

# **AMP Group Finance Services Limited**

**ABN 95 084 247 914**

## **Directors' report and Financial report for the half year ended 30 June 2022**

**AMP Group Finance Services Limited**  
**DIRECTORS' REPORT**  
for the half year ended 30 June 2022

The directors present their report on AMP Group Finance Services Limited (the Company) for the half year ended 30 June 2022.

**Directors**

The directors of the Company during the half year ended 30 June 2022 and up to the date of this report are shown below. Directors were in office for this entire period unless otherwise stated.

James Georgeson (Chairman)  
Jason Bounassif  
Nicola Darnell (resigned 5 August 2022)  
John O'Farrell

**Principal activities**

The principal activities of the Company during the half year were to undertake financial risk management and treasury activities for the AMP Limited group (the AMP group). There have been no significant changes in these activities during the half year.

**Review of operations and results**

The result for the half year ended 30 June 2022 was a net profit after tax of \$14.9m (2021: net loss after tax of \$2.9m).

**Events occurring after the reporting date**

On 14 July 2022, the Company issued 10 ordinary shares to its parent entity, AMP Group Services Limited, for the consideration of \$40.0m. In addition, on 23 August 2022, the Company fully repaid GBP Subordinated Guaranteed Bonds in the amount of \$62.0m and on 31 August 2022, the Company repaid CHF \$40.0m of medium term notes outstanding as at 30 June 2022.

Other than the matters noted above, at the date of this report, the directors are not aware of any other matter or circumstance that have arisen since the reporting date that has significantly affected, or may significantly affect, the entity's operations in future years; the results of those operations in future years; or the Company's state of affairs in future years.

**Rounding**

In accordance with the Australian Securities and Investments Commission Corporations Instrument 2016/191, amounts in this Directors' report and the accompanying financial report have been rounded to the nearest hundred thousand Australian dollars, unless stated otherwise.

**Auditor's independence**

The directors have obtained an independence declaration from the Company's auditor, Ernst & Young, a copy of which is attached to this report and forms part of the Directors' report for the half year ended 30 June 2022.

Signed in accordance with a resolution of the directors.



.....  
Director

Sydney, 8 September 2022



**Building a better  
working world**

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Sydney NSW 2000 Australia  
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## **Auditor's Independence Declaration to the Directors of AMP Group Finance Services Limited**

As lead auditor for the review of the half-year financial report of AMP Group Finance Services Limited for the half-year ended 30 June 2022, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b) no contraventions of any applicable code of professional conduct in relation to the review; and
- c) no non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink that reads 'Ernst &amp; Young' in a cursive script.

Ernst & Young

A handwritten signature in black ink that reads 'Anita Kariappa' in a cursive script.

Anita Kariappa  
Partner

8 September 2022

**AMP Group Finance Services Limited**

ABN 95 084 247 914

**Financial report**

**for the half year ended 30 June 2022**

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Registered Office:  
50 Bridge Street  
Sydney NSW 2000 Australia

AMP Group Finance Services Limited is a company limited by shares and is incorporated and domiciled in Australia.

**Statement of comprehensive income**

for the half year ended 30 June 2022

	Note	30 Jun 2022 \$m	30 Jun 2021 \$m
Interest income calculated using the effective interest method	2	2.0	4.9
Other interest income	2	13.4	21.0
Finance costs calculated using the effective interest method	2	(5.0)	(15.3)
Other finance costs	2	(15.5)	(18.2)
Net finance costs		(5.1)	(7.6)
Foreign exchange gains/(losses)		5.4	(1.6)
Derivative gains <sup>1</sup>		34.8	21.1
Losses on debt securities measured at fair value through profit or loss		(14.8)	(17.4)
Other income		1.0	1.4
<b>Profit/(loss) for the period before income tax</b>		<b>21.3</b>	<b>(4.1)</b>
Income tax (expense)/credit	3	(6.4)	1.2
<b>Profit/(loss) for the period</b>		<b>14.9</b>	<b>(2.9)</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Cash flow hedges			
- Net gains on cash flow hedges		0.6	0.5
- Tax effect on cash flow hedge gains		(0.2)	(0.2)
<b>Other comprehensive income for the period</b>		<b>0.4</b>	<b>0.3</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>15.3</b>	<b>(2.6)</b>

- 1 Derivative gains include fair value and foreign currency movements on borrowings and subordinated debt in effective hedging relationships.

