls that we assumed, in the design of the system, would be implemented by clients, and which, if necessary to achieve control objectives stated in the accompanying description, are identified in the description along with the specific control objectives that cannot be achieved by ourselves alone.
- Other aspects of our control environment, risk assessment process, information system (including the related business processes) and communication, control activities and monitoring controls that were relevant to processing and reporting clients' transactions.

ii. Includes relevant details of changes to the system during the period 1 July 2021 to 30 June 2022.

iii. Does not omit or distort information relevant to the scope of the system being described, while acknowledging that the description is prepared to meet the common needs of a broad range of clients and their auditors and may not, therefore, include every aspect of the system that each individual client may consider important in its ownenvironment.

(b) The controls related to the control objectives stated in the accompanying description weresuitably designed and operated effectively throughout the period 1 July 2021 to 30 June 2022, except for the effects of the matter described in the paragraphs below.

i. Instances of users with a level of system access beyond the level required by their duties were identified. The level of access also created the ability for some users to both develop and deploy changes to the system. The findings noted could impact automated business controls and information (reports) used to facilitate controls.

ii. This resulted in the non-achievement of the following control objectives:

- G.2 - Logical access to computer systems, programs, master data, client data, transaction data and parameters including access by administrators to applications, databases, systems and networks, is restricted to authorised individuals via information security tools and techniques.
- G.3 - Segregation of incompatible duties is defined, implemented and enforced by logical security controls in accordance with job roles
- G.7 - Development and implementation of new systems, applications and software, and changes to existing systems, applications and software, are authorised, tested, approved, implemented and documented.

The criteria used in making this assertion were that:

i. The risks that threatened achievement of the control objectives stated in the description were identified;

ii. The identified controls would, if operated as described, provide reasonable assurance that those risks did not prevent the stated control objectives from being achieved; and

iii. The controls were consistently applied as designed, including that manual controls were applied by individuals who have the appropriate competence and authority, throughoutthe period 1 July 2021 to 30 June 2022.

Signed on behalf of management

Craig Lawrenson
Chief Operating Officer
Margaret Street Administration Services Pty Ltd
3 November 2022

SECTION II

Management's Description

Introduction

This report has been prepared by Xplore Wealth Limited and its administration services company Margaret Street Administration Services Pty Ltd ("MSAS") or ("Xplore"). MSAS is a wholly owned subsidiary of Xplore Wealth Limited and provides administration services to Platform Investors. Xplore does not act as a Trustee or Responsible Entity for any of the Platforms it provides services to.

The report is prepared for investors to whom Xplore provides services as follows (together referred to in this report as "**Clients**"):

1. "**Platform Clients**": means clients and members of the following investment platforms:
    - Xplore Managed Account ("**XMA"**) ARSN 128 111857;
    - Xplore Wrap (formerly Federation Managed Accounts) ("**XWA"**); ARSN 163 784 432; and
    - Westpac Global Investment Service ("**GISPN**").
2. "**Broker Clients**": means full service stockbroking clients to whom Xplore provides Portfolio Administration Services ("**PAS**").

Purpose of this report

This report provides Clients with information regarding the control environment of the reporting and processing systems of the Xplore business.

Whilst the Xplore business performs a number of functions there are other services that do not form the scope of this report. Refer to Section III for exclusions.

Platform Clients

Xplore utilises its proprietary administration and technology system (hereinafter referred to as the "Portal") to provide services to Platform Clients.

The XMA and XWA are registered managed investment schemes as defined by the Corporations Act and ASIC Policy. GISPN is a wholesale administration service provided to wholesale clients of Westpac. Via the Portal, Platform Clients and their advisers access a variety of investment options, administration services and reports in accordance with the disclosure documentation for each product. The offer documentation will also specify the investment options available to clients which may include:

- ASX Equities
- International Equities

- Fixed Interest Products
- Model Portfolios
- Managed Funds
- Exchange Traded Options
- Dynamic Trading Strategies
- Cash and Term Deposits.

The Platforms are generally not available directly to retail clients unless they receive personal advice from a financial adviser under an Australian Financial Services Licence **(“AFSL”)** with the appropriate conditions. Financial advisers include stockbrokers, wealth managers, financial planners, accounting firms and other types of financial institutions. Where a Platform is offered to retail clients, the AFSL holder must enter into a distribution agreement with the issuer of each financial product to authorise them to distribute or offer documents in respect of the platform. Offer documents may be ‘white labelled’ by adviser groups to enable bespoke investment options.

How do the Platforms work?

1. Applicants read relevant offering documentation including Product Disclosure Statement (“PDS”), Information Memorandum and the Investment Guide forthe Platform as well as product disclosure documents pertinent to the investments they wish to access via the Platform.

2. An online application is made with the assistance of the applicant’s financial adviser.

3. Applicants provide application money by direct deposit, cheque, transferring CHESS eligible Australian securities or by transferring other investments.

4. Once their application is accepted, in conjunction with their financial adviser, Platform Clients choose investments from the Investment Menu in line with their risk and return objectives. The Platform Client provides an investment instruction to purchase investments, this can be done via the Portal or Authorised Broker. Xplore, through the external custodian appointed to the product (JPMorgan Chase Bank, N.A (Sydney Branch)) arranges investments as directed by the Platform Client. Investments can be said to be ‘indirect investments’ as the relevant custodian, and not the Platform Client, holds title to the investments and has the rights of a client in those investments. The nature of the constitution of XMA/XWA is unlike other managed investment schemes (which are often structured as unit trusts) whereby the client at all times, retains beneficial ownership of, and absolute entitlement to the underlying investments. The GISPN product similarly provides a transparent look through for clients where they hold absolute and beneficial entitlement to assets held by the custodian.

5. On a day-to-day basis, Xplore administers each Platform Client’s account in accordance with investment instructions received through the Portal. Xplore provides regular online reports, liaising with investment managers and the Platform Client’s representative/adviser.

6. Platform Clients may make additional contributions to their accounts following initial investment at any time (ad-hoc or irregular). Platform Clients are also able to contribute regularly via a direct debit to a nominated bank account on a monthly basis, via the Portal (“RegularContribution Plan”), or by arranging a direct credit to a specific financial institution (“Your Own Savings Plan”).

7. Platform Clients may request to withdraw any amount of cash and may provide instructions to make an in- specie transfer of assets out of their account. This can be done by providing instructions through the Portal. Election can also be made by Platform Clients to receive a regular payment from their Account.

8. Ongoing management fees payable to the relevant responsible entity or trustee are charged in respect of each account. Depending on investments selected, thereare also fees and costs associated with underlying investments or strategies chosen through the Portal. MSAS arranges these payments for responsible entity, trustee or as the administrator.

9. The Platform Client, and their adviser/representative, can review performance of their investments in line with changing circumstances of the Platform Client. Changes to Platform Client's investments can be made by the Platform Client at any time by providing investment instructions.

10. The Platform Client and their adviser can review various reports using the Portal provided by Xplore. Comprehensive reporting via the Portal allows confidential and real-time reporting on investments held, performance, transactions (capital and income), expense and tax information required for tax return preparation.

Broker Clients – PAS and Mailbox Services

Broker Clients are provided with a range of investment services by an advisor, including:

- Comprehensive asset and investment management advisory
- Execution and transaction services
- Reporting
- Administration

Xplore acts as administrator of the Broker Clients pursuant to an appointment by the broker group under a contract to provide administration services. This is known in the industry as a "PAS/Mailbox service".

Broker advisers action client instructions relating to the investments and, as administrator, Xplore provides administration services and reports on investments held by Broker Clients. For example, as part of this service, Xplore collects all mail on behalf of Clients, and liaises with advisers in respect of any instructions from the Broker Client.

Xplore does not provide any custody services to Broker Clients, all cash and investments are held directly in the name of the relevant client, rather than via a custodian.

Internal Control Objectives and Related Controls

The Xplore Group defines control objectives for Platform Clients and Broker Clients and designs and implements the related controls.

The controls have been in place throughout the period from 1 July 2021 to 30 June 2022 (or during a lesser period where specified). These are listed under Section III of this report.

Complementary User Entity Controls (CUECs)

Controls and control objectives detailed in this report refer to services provided by Xplore applicable to Platform Clients and Broker Clients.

However, all Clients should also ensure they have effective controls in place within their operations.

Listed below are the minimum or key control activities that Xplore believes each Client should consider for its own operations. In order to place reliance on Xplore's controls referred to in this report, each Client should evaluate the Client's own controls to determine if they have the controls in place outlined below.

Control 1: Instructions provided by Clients are properly completed in a timely manner, with erroneous or incomplete instructions detected, corrected and resubmitted.

Control 2: Records of transactions and interactions with Xplore are maintained by Clients and confirmed against information, statements, notifications, advice and reports provided by Xplore, with any differences investigated and reported to Xplore in a timely manner.

Control 3: Instructions and information provided to Xplore are in accordance with any other governing documents.

Control 4: Clients check and confirm the accuracy of the market prices as provided by Xplore including source prices for unlisted assets (if applicable).

Inherent limitations

Internal controls, no matter how well designed and operated, can provide only reasonable, not absolute, assurance to management and Clients regarding achievement of an entity's objectives. The likelihood of achievement is affected by the limitations inherent in all internal control systems.

These include:

- The possibility that human error may occur and judgment in decision making can be faulty
- Consideration of costs and benefits when establishing internal controls
- Despite effective internal controls being implemented and monitored, collusion between parties could circumvent these controls.

Response to Covid 19

Xplore Group has implemented a number of steps in response to the Covid 19 outbreak in order to protect our staff, clients and our suppliers. Xplore Group actively monitors all updates from the relevant Federal and State Governments with respect to COVID 19 related measures and ensures compliance with these. Xplore Wealth has established a flexible working from home policy for staff which enables staff to work either within the office (subject to Government imposed restrictions) or from home.

All controls referenced in this document were maintained throughout the year under these flexible working arrangements, albeit some minor modifications were implemented such as allowing for digital signature / approval rather than physical signature and performing additional monitoring in relation to data security, especially where employees were using their own computers to access Xplore's systems.

No business interruptions were experienced as a result of the Covid 19 situation and all services have operated as outlined in this document over the year.

Use of report

This report will be provided to relevant users and their auditors, who have a sufficient understanding to consider it, along with other information including information about controls operated by users themselves, so they may assess the risks of material misstatements of users' financial reports. It may be provided to others as authorised by MSAS and Deloitte Touche Tohmatsu.

Integrity and ethical values

Xplore prides itself on being an organisation that upholds the highest integrity and values in all facets of the business. Prospective employees are subject to a stringent pre- employment screening process, ensuring that candidates have the necessary skills, experience and integrity.

Operational staff and representatives operate under continuous supervision of the Group Executive, including the Chief Executive Officer, the Chief Financial & Operating Officer, Chief Risk Officer, Head of Distribution & Marketing, Head of Product, Head of People & Culture and Head of Information Technology.

All staff undergo ongoing training and professional development to ensure that they have the necessary skills and knowledge to execute their responsibilities.

Board of directors

The composition of the board of directors of Xplore has been structured to add value in strategic planning and to promote good corporate governance. The board is currently comprised of two directors, with significant financial services experience.

Commitment to compliance

Xplore has a strong commitment to compliance with all applicable laws under which it operates including but not limited to *Corporation Act 2000*, Privacy law, financial services laws. Xplore aims to embed this in its day to-day operations combined with a series of checks and balances to monitor compliance.

Management philosophy and operating style

Xplore management take all reasonable steps to ensure that the individuals for whom they are responsible for are aware of and uphold the integrity and values promoted within Xplore. These include:

- Consistently demonstrating exemplary behaviour.
- Undertaking activities to aid a culture in which employees understand their responsibilities, understand their rights surrounding raising concerns and are ultimately supported and encouraged to work to the best of their ability.
- Maintaining accessibility of organisational policies, procedures and other business requirements.
- Responding promptly and seriously to employees' legitimate concerns and queries regarding business issues and seeking further assistance where required.
- Establishing internal processes addressing business risk areas and ensuring that potential and actual breaches are investigated and recorded appropriately where required.
- Ensuring all business conduct breaches are reported to the relevant human resources and/or compliance manager for accurate record keeping and actioning.
- Following or recommending appropriate actions in addressing business conduct issues.

Human resource policies and practices

- Xplore employees must adhere to principles and requirements contained in Xplore's organisational policies and procedures. Employees must take reasonable steps to ensure that all individuals or groups that conduct business on behalf of Xplore, including contractors, agents, consultants and other business partners do likewise.
- Xplore policies and procedures are reviewed and updated regularly or as often as required. Employees are

required tohave an in-depth understanding of Xplore's policies, procedures and other company requirements that apply to the organisation and more specifically their position held, and appropriately notified upon issue of a newly created or amended organisational policy or procedure.

