NULIS Nominees (Australia) Limited
ABN 80 008 515 633
Financial Report 2021

NULIS Nominees (Australia) Limited
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NULIS Nominees (Australia) Limited
Directors' report

The Directors present their report, together with the general purpose financial statements of NULIS Nominees (Australia) Limited (the Company) for the period ending 30 June 2021. IOOF Holdings Ltd (IOOF) completed its acquisition of MLC Wealth (including the Company) on 31 May 2021. This report covers a transitional period of 9 months, reflecting the change in financial year end to 30 June 2021, to align the financial year end with that of the ultimate parent entity, IOOF. The comparative period is the financial reporting year from 1 October 2019 to 30 September 2020.

Rounding

Pursuant to Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016, the Company has rounded off amounts in this report and the accompanying financial statements to the nearest thousand, except where indicated. Any discrepancies between total and sums of components in tables contained in this report and the accompanying financial statements are due to rounding.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Name	Appointed	Resigned
A Gale	26 October 2016	30 June 2021
T McCredden	28 May 2014	
P Promnitz	7 December 2017	
B McConnell	4 December 2019	
S Schubert	4 December 2019	
K Watt	4 December 2019	
K Kwan	4 December 2019	
E Flynn	31 May 2021	

Unless indicated otherwise, all Directors held their position as a Director through the entire financial period and up to the date of this report.

Principal activity

The Company is a for-profit entity and its principal activities during the course of the year were to act as corporate trustee for Registerable Superannuation Entities (RSEs).

There were no significant changes in the nature of the activity of the Company during the period.

Corporate information

The Company is a company limited by shares that is incorporated and domiciled in Australia. The immediate parent entity is MLC Wealth Limited and the ultimate parent entity is IOOF Holdings Ltd. The address of its registered office is Ground Floor, 105-153 Miller Street, North Sydney, NSW 2060.

Review and results of operations

The profit after income tax for the nine months ended 30 June 2021 was $69,884,000 (2020: $111,838,000). This profit was attained in the normal course of operations of the Company. During the period there was a significant decrease in revenue from rendering of services as a result of product repricing implemented in the prior period, transition of members onto lower fee products and a comparison period being 12 months whereas the current reporting period is nine months.

Review and results of operations (continued)

The Company holds regulatory capital in accordance with APRA Prudential Standard SPS 114 Operational Risk Financial Requirement (ORFR). Sufficient capital was held throughout the period to meet the ORFR requirements. At 30 June 2021 the ORFR capital was $287,573,000 and 98% of the ORFR target amount (2020: $283,321,000 and 109%), which is compliant with the tolerance limit as determined by the Company in accordance with SPS 114.

As outlined via the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (RC)'s Final Report, the Commissioner recommended that the grandfathering provisions for conflicted remuneration should be "repealed as soon as is reasonably practicable". In response, the Government passed a bill into parliament to end the grandfathering of conflicted remuneration payments from 1 January 2021. The legislation dealt to all conflicted remuneration structures including trail commissions, commissions derived from contribution fees and volume based incentives (VBIs). The Company is fully compliant.

Dividends

Dividends paid or proposed by the Company since the end of the previous financial year were $78,900,000 paid and $9,900,000 declared (2020: $121,400,000).

State of affairs

IOOF completed its acquisition of MLC Wealth, comprising its Advice, Platform & Superannuation and Asset Management businesses (including the Company) on 31 May 2021. At the date of completion, the Company's ultimate parent entity changed from National Australia Bank Ltd (NAB) to IOOF.

The Company, together with a number of other subsidiaries of MLCW, also entered into a Syndicated Facility Agreement with IOOF and a group of syndicated lenders. The Company and the other subsidiaries of MLCW entered the Syndicated Facility Agreement as guarantors. Each guarantor jointly and severally guarantees to the syndicated lenders the financial obligations of IOOF under the Syndicated Facility Agreement (SFA). The NULIS Operational Risk Financial Requirement (ORFR) is segregated and held outside of the security net set out in the SFA and is unavailable to the syndicated lenders. As IOOF is the ultimate parent of the Company, Management considers the possibility of an outflow of resources embodying economic benefits as a result of the Company providing the guarantee remote.

There were no other significant changes in the state of affairs of the Company that occurred during the financial period.

Environmental regulation and performance

The operations of the Company are not subject to any site specific environmental licences or permits which would be considered as particular or significant environmental regulation under laws of the Australian Commonwealth Government or of an Australian state or territory.

Events subsequent to the end of the reporting period

No items, transactions or events of a material and unusual nature have arisen between the end of the financial period and the date of this report, which are likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Likely developments

Information about likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in the report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Indemnification and insurance of officers and auditor

(i) Indemnification

As permitted by its constitution, the Company indemnifies, to the extent permitted by law, each Director and the secretary of the Company for all liability incurred in their capacity as a Director or secretary of the Company (including all legal costs of and in connection with defending or resisting proceedings in which they become involved because of that capacity). The Company has executed or is in the process of executing deeds of indemnity in favour of each Director of the Company where required. The Company has not provided an indemnity to the auditor of the Company.

