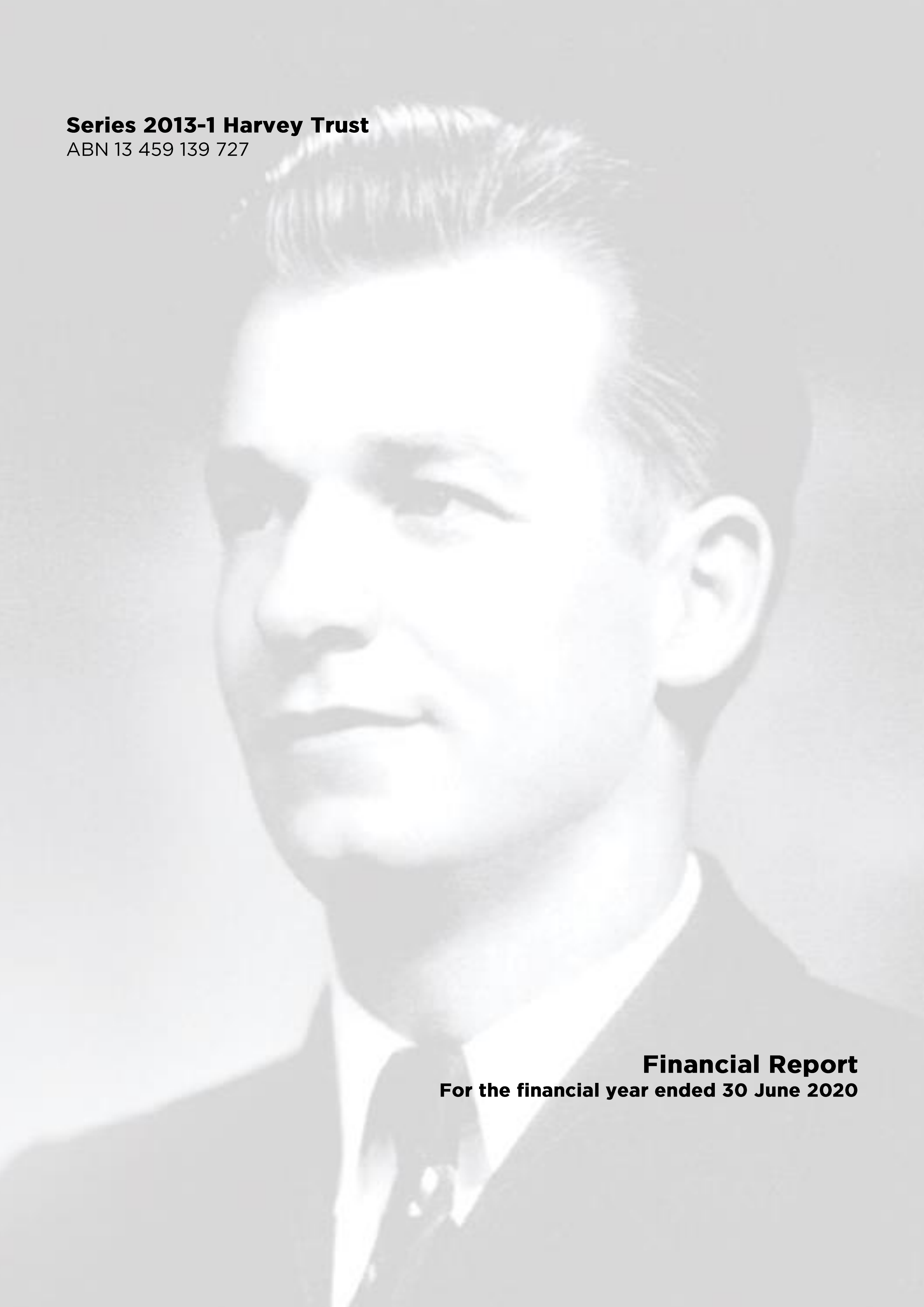

Series 2013-1 Harvey Trust

ABN 13 459 139 727

Financial Report

For the financial year ended 30 June 2020

Contents

Image: Jack Harvey CUA Founder 1923-2015

Trustee's report

The financial report for the financial year ended 30 June 2020 has been prepared by the Trust Manager, CUA Management Pty Ltd as required by the Master Trust Deed.

