

Independent Auditor's Report

To the directors of First Samuel Limited regarding Grakat Investments Pty Ltd ATF Grakat Superannuation Fund

Report on the Portfolio Report at 30 June 2011 and quarterly reports ("the Reports")

We have audited the existence, completeness and valuation of the **managed** assets and transactions of the accompanying Portfolio Report, which comprises the Accountant's Pack, Taxation Report and accompanying notes for the year ended 30 June 2011, concerning the assets of Grakat Investments Pty Ltd ATF Grakat Superannuation Fund (the "User Entity") and quarterly reports for which First Samuel Limited ("First Samuel") provides investment management services.

The Responsibility of the Directors' for the Reports

First Samuel is responsible for providing investment management services to the User Entity. The directors of First Samuel are responsible for the preparation and fair presentation of the quarterly reports provided during the year and the Portfolio Report at 30 June 2011 in accordance with the accounting policies described in Note 1 of the Portfolio Report and have determined that the accounting policies are appropriate to meet the financial reporting requirements of the investment management agreement, the Corporations Act 2001 applicable to managed discretionary accounts and the needs of the User Entity. The directors' responsibility also includes establishing and maintaining controls relevant to the preparation and fair presentation of the Reports to provide reasonable assurance that they are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the existence, completeness and valuation in respect of the managed assets and transactions in the Reports, based on our audit. No opinion is expressed as to whether the accounting policies used as described in Note 1 to the Portfolio Report are appropriate to meet the need of the User Entity. We conducted our audit in accordance with Australian Auditing Standards. The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the managed assets and transactions set out in the Reports are free of material misstatement in respect of the specific audit assertions.

An audit of existence, completeness and valuation of the managed assets and transactions in the Reports involves performing procedures to obtain audit evidence that the managed assets and transactions set out in the Reports exist, are complete, and have been appropriately valued in accordance with the accounting policies described in Note 1 of the Portfolio Report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Reports in relation to the specific assertions, whether due to fraud or error. In making those risk assessments, the auditor considers controls relevant to First Samuel's preparation and fair presentation of the Reports in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of First Samuel's controls.

We have conducted an independent audit in order to express an opinion to the directors of First Samuel for the use of the trustee/responsible entity of the User Entity and their Auditor.


The Reports has been prepared by First Samuel for distribution to the trustee/responsible entity of the User Entity. We disclaim any assumption of responsibility for any reliance on this independent auditor's report, or on the Reports to which it relates, to any person other than the directors of First Samuel or the trustee/responsible entity of the User Entity and their Auditor, or for any other purpose other than that for which they were prepared.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion. No uncorrected misstatements, other than amounts which are clearly trivial, have been identified during the course of the audit.

Auditor's Opinion

In our opinion:

- (i) the internal controls and other procedures of First Samuel were suitably designed and operated effectively to ensure that the information provided in the Portfolio Report at 30 June 2011 and in the quarterly reports provided during the financial year is not materially misstated;
- (ii) the information provided in the Portfolio Report at 30 June 2011 and in the quarterly reports provided during the financial year of the **managed** assets and transactions of the User Entity, presents fairly, in all material respects, the existence, completeness and valuation of the **managed** assets and transactions of the User Entity, for which First Samuel provides investment management services.


MSI RAGG WEIR
Chartered Accountants


I.L. JENKINS
Partner

Melbourne

30 September 2011