During its ownership, NAB entered into an indemnity deed with current and former directors and officers of the Company. A Director or officer who has entered into an indemnity deed with NAB is indemnified, subject to the terms and conditions of the deed, for all liabilities incurred in their capacity as a Director or officer, to the extent permitted by law.

(ii) Insurance premiums

Premiums were paid by a related entity in respect of contracts insuring Directors and officers of the Company for liability and legal expenses for the current financial period. Such insurance contracts insure against certain liabilities (subject to specific exclusions) for persons who are or have been Directors or executive officers of the Company.

Disclosure of the nature of the liabilities and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

Auditor’s independence declaration

A copy of the auditor’s independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

This report is made in accordance with a resolution of Directors.

Peter Promnitz

Peter Promnitz
Director
8 September 2021

Karina Kwan
Director
8 September 2021

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

To the Directors of NULIS Nominees (Australia) Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of NULIS Nominees (Australia) Limited for the nine-month period ended 30 June 2021 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Chris Wooden

Partner

Melbourne

8 September 2021

NULIS Nominees (Australia) Limited
Financial statements for the nine months ended 30 June 2021
Statement of comprehensive income

	Note	9 months ended 30 Jun 2021 $'000	12 months ended 30 Sep 2020 $'000
Revenue from rendering of services	2	336,084	537,033
Other revenue	2	5,809	5,186
Total revenue		341,893	542,219
Management fee expense		(212,157)	(273,079)
Investment management and custody fees		(9,256)	(37,204)
Commission and adviser related expenses		(1,450)	(33,562)
Other expenses		(13,972)	(38,665)
Total expenses		(236,835)	(382,510)
Profit before income tax expense		105,058	159,709
Income tax expense	3	(35,174)	(47,871)
Profit after tax attributable to owners of the Company		69,884	111,838
Other comprehensive income for the period net of tax		-	-
Total comprehensive income for the period attributable to owners of the Company		69,884	111,838

The above Statement of comprehensive income should be read in conjunction with the accompanying notes.

NULIS Nominees (Australia) Limited
Financial statements for the period ended 30 June 2021
Balance sheet

	Note	30 Jun 2021 $'000	30 Sep 2020 $'000
Current assets			
Cash and cash equivalents	5	124,437	130,975
Receivables	6	59,760	63,288
Financial assets	8	60,827	34,855
Total current assets		245,024	229,118
Non-current assets			
Financial assets	8	177,042	198,942
Deferred tax assets	7	39	-
Total non-current assets		177,081	198,942
Total assets		422,105	428,060
Current liabilities			
Payables	9	65,353	59,801
Provisions		-	1,056
Financial liabilities	10	-	293
Deferred revenue		2,183	2,388
Total current liabilities		67,536	63,538
Non-current liabilities			
Deferred tax liabilities	7	-	937
Total non-current liabilities		-	937
Total liabilities		67,536	64,475
Net assets		354,569	363,585
Equity			
Contributed equity	11	245,250	245,250
Retained profits		109,319	118,335
Total equity		354,569	363,585

The above Balance sheet should be read in conjunction with the accompanying notes.

Cash flow statement

	Note	9 months ended 30 Jun 2021 $'000	12 months ended 30 Sep 2020 $'000
Cash flows from operating activities			
Fees and other income received		341,097	546,543
Payments for management fees		(201,611)	(269,042)
Payments for investment management and custody fees		(10,616)	(37,593)
Payments for commission and adviser related expenses		(1,003)	(37,831)
Other payments for the course of operations		(16,667)	(39,720)
Income tax paid		(40,282)	(53,914)
Net cash flows from operating activities	12(b)	70,918	108,443
Cash flows from investing activities			
Net proceeds from purchase, sale and maturity of investments		1,444	28,036
Net cash flows from investing activities		1,444	28,036
Cash flows used in financing activities			
Dividends paid		(78,900)	(121,400)
Net cash flows used in financing activities		(78,900)	(121,400)
Net (decrease)/increase in cash and cash equivalents		(6,538)	15,079
Cash and cash equivalents at the beginning of the period		130,975	115,896
Cash and cash equivalents at the end of the period	12(a)	124,437	130,975

The above Cash flow statement should be read in conjunction with the accompanying notes.

Statement of changes in equity

	Note	Contributed equity $'000	Retained profits $'000	Total $'000
Year to 30 September 2020				
Balance as at 1 October 2019		245,250	127,897	373,147
Net profit for the year		-	111,838	111,838
Other comprehensive income		-	-	-
Total comprehensive income		-	111,838	111,838
Transactions with owners, recorded directly in equity:				
Dividends paid	4	-	(121,400)	(121,400)
Total transactions with owners		-	(121,400)	(121,400)
Balance as at 30 September 2020		245,250	118,335	363,585
Nine months ended 30 June 2021				
Balance as at 1 October 2020		245,250	118,335	363,585
Net profit for the period		-	69,884	69,884
Other comprehensive income		-	-	-
Total comprehensive income		-	69,884	69,884
Transactions with owners, recorded directly in equity:				
Dividends paid	4	-	(78,900)	(78,900)
Total transactions with owners		-	(78,900)	(78,900)
Balance as at 30 June 2021		245,250	109,319	354,569

The above Statement of changes of in equity should be read in conjunction with the accompanying notes.