A review of the operations of the Trust and the results of these operations for the financial year ended 30 June 2020 is contained in the Manager's declaration.

Based on our ongoing program of monitoring the Trust, we believe that:
(i) the Trust has been conducted in accordance with the Master Trust Deed; and
(ii) the financial report has been appropriately prepared and contains all relevant and required disclosures.

In making this statement, the Trustee has relied upon information, representations and warranties provided by the Trust Manager.

We are not aware of any material matter or significant changes in the state of affairs of the Trust occurring up to the date of this report that require disclosure in the financial statements and the notes thereto that have not already been disclosed.

Signed for and on behalf of
Perpetual Trustee Company Limited

Authorised Officer
Perpetual Trustee Company Limited

Sydney
15 September 2020

Manager's declaration

The Trust Manager presents its report on the financial statements of the Series 2013-1 Harvey Trust (the Trust) for the year ended 30 June 2020.

Directors
The names and details of Directors of the Trust Manager in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Leonard Stone
Paul Lewis (appointed 1 November 2019)
Robert Goudswaard (resigned 31 October 2019)

The Trustee
The Trustee of the Trust is Perpetual Trustee Company Limited.

Principal activities
The principal activity of the Trust is the acquisition and securitisation of pools of housing loans and the raising of funds by the issue of debt securities.

Review of operations
Net profit from operating activities before distribution expense for the financial year ended 30 June 2020 for the Trust was as follows:

In thousands of dollars	**2020**	2019
Series 2013-1 Harvey Trust	**831**	1,078

While underlying asset quality remains strong, there was an increase of $195 thousand in impairment charges on the secured loan asset for the year ended 30 June 2020. This is as a result of the COVID-19 financial assistance packages approved for certain underlying mortgages managed by CUA and the impact of uncertainty from COVID-19 on the macro-economic outlook.

There were no significant changes in the operations of the Trust during the financial year ended 30 June 2020.

State of affairs
No significant changes in the state of affairs of the Trust occurred during the year.

Events after statement of financial position date
There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years.

Likely developments
The Trust will continue to be managed in accordance with the objectives and guidelines as set out in the governing documents of the Trust and in accordance with the provisions of the Master Trust Deed and Series Supplement. There has not been any matter or circumstance occurring during or subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Trust.

Indemnification
During or since the end of the financial year, the Trust has not provided any indemnification of any person who is or has been an officer of the Trustee or the Trust Manager or auditor of the Trust.

Insurance
No insurance premiums have been paid during or since the end of the financial year for a person who is an officer of the Trustee or the Trust Manager or auditor of the Trust.

Environmental regulation
The Trust's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. The Trust Manager's Board believes that the Trust is not aware of any breach of environmental requirements as they apply to the Trust.

Manager's declaration (continued)

Proceedings on behalf of the Trust
No person has applied for leave of Court to bring proceedings on behalf of the Trust, or to intervene in any proceedings to which the Trust is a party, for the purposes of taking responsibility on behalf of the Trust for all or any part of those proceedings.

Rounding
Except where indicated, the amounts contained in this report and in the financial statements have been rounded to the nearest thousand dollars in accordance with ASIC Corporations Instrument 2016/191.

Declaration
In the opinion of the Manager of the Trust:

(a) the financial statements and notes, set out on pages 6 to 18 are drawn up so as to present fairly the financial position of the Trust as at 30 June 2020 and its performance, as represented by the results of its operations and cash flows, for the financial year ended on that date in accordance with the basis of preparation described in note 2 and the significant accounting policies described in note 10;

(b) the Trust has operated during the financial year ended 30 June 2020 in accordance with the provisions of the Master Trust Deed dated 16 August 2002; and

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

Signed in accordance with a resolution of the directors of the Manager, CUA Management Pty Ltd.