Description of services provided

- This report details operational controls within Xplore relatingto the Asset Management, Investment Administration andRegistry services. In particular, this report details how those controls operate in respect of the services to Platform Clients and Broker Clients and is prepared for the use of Clients, their independent auditors, and other persons authorised by Xplore and the service auditor.
- This report has been prepared in accordance with Australian Standard on Assurance Engagements 3402 *Assurance Reports on Controls at a Service Organisation* ("ASAE 3402"). ASAE 3402 conforms with the International Standard for Assurance Engagements 3402 *Assurance Reports on Controls at a Service Organization* ("ISAE 3402").
- The control objectives in this report are directly referenced from Guidance Statement GS 007 *Audit Implications of the Use of Service Organisations for Investment Management Services* ("GS 007"), issued by the Auditing and Assurance Standards Board in Australia.
- In the remainder of this section, please see the note on 'applicability' prior to the description of the service provided by Xplore as some services do not apply to certain Clients.

B: Asset Management

Definition:
"Asset management" is the investment of money on behalf of clients and involves performance of the following functions:

- Initiating and executing purchase and sale transactions, either by specific direction from the client or under discretionary authority granted by the client.
- Determining whether transactions comply with guidelines and restrictions.
- Reconciling records of security transactions and portfolio holdings, for each client, to statements received from the custodian.
- Reporting to the client on portfolio performance and activities.

Assets may be managed in accordance with specific client directions, under a discretionary mandate agreed by the client or through a unitised fund, with the investment strategy mandated in an offer document or client agreement. These control objectives are relevant to service organisations providing mandate business, where the investors (user entities) are required to prepare audited financial reports. The objectives are also relevant to service organisations providing asset management services to unitised funds (user entities) but do not include objectives for controls within unitised funds themselves.

Applicability: Platform Clients, Broker Clients

Platform Clients

Xplore provides asset management services for Platform Clients, who can discretionally select any "Self-directed Investments" and "Model Portfolios" from the investment menu.

Self-directed Investments provide flexibility for Clients to build and operate an individualised portfolio. Xplore only trades self-directed investments following receipt of investment instructions from the Platform Client or the Platform Client's adviser/representative through the Portal or, in limited cases, by email, i.e., the 'asset management' service is carried out following Platform Client instructions. Reports to Platform Clients on their Self-directed Investments and other investments are provided on a consolidated basis and accessible via the Portal.

Model Portfolios provide access to professional investment managers who manage the relevant portion of Platform Clients' assets in line with a specified mandate. The mandate for each model portfolio describes the Model Portfolio's investment strategy, objectives and investment allocation. Details of the mandate for each Model Portfolio are set out in the investment menu and the Platform Client must give Xplore specific instructions to invest in one or more Model Portfolios.

By investing in one or more Model Portfolios, the portion of a Platform Clients' portfolio invested in a Model Portfolio is subject to ongoing monitoring and re-balancing as Xplore arranges for securities and other investments to be purchased or disposed of based on the Model Portfolio investment manager's instructions, i.e., the 'asset management' service is carried out following investment manager instructions.

Broker Clients

Xplore provides limited asset management services to Broker Clients. Broker Clients make investments to create individualised portfolios with advice from their advisers. The adviser arranges investment transactions for the Broker Client upon receiving instructions from the Broker Client. Xplore does not complete any investment transactions on behalf of the Client.

Xplore's role in asset management includes reporting on adviser-directed investments to Broker Clients and their advisers via the Portal. The Portal receives daily data feeds from external providers, containing investment data. The data uploaded onto the Portal is available for viewing from the adviser log in.

E: Investment Administration

Definition:

"Investment Administration" is performance of the following:

- Maintaining records of securities, cash, and other portfolio assets and liabilities based on information received from the Trustee/Responsible Entity, investment manager, registrar, custodian and others (as applicable).Valuation of portfolio assets and liabilities, determining net asset values and reporting thereof.
- Periodic reporting of performance and investment compliance to the Trustee/Responsible Entity, investment manager, and others (as applicable).
- Periodic financial reporting.

Unit pricing and crediting rate calculations are investment administration functions for which control objectives include accurate calculation of daily or periodic unit prices or crediting rates.

Applicability: Platform Clients, Broker Clients

Platform Clients

Xplore provides investment administration services in respect of the XMA, XWA and GISPN. Xplore facilitates access to account information that can be viewed at any time by Platform Clients and their advisers via the secure Portal. The Portal allows Platform Clients to view their investment details, monitor investment performance and access a wide range of consolidated reports relating to valuation, performance analysis, asset allocation and taxation, as well as all fees, charges and taxes on an itemised basis, providing a clear understanding of the total costs of investing. Additionally, reporting includes a set of annual audited tax reports for each Platform Client on the XMA, XWA or GISPN. The information displayed is updated overnight with the previous business day activities except for some International

Markets that are processed with one day's delay.

Investments of Platform Clients are held by a third party custodian, removing many administrative burdens associated with direct ownership. In particular, Clients will not receive direct communication from registries, responsible entities of managed fund investments, or companies including annual reports, dividend payments, CHESS Statements and contract notes. Xplore receives and processes these on behalf of Platform Clients and then reports on how such communications were processed. Additionally, Platform Clients' privacy is protected as their name does not appear on public registers.

Broker Clients

Xplore provides investment administration services to Broker Clients. This includes reporting on account information, which can be accessed at any time by the Broker Clients and their advisers via the secure Portal.

The Portal allows Broker Clients and their advisers to view investment portfolio details, monitor investment performance and access a wide range of consolidated reports relating to valuation, performance analysis, asset allocation and taxation, as well as all fees, charges and taxes relating to their account on an itemised basis, providing a clear understanding of the total costs of investing.

Reporting includes a set of annual reports for each Broker Client. Information displayed via data feed is available the next business day, for data accurate as at close of the previous business day. Investments are held directly by the Broker Client. The Broker Client receives direct communication from registries, responsible entities or companies including annual reports, dividend payments, CHESS Statements and contract notes through the Xplore PAS Mailbox service. These communications are then made available by Xplore to the Broker Client via their adviser, who can review them through the Portal and liaise with the Broker Client on their specific circumstances.

F: Registry

Definition:
"Registry" is the performance of the following functions:

- Maintaining records of the name and address of each shareholder or unit-holder investing in the clients/issuer, the amount of shares or units in the client owned by each share/unit-holder, any reference corresponding to a share/unit holder's position, the issue date of the share/unit, and the cancellation date of the share/unit (if applicable).
- Recording the amount of shares/units purchased, redeemed, switched, transferred or reinvested by a shareholder or unit-holder on the issuer's books upon receipt of a validated request. Recording changes to share/unit holdings as a consequence of a corporate action upon receipt of validated instruction.
- Monitoring the issuance of shares/units in an issue to prevent the unauthorised issuance of shares/units.
- Ensuring that any issuance of shares/units will not cause the authorised number of shares/units in an issue to be exceeded and that the number of new shares/units represented corresponds to the number of cancelled shares/units.
- Performing stakeholder meeting and voting processes such as document design and print procurement, postage, other distribution of documents and reporting.

Applicability: Platform Clients, Broker Clients

Xplore maintains an up-to-date register of Clients in accordance with requirements of the Corporations Act 2001 or the service agreement relevant to administration services provided.

The register contains data such as client name, address, investment holdings details and investment transactions. All applications are processed in the Xplore system upon receipt. Internal checks are established to ensure accuracy and security of information. Incomplete applications are rejected and returned to the adviser.

Changes to static data are processed by Xplore upon receipt of request by Clients. Controls are established to ensure that changes are valid and correct, and completed in a timely manner.

Reconciliations are completed on a daily basis to ensure all investment data is complete and accurate. This is completed with data provided from various sub-service organisations.

Clients and advisers have access to view all registry information through the Portal. This is a convenient and accessible function, available at any time.

Key functions of Xplore's role in registry of Platform Clients and Broker Clients include:

- Client accounts are established upon receipt of data and details are entered into the register of Scheme members.
- Ability for Clients to update static data such as residential address, directly through the Portal with full security measures (Platform & Broker).
- Transaction data is available to clients through the Portal (direct or adviser).
- Transactions are reconciled in the systems against information provided by external parties including the custodian, brokers and the relevant cash account for the Client.

G: Information Technology

Scope:
Information technology (IT) control objectives are applicable to all investment management services as IT is integral to providing those services. IT control objectives are addressed for each investment management service reported on, in addition to specific control objectives provided for each investment management service in GS 007 Appendix 3.

IT systems that are addressed in the controls identified to meet these objectives are those that are relevant to investment management services provided to user entities, specifically financial reporting of user entities with respect to those services.

Applicability: Platform Clients and Broker Clients

Key elements of IT controls used by Xplore in providing other services to Clients include:

- Physical IT equipment is maintained in a controlled environment and access to servers holding client data is restricted to authorised IT personnel only. Firewalls and anti-virus software are used to prevent unauthorised access to client data.
- Client data held on servers is backed-up off-site daily.
- Logical access security to client data is on a need to know basis and is enforced by use of unique user ID's and complex passwords.
- Operating and applications software are updated regularly with the latest vendor releases and patches.

- Appropriate data security framework maintained to protect Xplore’s systems and data from unauthorised access.
- Changes made to IT systems by service providers are monitored and reviewed by management.

There are multiple systems to deliver the services. The key systems and tools in scope are:

GITC Systems and supporting tool	Description
Linear Portal	The core record keeping system used for Member/ Client Registries & Reporting Management.
IRESS IPS	Portfolio and Investment Management (Transaction Registry).
MSAS Zendesk - 1 July 2021 - 3 May 2022	Helpdesk system
MSAS Gemini	Issue Tracking System
MSAS ManageEngine Service Desk Plus (ITSM) - 4 May 2022 onwards replacing Zendesk	Helpdesk system (Replacing Zendesk from 4 May 2022)
MSAS BitBucket	Software development platform used for storing, tracking, and collaborating on software projects.
MSAS Keepass	Password Vault

Controls at Sub-Service Organisations

JP Morgan is a subservice organisation that perform sub-custodial services in respect of the holding and safe keeping of assets. RedShield Security Australia, Secure Agility and Base2Services (reseller agreement with AWS) are subservice organisations that provide information technology systems support and services. MSAS’s description of the asset management, investment administration and registry services system includes MSAS’s monitoring controls over the operating effectiveness of the controls at these subservice organisations and excludes the relevant control objectives and related controls of the subservice organisations.

SECTION III

Control Objectives and Service Auditor’s Tests of Controls

Introduction

This section presents the following information provided by MSAS:

- The control objectives specified by the management of MSAS.
- The controls established and specified by MSAS to achieve the specified control objectives.

Also included in this section is the following information provided by Deloitte Touche Tohmatsu:

- A description of the tests performed by Deloitte Touche Tohmatsu to determine whether MSAS’ controls were operating with sufficient effectiveness to achieve specified control objectives. Deloitte Touche Tohmatsu determined the nature, timing, and extent of the testing performed.
- The results of Deloitte Touche Tohmatsu’s tests of controls.

It is each user’s responsibility to evaluate the information included in this report in relation to internal control in place at individual user entities to obtain an understanding and to assess control risk at the user entities. The controls at user entities and MSAS’s controls should be evaluated together. If effective client controls are not in place, MSAS’s controls may not compensate for such weaknesses.

Controls that are performed by MSAS’s users remain their responsibility and were not tested as part of this engagement.

Note on use of automated controls

The MSAS system of internal controls uses a combination of manual and automated controls. Manual controls may, in part, use system generated information. Accordingly, the controls listed below should be considered alongside the technology system controls (‘G’ Controls), including any deviations noted by the service auditor.

Applicability of GS 007 control objectives and related controls activities

The applicability of GS 007 objectives and related control activities to Platform Clients and Broker Clients, as defined in Section II has been specified in the columns ‘Platform’ and ‘Broker’ in the tables below.

Accepting Clients

Control objectives:

- **B.1** **New accounts are set up completely and accurately in accordance with client agreements and/or offer documents and any applicable regulations.**
- **E.1** **New accounts are set up completely and accurately in accordance with client agreements and applicable regulations.**
- **F.1** **New accounts are set up completely and accurately in accordance with client/issuers agreements.**

Control Description	Platform	Broker	Deloitte test procedures	Deloitte Results
1. There is a documented account opening procedure in place that staff refer to when establishing a new account. New Investor accounts can only be opened upon receipt of the correct application forms. An account opening task checklist is automatically generated to track progress of applications. The system queues various account opening tasks and allocates them to appropriate officers for action. Application forms are quality reviewed through the account opening task checklist for; - Signed application form - PDS acknowledgement - (client signature) - Compliance with AML legislation - Completeness, and referred to the Investor/Adviser for completion. Once account is set up, Transitions team sends an email notification to the adviser informing them of account being set up and activated.	YES	NO	Inspected a sample of new accounts that were set up during the period to test whether each application form: - was completed and signed by the client - had the T&Cs attached to the application. Inspected a sample of account opening task checklists to test whether quality control checks were performed which includes compliance with AML legislation, set-up of adviser fees in IRESS IPS and data verification checks by a New Business Team. Inspected email communications to test whether a welcome letter/communication advice was sent to the new member confirming that the account had been activated.	No deviations noted.

Control Description	Platform	Broker	Deloitte test procedures	Deloitte Results
2. Relevant account opening documentation is forwarded to Xplore by the broker and checked by an Xplore investment officer for the following; - Schedule 6 - W8ben (Tax form for USA) - Power of attorney - Checklist outlining fees prior to setting up the account in the system. Any inconsistencies identified are referred back to the dealer group for resolution.	NO	YES	Inspected a sample of new account applications with supporting documentation forwarded from the broker to test whether the applications were checked by an Xplore investment officer.	No deviations noted.