1 Significant accounting policies

The general purpose financial report for NULIS Nominees (Australia) Limited (the Company) for the nine months ended 30 June 2021 was authorised for issue on 17 August 2021 in accordance with a resolution of the Directors. The Directors have the power to amend and reissue the financial statements.

The Company is a for-profit company limited by shares, incorporated and domiciled in Australia.

Information about the Company's structure, including its immediate parent, ultimate parent, the nature of the operations and principal activities of the Company are described in the Directors' report.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with the requirements of the *Corporations Act 2001* (the Act) and accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB).

The financial report has been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 1(l) - *Critical accounting assumptions and estimates* .

Comparative information has been reclassified to conform with changes in presentation made in the current period. The financial statements cover a transitional period of 9 months, reflecting the change in financial year end to 30 June 2021, to align the financial year end with that of the ultimate parent entity, IOOF. The comparative period is the financial reporting year from 1 October 2019 to 30 September 2020.

Impact of COVID-19 on financial reporting

In preparing the financial report the Company has considered the ongoing impact of COVID-19 in its adoption of significant assumptions and market inputs used in:
- valuing the Company’s financial instruments;
- preparing disclosures for the fair value of financial assets and liabilities and financial risk management.

The Company’s financial instruments include fixed income securities measured at fair value through profit and loss and values may have been impacted by a variety of factors arising from changed business conditions. As a general principle, quoted prices in active markets provide the best available evidence of fair value. The Company’s financial instruments are valued using directly observable inputs as at the reporting date and these are considered to be the most reliable and appropriate evidence of fair value.

We have reviewed the appropriateness of inputs to the valuation of financial instruments and the disclosures for the fair value of financial instruments.

Non-financial risks emerging from global movement restrictions including remote working for staff, counterparties and service providers have been identified, assessed, managed and governed through timely application of the Company's risk management policies.

Management has determined that there is no material uncertainty that casts doubt on the Company's ability to continue as a going concern.

1 Significant accounting policies (continued)

(b) Statement of compliance

The financial report has been prepared in accordance with the requirements of Australian Accounting Standards as issued by the AASB and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(c) New and amended accounting standards and interpretations

Changes in accounting policy and disclosure

The Company has adopted the following standards and amendments for the first time for the reporting period commencing 1 October 2020:

- AASB 2018-7 *Amendments to Australian Accounting Standards - Definition of Material (AASB 101 and AASB 108);*
- AASB 2019-5 *Amendments to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia (AASB 1054); and*
- *Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework.*

These standards and amendments do not have any material impacts to the Company.

New and amended accounting standards and interpretations issued but not yet effective

New or amended accounting standards that are not yet effective are not expected to have a material impact to the Company's financial report.

(d) Currency of presentation

The financial report is presented in Australian dollars, which is the Company's functional and presentation currency.

(e) Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* dated 24 March 2016, all amounts have been rounded to the nearest thousand dollars ($'000), except where indicated.

(f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognised as follows:

(i) Revenue from rendering of services

The Company provides investment management and administration services to superannuation funds. These fees are generated through agreements and are generally based on an agreed percentage of the valuation of funds under administration. The provision of investment management and administration services is typically a single performance obligation and fees are earned on a daily basis and generally collected monthly.

Performance fees are earned from some agreements when contractually agreed performance levels are exceeded within specified performance measurement periods. They are only recognised where it is deemed to be a low probability of a significant reversal in future periods.

Other fees principally comprise revenues for other services and are recognised as the relevant service is provided and it is probable that the fee will be collected.

There are no judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers.

1 Significant accounting policies (continued)

(f) Revenue recognition (continued)

(ii) Distribution revenue

Distribution revenue is recorded in the statement of comprehensive income when the Company obtains control of the right to receive the income.

(iii) Interest revenue

Interest revenue includes interest earned on financial assets measured at fair value through profit or loss and at amortised cost. For financial assets measured at amortised cost, interest income is measured using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts over the expected life of the instrument or a shorter period, where appropriate, to the net carrying value of the financial asset.

(iv) Income from investments held at fair value through profit or loss

Gains and losses from changes in the fair value of investments recognised at fair value through profit or loss are recognised in the statement of comprehensive income in the period in which they occur.

(g) Income tax

(i) Current income tax

Income tax expense (or benefit) is the tax payable (or receivable) on the current period's taxable income based on the applicable tax rate in each jurisdiction adjusted by changes in deferred tax assets and liabilities. Income tax expense is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in other comprehensive income. The tax associated with these transactions will be recognised in the statement of comprehensive income at the same time as the underlying transaction.

Current tax liability is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

(ii) Deferred income tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

1 Significant accounting policies (continued)

(g) Income tax (continued)

(iii) Tax consolidation

For the period up to 31 May 2021, the Company was part of the NAB tax consolidated group with NAB as the head entity. On 31 May 2021, the Company exited the NAB tax consolidated group.

The Company exited the NAB's tax consolidated group clear from any further income tax liability relating to the period during which it formed part of that tax consolidated group. Past or future tax obligations that may arise in respect of the period the Group was a member of the NAB tax consolidated group will be borne by NAB.