Leonard Stone
Chairman

Paul Lewis
Director

Brisbane
15 September 2020

Statement of profit or loss and other comprehensive income

For the financial year ended 30 June 2020

In thousands of dollars	**2020**	2019
Revenue		
Interest income - secured loan	**6,502**	8,940
Interest income - cash and cash equivalents	**17**	72
Other income - secured loan	**40**	27
Total revenue	**6,559**	9,039
Expenses		
Interest expense on floating rate notes	**4,945**	7,010
Custodian fee	**35**	42
Management fee	**48**	59
Servicer fee	**565**	693
Trustee fee	**57**	69
Other expenses	**78**	88
Total expenses	**5,728**	7,961
Profit before distribution expense	**831**	1,078
Distribution expense	**831**	1,078
Profit before tax	**-**	-
Income tax expense	**-**	-
Profit for the financial year attributable to unitholders of the Trust	**-**	-
Total other comprehensive income for the financial year attributable to the unitholders of the Trust	**-**	-

The statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 June 2020

In thousands of dollars	**Note**	**2020**	2019
Assets			
Current			
Cash and cash equivalents		**7,066**	7,319
Related party receivable		**498**	407
GST receivable		**4**	5
Non-current			
Secured loan	3	**140,645**	172,518
Other asset	4	**254**	59
Total assets		**148,467**	180,308
Liabilities			
Current			
Payables	5	**3,103**	3,788
Interest payable		**268**	313
Distribution payable		**2,036**	2,038
Non-current			
Interest-bearing liabilities	6	**143,060**	174,169
Total liabilities		**148,467**	180,308
Net assets attributable to the unitholders of the Trust		**-**	-

The statement of financial position is to be read in conjunction with the accompanying notes.

Statement of changes in equity

For the financial year ended 30 June 2020

As the Trust has no equity, the Trust has not included any items of changes in equity for the current or comparative year.

Statement of cash flows

For the financial year ended 30 June 2020

In thousands of dollars	**Note**	**2020**	2019
Cash flows from/(used in) operating activities			
Interest received		**6,543**	9,022
Fees received		**40**	27
Fees paid		**(1,467)**	(1,811)
Interest paid		**(4,990)**	(7,048)
Distributions paid		**(833)**	(1,089)
Repayments received from customers		**31,563**	39,682
Net cash from operating activities	8	**30,856**	38,783
Cash flows (used in) financing activities			
Repayment of interest-bearing liabilities		**(31,109)**	(42,301)
Net cash (used in) financing activities		**(31,109)**	(42,301)
Net (decrease) in cash held		**(253)**	(3,518)
Cash at the beginning of the financial year		**7,319**	10,837
Cash at the end of the financial year		**7,066**	7,319

The statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the financial statements

1. Reporting entity

The Trust is domiciled in Australia.

The Trust was established by the Master Trust Deed (Trust Deed) between the Manager (CUA Management Pty Ltd) and the Trustee (Perpetual Trustee Company Limited) dated 16 August 2002 and the Trust Series Supplement between the Seller and Servicer (Credit Union Australia Ltd), the Manager and the Trustee.

In accordance with the Trust Deed and the Trust Series Supplement, the Trust was constituted for nil consideration, on 19 June 2013.

The Trust funded the purchase of the secured loan through the issue of floating rate notes. These notes represent the debt of the Trust.

The parent entity of the Trust is Credit Union Australia Ltd (CUA). The registered office of the Manager is Level 23, 145 Ann Street, Brisbane QLD 4000.

2. Basis of preparation

The Trust is a for-profit entity and the financial statements have been prepared on a historical cost basis except for where the applications of fair value measurements are required by relevant accounting standards.

In the opinion of the Directors, the Trust is not a reporting entity. The financial statements of the Trust have been prepared as special purpose financial statements for the sole purpose of fulfilling the requirements of the Master Trust Deed dated 16 August 2002.

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

New and amended standards adopted by the Trust

The Trust has adopted the following new and amended Australian Accounting Standards (AASB) and AASB Interpretations as of 1 July 2019.

- AASB 2017-6 Amendments to Australian Accounting Standards: *Prepayment features with negative compensation* (early adopted by the Trust on 1 July 2018)
- AASB 2018-1 Amendments to Australian Accounting Standards – *Annual improvements 2015 – 2017 cycle*

The application of these standards and amendments do not materially impact the financial statements.

Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts reported in the financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Estimates and underlying assumptions are reviewed on an ongoing basis.

Where revisions are made to accounting estimates, any financial impact is recognised in the period in which the estimate is revised.