Control objectives:

- **B.2 Complete and authorised client agreements, including investment guidelines and restrictions, are established prior to initiating investment activity.**
- **E.2 Complete and authorised client agreements are established prior to initiating accounting activity.**
- **F.2 Complete and authorised client agreements are established prior to initiating accounting activity.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. There is a documented account opening procedure in place that staff refer to when establishing a new account. New Investor accounts can only be opened upon receipt of the correct application forms described in the Overview. An account opening task checklist is automatically generated to track progress of applications. The system queues various account opening tasks and allocates them to appropriate officers for action. Application forms are quality reviewed through the account opening task checklist for; - Signed application form - PDS acknowledgement - (client signature) - Compliance with AML legislation.	YES	NO	Inspected a sample of new accounts that were set up during the period to test whether each application form: - was completed and signed by the client - had the T&Cs attached to the application. Inspected a sample of account opening task checklists to test whether quality control checks were performed which includes compliance with AML legislation, set-up of adviser fees in IRESS IPS and data verification checks by a New Business Team. Inspected email communications to test whether a welcome letter/communication advice was sent to the new member confirming that the account had been activated.	No deviations noted.

Control Description	Platform	Broker	Deloitte test procedures	Results
- Completeness, and referred to the Investor/Advisor for completion. Once account is set up, Transitions team sends an email notification to the advisor informing them of account being set up and activated.				

Authorising and processing transactions

Control objectives:

- **B.3** **Asset investment transactions are properly authorised, executed and allocated in a timely and accurate manner.**
- **E.3** **Portfolio transactions are recorded completely, accurately and on a timely basis.**
- **F.3** **New share/unitholder activity is clearly established and recorded completely, accurately and in a timely manner.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. Trading transactions (e.g. re-balancing, self-directed investments) are actioned upon receipt of Adviser/Investor instructions, via the Investment Portal. All trade transactions are modelled by an Xplore investment officer, and then checked by a 2nd investment officer via the target process card. Unless there is no trading, this occurs on a daily basis.	YES	NO	Inspected a sample of trade transactions to test whether the transactions were modelled by an Xplore investment officer as per the client instructions and then reviewed by an independent investment officer.	No deviations noted.
2. Trade orders controlled and executed by Xplore are only placed with approved brokers.	YES	NO	Observed system functionality onscreen that IRESS IPS does not allow placement of trade orders with stocks or counterparties outside the approved broker lists in the system.	No deviations noted
3. The settlement of trades by the custodian is checked daily by an Xplore Investment Officer to ensure that all trades have been settled. Any unsettled trades are investigated by the investments team on the day of settlement.	YES	NO	Inspected a sample of daily settlement of trades exception reports to test whether unsettled trades identified are investigated and resolved by the investments team.	No deviations noted

Control Description		Platform	Broker	Deloitte test procedures	Results
4.	Listed market trade orders placed with brokers are matched daily with Investment Management System and contract notes received from brokers using a reconciliation tool on the Portal to ensure that all trading instructions have been processed. Non-market listed trades (managed funds) are matched against confirmation statements.	YES	NO	Observed system functionality to test whether the reconciliation of trades through contracts notes/confirmation statements and trading instructions is performed on a daily basis.	No deviations noted
5.	Investors/Investment Managers can access details of their current trading instructions and portfolio holdings via the secure Portal.	YES	NO	Observed system functionality to test whether Investors/ Investment managers can access details of their current trading instructions and portfolio holdings via a secure portal using their login credentials.	No deviations noted
6.	Transfer request information is captured through signed in-specie transfer forms or Australian Standard Transfer Forms. Signatories checked with authorities held on file, and transfer form verified for correctness by Transitions team.	YES	NO	Inspected a sample of in-specie transfers to test whether transitions team checked signatories held on file and transfer forms were verified by the Transitions team for accuracy.	No deviations noted
7.	Xplore receives daily trade orders from Westpac via the Portal. Xplore creates a FORSS (managed fund instruction file) for all orders aggregated by security and uploads trade instructions to JPMorgan portal for processing. Upon receipt of confirmation of settlement from JPMorgan, Xplore uploads the confirmation to the Portal. The Portal updates the order with final confirmed trade details. A daily file of net cash movement to or from the Westpac Cash account to the JPM Holding account is uploaded to the JPM portal for the settlement of trades. The cash instruction is subject to approval by a Senior Xplore officer. Note: Transfer requests are also provided via the Portal from Westpac and Xplore are purely responsible for instructing JPM and creating the bank	YES	NO	For a sample of trades, inspected the daily file of net cash movement and cash instruction to test whether it was approved by a Senior Xplore Officer.	No deviations noted

Control Description		Platform	Broker	Deloitte test procedures	Results
	files to transfer funds between the Westpac Cash Account and the JPM Holding Account.				
8.	Asset reconciliations are performed daily between JPM and IRESS on a daily basis by the Reconciliations Administrator in the PAS team and reviewed by Operations Team Manager on a daily basis. Discrepancies are assigned to Operations staff for investigation.	YES	NO	Inspected a sample of daily asset reconciliations between JPM and IRESS to test whether the reconciliations are reviewed by the Operations Team Manager and any discrepancies identified are investigated and resolved.	No deviations noted.
9.	Cash reconciliations are performed between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS. Discrepancies are assigned to Operations staff for investigation. Reconciliation is reviewed by the Operation Team Manager.	YES	NO	Inspected a sample of daily cash reconciliations between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS to test whether the reconciliations are reviewed by the Operation Team Manager and any discrepancies identified are investigated and resolved.	No deviations noted.
10.	A daily reconciliation is performed between Westpac (BT) accounts as per investment management system with custodian records of monies held for Investors and data provided by the bank. Discrepancies are assigned to Operations staff for investigation and reviewed by 2nd investment officer.	YES	NO	Inspected a sample of daily Westpac (BT) reconciliations between custodian records of monies held for Investors and data provided by the bank with IRESS to test whether the reconciliations are reviewed by a second investment officer and any discrepancies identified are investigated and resolved by assigned Operations staff.	No deviations noted.

Control objective:

- **B.4 Transactions are undertaken only with approved brokers**

Control Description		Platform	Broker	Deloitte test procedures	Results
1.	Trade orders controlled and executed by Xplore are only placed with approved brokers.	YES	NO	Observed system functionality that IRESS IPS does not allow placement of trade orders with stocks or counterparties outside the approved broker lists in the system.	No deviations noted

Control objectives:

- **B.5 Asset investment and related cash transactions are completely and accurately recorded and settled in a timely manner**
- **E.5 Expenses are appropriately authorised and recorded in accordance with the service level agreement and/or client instructions, on a timely basis.**
- **F.4 Share/unitholder applications, redemptions and switches received are checked, sorted and distributed for processing in a timely manner.**
- **F.5 Share/unitholder transactions and adjustments are authorised, processed accurately, completely and in a timely manner.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. Trading transactions (e.g. re-balancing, self-directed investments) are actioned upon receipt of Adviser/Investor instructions, via the Investment Portal. All trade transactions are modelled by an Xplore investment officer, and then checked by a 2nd investment officer via the target process card . Unless there is no trading, this occurs on a daily basis.	YES	NO	Inspected a sample of trade transactions to test whether the transactions were modelled by an Xplore investment officer as per the client instructions and then reviewed by an independent investment officer.	No deviations noted.
2. Trade orders controlled and executed by Xplore are only placed with approved brokers	YES	NO	Observed system functionality that IRESS IPS does not allow placement of trade orders with stocks or counterparties outside the approved broker lists in the system.	No deviations noted
3. The settlement of trades by the custodian is checked daily by an Xplore Investment Officer to ensure that all trades have been settled. Any unsettled trades are investigated by the investments team on the day of settlement.	YES	NO	Inspected a sample of daily settlement of trades exception reports to test whether unsettled trades identified are investigated and resolved by the investments team.	No deviations noted
4. Listed market trade orders placed with brokers are matched daily with Investment Management System and contract notes received from brokers using a reconciliation tool on the Portal to ensure that all trading instructions have been processed. Non-market listed trades (managed funds) are matched against confirmation statements.	YES	NO	Observed system functionality to test whether the reconciliation of trades through contracts notes/confirmation statements and trading instructions is performed on a daily basis.	No deviations noted
5. Investors/Investment Managers can access details of their current trading instructions and portfolio holdings via the secure Portal.	YES	NO	Observed system functionality to test whether Investors/ Investment managers can access details of their current trading instructions and portfolio holdings via a secure portal using their login credentials.	No deviations noted

Control Description		Platform	Broker	Deloitte test procedures	Results
6.	Transfer request information is captured through signed in-specie transfer forms or Australian Standard Transfer Forms. Signatories checked with authorities held on file, and transfer form verified for correctness by Transitions team.	YES	NO	Inspected a sample of in-specie transfers to test whether transitions team checked signatories held on file and transfer forms were verified by the Transitions team for accuracy.	No deviations noted
7.	A daily reconciliation is performed of omnibus scheme account as per the Investment Management system with: - Custodian records of monies held for Investors - Data provided by the bank. Reconciliations are reviewed by a 2nd Xplore officer.	YES	NO	Inspected a samples of daily asset (securities) reconciliations between JPM and IRESS to test whether the reconciliations are reviewed by the Operations team and any discrepancies identified are investigated and resolved. Inspected a sample of daily cash reconciliations between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS to test whether the reconciliations are reviewed by the Operations team and any discrepancies identified are investigated and resolved.	No deviations noted.
8.	Management, adviser and performance fees (where applicable) are shown in Product Disclosure Statements (PDS) and are agreed to by the Investor when they sign application forms contained in the PDS.	YES	NO	Inspected a sample of new accounts that were set up during the period to test whether each application form: - was completed and signed by the client - had the T&Cs attached to the application. Inspected a sample of account opening task checklists to test whether quality control checks were performed which includes compliance with AML legislation, set-up of adviser fees in IRESS IPS and data verification checks by a New Business Team. Inspected email communications to test whether a welcome letter/communication advice was sent to the new member confirming that the account had been activated.	No deviations noted.
9.	Fee schedules for brokers have been pre-programmed into the system so that correct fees are automatically charged to Investors' accounts.	YES	NO	Observed system settings to test whether fees were pre-programmed into the system so that the correct fees are automatically charged to Investors accounts. Inspected a sample of account opening task checklists to test	No deviations noted.

Control Description	Platform	Broker	Deloitte test procedures	Results
			whether quality control checks were performed which includes compliance with AML legislation, set-up of adviser fees in IRESS IPS and data verification checks by a New Business Team.	
10. Fees are automatically calculated and deducted by a monthly fee run system process based on fees program master data and fee data entered during Investor account set-up. This is checked by 2nd Xplore officer via email. Any discrepancies identified are reverted back to transitions team for amendment.	YES	NO	For a sample of monthly fee comparisons, inspected email correspondence to test whether a second Xplore officer had reviewed the fees.	No deviations noted.
11. Fees are shown in Schedule 6 as signed by the Investor or full service coversheet and checked and confirmed by Xplore investment officer prior to setting up the account in the system.	NO	YES	Inspected a sample of new account applications with supporting documentation forwarded from the broker to test whether the applications were checked by an Xplore investment officer.	No deviations noted.
12. Quarterly email is sent to brokers with new investors who will have a management fee deducted from their accounts. The broker then has the ability to contact Xplore by a certain deadline with relevant changes, If no response is received from the broker, fees are assumed to be correct.	NO	YES	For a sample of quarters, inspected email correspondence to test whether communication was sent to brokers indicating new investors who will have a management fee deducted from their accounts.	No deviations noted.
13. Month-to-month comparisons and reasonableness checks are conducted on fees calculated for the period and is performed by transitions team. The fees are calculated and sent to the client for approval and sign off. This is then checked by 2nd explore officer and invoice is created.	YES	YES	Inspected a sample of month-to-month comparisons to test whether reasonableness checks were performed and checked by a second Xplore officer prior to invoices being created.	No deviations noted.
14. Reconciliations are performed daily between the record of asset holdings maintained by the Broker investor using the Pershing data feed, and the record of Investor portfolio holdings as recorded in the Investment Management System. Discrepancies are investigated by a Portfolio Administration Analyst.	NO	YES	Inspected a sample of daily asset holding reconciliations between Broker investor using the Pershing data feed, and the records of Investor portfolio holdings in IRESS to test whether the reconciliations were performed and any discrepancies identified were referred to brokers for investigation.	No deviations noted.

Control Description	Platform	Broker	Deloitte test procedures	Results
Equity breaks are referred back to Broker for non-custody.				