**Statement of financial position**

for the half year ended June 2022

	Note	30 Jun 2022 \$m	31 Dec 2021 \$m
<b>Current assets</b>			
Cash and cash equivalents		237.4	112.7
Financial assets measured at amortised cost			
- Negotiable certificates of deposit		421.0	50.0
- Promissory notes		64.8	-
- Floating rate notes		67.2	-
- Receivables	4	669.5	321.6
Financial assets measured at fair value through profit or loss			
- Investments in unlisted managed investment schemes		0.1	0.1
- Derivative financial assets		24.4	23.5
- Debt Securities		237.1	109.3
Intercompany tax receivable from head entity		-	0.3
<b>Total current assets</b>		<b>1,721.5</b>	<b>617.5</b>
<b>Non-current assets</b>			
Financial assets measured at amortised cost			
- Floating rate notes		67.0	38.0
- Receivables	4	498.1	1,210.3
Financial assets measured at fair value through profit or loss			
- Debt Securities		407.6	432.4
- Derivative financial assets		79.5	34.3
Deferred tax assets	3	0.2	0.3
<b>Total non-current assets</b>		<b>1,052.4</b>	<b>1,715.3</b>
<b>Total assets</b>		<b>2,773.9</b>	<b>2,332.8</b>
<b>Current liabilities</b>			
Financial liabilities measured at amortised cost			
- Payables	5	1,385.0	702.9
- Borrowings and subordinated debt	6	300.0	301.4
- Collateral deposits held		92.2	38.8
Financial liabilities measured at fair value through profit and loss			
- Derivative financial liabilities		11.9	16.5
Intercompany tax payable to head entity		6.3	-
<b>Total current liabilities</b>		<b>1,795.4</b>	<b>1,059.6</b>
<b>Non-current liabilities</b>			
Financial liabilities measured at amortised cost			
- Borrowings and subordinated debt	6	620.7	624.5
Financial liabilities measured at fair value through profit or loss			
- Derivative financial liabilities		26.9	13.1
<b>Total non-current liabilities</b>		<b>647.6</b>	<b>637.6</b>
<b>Total liabilities</b>		<b>2,443.0</b>	<b>1,697.2</b>
<b>Net assets</b>		<b>330.9</b>	<b>635.6</b>
<b>Equity</b>			
Issued capital	7	736.0	1,056.0
Reserves		(0.2)	(0.6)
Accumulated losses		(404.9)	(419.8)
<b>Total equity</b>		<b>330.9</b>	<b>635.6</b>

**Statement of changes in equity**

for the half year ended 30 June 2022

	Issued capital \$m	Cash flow hedge reserve \$m	Accumulated losses \$m	Total shareholder equity \$m
<b>30 June 2022</b>				
Balance as at 1 January 2022	1,056.0	(0.6)	(419.8)	635.6
Profit	-	-	14.9	14.9
Other comprehensive income	-	0.4	-	0.4
Total comprehensive income	-	0.4	14.9	15.3
Capital return	(400.0)	-	-	(400.0)
Issued capital	80.0	-	-	80.0
<b>Balance as at 30 June 2022</b>	<b>736.0</b>	<b>(0.2)</b>	<b>(404.9)</b>	<b>330.9</b>
<b>30 June 2021</b>				
Balance as at 1 January 2021	582.5	(2.4)	(419.2)	160.9
Loss	-	-	(2.9)	(2.9)
Other comprehensive income	-	0.3	-	0.3
Total comprehensive loss	-	0.3	(2.9)	(2.6)
Balance as at 30 June 2021	582.5	(2.1)	(422.1)	158.3

**Statement of cash flows**

for the half year ended 30 June 2022

	30 Jun 2022 \$m	30 Jun 2021 \$m
<b>Cash flows from operating activities</b>		
Interest and other items of a similar nature received	13.4	25.9
Interest paid and other finance costs	(16.0)	(28.9)
Other items	2.3	1.5
<b>Cash flows used in operating activities before changes in operating assets and liabilities</b>	<b>(0.3)</b>	<b>(1.5)</b>
<b>Changes in operating assets and liabilities arising from cashflow movements</b>		
Net receipts from/(payments to) related parties	656.6	(290.0)
Net payment of collateral deposits	19.6	(4.4)
Net movement in derivative financial assets and liabilities	(8.1)	(0.6)
Net movement in other payables	27.6	1.3
<b>Cash flows from/(used in) operating activities</b>	<b>695.4</b>	<b>(295.2)</b>
<b>Cash flows from investing activities</b>		
(Payments to acquire)/Net proceeds from sale of:		
- Negotiable certificate of deposit	(372.0)	265.0
- Promissory notes	(65.0)	100.0
- Floating rate notes	(95.8)	-
- Debt securities	(117.9)	-
<b>Cash flows (used in)/from investing activities</b>	<b>(650.7)</b>	<b>365.0</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	80.0	-
Repayments of borrowings and subordinated debt	-	(4.4)
<b>Cash flows from/(used in) financing activities</b>	<b>80.0</b>	<b>(4.4)</b>
<b>Net increase in cash and cash equivalents</b>	<b>124.7</b>	<b>65.4</b>
Cash and cash equivalents at the beginning of the period	112.7	748.2
<b>Cash and cash equivalents at the end of the period</b>	<b>237.4</b>	<b>813.6</b>