Significant estimates, judgments and assumptions are discussed in the following notes:

- recognition of secured loan as a consequence of the sale of mortgages by CUA not qualifying for derecognition (note 3 and note 10.4); and
- expected credit loss (ECL) and impairment of financial asset (note 3 and note 10.8).

Notes to the financial statements

2. Basis of preparation (continued)

COVID-19 impact assessment

First reported in late December 2019 by the World Health Organisation (WHO) as an unknown virus, the COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections globally. Measures taken to contain the virus after the WHO declared the outbreak as a global pandemic in March 2020 have affected economic activity, which in turn have implications on financial reporting.

The impact of COVID-19 resulted in additional judgement being applied within those areas identified in note 2. Given the fast-evolving nature of COVID-19 and limited recent experience relating to the economic and financial impacts of such pandemics as well as the unprecedented levels of public and private sector support for consumers and businesses, the judgements and estimates applied in the preparation of these financial statements may change in the future. Other than adjusting events that provide evidence of conditions that existed at the end of the reporting period, the impact of events that arise after the reporting period will be accounted for in future reporting periods.

Trust Manager's considerations

As a result of COVID-19, the Trust has applied the following processes and considerations in preparing the 30 June 2020 financial statements:

- Applied COVID-19 guidance from regulators, accounting standard bodies and publications from accounting firms;
- Progressively updated its economic outlook for new developments, primarily to assess impairment analysis for financial and non-financial assets and to input into the ECL provision calculation; and
- Reviewed published economic information and COVID-19 developments to consider their impacts.

Consideration of key balance sheet items and areas of disclosures

Secured loan and other financial assets

In response to COVID-19, a review has been undertaken of the secured loan and other financial assets and their respective ECLs. The review considered the forward-looking macroeconomic outlook, customer credit quality, collateral held, exposure at default, and the effect of the payment deferral option at reporting date. Refer to note 3 for ECL considerations.

Risk management

The Trust Manager applies the CUA Group risk management framework and pandemic plan to monitor and manage the COVID-19 financial and non-financial risks. The processes include, but are not limited to, the identification, assessment, management and governance on their staff health and wellbeing, remote working processes and working arrangements with their members, suppliers, counterparties and other stakeholders.

Notes to the financial statements

3. Secured loan

In thousands of dollars	**2020**	2019
Secured loan	**140,899**	172,577
ECL provision / impairment provision	**(254)**	(59)
Total secured loan	**140,645**	172,518

Recognition and measurement

Secured loan represents the Trusts' interest in the mortgages purchased from CUA by equitable assignment. The sale of the mortgages from CUA to the Trust do not qualify for de-recognition in accordance with AASB 9 *Financial Instruments: Recognition and Measurement* because the sale has failed to transfer substantially all the risks and rewards of ownership. Consequently, CUA continues to recognise the loans purchased and recognise a corresponding financial liability to the Trust on its statement of financial position.

The Trust recognises a receivable due from CUA, representing a secured loan rather than the underlying securitised mortgages (which remain on the balance sheet of CUA). The interest receivable on the financial asset represents the return on an imputed loan between CUA and the Trust, being the interest income under the mortgages, net of the fees payable to CUA by the Trust and the net interest income/expense recognised under derivative contracts such as interest rate swaps. Derivative financial instruments have not been recognised in these financial statements except to the extent set out in note 10.4.

After initial measurement, the secured loan is subsequently measured at amortised cost using the effective interest rate method, less an allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. The losses arising from impairment are recognised in the statement of profit or loss and other comprehensive income.

Provision for impairment

The potential for impairment of the secured loan reflects the potential impairment of the underlying mortgages managed by CUA. Impairment is recognised when there is reasonable doubt that not all of the principal and interest can be collected in accordance with the terms of the underlying loan agreements.

The Trust applies a three-stage approach in measuring ECLs based on changes in the financial assets' underlying credit risk and includes forward looking or macroeconomic conditions:

- Stage 1: Where credit risk has not increased significantly since initial recognition or the asset is not credit impaired upon origination, a portion of the lifetime ECLs associated with the probability of default events occurring within the next 12 months is recognised.
- Stage 2: Where credit risk has increased significantly since initial recognition but the asset is not credit impaired, lifetime ECL is recognised.
- Stage 3: When a financial asset is assessed as credit impaired (includes exposures that are greater than 90 days past due), the lifetime ECL is recognised. Interest revenue is calculated on a net basis (gross carrying amount less provision).