Control objectives:

- **B.6 Corporate events and proxy voting instructions are identified and generated, respectively, and then actioned, processed and recorded accurately in a timely manner**
- **E.4 Corporate actions are actioned, processed and recorded accurately and on a timely basis.**
- **F.9 Distribution payments and reinvestments are complete, calculated in accordance with the authorised distribution and processed in a timely manner.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. ASX corporate actions requiring election for capital events are manually loaded onto the Xplore Portal by the Corporate Actions Officer on or around the Offer Opening date. This is tracked via the Corporate Actions Events Database which is manually maintained by the Corporate Actions team. The Corporate Action event entered into the Xplore Portal is cross checked by another team member however this is not a formal sign off process. On the same day of the event being raised by the Corporate Actions team on the Xplore Portal a manual email is drafted by the Team and is sent to the Portfolio Services Team (client) for notifications to be sent to the relevant advisers of the Corporate Action event. This process is maintained by Evans and Partners directly, with the Corporate Actions Events Database used internally as the tracker to confirm that the email to the team has been sent.	YES	NO	For a sample of dates, inspected the Corporate Action Database and e-mail correspondence to test whether corporate actions requiring election for capital events are tracked and communicated to investors for election.	No deviations noted.

Control Description	Platform	Broker	Deloitte test procedures	Results
2. In accordance with the investor's choice, actions are applied by Xplore investment officer to investor portfolios. A second Xplore investment officer will then check for relevant investor portfolios to ensure the system correctly applied the corporate action.	YES	NO	For a sample of voluntary corporate actions where investor choice was received, inspected IRESS IPS to test whether the investor's choice applied in IRESS was checked by another investment officer.	No deviations noted.
3. Income events are automatically applied to investor portfolios in IPS via the IRESS data feed on the record date. On the day after Payment Date a daily automatic reconciliation function is performed in the Xplore portal that matches the income lines processed in IPS to the income received from the Share Registry into the Clients bank accounts. This reconciliation is reviewed daily to identify and correct any variances. Items will remain on the reconciliation until they are matched and cleared off the report.	YES	YES	Observed system functionality to evidence automatic update of involuntary corporate action for listed securities. Inspected a sample of daily cash and asset reconciliations breaks for the Corporate Actions Team to test whether breaks were investigated and updated in the system.	No deviations noted.
4. For income corporate events identified via the cash / reconciliations as breaks or statement of new units issued are investigated and updated in the system by corporate actions team.	YES	YES	Inspected a sample of daily cash and asset reconciliations breaks for the Corporate Actions Team to test whether breaks were investigated and updated in the system.	No deviations noted.
5. For income corporate events relating to Trust and Managed Fund securities , tax components utilised in the tax reports are updated in the system and reviewed by corporate actions team.	YES	YES	Inspected a sample of distributions reports relating to Trusts and Managed Funds securities to test whether the tax components updated in the system were reviewed by the corporate actions team.	No deviations noted.

Control objective:

- **B.7 Client new monies and withdrawals are processed and recorded completely and accurately, on a timely basis, and withdrawals are authorised**
- **F.6 Cash receipts are processed accurately and banked promptly.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. Investor contributions received as recorded in the Investment Management system are checked daily by the cash settlements team to monies deposited into the designated bank account.	YES	NO	Inspected the daily exception report for sample dates to test whether all investor contributions received IRESS are matched to monies deposited in the bank account by the cash settlements team.	No deviations noted.
2. Cash reconciliations are performed daily between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS by the Reconciliations Administrator in the PARS team and reviewed by Operations team on a daily basis. Reconciliation is reviewed by the Operation Team Manager. Discrepancies are assigned to Operations staff for investigation. Reconciliation is reviewed by the Operation Team Manager.	YES	NO	Inspected a sample of daily cash reconciliations between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS to test whether the reconciliations is reviewed by the Operations team and any discrepancies identified are investigated and resolved.	No deviations noted.
3. A daily reconciliation is performed between Westpac (BT) accounts as per investment management system with custodian records of monies held for Investors and data provided by the bank. Discrepancies are assigned to Operations staff for investigation. Reconciliation is reviewed by the Operation Team Manager.	YES	NO	Inspected a sample of daily cash reconciliations between Westpac (BT) accounts in IRESS and custodian records of monies held for Investors and data provided by the bank to test whether the reconciliations were performed, reviewed by Operation Team Manager and any discrepancies identified are investigated and resolved.	No deviations noted.
4. Account closure requests, including manual withdrawal details are checked against Investor authorities held on file by transitions team.	YES	NO	For a sample of account closure requests received, tested through inspection whether in-specie closure checklist was complete and authorised.	No deviations noted

Control Description		Platform	Broker	Deloitte test procedures	Results
5.	Applications and withdrawals are prepared by Westpac and received via Portal (instructions from BT). Xplore portfolio admin creates a bank file for cash movements between the Westpac Account and the Westpac Banking Corporation (WBC) Holding Account based on data input by Westpac. The file is reviewed by 2nd Xplore team member through target process card. The file is protected via encryption and sent securely via the Portal to WBC.	YES	NO	For a sample of instructions, inspected the target process card to test whether bank file generated for cash movements was reviewed by a 2nd Xplore team member prior to sending encrypted file to Westpac.	No deviations noted.
6.	System automatically generates a bank payment file for withdrawal requests that are uploaded to the portal by (Member/ Adviser) customer. One of the authorised signatories is required to release the bank file by cash settlements team.	YES	NO	For a sample of withdrawals, inspected the target process card to test whether the automatically generated bank payment file was approved for release by at least one approved signatory.	No deviations noted.

Control objectives:

- **F.7** **Cheques and confirmation letters issued are accurately generated, matched and authorised prior to despatch.**
  This is not applicable to Margaret Street Administration Services Pty Limited as they do not issue cheques and confirmation letters.

- **F.8** **Where issued capital is fixed, the number of shares in the registry records match the number of shares on issue.**
  This is not applicable to Margaret Street Administration Services Pty Limited as issued capital is not fixed .

Maintaining Financial and other records

Control objectives:

- **B.8 Accounts are administered in accordance with client agreements and/or offer documents**
- **E.6 Accounts are administered in accordance with client agreements**
- **F.10 Accounts are administered in accordance with client agreements.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. Changes to Investor non-monetary static data or adviser instructions are based on written or email authorisation from Investors or advisers and are processed by the Transitions Team. Relevant bank account changes are reviewed and verified by a second Officer before processing.	YES	NO	Observed the system functionality within Xplore portal to test whether it enforces dual verifications when entering updating bank account details. Inspected for a sample of bank account changes to test whether the change was authorised by a second Platform Administrators before being processed.	No deviations noted.
2. Externally branded model portfolios are indexed and re-balanced by their respective investment managers on need basis. Where applicable, these external investment managers may instruct the Xplore Investment team to undertake trades on their behalf in order to re-balance a portfolio. A 2nd team member reviews the trade prior to execution through target process card.	YES	NO	For a sample of externally branded model portfolio changes, inspected target process card to test whether portfolio rebalancing was reviewed by second team member.	No deviations noted.
3. There is a written Complaints Handling Policy in place setting out steps for recording, reporting and resolving Investor and adviser complaints. Complaints that are received are documented in the GRC System by the relevant business areas and are monitored by the compliance team until resolved. Compliance reviews the Complaints Register to ensure the business has managed and responded to complaints appropriately. Complaint handling is assessed against the relevant regulatory guidance and policy. A summary is included in reports to the relevant committees every quarter.	YES	NO	Inspected Complaints Handling Policy to test whether the process for recording, reporting and resolving Investor and adviser complaints was documented. Inquired with management and Inspected the Issues & Incident Register and compliance reports to corroborate that there were no complaints for the period ended 30 June 2022.	No deviations noted. This control could not be tested as there was no activity requiring the control to operate during the period

Control Description	Platform	Broker	Deloitte test procedures	Results
4. Incidents are logged into the GRC System via the relevant business, these incidents are assessed by the compliance team and referred to the breach forum and actions are monitored by compliance team. Material incidents are discussed with the legal team and if necessary, escalated to the Breach Forum for a determination on reportability to regulatory bodies. Regulatory breaches identified are reported to legal and the relevant authorities. A summary is included in reports to the relevant committees every quarter.	YES	NO	For a sample of recorded incidents, inspected the Issues & Incident Register to test whether the incidents were tracked and investigated until resolved. Inspected a sample of compliance reports presented to HUB24 Group ARCC to evidence monitoring of incidents.	No deviations noted.

Control objective:

- **B.9 Changes to non-monetary client data (for example, address changes and changes in allocation instructions) are authorised and correctly recorded on a timely basis**
- **E.7 Changes to non-monetary static data (for example, address changes and changes in allocation instructions) are authorised and correctly recorded on a timely basis.**
- **F.11 Changes to non-monetary share/unitholder data (for example, address changes and changes in allocation instructions) are authorised and correctly recorded on a timely basis.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. (MSAS defines non-monetary changes as Bank account details) Changes to Investor non-monetary static data or adviser instructions are based on written or email authorisation from Investors or advisers and are processed by the Transitions Team within 5 business days. Relevant bank account changes are reviewed and verified by a second Officer before processing.	YES	NO	Observed the system functionality within IRESS to test whether it enforces dual verifications when entering updating bank account details. Inspected for a sample of bank account changes to test whether the change was authorised by a second Platform Administrators before and after being processed.	No deviations noted.

Control objective:

- **B.10 Investment income and related tax are accurately recorded in the proper period**
- **E.8 Investment income and related tax are accurately calculated and recorded on a timely basis**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. Cash reconciliations are performed daily between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS by the Reconciliations Administrator in the PARS team and reviewed by Operations team on a daily basis. Discrepancies are assigned to Operations staff for investigation. Reconciliation is reviewed by the Operation Team Manager.	YES	NO	Inspected a sample of daily cash reconciliations between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS to test whether the reconciliations are reviewed by the Operations team and any discrepancies identified are investigated and resolved.	No deviations noted
2. Management, adviser and performance fees (where applicable) are shown in Product Disclosure Statements (PDS) and are agreed to by the Investor when they sign application forms contained in the PDS.	YES	NO	Inspected a sample of new accounts that were set up during the period to test whether each application form: - was completed and signed by the client - had the T&Cs attached to the application. Inspected a sample of account opening task checklists to test whether quality control checks were performed which includes compliance with AML legislation, set-up of adviser fees in IRESS IPS and data verification checks by a New Business Team.	No deviations noted
3. Fee schedules for brokers have been pre-programmed into the system so that correct fees are automatically charged to Investors' accounts.	YES	NO	Observed system settings to test whether fees were pre-programmed into the system so that the correct fees are automatically to Investors accounts. Inspected a sample of account opening task checklists to test whether quality control checks were performed which includes compliance with AML legislation, set-up of adviser fees in IRESS IPS and data verification checks by a New Business Team.	No deviations noted
4. Fees are automatically calculated and deducted by a monthly fee run system process based on fees program master data and fee data entered during Investor account set-up. This is checked by 2nd Xplore officer via email.	YES	NO	For a sample of monthly fee comparisons, inspected email correspondence to test whether a second Xplore officer had reviewed the fees.	No deviations noted

	Control Description	Platform	Broker	Deloitte test procedures	Results
	Any discrepancies identified are reverted back to transitions team for amendment.				
5.	Fees are shown in Schedule 6 as signed by the Investor or full service coversheet and checked and confirmed by Xplore investment officer prior to setting up the account in the system.	NO	YES	Inspected a sample of new account applications with supporting documentation forwarded from the broker and tested that the applications were checked by an Xplore investment officer.	No deviations noted
6.	Quarterly email is sent to brokers with new investors who will have a management fee deducted from their accounts. The broker then has the ability to contact Xplore by a certain deadline with relevant changes, If no response is received from the broker, fees are assumed to be correct.	NO	YES	For a sample of quarters, inspected email correspondence to test whether communication was sent to brokers indicating new investors who will have a management fee deducted from their accounts.	No deviations noted
7.	Month-to-month comparisons and reasonableness checks are conducted on fees calculated for the period and is performed by transitions team. The fees are calculated and sent to the client for approval and sign off. This is then checked by 2nd Xplore officer and invoice is created.	YES	YES	Inspected a sample of month-to-month comparisons to test whether reasonableness checks were performed and checked by a second Xplore officer prior to invoices being created.	No deviations noted
8.	Reconciliations are performed daily between the record of asset holdings maintained by the Broker investor using the Pershing data feed, and the record of Investor portfolio holdings as recorded in the Investment Management System. Discrepancies are investigated by a Portfolio Administration Analyst. Equity breaks are referred back to Broker for non-custody	NO	YES	Inspected a sample of daily asset holding reconciliations between Broker investor using the Pershing data feed, and the records of Investor portfolio holdings in IRESS to test whether the reconciliations were performed and any discrepancies identified were referred to brokers for investigation.	No deviations noted.
9.	For income corporate events relating to Trust and Managed Fund securities , tax components utilised in the tax reports are updated in the system and reviewed by corporate actions team.	YES	YES	Inspected a sample of distributions reports relating to Trusts and Managed Funds securities to test whether the tax components updated in the system were reviewed by the corporate actions team.	No deviations noted.