On 1 June 2021, The Company joined the IOOF tax consolidated group with IOOF Holdings Ltd as the head entity. Both the head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

Members of the group have also entered into a tax funding agreement that sets out their funding obligations of the tax-consolidated group in respect of tax amounts. Contributions to fund the current tax liabilities are payable in accordance with the tax funding agreement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant taxation authority.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses are assumed by the head entity in the tax-consolidated group and are recognised as amounts payable to (or receivable from) other entities in the tax-consolidated group, including the Company, under the tax funding agreement.

(iv) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the expense or the cost of acquisition of the asset.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a receivable or payable in the Balance sheet. Cash flows are included in the Cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as operating cash flows.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash within three months and are subject to an insignificant risk of change in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

(i) Financial instruments

(i) Recognition and derecognition

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers.

At initial recognition, the Company measures its financial assets and financial liabilities at fair value plus or minus, in the case of a financial asset or financial liability not classified at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

1 Significant accounting policies (continued)

(i) Financial instruments (continued)

The Company derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

A financial liability is derecognised from the balance sheet when the Company has discharged its obligation or the contract is cancelled or expires.

(ii) Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Company has a legally enforceable right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

(iii) Classification and subsequent measurement

Financial instruments measured at fair value through profit or loss (FVTPL)

A financial asset or liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Derivatives are presented as assets when the fair value is positive and as liabilities when the fair value is negative. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial instruments measured at amortised cost

Financial instruments measured at amortised cost include trade and other receivables and payables. A financial instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

(iv) Impairment of non-financial assets

Loss allowances are recognised for expected credit losses (ECLs) on financial assets measured at amortised cost and contract assets. ECLs are derived from unbiased and probability-weighted estimates of expected losses. For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. The Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. In the financial report this is recognised as a provision for doubtful debts.

Generally, trade receivables are written-off if past due for more than 90 days, are not considered likely to be recovered and are not subject to enforcement activity.

1 Significant accounting policies (continued)

(j) Provisions and contingent liabilities

Provisions are recognised when a legal or constructive obligation exists as a result of a past event, it is probable that an outflow of economic benefits will be necessary to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are not discounted to the present value of the expected net future cash flows except where the time value of money is material.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefits is not probable or cannot be reliably measured. Contingent liabilities are not recognised in the balance sheet.

(k) Contributed equity

(i) Ordinary shares

In accordance with the Act, the Company does not have authorised capital and all ordinary shares have no par value. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are included within equity.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote on a show of hands or, on a poll, one vote for each fully paid ordinary share held at shareholders' meetings. In the event of a winding-up of the Company, ordinary shareholders rank after creditors and are fully entitled to any residual proceeds of liquidation.

(ii) Capital management

The Company's key objectives and principles for managing capital are to satisfy regulatory requirements, maintain business and operational requirements and ensure the Company's ability to continue as a going concern. In addition, the Company seeks to maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends or return capital to shareholders, issue new shares or sell assets. Management regularly monitors the structure of the balance sheet and compliance with internal and external capital requirements.

(l) Critical accounting assumptions and estimates

The application of the Company's accounting policies requires the use of judgements, estimates and assumptions. If different assumptions or estimates were applied, the resulting values would change, impacting the net assets and income of the Company.

Assumptions made at each reporting date are based on best estimates at that date. Although the Company has internal control systems in place to ensure that estimates are reliably measured, actual amounts may differ from those estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Other than those disclosed elsewhere in the financial statements, management have not made any significant accounting judgements, estimates or assumptions in preparing these financial statements.

(m) Indemnity of the Trustee

The Company has indemnity from each Registrable Superannuation Entity (RSE) for the liabilities incurred in its capacity as Trustee. The indemnity pursuant to the Trust Deed is limited to the assets of the underlying RSE.

2 Revenue

	9 months ended 30 Jun 2021 $'000	12 months ended 30 Sep $'000
Revenue from rendering of services		
Investment management and administration fees revenue	327,777	530,711
Other fees revenue	8,307	6,322
	336,084	537,033
Other revenue		
Distribution revenue	2,819	1,119
Interest revenue[1]	2,990	4,067
	5,809	5,186
	341,893	542,219

[1] Interest revenue on financial assets measured at fair value through profit or loss is $2,981,000 (2020: $3,959,000) and interest revenue on financial assets measured at amortised cost is $9,000 (2020: $108,000).

3 Income tax

	9 months ended 30 Jun 2021 $'000	12 months ended 30 Sep $'000
(a) Income tax expense is made up of:		
Total income tax charge to income		
Current tax		
Current income tax charge	(36,150)	(48,573)
Deferred tax	976	702
Total income tax charge to income	(35,174)	(47,871)

(b) Reconciliation of income tax expense with prima facie tax payable on the pre-tax accounting profit

	9 months ended 30 Jun 2021 $'000	12 months ended 30 Sep $'000
Profit before income tax	105,058	159,709
Prima facie income tax expense calculated at 30%	(31,517)	(47,913)
Permanent difference on tax exit payment with NAB	(4,555)	-
Amounts in relation to prior years	899	42
Total income tax expense	(35,174)	(47,871)

4 Dividends paid and proposed

Dividends on ordinary shares recognised by the Company for the current and prior comparative periods:

	9 months ended 30 Jun 2021	12 months ended 30 Sep 2020
	$'000	$'000
Dividends on ordinary and non-redeemable preference shares:		
Final dividend for 2020: 12.31 cents (2019: 16.72 cents) per share	30,200	41,000
Interim dividend for 2021: 8.93 cents (2020: 13.46 cents) per share	21,900	33,000
Interim dividend for 2021: 10.93 cents (2020: 10.48 cents) per share	26,800	25,700
Interim dividend for 2021: nil (2020: 8.85 cents) per share	-	21,700
Total dividends paid by the Company during the period	78,900	121,400

Final dividend

The Directors have declared a final dividend of $9,900,000 in respect of the current financial period ending 30 June 2021 (2020: $30,200,000).