Given there has been no significant increase in credit risk within the underlying portfolio purchases from CUA represented by the secured loan, the ECL is recognised on a stage 1 basis.

Lifetime ECLs are generally determined based on the contractual maturity of the financial asset.

Notes to the financial statements

4. Other asset

In thousands of dollars	**2020**	2019
Pool insurance recoverable	**254**	59
Total other asset	**254**	59

The Trust has recognised a receivable for lenders mortgage insurance (LMI) recoverable which is anticipated to cover the ECL provision. This is due to all loans being insured by portfolio LMI by approved mortgage insurers in accordance with the Trust Series Supplement. In the event that the insurance does not fully cover the outstanding loan, the residual balance will be written off to the statement of profit or loss and other comprehensive income. Interest on all loans continues to be taken to income, including those which are past due.

5. Payables

In thousands of dollars	**2020**	2019
Redraws owing to servicer	**33**	85
Manager fee	**4**	5
Servicer fee	**45**	54
Sundry	**2**	1
Liquidity deposit	**3,009**	3,632
Liquidity and redraw facility fee	**2**	2
Trustee fee	**5**	6
Custodian fee	**3**	3
Total payables	**3,103**	3,788

6. Interest-bearing liabilities

In thousands of dollars	**2020**	2019
Floating rate notes	**143,060**	174,169
Total interest-bearing liabilities	**143,060**	174,169

7. Units on issue

Units on issue	Entity	**2020 No. of units**	2019 No. of units
Income unit	CUA	**1**	1
Capital units	CUA	**9**	9
Capital unit	A & O Securitisation Services 3 Pty Ltd	**1**	1
Total units on issue		**11**	11

The units were issued for nil consideration. CUA, the holder of the income unit has the only right to receive payments of the income unit amount in accordance with the Trust Series Supplement and only to the extent that funds are available for this purpose in accordance with the Trust Series Supplement.

Notes to the financial statements

8. Reconciliation of cash flows

From operating activities

In thousands of dollars	**2020**	2019
Profit for the financial year attributable to unitholders of the Trust	**-**	-
Change in assets and liabilities		
Decrease in secured loan principal	**31,873**	39,736
(Increase) in receivable	**(285)**	(43)
(Decrease) in all payables	**(732)**	(910)
Net cash from operating activities	**30,856**	38,783

9. Auditor's remuneration

In dollars	**2020**	2019
KPMG		
Audit of the financial report	**7,200**	7,000
Other assurance services		
- Custody agreed upon procedures	**2,000**	2,000
Total of auditor's remuneration	**9,200**	9,000

Fees for the services rendered by the Trusts' auditor are borne by the income and capital unitholder, CUA.

Notes to the financial statements

10. Significant accounting policies

The special purpose financial statements have been prepared in accordance with the requirements of the Trust Deed, and the recognition, measurement and classification aspects of all applicable AASBs as issued by the Australian Accounting Standards Board.

The financial statements have been prepared in accordance with AASB 101 *Presentation of Financial Statements*, AASB 107 *Cash Flow Statements*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1048 *Interpretation and Application of Standards* and AASB 1054 *Australian Additional Disclosures*.

The accounting policies set out below have been applied consistently to all financial years presented in these financial statements, unless otherwise stated.

10.1 Income and expense recognition

Interest income and expense are recognised in the statement of profit or loss and other comprehensive income for all interest-bearing instruments measured at amortised cost using the effective interest method.

The effective interest method uses the effective interest rate to allocate interest income and expense over the relevant accounting period for the financial asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash payments and receipts through the expected life of the financial instrument, or when appropriate, a shorter period to the net carrying amount of the financial asset or liability.

This calculation includes all fees and interest paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other discounts or premiums.

Interest income on the secured loan (refer note 3) comprises of interest income, fee income earned from the secured loan purchased and net interest income/expense not separately recognised under the interest rate swap (refer note 10.4).

10.2 Income tax

The Trust is only liable to income tax to the extent that accumulated income is assessable. Under current legislation the Trust is not subject to income tax as the taxable income, including assessable realised capital gains, is distributed in full to the unitholder.