Control objectives:

- **B.11 Investments are valued using current prices obtained from independent external pricing sources or an alternative basis in accordance with client agreements**
- **E.9 Investments are valued using current prices obtained from independent external pricing sources, or an alternative basis in accordance with client agreements.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. System automatically updates market equity prices and managed fund unit prices obtained from an independent source (IRESS & Refinitiv) on a daily basis . System generated logs are reviewed to confirm successful completion of the updates.	YES	YES	Observed system functionality to test automatic updates of security pricing data.	No deviations noted.
2. Prices of non-market traded investments are obtained from the issuers holding statements and are manually input to the Investment Management system. These are reviewed by a 2nd PAS team member.	YES	YES	For a sample of days, inspected Zendesk tickets to test whether manually input prices for non-market traded investments were reviewed by a second PAS team member.	Deviation noted: Deloitte noted that prior to March 2022 there was no audit trail to evidence review being conducted by a 2nd Xplore officer for prices of non-market traded investments that have been changed manually. From March 2022: From the sample of 15 manual price checks, Deloitte noted that there was no evidence of review by a second PAS team member after price has been input into IPS. Mitigating control: B12 control objective and related control activities. Refer to Section VI for management response.

Control objectives:

- **B.12 Cash and securities positions are completely and accurately recorded and reconciled to third party data**
- **E.10 Issue and cancellations of shares/units are recorded completely and accurately in the financial records and units on issue are regularly reconciled to data provided by registry.**
- **E.11 Cash and securities positions are completely and accurately recorded and reconciled to third party data on a timely basis.**
- **E.12 Reconciliations between different systems, including the investment ledger, general ledger and administration system, are performed on a timely basis.**
- **F.12 Registrar records accurately reflect shares, units and cash held by third parties.**
- **F.13 Share/unit activity is recorded completely, accurately and positions are regularly reconciled.**

	Control Description	Platform	Broker	Deloitte test procedures	Results
1.	Asset reconciliations are performed between JPM and IRESS on a daily basis by Reconciliations Admin in the PARS team and reviewed by Operations Team Manager on a daily basis. Discrepancies are assigned to Operations staff for investigation.	YES	NO	Inspected a sample of daily asset reconciliations between JPM and IRESS to test whether the reconciliations are reviewed by the Operations Team Manager and any discrepancies identified are investigated and resolved.	No deviations noted.
2.	Cash reconciliations are performed between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS. Discrepancies are assigned to Operations staff for investigation. Reconciliation is reviewed by the Operation Team Manager.	YES	NO	Inspected a sample of daily cash reconciliations between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS to test whether the reconciliations is reviewed by the Operations team and any discrepancies identified are investigated and resolved.	No deviations noted.
3.	A daily reconciliation is performed between Westpac (BT) accounts as per investment management system with custodian records of monies held for Investors and data provided by the bank. Discrepancies are assigned to Operations staff for investigation and reviewed by 2nd investment officer	YES	NO	Inspected a sample of daily Westpac (BT) reconciliations between custodian records of monies held for Investors and data provided by the bank with IRESS to test whether the reconciliations are reviewed by a second investment officer and any discrepancies identified are investigated and resolved by assigned Operations staff.	No deviations noted.

Control objective:

B.13 Investment management fees and other account expenses are accurately calculated and recorded in accordance with client agreements and/or offer documents

	Control Description	Platform	Broker	Deloitte test procedures	Results
1.	Management, adviser and performance fees (where applicable) are shown in Product Disclosure Statements (PDS) and are agreed to by the Investor when they sign application forms contained in the PDS.	YES	NO	Inspected a sample of new accounts that were set up during the period to test whether each application form: - was completed and signed by the client - had the T&Cs attached to the application. Inspected a sample of account opening task checklists to test whether quality control checks were performed which includes compliance with AML legislation, set-up of adviser fees in IRESS IPS and data verification checks by a New Business Team.	No deviations noted
2.	Fee schedules for brokers have been pre- programmed into the system so that correct fees are automatically charged to Investors' accounts.	YES	NO	Observed system settings to test whether fees were pre-programmed into the system so that the correct fees are automatically to Investors accounts. Inspected a sample of account opening task checklists to test whether quality control checks were performed which includes compliance with AML legislation, set-up of adviser fees in IRESS IPS and data verification checks by a New Business Team.	No deviations noted
3.	Fees are automatically calculated and deducted by a monthly fee run system process based on fees program master data and fee data entered during Investor account set-up. This is checked by 2nd Xplore officer via email. Any discrepancies identified are reverted back to transitions team for amendment.	YES	NO	For a sample of monthly fee comparisons, inspected email correspondence to test whether a second Xplore officer had reviewed the fees.	No deviations noted
4.	Fees are shown in Schedule 6 as signed by the Investor or full service coversheet and checked and confirmed by Xplore investment officer prior to setting up the account in the system.	NO	YES	Inspected a sample of new account applications with supporting documentation forwarded from the broker and tested that the applications were checked by an Xplore investment officer.	No deviations noted
5.	Quarterly email is sent to brokers with new investors who will have a management fee deducted from their accounts. The broker then has the ability to contact Xplore by a	NO	YES	For a sample of quarters, inspected email correspondence to test whether communication was sent to brokers indicating new investors who will have a management fee deducted from their accounts.	No deviations noted

Control Description	Platform	Broker	Deloitte test procedures	Results
certain deadline with relevant changes, If no response is received from the broker, fees are assumed to be correct.				
6. Month-to-month comparisons and reasonableness checks are conducted on fees calculated for the period and is performed by transitions team. The fees are calculated and sent to the client for approval and sign off. This is then checked by 2nd explore officer and invoice is created.	YES	YES	Inspected a sample of month-to-month comparisons to test whether reasonableness checks were performed and checked by a second Xplore officer prior to invoices being created.	No deviations noted

Safeguarding Assets

Control objective:

B.14 Investments are properly registered and client money is segregated

Control Description	Platform	Broker	Deloitte test procedures	Results
1. Asset reconciliations are performed between JPM and IRESS on a daily basis by Reconciliations Admin in the PARS team and reviewed by Operations Team Manager on a daily basis. Discrepancies are assigned to Operations staff for investigation.	YES	NO	Inspected a sample of daily asset reconciliations between JPM and IRESS to test whether the reconciliations are reviewed by the Operations Team Asset reconciliations and any discrepancies identified are investigated and resolved.	No deviations noted.
2. Cash reconciliations are performed between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS. Discrepancies are assigned to Operations staff for investigation. Reconciliation is reviewed by the Operation Team Manager.	YES	NO	Inspected a sample of daily cash reconciliations between ANZ (for settled domestic cash), JPM (for international currencies and or unsettled domestic cash) and IRESS to test whether the reconciliations are reviewed by the Operations team and any discrepancies identified are investigated and resolved.	No deviations noted.
3. Applications and Withdrawals are prepared by Westpac and received via Portal (instructions from Westpac). Xplore portfolio admin creates a bank file for cash movements between the Westpac Account and the Westpac Banking Corporation (WBC) Holding Account based on data input by Westpac. The file is reviewed by 2nd explore team member. The file is protected via encryption and sent securely via the Portal to WBC.	YES	NO	Inspected a sample of daily Westpac (BT) reconciliations between custodian records of monies held for Investors and data provided by the bank with IRESS to test whether the reconciliations are reviewed by a second investment officer and any discrepancies identified are investigated and resolved by assigned Operations staff.	No deviations noted.

Control objectives:

- **B.15 Appropriate segregation exists between the service organisation's asset management and custody services, which may give rise to a conflict of interest.**
  This is not applicable to Margaret Street Administration Services Pty Limited as custody services are outsourced.

- **F.14 Lost and stolen certificates are recorded in a timely manner.**
  This is not applicable to Margaret Street Administration Services Pty Limited as physical certificates are not held by MSAS.

Monitoring Compliance

Control objective:

B.16 Client portfolios are managed in accordance with investment objectives, monitored for compliance with investment guidelines and restrictions and performance is measured.

Control Description	Platform	Broker	Deloitte test procedures	Results
1. Externally branded model portfolios are indexed and re-balanced by their respective investment managers on an as-needs basis. Where applicable, these external investment managers may instruct the Xplore Investment team to undertake trades on their behalf in order to re-balance a portfolio. A 2nd team member reviews the trade prior to execution.	YES	NO	For a sample of externally branded model portfolio changes, inspected the relevant target process card to test whether portfolio rebalancing was reviewed by a second team member prior to execution.	No deviations noted.
2. There is a written Complaints Handling Policy in place setting out steps for recording, reporting and resolving Investor and adviser complaints. Complaints that are received are documented in the GRC System by the relevant business areas and are monitored by the compliance team until resolved. Compliance reviews the Complaints Register to ensure the business has managed and responded to complaints appropriately. Complaint handling is assessed against the relevant regulatory guidance and policy. A summary is included in reports to the relevant committees every quarter.	YES	NO	Inspected Complaints Handling Policy to test whether the process for recording, reporting and resolving Investor and adviser complaints was documented. Inquired with management and Inspected the Issues & Incident Register and compliance reports to corroborate that there were no recorded complaints for the period ended 30 June 2022.	No deviations noted. This control could not be tested as there was no activity for the control to operate during the period

Control Description		Platform	Broker	Deloitte test procedures	Results
3.	Incidents are logged into the GRC System via the relevant business, these incidents are assessed by the compliance team and referred to the breach forum and actions are monitored by compliance team. Material incidents are discussed with the legal team and if necessary, escalated to the Breach Forum for a determination on reportability to regulatory bodies. Regulatory breaches identified are reported to legal and the relevant authorities. A summary is included in reports to the relevant committees every quarter.	YES	NO	For a sample of incidents, inspected the Issues & Incident Register to test whether the incidents were tracked and investigated until resolved. Inspected a sample of compliance reports presented to HUB24 Group ARCC to evidence monitoring of incidents.	No deviations noted.

Control objectives:

- **B.17 Transaction errors are rectified promptly in accordance with the service level agreement and/or offer document or client instructions**
- **E.13 Errors are identified, notified to clients and rectified promptly in accordance with client agreements.**
- **F.15 Transaction errors are identified, notified to clients and share/unit holders in accordance with client agreements and rectified if necessary.**

Control Description		Platform	Broker	Deloitte test procedures	Results
1.	There is a written Complaints Handling Policy in place setting out steps for recording, reporting and resolving Investor and adviser complaints. Complaints that are received are documented in the GRC System by the relevant business areas and are monitored by the compliance team until resolved. Compliance reviews the Complaints Register to ensure the business has managed and responded to complaints appropriately. Complaint handling is assessed against the relevant regulatory guidance and policy. A summary is included in reports to the relevant committees every quarter.	YES	NO	Inspected the Complaints Handling Policy to test whether the process for recording, reporting and resolving Investor and adviser complaints was documented. Inquired with management and Inspected the Issues & Incident Register and compliance reports to corroborate that there we no recorded complaints for the period ended 30 June 2022.	No deviations noted. This control could not be tested as there was no activity for the control to operate during the period
2.	Incidents are logged into the GRC System via the relevant business, these incidents are assessed by the compliance team and referred to the breach forum and actions are monitored by compliance team. Material incidents are discussed with the legal team and if necessary, escalated to the Breach Forum for a determination on reportability to regulatory bodies. Regulatory breaches identified are	YES	NO	For a sample incidents, inspected the Issues & Incident Register to test whether the incidents were tracked and investigated until resolved. Inspected a sample of compliance reports presented to HUB24 Group ARCC to evidence monitoring of incidents.	No deviations noted.

Control Description	Platform	Broker	Deloitte test procedures	Results
reported to legal and the relevant authorities. A summary is included in reports to the relevant committees every quarter.				

Control objective:

B.18 Broker exposures are monitored in accordance with client agreements and/or offer document

This is not applicable to Margaret Street Administration Services Pty Limited as broker exposures are not defined in agreements.

Monitoring subservice organisations

Control objective:

B.19 Appointments of subservice organisations are approved, subservice organisations are properly managed and their activities are adequately monitored on a timely basis

Control Description	Platform	Broker	Deloitte test procedures	Results
1. On the proposal to appoint a sub custodian, the Head of Investments presents Due Diligence checklist along with accompanying documents to the Investment and Asset Consulting Committee. Approval is then signed off by the Board.	YES	NO	Inquired with management and inspected minutes of the Investment and Asset Consulting Committee to corroborate that there were no new sub-custodians appointed during the period.	This control could not be tested as there was no activity for the control to operate during the period
2. MSAS has a Custody Agreement in place with the Sub- Custodian defining services and service standards. MSAS meets with the Sub-Custodian on a regular basis to monitor service standards.	YES	NO	Inspected the JPM Custody Agreement to test whether service standards are documented and agreed. Inspected a sample of the JPM Open Items report to test whether service standards are monitored and flagged items with the sub custodian have been actioned.	No deviations noted.

Control Description	Platform	Broker	Deloitte test procedures	Results
3. The Sub- Custodian provides a quarterly compliance attestation. The Compliance team reviews the quarterly attestations as part of the year end procedure.	YES	NO	For a sample of quarters, inspected the compliance attestation provided by the sub custodian and e-mail confirmation from Compliance to evidence that attestations were reviewed by Compliance.	No deviations noted.

Control objectives:

- **E.14** **Appointments of subservice organisations, including those providing investment administration, are approved, subservice organisations are properly managed and their activities are adequately monitored on a timely basis.**
  There are no outsourced activities for this service.

- **F.16** **Appointments of subservice organisations, including those providing registry services, are approved, subservice organisations are properly managed and their activities are adequately monitored on a timely basis.**
  There are no outsourced activities for this service.