Australian franking credits

The Company does not have a franking account as it was a member of the NAB tax consolidated group up to 31 May 2021 and joined the IOOF tax consolidated group from 1 June 2021.

5 Cash and cash equivalents

	30 Jun 2021	30 Sep 2020
	$'000	$'000
Cash at bank	75,275	81,209
Other liquid assets	49,162	49,766
	124,437	130,975

6 Receivables

	30 Jun 2021	30 Sep 2020
	$'000	$'000
Trade debtors	628	1,994
Provision for doubtful debts	(136)	(209)
	492	1,785
Accrued income	1,927	397
Related party receivables		
Commonly controlled entity	1,347	1,344
Other entities	55,994	59,762
	59,760	63,288

7 Deferred tax assets/liabilities

	30 Jun 2021 $'000	30 Sep 2020 $'000
Deferred tax assets		
Provision for doubtful debts	39	62
Accrued expenses	-	152
Provisions	-	316
Total deferred tax assets	**39**	**530**
Set off against deferred tax liabilities	-	(530)
Net deferred tax assets	**39**	**-**
Deferred tax liabilities		
Unrealised gains on financial assets	-	1,467
Total deferred tax liabilities	**-**	**1,467**
Set off from deferred tax assets	-	(530)
Net deferred tax liability	**-**	**937**

8 Financial assets measured at fair value through profit or loss

	30 Jun 2021 $'000	30 Sep 2020 $'000
Current		
Investments in interest bearing securities	60,502	34,855
Derivatives	325	-
	60,827	34,855
Non-Current		
Investments in interest bearing securities	177,042	150,957
Investments in interest bearing securities - ultimate parent entity	-	26,274
Investments in unit trusts	-	21,711
	177,042	198,942

9 Payables

	30 Jun 2021 $'000	30 Sep 2020 $'000
Accrued expenses	9,613	5,472
Other creditors	4,216	4,575
Related party payables		
Commonly controlled entity	21,924	22,820
Immediate parent entity	25,166	17,697
Ultimate parent entity - tax related	4,434	8,566
Other entities	-	671
	65,353	59,801

10 Financial liabilities measured at fair value through profit or loss

	30 Jun 2021 $'000	30 Sep 2020 $'000
Current		
Derivatives	-	293
	-	293

11 Contributed equity

	2021 $'000	2020 $'000
Issued and paid-up capital		
245,250,000 ordinary shares, fully paid	245,250	245,250
	245,250	245,250

12 Notes to the Cash flow statement

(a) Reconciliation of cash and cash equivalents

Cash and cash equivalents as at the end of the reporting period as shown in the cash flow statement are reconciled to the related items in the balance sheet as follows:

	30 Jun 2021 $'000	30 Sep 2020 $'000
Cash at bank and cash equivalents	124,437	130,975

(b) Reconciliation of profit after tax to net cash from operating activities

	9 months ended 30 Jun 2021 $'000	12 months ended 30 Sep 2020 $'000
Profit after tax	69,884	111,838
Deduct non-cash items		
Investing activities included in profit	(5,809)	(5,186)
Net cash from operating activities before change in assets and liabilities	64,075	106,652
Change in assets and liabilities		
Decrease in receivables	3,528	15,249
Increase/(decrease) in payables	5,552	(11,054)
(Decrease)/increase in provisions	(1,056)	805
Decrease in deferred revenue	(205)	(2,507)
Decrease in deferred tax liabilities	(976)	(702)
	70,918	108,443

13 Contingent liabilities

The Company may from time to time be exposed to contingent liabilities and potential claims in respect of the activities of the underlying funds for which it acts as Trustee as outlined in Note 1(j). As at the date of this report, there are no contingent liabilities where the underlying funds are not expected to have sufficient assets to indemnify the Company as appropriate.

As part of the operations of the business, the Company has been subject to various legal actions and claims. Outcomes in relation to these actions and claims are uncertain and no provisions are required at balance sheet date.

Class Actions and potential regulatory investigation

In October 2019, litigation funder Omni Bridgeway (formerly IMF Bentham) and William Roberts Lawyers commenced a class action against the Company alleging breaches of the Company's trustee obligations to act in the best interests of the former members of The Universal Super Scheme in deciding to maintain grandfathered commissions on their transfer into the MLC Super Fund on 1 July 2016. The Company filed its defence in the proceeding in February 2020 and a defence to further amended statement of claim in April 2021.