10.3 Goods and services tax (GST)

Revenues, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or the amount of expense.

Receivables and payables are stated with the amount of GST included.

10.4 Derivative financial instruments

The Trust has entered into interest rate swaps with CUA. The purpose of these swaps is to align the basis of the revenue from the loans purchased under equitable assignment from CUA (refer note 3) to the interest expense under the debt. The interest rate swaps convert the revenue receipts from the variable and fixed rate loans to a floating rate basis.

As a consequence of CUA's sale of loans to the Trust not qualifying for derecognition (refer note 3), AASB 9 *Financial Instruments* denies the Trust from separately recognising these derivatives. Therefore, the Trust has not separately recognised the interest rate swaps in the statement of financial position and no gains or losses have been recognised in the statement of profit or loss and other comprehensive income.

Notes to the financial statements

10. Significant accounting policies (continued)

10.5 Wind up provision per Trust Deed Supplement

The Trust Manager may direct CUA to repurchase or transfer the remaining secured loan to another Series Harvey Trust where:

(i) The aggregate principal outstanding on the receivables on the last day of any monthly period, when expressed as a percentage of the total principal outstanding at the commencement of the Trust is below the wind up percentage of 10%; or

(ii) The fifth anniversary of the closing date of the Trust occurs, provided Australian Prudential Regulation Authority (APRA) has advised that it will permit CUA to exercise its rights to repurchase the remaining receivables.

The Trust Manager may also direct the Trust to transfer some or all of its remaining secured loan to another Series Harvey Trust when the aggregate principal outstanding on the receivables on the last monthly period, when expressed as a percentage of the total principal outstanding at the commencement of the Trust are below the transfer percentage of 10%.

10.6 Non-derivative financial liabilities

Financial liabilities at amortised cost are initially recognised at fair value plus transaction costs that are directly attributable to the issue of the financial liability. Subsequent measurement is at amortised cost using the effective interest method.

10.7 Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash on deposit and cash at short call. They are measured at face value or the gross value of the outstanding balance.

10.8 Financial instruments

Classification and measurement

The classification and measurement of financial assets is determined on the basis of the contractual cash flow characteristics and the objective of the business model associated with holding the asset.

Financial assets

Financial assets held in a business model to solely collect contractual cash flows are classified at amortised cost. All financial assets not classified as measured at amortised cost or fair value through other comprehensive income (FVOCI) are measured at fair value through profit or loss (FVTPL). In addition, on initial recognition, the Trust may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI as FVTPL on the proviso that doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities at amortised cost are initially recognised at fair value plus transaction costs that are directly attributable to the issue of the financial liability. Subsequent measurement is at amortised cost using the effective interest method

Impairment of financial assets

The Trust utilises the expected loss model in accordance with AASB 9 *Financial Instruments*. The impairment requirements apply to financial assets measured at amortised cost, FVOCI, amounts receivable from contracts with customers as defined in AASB 15 *Revenue from Contracts with Customers,* loan commitments and financial guarantee contracts.

The standard requires entities to account for ECLs from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis.

Notes to the financial statements

10. Significant accounting policies (continued)

10.8 Financial instruments (continued)

Impairment of financial assets (continued)

The Trust measures loss allowances at an amount equal to lifetime ECLs, except for the following, for which they are measured as 12-month ECLs:

- Debt investment securities that are determined to have low credit risk at the reporting date; and
- Other financial instruments on which credit risk has not increased significantly since their initial recognition.

The Trust considers a debt investment security to have a low credit risk when its credit rating is equivalent to the globally understood definition of "investment grade". The Trust does not apply the low credit risk exemption to any other financial instruments.

The Trust applies a staged approach in measuring ECLs based on changes in the financial assets' underlying credit risk and includes forward looking or macroeconomic conditions, refer to note 3.

Modified financial assets

Where the modification to the contractual terms of a loan are substantial, the existing loan is derecognised and a new renegotiated loan is recognised at a new effective interest rate. Where the modifications are not substantial and do not result in derecognition, the gross carrying amount of the loan is calculated by discounting the modified cash flows using the original effective interest rate.

Credit risk is assessed by comparing the remaining lifetime probability of default (PD) at the reporting date based on the modified terms with the remaining lifetime PD based on data on initial recognition and the original contractual terms.