Reporting to clients

Control objectives:

- **B.20** **Client reporting in respect of portfolio transactions and holdings (including collateral) is complete and accurate and provided within required timescales.**
- **E.15** **Periodic reports to clients, including calculation of net asset value if required, are accurate and complete and distributed on a timely basis.**
- **E.16** **Annual reports and accounts are prepared in accordance with applicable laws and regulations.**
- **F.17** **Client reporting is complete, accurate and processed within required timescales.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. Investor portfolio holdings and related income and expenditure transactions are updated daily or when valuation information becomes available to the client next day. This can be viewed by Investors' Portal access.	YES	YES	Observed system functionality to test whether investors have access to view transactions and generate bespoke reports via Backbone using their log in access.	No deviations noted.

Control Description	Platform	Broker	Deloitte test procedures	Results
2. Annual statements templates are reviewed and approved by Legal, prior to the PAS Team preparing the statements accordingly. All Annual members' statements are made available within the regulatory timeframes via Xplore Online Portals - Xplore Adviser Portal and Xplore Investor Portal.	YES	NO	Inspected XWP & XMA annual investor statement requirements checklists to evidence that the annual investor statement template was reviewed by Legal prior to PAS team preparing the statements.	No deviations noted.
3. Lists detailing members who have not received authorised statements are prepared regularly to monitor progress and to ensure each member receives an annual statement. This is performed by PAS team	YES	NO	Inspected the annual investor statement distribution list to test whether distribution of statements to investors is monitored by the PAS team to ensure that all members receive an annual investors statement.	No deviations noted.
4. Annual investor statements are prepared by PAS team and related controls are subject to review by an independent auditor as per ASIC Class Orders and Regulations.	YES	NO	Inspected engagement letter with independent auditor to test whether controls related to preparation of annual investor statements are subject review.	No deviations noted.
5. Investors or advisers can at any point in time generate a bespoke statement through their Portal access. (quarterly access for GISPN)	YES	NO	Observed system functionality to test whether investors have access to generate bespoke reports via Xplore portal using their log in access.	No deviations noted.

Taxation

Control objective:

- **E.17 Tax policy is updated and reviewed on a timely basis.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. An annual review of ATO AIIR reporting requirements is conducted by PAS team and any updates are amended within the administration platform. Changes are also reflected in Annual Tax Statements issued to investors. An internal tax-working group (Product/PAS/Legal) has been established to ensure that all tax related income is treated appropriately in tax statements issued after year-end. (This process is completed on an annual basis).	YES	NO	Inspected email correspondence between internal tax working group to test whether the changes to ATO AIIR reporting requirements were reviewed. Inspected email correspondence between operations, PAS team and IT to test whether identified changes from ATO AIIR reporting requirements were implemented on the system. Inspected the Cost base reconciliation for a sample of investor accounts as at 30 June 2022, to test whether an integrity check had	No deviations noted.

Control Description		Platform	Broker	Deloitte test procedures	Results
	Annual statements are issued to investors in accordance with the tax information contained in the PDS through Cost based reconciliation tool.			been performed over income and related tax components prior to issue of annual investor statements.	
2.	All Annual members statements are made available within the regulatory timeframes via Xplore Online Portals - Xplore Adviser Portal and Xplore Investor Portal.	YES	NO	Observed system functionality to test whether the taxation information is provided to Investors via their Portal accounts and/or in their annual statements.	No deviations noted.

Control objective:

- **E.18** **Tax information components and attributes used in the preparation of the income tax computation (current and deferred) are complete and calculated accurately in accordance with tax policy or as agreed with clients.**

Control Description		Platform	Broker	Deloitte test procedures	Results
1.	1. An annual review of ATO AIIR reporting requirements is conducted by PAS team and any updates are amended within the administration platform. Changes are also reflected in Annual Tax Statements issued to investors. An internal tax-working group (Product/PAS/Legal) has been established to ensure that all tax related income is treated appropriately in tax statements issued after year-end. (This process is completed on an annual basis). Annual statements are issued to investors in accordance with the tax information contained in the PDS through Cost based reconciliation tool.	YES	NO	Inspected email correspondence between internal tax working group to test whether the changes to ATO AIIR reporting requirements were reviewed. Inspected email correspondence between operations, PAS team and IT to test whether identified changes from ATO AIIR reporting requirements were implemented on the system. Inspected the Cost base reconciliation for a sample of investor accounts as at 30 June 2022, to test whether an integrity check had been performed over income and related tax components prior to issue of annual investor statements.	No deviations noted.
2.	Component matrix spreadsheet which is used by the team to calculate the tax breakdowns is reviewed annually by the internal tax team to ensure no new components have been added by the ATO. This can be validated via email communication to the tax team For Custody: This is completed within IPS by Corporate Actions, and verified by PAS Team as part of the cost	YES	NO	Inspected components matrix spreadsheet and email correspondence between Corporate Actions team and Tax team to evidence that tax break downs were reviewed by the internal Tax team to ensure no new components have been added by the ATO. Inspected the Cost base reconciliation for a sample of investor	No deviations noted.

base recon report. (Maker/Checker)			accounts as at 30 June 2022, to evidence that an integrity check had been performed over income and related tax components prior to issue of annual investor statements.	

Control objective:

- **F.18 Withholding tax for non-residents, or where no TFN/ABN has been provided, is calculated completely, accurately and on a timely basis.**

Control Description	Platform	Broker	Deloitte test procedures	Results
1. For non-residents Corporate Actions team maintains a list of approved countries for Non-Resident investors for tax purposes which is reviewed annually. Approval to add a new country to the approved country list is performed by Compliance team as part of the quality control checks for a new non-resident application from a country not on the approved country list prior to activation in IPS.	YES	NO	Inquired with management and inspected the list of current approved countries for Non-Resident investors to corroborate that no new approved countries were added in the period 1 July 2021 to 30 June 2022.	No deviations noted.
2. The Corporate Action team manually calculates the WHT for non-residents on a daily basis and update in IPS. All updates in IPS are reviewed by an independent Corporate Actions team members.	YES	NO	Inspected withholding tax (WHT) calculations and IPS WHT entries for a sample non-resident accounts to test whether updates were reviewed by an independent Corporate Actions Team member.	No deviations noted.

Control objective:

E.19 Differences between tax and accounting treatments are identified and calculated in accordance with tax policy or as agreed with clients and reported in a timely manner to clients.

This is not applicable to Margaret Street Administration Services Pty Limited as no accounting services are performed.

E.20 Current and deferred tax balances in the general ledger are accurately recorded in accordance with the tax computation, and processed in a timely manner in accordance with tax policy or as agreed with clients.

This is not applicable to Margaret Street Administration Services Pty Limited as no accounting services are performed.

Information technology

Restricting access to systems and data

Control objective:

G.1 Physical access to computer networks, equipment, storage media and program documentation is restricted to authorised individuals.

Control Description	Deloitte test procedures	Results
1. Access to locations where computer equipment is housed is physically secured. Entry to the registered office is restricted to employees or their guests via access card.	Obtained and inspected the service level agreement with the outsourced service provider to test if the computer equipment is physically secured. Obtained and inspected Amazon Web Services System and Organization Controls 1 (SOC 1) Type 2 Report to evidence that physical security controls have been tested by the independent auditor. Management review and monitoring controls over sub-service organisations are tested at G13.1 and G13.2.	No deviations noted.

Control objective:

G.2 Logical access to computer systems, programs, master data, client data, transaction data and parameters, including access by administrators to applications, databases, systems and networks, is restricted to authorised individuals via information security tools and techniques.

Control Description	Deloitte test procedures	Results
1. Access is approved by an appropriate level of management before access to the relevant information systems is granted. Access is granted to relevant system in accordance with responsibilities assigned.	Obtained and inspected samples of Management's approval for new and modified user access to test if approval was obtained prior to access being granted, and that access was granted in accordance with responsibilities assigned. Inspected evidenced to test that Windows AD administration access is delegated to a specific Organisational Unit ("OU") allowing more granular permissions to allow teams access to perform specific administration functions without granting full AD administration rights.	Deviations noted. Refer to Section VI for further detail of the deviations, including any mitigating factors and management comments. *Linear* There was no requirement to clearly identify application and role/access required within the approved request form for the new user and access modification process. There were instances where users are granted access levels that is beyond that

Control Description	Deloitte test procedures	Results
		required by their job responsibilities. *Keepass* Deloitte observed that the privileged services and system accounts are managed in Keepass. Access to Keepass is restricted to a specific AD security group within the IT team however, there is a lack of auditable access logs for the privileged account usage due to the system limitations of Keepass. *Windows AD* Deloitte observed that there are two redundant legacy OUs (operating units). *IRESS IPS* Refer to G3 for deviations.
2. System access is appropriately revoked upon staff termination.	Obtained the HR employee termination listing and inspected the system user listings to test if terminated employees during the period under review had their access rights revoked from the in-scope systems and Windows Active Directory.	Deviations noted. Refer to Section VI for further detail of the deviation, including any mitigating factors and management comments. *Windows AD* Deloitte performed full population testing on the termination control and observed that three users were not removed from Windows AD once their employment was terminated during the audit period. One terminated employee Windows AD account was logged in after the termination date. *IRESS IPS* Refer to G3 for deviations.

Control Description		Deloitte test procedures	Results
3.	Access is restricted via unique user ID and password.	Observed to test if the in-scope systems and supporting infrastructure cannot be accessed without a valid user ID and password. Inspected the list of users' IDs to test if they are all unique.	No deviations noted. *IRESS IPS* Refer to G3 for deviations.
4.	The entity performs a review of active users annually to ensure access levels is as per agreed.	Inspected the user access reviews to test if a role-based review was performed of all users with access to the in-scope systems.	Deviations noted. Refer to Section VI for further detail of the deviation, including any mitigating factors and management comments. *Linear* Deloitte tested that the User Access Review (UAR) was performed for the Linear application, but the control was not effectively designed as the UAR is not role based and therefore does not include a review of all access roles/ permissions granted. *IRESS IPS* Refer to G3 for deviations.

Control objective:

G.3 Segregation of incompatible duties is defined, implemented and enforced by logical security controls in accordance with job roles.

Control Description		Deloitte test procedures	Results
1.	Level of access is restricted based on the specific role that staff have been assigned.	*Linear* Tested as part of G2.1 and G7.2 *IRESS IPS* Inquired and performed inspection of the user application listing to corroborate if level of access is restricted based on the specific role that staff have been assigned.	Deviations noted. Refer to Section VI for further detail of the deviation, including any mitigating factors and management comments. *Linear* Refer to G2.1 and G7.2 *IRESS IPS* Privileged and IT Administration access (assigning and modifying profiles/ access

		level) is held by the Operations Manager which creates a segregation of duties conflict.

Authorising and processing transactions

Control objective:

G.4 IT processing is authorised and scheduled appropriately and exceptions are identified and resolved in a timely manner.

Control Description	Deloitte test procedures	Results
1. Data file exchanges between systems are actively monitored to ensure they are processed in accordance with the agreed schedule. Any failed or non-executed jobs are attended to be resolved in a timely manner.	Inspected data file logs to test if file exchanges are actively monitored and inspected samples of failed batch jobs to test if these were resolved in a timely manner.	No deviations noted.

Safeguarding assets

Control objective:

G.5 Appropriate measures, including firewalls and anti-virus software, are implemented to counter the threat from malicious electronic attack.

Control Description	Deloitte test procedures	Results
1. Automated anti-malware, and firewalls software is used. Software is monitored and maintained by the sub-service organisation.	Tested as part of management review and monitoring controls over sub-service organisations, refer to G13.1 and G13.2.	No deviations noted.
2. System Penetration testing is performed by an Independent and external IT Consulting company on a yearly basis.	Inquired whether there was a penetration test performed during the year.	Deviations noted. Refer to Section VI for further detail of the deviation, including any mitigating factors and management comments. No penetration testing was performed in the year under review. Vulnerability scans testing are performed

		by the sub-service organisation (as per testing performed in G13.1 and G13.2).

Control objective:

G.6 The physical IT equipment is maintained in a controlled environment.

Control Description	Deloitte test procedures	Results
1. Both the production and Disaster Recovery Sites are maintained in a controlled environment where fire detection/protection, temperature, humidity and power are monitored.	Obtained and inspected the service level agreement with the outsourced service provider to test if both the production and Disaster Recovery Sites are maintained in a controlled environment. Obtained and inspected Amazon Web Services System and Organization Controls 1 (SOC 1) Type 2 Report covering the period under review to test if adequate environmental controls are in place. Management review and monitoring controls over sub-service organisations are tested at G13.1 and G13.2.	No deviations noted.

Maintaining and developing systems hardware and software

Control objective:

G.7 Development and implementation of new systems, applications and software, and changes to existing systems, applications and software, are authorised, tested, approved, implemented and documented.

Control Description	Deloitte test procedures	Results
1. The system changes are governed by a documented Change Management Policy.	Inquired to test if system changes are governed by a documented Change Management Policy.	No deviations noted.
2. Changes (business as usual, configuration and emergency) are appropriately planned and tested prior to release.	Selected a sample of changes and inspected documentation which included requestor, User Acceptance Testing, approval, and deployment details and compared with the approval date to test if the changes were planned, tested, and approved prior to release.	Deviations noted. Refer to Section VI for further detail of the deviation, including any mitigating factors and management comments.