In January 2020, Maurice Blackburn commenced a class action in the Supreme Court of Victoria against the Company and MLC Nominees Pty Ltd (MLCN) alleging breaches of the Company's and MLCN's trustee obligations in connection with the timeliness in which the Company and MLCN effected transfers of members' accrued default amounts to the MySuper product. The Company and MLCN filed their joint defence in the proceedings in April 2020.

In March 2021, Maurice Blackburn commenced a class action in the Federal Court against the Company and MLCN alleging breaches of the Company's trustee obligations which mirror those made in the Supreme Court Class Action referred to above. Orders have been made to stay the proceeding pending the outcome of an appeal of an interlocutory judgement in the Victorian Supreme Court action.

Outcomes in relation to these actions and claims are uncertain and no provisions are required at balance sheet date.

Workplace Super

A number of investigations are being carried out in relation to workplace super, including matters where some employer superannuation plans and member entitlements were not correctly set up in the administration systems, and matters relating to disclosure and administration of certain features of the super product such as insurance and fees. The immediate parent entity has recognised provisions where it could be reliably estimated. The potential outcome and total costs associated with these matters remain uncertain.

Other remediation matters

There are a number of other remediation matters under investigation within certain super and wrap products including member tax positions. The potential outcomes and total costs associated with these matters remain uncertain. Provisions in relation to these matters have been recognised by the immediate parent entity where appropriate.

14 Remuneration of external auditor

	9 months ended 30 Jun 2021	12 months ended 30 Sep 2020
	$	$
Total amounts paid or due and payable to EY Australia[1]:		
Financial statements audit	-	302,200
Regulatory compliance audit	66,800	80,193
Assurance over internal controls	55,224	215,248
Assurance services for the managed superannuation funds	1,110,321	1,010,286
Total remuneration of EY Australia	1,232,345	1,607,927
Total amounts paid or due and payable to KPMG Australia[1]:		
Financial statements audit	302,200	-
Regulatory compliance audit	10,000	-
Total remuneration of KPMG Australia	312,200	-

(1) *Amounts exclude goods and services tax.*

The Company changed its external auditor for its financial statements and Australian Financial Services Licence audits from EY Australia (group auditor for NAB) to KPMG Australia (group auditor for IOOF) on 3 September 2021.

Auditor's remuneration for the Company is paid by a related entity.

15 Related parties

No Director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving Directors' interests existing at reporting date.

Key management personnel compensation

	9 months ended 30 Jun 2021	12 months ended 30 Sep 2020
	$'000	$'000
Short-term employment benefits	1,002	1,281
Post-employment benefits	74	95
	1,076	1,376

Costs in relation to key management personnel are paid by the immediate parent entity.

Other related party transactions

Details of cash and cash equivalents held with related parties are disclosed in Note 5 - Cash and cash equivalents. Receivables and payables arising out of related party transactions are non-interest bearing and unsecured. Details of amounts receivable from and payable to related parties are shown in Note 6 - Receivables and Note 9 - Payables.

(a) Ultimate parent entity

The ultimate parent of the Company is IOOF Holdings Ltd (IOOF). IOOF produces consolidated financial statements available for public use and is incorporated in Australia. Prior to the IOOF acquisition on 31 May 2021, National Australia Bank Limited (NAB) was the ultimate parent entity.

15 Related parties (continued)

(a) Ultimate parent entity (continued)

Balances with the ultimate parent entity comprise the below:

	30 Jun 2021 $'000	30 Sep 2020 $'000
Ultimate parent entity:		
IOOF Holdings Ltd - Tax payable	(4,434)	-

(b) Transactions with related parties in the wholly owned group

Transactions between the Company and entities in the wholly owned group during the 9 months ended 30 June 2021 comprise the below:

	9 months ended 30 Jun 2021 $'000	12 months ended 30 Sep 2020 $'000
Immediate parent entity:		
MLC Wealth Limited - Administration services	(212,157)	(273,079)
Commonly controlled entities:		
MLC Asset Management Pty Limited - Asset Management Services	(3,769)	(6,945)
MLC Investments Limited - Asset Management Rebates	6,499	9,011
MLC Asset Management Services Limited - Advisory services	(1,634)	(25,230)
Other entities:		
MLC Super Fund - Trustee and administration services	262,962	424,142
MLC Pooled Superannuation Trust - Trustee and administration services	47,417	78,294
MLC Superannuation Fund - Trustee and administration services	10,133	12,630
DPM Retirement Service - Trustee and administration services	178	472
PremiumChoice Retirement Fund - Trustee and administration services	1,378	2,361
Redpoint Global Infrastructure Fund - fair value movement	3,938	(3,777)
Redpoint Global Infrastructure Fund - distribution received	2,820	1,119

(c) Transactions with former ultimate parent and former related parties in the wholly owned group

Transactions between the Company and the former ultimate parent and former commonly controlled entities from 1 October 2020 to 31 May 2021 comprise the below:

	8 months ended 31 May 2021 $'000	12 months ended 30 Sep 2020 $'000
Former ultimate parent entity:		
NAB Ltd - Interest income and bank fees	(107)	(73)
NAB Ltd - Tax payments	(41,148)	(54,154)
NAB Ltd - Commissions	-	(394)
NAB Ltd - Custody fees	(757)	(990)
Former commonly controlled entities:		
WealthHub Securities Limited - Brokerage related services	(226)	(326)
Godfrey Pembroke Limited - Commissions	(4)	(229)
Meritum Financial group Pty Limited - Commissions	(21)	(63)
Apogee Financial Planning Limited - Commissions	(12)	(525)
GWM Adviser Services Limited - Commissions	(32)	(4,100)

16 Risk management information

Risk management overview

This overview is provided to aid the users of the financial statements to understand the context of the financial disclosures required under AASB 7 *Financial Instruments: Disclosures* .