Business model assessment

The assessment of the objective of the business model is made at a portfolio level as this best reflects the way the business is managed and information is prepared and reported. The information includes:

- Stated policies and objectives for the portfolio and the operation of those policies in practice, strategy on earning contractual interest revenue, interest rate profile, duration of financial assets and associated financial liabilities that are funding the assets, and cash flows from the sale of assets;
- How performance of the portfolio is evaluated and reported to the Trust's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- The frequency, volume and timing of sales in prior periods, the reason for such sales and the expectation of future sales activity (as part of an overall assessment on how the Trust's objective of managing financial assets is achieved and how cash flows are realised).

Contractual cash flows assessment

In assessing whether the cash flows are solely payments of principal and interest (SPPI), the Trust will consider the contractual terms of the instrument, including contractual terms that could change the timing or amount of contractual cash flows.

10.9 New accounting standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2020 reporting periods and have not been early adopted by the Trust.

AASB 2018-7 *Amends the definition of material*
Amendments made to AASB 101 *Presentation of Financial Statements* and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and consequential amendments to other AASBs which:

i) use a consistent definition of materiality throughout AASBs, the Framework for Preparation of Financial Statements and AASB Practice Statement 2 Making Materiality Judgements
ii) clarify when information is material; and
iii) incorporate some of the guidance in AASB 101 about immaterial information.

Notes to the financial statements

10. Significant accounting policies (continued)

10.9 New accounting standards and interpretations not yet adopted (continued)

AASB 2019-1 Revised *Conceptual Framework for Financial Reporting*
The AASB has issued a revised Conceptual Framework which introduces a new reporting entity concept, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.
The key areas in this Framework are:

- objective of financial reporting;
- qualitative characteristics of useful financial information;
- financial statements and the reporting entity;
- elements of financial statements: recognition and derecognition, measurement, presentation and disclosures; and
- concepts of capital and capital maintenance.

The application date of these standards is 1 July 2020. The Trust is in the process of assessing the impact of the new standards but does not expect a significant impact.

11. Contingent liabilities

The Trust had no contingent liabilities as at 30 June 2020.

12. Subsequent events

There remains significant uncertainty regarding how the COVID-19 pandemic will evolve, including the duration of the downturn and the speed of economic recovery. Consideration was given to the macro-economic impact of varying levels of restrictions across states, border closures and the extension of government support measures.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Trustee of the Trust, to affect significantly the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years.

Independent Auditor's Report

To the trustee of Series 2013-1 Harvey Trust

Opinion

We have audited the ***Financial Report*** of Series 2013-1 Harvey Trust (the Trust).

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of the Trust as at 30 June 2020, and of its financial performance and its cash flows for the year then ended, in accordance with *Australian Accounting Standards* to the extent described in Note 2 to the financial statements.

The ***Financial Report*** comprises:

- Statement of financial position as at 30 June 2020;
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended; and
- Notes including a summary of significant accounting policies.

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 Trust in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (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.

Emphasis of matter – basis of preparation and restriction on use and distribution

We draw attention to Note 2 to the Financial Report, which describes the basis of preparation.

The Financial Report has been prepared to assist the trustee of Series 2013-1 Harvey Trust in meeting the financial reporting requirements of the Master Trust Deed. As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the trustee of Series 2013-1 Harvey Trust and should not be used by or distributed to parties other than the trustee of Series 2013-1 Harvey Trust. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the trustee of Series 2013-1 Harvey Trust or for any other purpose than that for which it was prepared.

Other Information

Other Information is financial and non-financial information in Series 2013-1 Harvey Trust's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Trust Manager is 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, namely the Trustee's report and Manager's declaration. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audits, 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 Trust Manager for the Financial Report

The Trust Manager is responsible for:

- the preparation and fair presentation of the Financial Report in accordance with the financial reporting requirements of the Master Trust Deed and have determined that the basis of preparation described in Note 2 is appropriate to meet the needs of the trustee;
- implementing necessary internal control to enable the preparation of a Financial Report that are free from material misstatement, whether due to fraud or error; and
- assessing the Trust'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 Trust 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 are 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

KPMG

Brisbane
15 September 2020