

INDEPENDENT ASSURANCE REPORT TO THE MANAGEMENT OF FIRST SAMUEL LIMITED

Scope

We have been engaged to report on First Samuel Limited's ("the Company") description of its controls over investment management services relating to custody, asset management, and, investment administration provided to the Company's clients throughout the period 1 July 2022 to 30 June 2023 ("the description"), and on the design and operations of those controls related to the control objectives described in the accompanying report by the management of the Company ("the Controls Report").

The Company uses external service organisations to perform a range of functions. The Controls Report includes only the controls and related controls objectives of the Company and excludes the controls objectives and related controls of the external service organisations. Our examination did not extend to controls of the external service organisations.

Management's Responsibility

The management of the Company is responsible for preparing the description and accompanying assertion, including the completeness, accuracy and method of presentation of the description and assertion; providing the investment management services covered by the description; stating the control objectives, including relevant controls objectives for investment management services as outlined in AUASB Guidance Statement GS 007 Audit Implications of the Use of Service Organisations for Investment Management Services, and designing, implementing and effectively operating controls to achieve the stated control objectives.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's description and on the design and operation of controls related to the control objectives stated in that description based on our procedures. 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. ASAE 3402 requires that we comply with relevant ethical requirements and 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.

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 controls, 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 the description were achieved.





INDEPENDENT ASSURANCE REPORT TO THE MANAGEMENT OF FIRST SAMUEL LIMITED (CONTINUED)

Auditor's Responsibility (continued)

An assurance engagement of this type also includes evaluating the overall presentation of the description and the suitability of the objectives stated therein. 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 investment management services is included, or, if any of the minimum objectives are omitted or amended, that the reason for the omission or amendment is adequately disclosed in the description.

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

Limitations of Controls

The Company's description of controls 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, the Company's controls 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 the Company's controls may become inadequate or fail.

Opinion

Our opinion has been formed on the basis of the matters outlined in this report. In our opinion, in all material respects:

- (a) the accompanying Controls Report fairly presents the controls over the investment management services as designed and implemented throughout the period from 1 July 2022 to 30 June 2023;
- (b) the controls related to the control objectives stated in the description were suitably designed throughout the period from 1 July 2022 to 30 June 2023; and
- (c) the controls tested, which were those necessary to provide reasonable assurance that the control objectives stated in the description were achieved, operated effectively throughout the period from 1 July 2022 to 30 June 2023.





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Description of Tests of Controls

The specific controls tested and the nature, timing and results of those tests are listed on page 4 to 5.

Intended Users and Purpose

This report and the description of tests of controls on page 4 to 5 are intended only for clients who have used the Company's investment management services, 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 or statements.

MORROWS AUDIT PTY LTD

IAN L JENKINS
Director

Melbourne: 28 September 2023



Auditor's description of the nature, timing and extent of tests applied to controls

- 1 We have checked that control objectives and allied controls intended to achieve those objectives described in the Company's description of its controls are correctly cross referenced.
- 2 We have assessed the fair presentation of the description, including:
 - (a) identification of any inadequacies, omissions or inaccuracies in the description of control objectives;
 - (b) identification of any inaccuracies in the description of controls, as designed and implemented.
- 3 We have assessed the suitability of the design, including identification of any inadequacies in the design of the controls to achieve their stated objectives.
- 4 We have tested the operating effectiveness of controls, including:
 - (a) ensuring the nature, timing and extent of tests (on a sample basis) provided sufficient and appropriate evidence to enable us to issue our opinion;
 - (b) identifying the number and nature of deviations noted, if any;
 - (c) enquiring and following up on remedial action taken by management, if any; and
 - (d) documenting results of the tests in sufficient detail to enable user auditors to assess the effect of those tests on their assessment of control risk, if so requested by user auditors.

Description of nature of tests

The nature of tests carried out by us have included such procedures as enquiry, inspection, observation and re-performance.

- 1 Enquiry, we have:
 - Enquired of appropriate First Samuel Limited personnel.
 - Conducted enquiries seeking relevant information or representation from personnel were performed to obtain, among other things:
 - Knowledge, additional information and affirmation regarding the control of procedures
 - Corroborating evidence of the controls.



Description of nature of tests (continued)

- 2 Inspection, we have:
- Inspected documents and records indicating performance of the controls. This included, among other things:
 - Inspection of reconciliations and management reports to assess whether balances and reconciling items appear to be properly monitored, controlled and resolved on a timely basis, as required by the related control.
 - Examination of source documentation and authorisations related to selected transactions processed.
 - Examination of documents or records for evidence of performance, such as the existence of initials or signatures.
 - Inspection of the Company's systems documentation, such as operations, manuals, flow charts and job descriptions.
- 3 Observation, we have:
- Observed the application or existence of specific controls as represented.
- 4 Re-performance, we have:
- Re-performed the control or processing application of the controls to check the accuracy of their operation. This included, among other things:
 - Obtaining evidence of the arithmetical accuracy and correct processing of transactions by performing independent calculations.
 - Re-performing the matching of various system records by independently matching the same records and comparing reconciling items to reconciliations prepared by the Company.

Results – Overall:

The results of our testing have enabled to us to issue the opinion as seen in the Independent Assurance Report.

Furthermore, we confirm that no significant deviation from the Controls Report and/or significant deficiencies from the Controls Report's objectives and design, have come to our attention as a result of the audit.