Control Description	Deloitte test procedures	Results
	Inspected the user listing to test if there is segregation of duties between users with access to develop changes and users with access to deploy changes into production is appropriately restricted.	*Linear* Three users were identified with access to both the development environment and production environment resulting in conflicting access. Further, no system logs were maintained for changes deployed to production. *Bitbucket* There were no controls over the changes made to the workflow configurations and there is a lack of auditable logs in BitBucket. Deloitte was unable to obtain sufficient evidence that the workflow configurations within BitBucket were appropriately set over the period under review. *Linux operating system* The Linux operating system server supporting the Linear application was not patched installed during the period under review.

Control objective:

G.8 Data migration or modification is authorised, tested and, once performed, reconciled back to the source data.

Control Description	Deloitte test procedures	Results
1. Data migration or modification is authorised upon completion of pre-migration testing. Authorisation is provided by the appropriate Steering Committee. All data are reconciled to source data after migration.	Inquired with management whether there were any data migrations relevant to the in-scope systems, as part of system implementations or upgrades during the period under review. (System implementations and/ or upgrades would be tested as part of G.7 if there were instances this year).	Not Applicable - This control could not be tested as we were advised that there were no data migrations during the period.

Recovering from processing interruptions

Control objective:

G.9 Data and systems are backed up regularly, retained offsite and regularly tested for recoverability on a periodic basis

Control Description	Deloitte test procedures	Results
1. Backup schedule catering for daily, weekly and monthly retention requirements is defined and operating.	Obtained and inspected to test whether daily, weekly and monthly backup schedules were in place and documented. Obtained and inspected backup configurations to test whether data encryption and versioning are enabled. Tested as part of management review and monitoring controls over sub-service organisations, refer to G13.1 and G13.2.	No deviations noted.
2. Data backup is tested for recoverability on a yearly basis.	Obtained and inspected Amazon Web Services System and Organization Controls 1 (SOC 1) Type 2 Report covering the period under review to test if recoverability is tested on an annual basis. Management review and monitoring controls over sub-service organisations are tested at G13.1 and G13.2.	No deviations noted.

Control objective:

G.10 IT hardware and software issues are monitored and resolved in a timely manner.

Control Description	Deloitte test procedures	Results
1. IT Hardware is under 24hr monitoring.	Tested as part of management review and monitoring controls over sub-service organisations, refer to G13.1 and G13.2.	No deviations noted.
2. Software availability is under 24hr monitoring.	Tested as part of management review and monitoring controls over sub-service organisations, refer to G13.1 and G13.2.	No deviations noted.

G.11 Business and information systems recovery plans are documented, approved, tested and maintained.

Control Description	Deloitte test procedures	Results
1. Business and Information Recovery Plan is in place, documented and tested.	Obtained and inspected Amazon Web Services System and Organization Controls 1 (SOC 1) Type 2 Report covering the period under review to test if recoverability is tested on an annual basis. Management review and monitoring controls over sub-service organisations are tested at G13.1 and G13.2.	No deviations noted.

Monitoring compliance

Control objective:

G.12 Information technology services provided to clients are approved, managed and performance thresholds met in accordance with the requirements of the client agreement.

This is not applicable to Margaret Street Administration Services Pty Limited as no IT services are provided.

Monitoring subservice organisations

Control objective:

G.13 Appointment of subservice organisations, including those providing IT services, are approved, subservice organisations are managed in accordance with the requirements of the client agreement and their activities are adequately monitored.

Control Description	Deloitte test procedures	Results
1. Outsourced activities are documented in appropriate agreements.	Obtained and inspected the service provider agreement with Secure Agility, Base2Services and Redshield to test if the outsourced activities mentioned in G.1, G.5, G.6, G.9, G.10 and G.11 are documented in agreements.	No deviations noted.
2. Delivery of services are reviewed at least annually.	Obtained and inspected the monthly reports from Secure Agility, Base2Services and RedShield to test that the outsourced activities are monitored and documented.	No deviations noted.

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Section IV
Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness

To the Directors of Margaret Street Administration Services Pty Limited (MSAS)

Qualified Opinion

We have been engaged to report on MSAS's description in Section II of its asset management, investment administration and registry services system for processing clients' transactions throughout the period from 1 July 2021 to 30 June 2022 (the description), the accompanying statement in Section I and on the design and operation of controls related to the control objectives stated in Section III.

In our opinion, except for the matter described in the Basis of Qualified Opinion paragraph below, in all material respects, based on the criteria included in the Statement in Section I:

(a) The description in Section II fairly presents the asset management, investment administration and registry services system as designed and implemented throughout the period from 1 July 2021 to 30 June 2022;

(b) The controls related to the control objectives stated in Section III were suitably designed throughout the period from 1 July 2021 to 30 June 2022; and

(c) The controls tested, which were those necessary to provide reasonable assurance that the control objectives stated in Section III were achieved, operated effectively throughout the period from 1 July 2021 to 30 June 2022.

Basis of Qualified Opinion

We identified instances of users with a level of system access beyond the level required by their duties. The level of access also created the ability for some users to both develop and deploy changes to the system. The findings noted could impact the reliability of automated business controls and information (reports) used to facilitate controls, increasing the risk of fraud and/or errors in client reports remaining undetected.

This resulted in the non-achievement of the following control objectives:

- G.2 - Logical access to computer systems, programs, master data, client data, transaction data and parameters including access by administrators to applications, databases, systems and networks, is restricted to authorised individuals via information security tools and techniques.

- G.3 - Segregation of incompatible duties is defined, implemented and enforced by logical security controls in accordance with job roles

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- G.7 - Development and implementation of new systems, applications and software, and changes to existing systems, applications and software, are authorised, tested, approved, implemented and documented.

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3402 *Assurance Reports on Controls at a Service Organisation*, and with reference to Guidance Statement GS 007 *Audit Implications of the Use of Service Organisations for Investment Management Services*, issued by the Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the description is fairly presented and the controls are suitably designed and operating effectively.

We have not evaluated the suitability of design or operating effectiveness of complementary user entity controls. The control objectives stated in the service organisation's description of its system can be achieved only if complementary user entity controls are suitably designed or operating effectively, along with the controls at the service organisation.

JP Morgan is a subservice organisation that perform sub-custodial services in respect of the holding and safe keeping of assets. RedShield Security Australia, Secure Agility and Base2Services (reseller agreement with AWS) are subservice organisations that provide information technology systems support and services. The carve-out method has been used in relation to them.

MSAS's description of its system excludes the control objectives and related controls at relevant subservice organisations, consequently our procedures did not extend to controls at the subservice organisations.

Our opinion has been formed on the basis of the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

MSAS Management's Responsibilities

MSAS is responsible for: preparing the description and accompanying statement in Section I, including the completeness, accuracy and method of presentation of the description and statement; providing the services covered by the description; stating the control objectives; and designing, implementing and effectively operating controls to achieve the stated control objectives.

Our Independence and Quality Control

We have complied with independence and other relevant ethical requirements relating to assurance engagements, and apply Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements* in undertaking this assurance engagement.

Service Auditor's Responsibilities

Our responsibility is to express an opinion on MSAS's description and on the design and operation of controls related to the control objectives stated in Section III, based on our procedures.

An assurance engagement to report on the description, design and operating effectiveness of controls at a service organisation involves performing procedures to obtain evidence about the disclosures in the service organisation's description of its system, and the design and operating effectiveness of controls. The procedures selected depend on our judgement, including the assessment of the risks that the description is not fairly presented, and that controls are not suitably designed or operating effectively. Our procedures included testing the operating effectiveness of those controls that we consider necessary to provide reasonable assurance that the control objectives stated in Section III were achieved. An assurance engagement of this type also includes evaluating the overall presentation of the description, the suitability of

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the objectives stated in Section III, and the suitability of the criteria specified by the service organisation and described in Section I.

In evaluating the suitability of the objectives stated in the description, we have determined whether each of the minimum control objectives provided in GS 007 for asset management, investment administration and registry is included, or, if any of them are omitted or amended, that the reason for the omission or amendment is adequately disclosed in the description.

Limitations of Controls at a Service Organisation

MSAS's description is prepared to meet the common needs of a broad range of clients and their auditors and may not, therefore, include every aspect of the system that each individual client may consider important in its own particular environment. Also, because of their nature, controls at a service organisation may not prevent or detect all errors or omissions in processing or reporting transactions. Also, the projection of any evaluation of effectiveness to future periods is subject to the risk that controls at a service organisation may become inadequate or fail.

Description of Tests of Controls

The specific controls tested and the nature, timing and results of those tests are listed in Section III.

Other Information

Management is responsible for the other information. The other information comprises Section VI for the period ended 30 June 2022, but does not include the statement in Section I, description in Section II, and the control objectives and controls stated in Section III and our service auditor's report thereon.

Our opinion on the description in Section II and on the design and operation of controls related to the control objectives stated in Section III does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our assurance engagement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the description in Section II or our knowledge obtained during the assurance engagement, or otherwise appears to be materially inconsistent or contains a material misstatement of fact. If, based on the work we have performed, we conclude that there is a material inconsistency or a material misstatement of fact of this other information, we are required to report that fact. We have nothing to report in this regard.

Intended Users and Purpose

This report and the description of tests of controls in Section III are intended only for clients who have used MSAS's asset management, investment administration and registry services system, and their auditors, who have a sufficient understanding to consider it, along with other information including information about controls operated by clients themselves, when assessing the risks of material misstatements of clients' financial reports/statements.

Restriction of distribution and use

We disclaim any assumption of responsibility for any reliance on this report to any person other than MSAS's clients and their auditors or for any purpose other than that for which it was prepared. This report is not intended to and should not be used or relied upon by anyone else and we accept no duty of care to any other person or entity.

Deloitte Touche Tohmatsu

James Oliver
Partner
Chartered Accountants
3 November 2022

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SECTION V

OVERVIEW OF THE WORK PERFORMED

Introduction

This report on the description of the system is intended to provide clients and their auditors with information for their evaluation of the effect of a service organisation on a client's internal control relating to MSAS's controls over Asset Management, Investment Administration and Registry system throughout the period 1 July 2021 to 30 June 2022.

Deloitte Touche Tohmatsu's engagement was conducted in accordance with the Standard on Assurance Engagements 3402, *Assurance Reports on Controls at a Service Organisation*, issued by the Auditing and Assurance Standards Board. Testing of MSAS's controls was restricted to the control objectives and related control activities listed in Section III and was not extended to controls that may be in effect at user organisations.

Deloitte Touche Tohmatsu's work was carried out at the premises of MSAS at Level 2, 7 Macquarie Place, Sydney NSW 2000 and off site through the use of various technologies as a result of the working restrictions caused by COVID-19. The scope of work was based on criteria (control objectives) agreed with management of MSAS prior to the commencement of work.

Deloitte Touche Tohmatsu's report does not include controls at JP Morgan, subservice organisations that provides sub-custodial services in respect of the holding and safe keeping of assets; RedShield Security Australia, Secure Agility and Base2Services (reseller agreement with AWS), subservice organisations that provide information technology systems support and services; or complementary user entity controls.

Control environment elements

The control environment sets the tone of an organisation, influencing the control consciousness of its people. It is the foundation for other components of internal control, providing discipline and structure. In addition to the tests of design, implementation, and operating effectiveness of controls identified by MSAS our procedures included tests of elements of MSAS's control environment described in Section II.

Such tests included inquiry of the appropriate management, supervisory, and staff personnel; observation of MSAS's activities and operations, inspection of MSAS's documents and records, and re-performance of the application of MSAS's controls. The results of these tests were considered in planning the nature, timing, and extent of testing of the control activities described in Section III.

Obtaining Evidence Regarding the Description

Deloitte Touche Tohmatsu obtained and read the service organisation's description of its system in Section II, and evaluated whether those aspects of the description included in the scope of the engagement are fairly presented, including whether:

- (a) Control objectives stated in the service organisation's description of its system are reasonable in the circumstances;
- (b) Controls identified in that description were implemented;
- (c) Complementary user entity controls, if any, are adequately described; and
- (d) Services performed by a subservice organisation, if any, are adequately described, including whether the inclusive method or the carve-out method has been used in relation to them.

Obtaining Evidence Regarding Design of Controls

In determining which of the controls at the service organisation are necessary to achieve the control objectives stated in the service organisation's description of its system, Deloitte Touche Tohmatsu assessed whether those controls were suitably designed. This included:

- (a) Identifying the risks that threaten the achievement of the control objectives stated in the service organisation's description of its system; and
- (b) Evaluating the linkage of controls identified in the service organisation's description of its system with those risks. Some of the considerations Deloitte Touche Tohmatsu took into account included:

a) Appropriateness of the purpose of the control and its correlation to the risk/assertion
b) Competence and authority of the person(s) performing the control
c) Frequency and consistency with which the control is performed
d) Level of aggregation and predictability
e) Criteria for investigation (i.e. threshold) and process for follow-Up

Tests of operating effectiveness

Deloitte Touche Tohmatsu's tests of the controls were designed to cover a representative number of transactions throughout the period from 1 July 2021 to 30 June 2022. In determining the nature, timing and extent of tests we considered the following:

a) Nature and frequency of the controls being tested
b) Types of available evidential matter
c) Nature of the control objectives to be achieved
d) Assessed level of control risk
e) Expected effectiveness of the test, and
f) Results of tests of the control environment.