## Notes to the financial statements

for the half year ended 30 June 2022

### 1. Basis of preparation and summary of significant accounting policies

AMP Group Finance Services Limited (the Company) is an unlisted public company limited by shares, incorporated and domiciled in Australia. The Company conducts business in Australia. The parent entity of the Company is AMP Group Services Limited. The ultimate parent entity is AMP Limited. The Company operated wholly in one segment. The principal activities of the Company are described in the Directors' report.

This general purpose financial report has been prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. The Company is a for-profit entity for the purposes of preparing financial statements.

This half year financial report does not include all notes of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial position and financial performance of the Company as that given by the annual financial report. As a result, this report should be read in conjunction with the 2021 annual financial report of the Company.

Comparative information has been reclassified where required for consistency with the current half year's presentation. The principal accounting policies and methods of computation adopted in the preparation of the 2022 half year financial report are consistent with the accounting policies and methods of computation adopted in the preparation of the 2021 annual financial report.

#### Going Concern

The Company's management has made an assessment of its ability to continue as a going concern and is satisfied that it has access to the resources to continue in business for the foreseeable future. In reaching this determination, management has had regard to the Company's ability to pay its debts as and when they fall due.

The Company had a net current asset deficiency of \$73.9m at 30 June 2022 (2021: \$442.1m). The majority of the Company's receivables are due from related parties and are payable on demand. However, for some of these receivables, the Company does not expect to demand payment within the next 12 months. Accordingly, these receivables have been classified as non-current, consistent with accounting standard requirements.

Consistent with the receivables, the majority of the Company's payables are due to related parties and are payable on demand. Although the Company does not expect to be required to settle these obligations in the next 12 months, it does not have the unconditional ability to defer payment beyond 12 months if repayment is demanded.

Accordingly, consistent with accounting standard requirements, payables where the Company does not have the unconditional ability to defer payment beyond 12 months, regardless of expectation, are classified as current. This creates prima facie a net current asset deficiency. In the event that the Company requires liquidity to settle upcoming obligations, the intercompany receivables would be called.

In addition to the considerations above, AMP Group Holdings Limited (AMPGH) has entered into arrangements with the Company whereby AMPGH will provide liquidity support, as may be required, (after taking into account all assets, liabilities and cashflow requirements of the Company) to ensure the Company is able to meet its liabilities (including contingent liabilities) at the time they become due and payable.

**Notes to the financial statements**

for the half year ended 30 June 2022

**2. Net finance costs**

	30 Jun 2022	30 Jun 2021
	\$m	\$m
<b>Interest Income</b>		
Interest income calculated using the effective interest method		
- Related	0.9	3.9
- Other	1.1	1.0
Other interest income		
- Debt securities interest income	9.0	11.0
- Derivative interest income	4.4	10.0
<b>Total interest income</b>	<b>15.4</b>	<b>25.9</b>
<b>Finance costs on borrowings and subordinated debt</b>		
Finance costs calculated using the effective interest method		
- Related	(0.1)	(2.5)
- Other	(4.9)	(12.8)
Other finance costs		
- Derivative and other finance costs	(15.5)	(18.2)
<b>Total finance costs</b>	<b>(20.5)</b>	<b>(33.5)</b>

**3. Income tax**

	30 Jun 2022	30 Jun 2021
	\$m	\$m
<b>(a) Relationship between income tax and accounting profit or loss</b>		
Profit/(loss) for the period before income tax	21.3	(4.1)
Prima facie tax (expense)/credit at 30% (2021: 30%)	(6.4)	1.2
<b>Income tax (expense)/credit per Statement of comprehensive income</b>	<b>(6.4)</b>	<b>1.2</b>
<b>(b) Analysis of deferred tax assets</b>	<b>30 Jun 2022</b>	<b>31 Dec 2021</b>
	\$m	\$m
Unrealised movements on derivatives and borrowings	0.2	0.3
<b>Total deferred tax assets</b>	<b>0.2</b>	<b>0.3</b>
<b>(c) Amounts recognised directly in equity</b>	<b>30 Jun 2022</b>	<b>30 Jun 2021</b>
	\$m	\$m
Income tax credit related to items taken directly to equity during the current period	(0.2)	(0.2)