The Company is a subsidiary of IOOF and operates in accordance with the IOOF Group's Risk Management Policy. Risk management processes and activities are integrated with strategic planning, appetite, policies, reporting and governance to ensure that risk is managed effectively and coherently throughout the IOOF Group.

The Company's objective is to satisfactorily manage risks in line with the Board approved Risk Management Framework (RMF), policies and Risk Appetite Statement. Procedures are put in place to control and mitigate the risks faced by the Company depending on the nature of the risk. The Company's overall risk is monitored by Management with regular reporting to the Company's Risk and Audit Committee and the Board.

The Risk Management Strategy is reviewed annually, or more frequently, if there is a material change to the size, business mix and complexity or a material change to the Company's risk profile.

The Company is an RSE Licensee regulated by the Australian Prudential Regulation Authority (APRA) and is required to have systems for identifying, assessing, managing, mitigating and monitoring material risks that may affect its ability to meet its obligations to beneficiaries. These systems, together with the structures, policies, processes, and people supporting them, comprise the Company's own RMF. The Company's Board is ultimately responsible for the Company's RMF and approves the use of any IOOF Group policies or functions and ensures that these policies and functions give appropriate regard to the Company's business operations and its specific requirements.

The financial condition and operating results of the Company are affected by a number of key financial and non-financial risks.

Financial risks include credit risk, liquidity risk and market risk (including interest rate risk). These risks are set out below.

(a) Credit risk

Credit risk represents the risk of loss arising from the failure of a counterparty to meet its obligations as contracted.

The Company is not materially exposed to any individual overseas country or region. The maximum exposure to credit risk is the carrying value of the financial assets.

Credit quality

The following table sets out the Company's exposure to credit risk and the credit quality of financial instruments at the balance sheet date:

30 June 2021	AAA	A+ to AA+	A- or Lower	No Credit rating	Total
	$	$	$	$	$
Cash and cash equivalents	-	124,437	-	-	124,437
Interest bearing securities	22,483	38,285	137,627	39,149	237,544
Derivatives				325	325
Receivables	-	-	-	59,760	59,760
Total	22,483	162,722	137,627	99,234	422,066

30 September 2020	AAA	AA-	A or lower	No credit rating	Total
	$	$	$	$	$
Cash and cash equivalents	-	130,975	-	-	130,975
Interest bearing securities	14,572	107,349	65,957	45,919	233,797
Derivatives				(293)	(293)
Receivables	-	-	-	63,288	63,288
Total	14,572	238,324	65,957	108,914	427,767

16 Risk management information (continued)

(b) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and price changes. The Company is not exposed to foreign exchange rate risk.

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.

The Company manages interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments and the management of maturity dates of interest bearing instruments.

Interest rate risk exposure

The following table sets out the Company's exposure to interest rate risk at the balance sheet date:

	2021 $'000	2020 $'000
Cash and cash equivalents	124,437	130,975
Interest bearing securities	237,544	233,797
Derivatives	325	(293)
Total	**362,306**	**364,479**

Interest rate sensitivity analysis

The following table demonstrates the impact on profit after tax and equity to a reasonably possible change in interest rates:

	2021 $'000	2020 $'000
Change in interest rate:		
+ 25 basis points (2020: 50 basis points)	1,733	253
- 25 basis points (2020: 50 basis points)	(1,298)	(252)

Due to the reduction in cash rate levels and the impacts of the current economic market, sensitivity to interest rates have been reduced from 50 basis points to 25 basis points.

(ii) Other price risk

Other price risk is the risk that the fair value of financial instruments may increase or decrease as a result of changes in market prices, whether these changes are caused by factors specific to an individual financial instrument or factors affecting all instruments, or classes of instruments in the market. The Company held investments in a unit trust which was exposed to price risk in the prior financial year.

Other price risk exposure

The following table sets out the Company's exposure to other price risk at the balance sheet date:

	2021 $'000	2020 $'000
Unlisted unit trusts	-	21,711
Total	**-**	**21,711**

The following table demonstrates the impact on profit after tax and equity to a reasonably possible change in market prices:

	2021 $'000	2020 $'000
Change in market prices:		
+ 10% (2020: 10%)	-	1,520
- 10% (2020: 10%)	-	(1,520)

16 Risk management information (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting commitments associated with financial liabilities. The Company manages liquidity risk by ensuring that there is adequate access to reserves, banking facilities and borrowing commitments through ongoing monitoring of actual and forecasted cash flows.