Testing the accuracy and completeness of information provided by MSAS is also part of the testing procedures performed. Information we utilized as evidence may have included, but was not limited to:

- Standard "out of the box" reports as configured within the system
- Parameter-driven reports generated by the systems
- Custom-developed reports that are not standard to the application such as scripts, report writers, and queries
- Spreadsheets that include relevant information utilised for the performance or testing of a control
- MSAS prepared analyses, schedules, or other evidence manually prepared and utilized by MSAS.

While these procedures may not be specifically called out in the test procedures listed in Section III, they may be completed as a component of testing to support the evaluation of whether or not the information is sufficiently precise and detailed for purposes of fully testing the controls identified by MSAS.

Description of testing procedures performed

Deloitte performed a variety of tests relating to the controls listed in Section III throughout the period from 1 July 2021 to 30 June 2022. The tests were performed on controls as they existed during this period and were applied to those controls relating to control objectives specified by MSAS.

Tests performed for the purpose of this report may have included, but were not limited to those described below:

Test	Description
Inquiry	Conducted detailed interviews with relevant personnel to obtain evidence that the control was in operation during the report period and is accompanied by other procedures noted below that are necessary to corroborate the information derived from the inquiry.
Observation	Observed the performance of the control multiple times throughout the report period to evidence application of the specific control activity.
Inspection of documentation	If the performance of the control is documented, inspected documents and reports indicating performance of the control.
Reperformance of monitoring activities or manual controls	Obtained documents used in the monitoring activity or manual control activity and independently reperformed the procedures. Compared any deviation items identified with those identified by the responsible control owner.
Reperformance of programmed processing	Input test data, manually calculated expected results, and compared actual results of processing to expectations.

Sampling Methodology

In terms of frequency of the performance of the control by MSAS, we consider the following guidance when planning the extent of tests of control for specific types of control.

a. The purpose of the procedure and the characteristics of the population from which the sample will be drawn when designing the sample;
b. Determine a sample size sufficient to reduce sampling risk to an appropriately low level;
c. Select items for the sample in such a way that each sampling unit in the population has a chance of selection;
d. If a designed procedure is not applicable to a selected item, perform the procedure on a replacement item; and
e. If unable to apply the designed procedures, or suitable alternative procedures, to a selected item, treat that item as a deviation.

The following guidelines are at a minimum followed in performing the test of controls:

Frequency of control activity	Minimum sample size
Annual	1
Quarterly	2
Monthly	2
Weekly	5
Daily	15
Many times per day	25
Automated Controls	Test one instance of each automated control.
Indirect Controls (e.g., indirect entity-level controls, general IT controls)	For those indirect entity-level controls that do not themselves directly address risks of material misstatement, the above is the suggested minimum sample size for the test of operating effectiveness. In the event that the indirect control is directly responsive to the control objective, the above is the minimum sample size for the test of operating effectiveness.
*** The table assumes zero deviations.**	

The nature and cause of deviations identified (if any), were evaluated to conclude on whether the deviations are material individually or in combination.

Reporting on results of testing

In most instances, controls are performed in the same manner and with the same degree of intensity for all clients. For this reason, samples were chosen from the whole population of MSAS transactions. We do not have the ability to determine whether a deviation will be relevant to a particular user, consequently all deviations are reported.

Results of testing

The concept of effectiveness of the operation of controls recognises that some deviations in the way controls are applied by MSAS may occur. Deviations from prescribed controls may be caused by such factors as changes in key personnel, significant seasonal fluctuations volume of transactions and human error.

We use judgement in considering the overall operating effectiveness of the control by considering the number of deviations detected, the potential significance of the financial statement effect, as well as other qualitative aspects of the deviations such as the cause of the deviation.

When we identify a deviation for a periodic or automated control, we consider whether other controls / mitigating controls may provide the evidence we require.

If we find a single deviation in the initial sample for a recurring manual control operating multiple times per day, when we did not expect to find control deviations, we consider whether the deviation is representative of systematic or intentional deviations.

If control deviations are found in tests of controls which operate daily or less frequently, the sample size cannot be extended and we assess such controls as ineffective.

Section VI: Management responses to the results of tests performed in Section III

The information included in this Section of the report is presented by MSAS to provide additional information to clients and is not part of the MSAS's description of the system nor the Service Auditor's Assurance Report.

The information included in this Section has not been subjected to the test procedures performed by the service auditor as detailed in Section III, accordingly, Deloitte Touche Tohmatsu does not express an opinion on it.

Management's response to deviations noted:

Control Reference	Control Activity	Deviation Noted	Management Response
B11.2	Prices of non-market traded investments are obtained from the issuers holding statements and are manually input to the Investment Management system. These are reviewed by a 2nd Xplore officer.	Deloitte noted that prior to March 2022 there was no audit trail to evidence review being conducted by a 2nd Xplore officer for prices of non-market traded investments that have been changed manually. From March 2022: From the sample of 15 manual price checks, Deloitte noted that there was no evidence of review by a second PAS team member after price has been input into IPS.	Updating non-market prices is a new process for Xplore that was implemented in May 2022. This was originally being completed by the client. A review of the process was completed in August 2022, and the second check has been added to the process. Evidence of the check is to be included in the workflow item going forward.
G2.1	Access is approved by an appropriate level of management before access to the relevant information systems is granted. Access is granted to relevant system in accordance with responsibilities assigned.	*Linear* There was no requirement to clearly identify application and role/access required within the approved request form for the new user and access modification process. There were instances where users are granted access levels that is beyond that required by their job responsibilities. *Keepass* Deloitte observed that the privileged services and system accounts are managed in Keepass. Access to Keepass is restricted to a specific AD security group	The System Role allocations which were in effect during the period of assessment were originally deemed appropriate for the size and structure of the MSAS organisation. As part of an ongoing program to adopt HUB24 controls and practices, Keepass accounts have all been migrated to HUB24's enterprise password vault. The deprecated legacy Windows AD OU delegations have been removed. Testing has confirmed that there were no login activities during the period of assessment.

Control Reference	Control Activity	Deviation Noted	Management Response
		within the IT team however, there is a lack of auditable access logs for the privileged account usage due to the system limitations of Keepass. *Windows AD* Deloitte observed that there are two redundant legacy OUs (operating units). *IRESS IPS* Refer to G3 for deviations.	HUB24's planned control uplifts HUB24 has been working through a group-wide program of continuous improvement with respect to ITSM practices, including workflow-enabled Onboarding/Offboarding and UAR processes. The program has been designed around the implementation of systems and processes that would support best practice, ensuring increasingly robust, repeatable and reportable execution of the controls across the HUB24 Group, including Xplore. It was always planned that the incorporation of Xplore into that program would occur in FY22 however due to resource constraints and organisational priorities, it had been delayed. It is expected that the full integration of the Xplore business into the upgraded ITSM frameworks will be completed progressively throughout FY23. Future onboarding requires specified System Roles, and Role Based Access rules will be reviewed on the principle of least privileged access for the appropriate Business Role.
G2.2	System access is appropriately revoked upon staff termination.	*Windows AD* Deloitte performed full population testing on the termination control and observed that three users were not removed from Windows AD once their employment was terminated during the audit period. One terminated employee Windows AD account was logged in after the termination date. *IRESS IPS* Refer to G3 for deviations.	For the three Windows AD users, it's noted that their access revocation did not occur as part of the general offboarding process. However, this was identified and remediated as a result of an internal UAR process, which acted as a corrective control. It should also be noted that, for all three people, the last login date for the XPL registry systems (Linear and IPS) is prior to their exit date. HUB24's planned control uplifts HUB24 has been working through a group-wide program of continuous improvement with respect to ITSM practices, including workflow-enabled Onboarding/Offboarding and UAR processes. The program has been designed around the implementation of systems and processes that would support best practice, ensuring increasingly robust, repeatable and reportable execution of the controls across the HUB24 Group, including Xplore. It was always planned that the

Control Reference	Control Activity	Deviation Noted	Management Response
			incorporation of Xplore into that program would occur in FY22 however due to resource constraints and organisational priorities, it had been delayed. It is expected that the full integration of the Xplore business into the upgraded ITSM frameworks will be completed progressively throughout FY23. Future onboarding requires specified System Roles, and Role Based Access rules will be reviewed on the principle of least privileged access for the appropriate Business Role.
G2.4	The entity performs a review of active users annually to ensure access levels is as per agreed.	*<u>Linear</u>* Deloitte tested that the User Access Review (UAR) was performed for the Linear application, but the control was not effectively designed as the UAR is not role based and therefore does not include a review of all access roles/ permissions granted. *<u>IRESS IPS</u>* Refer to G3 for deviations.	As part of the continuous improvement for access management, the UAR for all registry systems, including Linear and IPS, has been incorporated into the HUB24 Group UAR. HUB24's planned control uplifts HUB24 has been working through a group-wide program of continuous improvement with respect to ITSM practices, including workflow-enabled Onboarding/Offboarding and UAR processes. The program has been designed around the implementation of systems and processes that would support best practice, ensuring increasingly robust, repeatable and reportable execution of the controls across the HUB24 Group, including Xplore. It was always planned that the incorporation of Xplore into that program would occur in FY22 however due to resource constraints and organisational priorities, it had been delayed. It is expected that the full integration of the Xplore business into the upgraded ITSM frameworks will be completed progressively throughout FY23. Future onboarding requires specified System Roles, and Role Based Access rules will be reviewed on the principle of least privileged access for the appropriate Business Role.
G3.1	Level of access is restricted based on the specific role that staff have been assigned.	*<u>Linear</u>* Refer to G2.1 and G7.2 *<u>IRESS IPS</u>*	The System Role allocations which were in effect during the period of assessment were originally deemed appropriate for the size and structure of the MSAS organisation.

Control Reference	Control Activity	Deviation Noted	Management Response
		Privileged and IT Administration access (assigning and modifying profiles/ access level) is held by the Operations Manager which creates a segregation of duties conflict.	As part of an ongoing program to adopt HUB24 controls and practices, privileged and IT Administration access has been removed from the Operations Manager and is now held only by appropriate IT Administrators. HUB24's planned control uplifts HUB24 has been working through a group-wide program of continuous improvement with respect to ITSM practices, including workflow-enabled Onboarding/Offboarding and UAR processes. The program has been designed around the implementation of systems and processes that would support best practice, ensuring increasingly robust, repeatable and reportable execution of the controls across the HUB24 Group, including Xplore. It was always planned that the incorporation of Xplore into that program would occur in FY22 however due to resource constraints and organisational priorities, it had been delayed. It is expected that the full integration of the Xplore business into the upgraded ITSM frameworks will be completed progressively throughout FY23. Future onboarding requires specified System Roles, and Role Based Access rules will be reviewed on the principle of least privileged access for the appropriate Business Role.
G5.2	System Penetration testing is performed by an Independent and external IT Consulting company on a yearly basis.	No penetration testing was performed in the year under review. Mitigating factor: Vulnerability scans testing are performed by the sub-service organisation (as per testing performed in G13.1 and G13.2).	Scheduling conflicts forced the FY22 penetration test into the start of FY23. This has since been completed and there are no Critical or High risk findings.
G7.2	Changes (business as usual, configuration and emergency) are appropriately planned and tested prior to release.	*Linear* Three users were identified with access to both the development environment and production environment resulting in conflicting access. Further, no system logs were maintained for changes deployed to production. *Bitbucket*	The lack of auditable access logs is due to the system limitations of BitBucket and, as part of the adoption of HUB24 technologies and practices, BitBucket is being moved to HUB24's Azure DevOps (ADO). Additionally, Change Management is being transitioned to HUB24's ITSM which ensures appropriate peer review, testing and

Control Reference	Control Activity	Deviation Noted	Management Response
		There were no controls over the changes made to the workflow configurations and there is a lack of auditable logs in BitBucket. Deloitte was unable to obtain sufficient evidence that the workflow configurations within BitBucket were appropriately set over the period under review. *<u>Linux operating system</u>* The Linux operating system server supporting the Linear application was not patched installed during the period under review.	approval workflow is followed, recorded, and reported. The HUB Change Management process will be fully adopted and changes will be subject to HUB Group CAB. This is dependent on the Gemini Help Desk migration, which is part of the ITSM Adoption roadmap. The target is for completion by end December 2022. HUB24's planned control uplifts HUB24 has been working through a group-wide program of continuous improvement with respect to ITSM practices, including enterprise Change Management. The program has been designed around the implementation of systems and processes that would support best practice, ensuring increasingly robust, repeatable and reportable execution of the controls across the HUB24 Group, including Xplore. It was always planned that the incorporation of Xplore into that program would occur in FY22 however due to resource constraints and organisational priorities, it had been delayed. It is expected that the full integration of the Xplore business into the upgraded ITSM frameworks will be completed progressively throughout FY23.