Key principles adopted in managing the Company's exposure to liquidity risk include:
- Monitoring the Company's liquidity position on a daily basis, and modelling balance sheet and cash flow information on a periodic basis;
- Maintaining a high quality liquid asset portfolio which supports intra-day operations;
- Operating a prudent funding strategy which limits maturity concentrations;
- Maintaining a contingent funding plan designed to respond to the event of an accelerated outflow of funds from the Company; and
- Requiring the Company to have the ability to meet a range of survival horizon scenarios and liquidity stress scenarios.

The Company, together with a number of other subsidiaries of MLCW, also entered into a Syndicated Facility Agreement with IOOF and a group of syndicated lenders. The Company and the other subsidiaries of MLCW entered the Syndicated Facility Agreement as guarantors. Each guarantor jointly and severally guarantees to the syndicated lenders the financial obligations of IOOF under the Syndicated Facility Agreement (SFA). The NULIS Operational Risk Financial Requirement (ORFR) is segregated and held outside of the security net set out in the SFA and is unavailable to the syndicated lenders. As IOOF is the ultimate parent of the Company, Management considers the possibility of an outflow of resources embodying economic benefits as a result of the Company providing the guarantee remote.

The Company's exposure to liquidity risk on financial instruments is limited to what is disclosed in Note 9 - Payables. All payables are expected to be settled within 12 months.

(d) Capital risk management

The Company's key objectives and principles for managing capital are to satisfy regulatory requirements, maintain business and operational requirements and ensure the Company's ability to continue as a going concern. In addition, the Company seeks to maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares or sell assets.

Regulatory capital is the capital which the Company is required to hold as determined by legislative and regulatory requirements. The requirements of APRA's Prudential Standard SPS 114 "Operational Risk Financial Requirement" (ORFR) are applicable to the Company and sufficient capital was held throughout the year to meet the ORFR. At 30 June 2021 the Company held capital of $287,573,000, 98% of the Company target and above the tolerance limit as determined by the Company in accordance with SPS 114 (2020: $283,321,000).

Management regularly monitors compliance with internal and external capital requirements and the Company has complied with all externally imposed capital requirements during the period. The capital risk management strategy is unchanged from the prior year.

(e) Fair Value Measurements

The following table provides an analysis of financial instruments that are measured at fair value, using a hierarchy that reflects the significance of inputs used in measuring the fair value hierarchy. The level in the fair value hierarchy within which a fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair vale measurement in its entirety. The fair value hierarchy is as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical financial assets or liabilities.
Level 2 - inputs other than quoted prices within Level 1 that are observable for the financial asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3 - inputs for the financial asset or liability that are not based on observable market data (unobservable inputs).

16 Risk management information (continued)

(e) Fair Value Measurements (continued)

The fair value estimates are based on the following methodologies and assumptions:

- The fair values of investments in unlisted unit trusts are based on redemption price as established by the Responsible Entity/trustee of the underlying trust.
- The fair values of interest bearing securities are based on a discounted cash flow model using a yield curve appropriate to the remaining maturity of the instruments and appropriate credit spreads.

Fair value measurement as at 30 June 2021

	(Level 1) $'000	(Level 2) $'000	(Level 3) $'000	Total $'000
Financial assets				
Derivatives	325	-	-	325
Interest bearing securities	-	237,544	-	237,544
Total financial assets measured at fair value	**325**	**237,544**	**-**	**237,869**

Fair value measurement as at 30 September 2020

	(Level 1) $'000	(Level 2) $'000	(Level 3) $'000	Total $'000
Financial assets				
Unlisted unit trusts	-	21,711	-	21,711
Interest bearing securities	-	212,086	-	212,086
Total financial assets measured at fair value	**-**	**233,797**	**-**	**233,797**

	(Level 1) $'000	(Level 2) $'000	(Level 3) $'000	Total $'000
Financial liabilities				
Derivatives	293	-	-	293
Total financial liabilities measured at fair value	**293**	**-**	**-**	**293**

The Company recognises transfers between the levels of the fair value hierarchy as of the end of the reporting period during which the transfer occurred. There were no transfers between Level 1 and Level 2 or into or out of Level 3 of the fair value hierarchy during the period ended 30 June 2021.

17 Subsequent events

No items, transactions or events of a material and unusual nature have arisen between the end of the financial period and the date of this report, which are likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

NULIS Nominees (Australia) Limited
Directors' declaration

In accordance with a resolution of the Directors of NULIS Nominees (Australia) Limited, we state that:

In the opinion of the Directors:

(a) the financial statements of the Company are in accordance with the *Corporations Act 2001* , including:

   (i) giving a true and fair view of the Company's financial position as at 30 June 2021 and its performance for the period ended on that date;

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001;*

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1(b); and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Peter Promnitz
Director
8 September 2021

Karina Kwan
Director
8 September 2021

Independent Auditor's Report

To the shareholder of NULIS Nominees (Australia) Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of NULIS Nominees (Australia) Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the nine-month period ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Balance Sheet as at 30 June 2021
- Statement of comprehensive income, Statement of changes in equity, and Cash flow statement for the nine-month period then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

Basis for opinion

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

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

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

Other Information

Other Information is financial and non-financial information in NULIS Nominees (Australia) Limited's nine-month period reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

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

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

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

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

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

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

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

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

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

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our Auditor's Report.

KPMG

Chris Wooden

Partner

Melbourne

8 September 2021