**Notes to the financial statements**

for the half year ended 30 June 2022

**4. Receivables**

	30 Jun 2022 \$m	31 Dec 2021 \$m
Intercompany loan receivables	1,100.2	1,501.6
Receivables - other <sup>1</sup>	67.4	30.3
<b>Total receivables<sup>2</sup></b>	<b>1,167.6</b>	<b>1,531.9</b>

1 Includes collateral deposits of \$62.2m (2021: \$28.5m).

2 Receivables are presented net of ECL of \$0.2m (2021: \$0.03m).

**5. Payables**

	30 Jun 2022 \$m	31 Dec 2021 \$m
Intercompany loan payables	1,352.1	697.5
Payables - other	32.9	5.4
<b>Total payables</b>	<b>1,385.0</b>	<b>702.9</b>

**6. Borrowings and subordinated debt****(a) Borrowings and subordinated debt**

	30 Jun 2022 \$m	31 Dec 2021 \$m
6.875% GBP Subordinated Guaranteed Bonds <sup>1</sup>	62.0	63.2
CHF Medium Term Notes <sup>2</sup>	858.7	862.7
<b>Total borrowings and subordinated debt</b>	<b>920.7</b>	<b>925.9</b>

1 6.875% GBP Subordinated Guaranteed Bonds was fully repaid on 23 August 2022.

2 CHF 110m Senior Unsecured Fixed Rate Bond was issued 19 June 2018 and matures 19 December 2022. This Bond was subsequently increased by CHF 50m on 19 September 2018. CHF 140m Senior Unsecured Fixed Rate Bond was issued 18 April 2019 and matures 18 July 2023. This Bond was subsequently increased by CHF 100m on 3 December 2019. CHF 175m Senior Unsecured Fixed Rate Bond was issued 3 March 2020 and matures 3 June 2024.

**(b) Financing arrangements**

AMP Group Finance Services maintain facilities arranged through bond and note issues. Additional financing facilities are also provided through bank loans under normal commercial terms and conditions. As at 30 June 2022, the Company had undrawn bilateral loan facilities of \$450.0m. These bilateral facilities were cancelled effective 6 July 2022.

**Notes to the financial statements**

for the half year ended 30 June 2022

**7. Issued capital**

	<b>30 Jun</b>	<b>31 Dec</b>
	<b>2022</b>	<b>2021</b>
	<b>\$m</b>	<b>\$m</b>
<b>Total issued capital</b>		
52 (2021: 32) fully paid ordinary share	<b>736.0</b>	1,056.0
<b>Balance at the end of the period</b>	<b>736.0</b>	1,056.0

	<b>30 Jun</b>	<b>31 Dec</b>
	<b>2022</b>	<b>2021</b>
	<b>\$m</b>	<b>\$m</b>
<b>Issued capital</b>		
Balance at the beginning of the year	<b>1,056.0</b>	582.5
Capital return	<b>(400.0)</b>	-
20 shares issued on 21 April 2022 (2021: 10)	<b>80.0</b>	473.5
<b>Balance at the end of the period</b>	<b>736.0</b>	1,056.0

Holders of ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held.

Ordinary shares entitle their holder to one vote per share, either in person or by proxy, at a meeting of the Company.

**Notes to the financial statements**

for the half year ended 30 June 2022

**8. Fair value information**

The following table shows the carrying amount and estimated fair values of financial instruments, including the levels in the fair value hierarchy.

<b>30 June 2022</b>	<b>Carrying amount \$m</b>	<b>Level 1 \$m</b>	<b>Level 2 \$m</b>	<b>Level 3 \$m</b>	<b>Total fair value \$m</b>
<b>Financial assets measured at fair value</b>					
<i>Financial assets measured at fair value through profit and loss</i>					
Investment in unlisted managed investment schemes	0.1	-	0.1	-	0.1
Debt Securities	644.7	-	644.7	-	644.7
Derivative financial assets	103.9	-	103.9	-	103.9
<b>Total financial assets measured at fair value</b>	<b>748.7</b>	<b>-</b>	<b>748.7</b>	<b>-</b>	<b>748.7</b>
<b>Financial assets not measured at fair value</b>					
<i>Financial assets measured at amortised cost</i>					
Negotiable certificates of deposit	421.0	-	420.8	-	420.8
Promissory notes	64.8	-	64.8	-	64.8
Floating rate notes	134.2	-	133.9	-	133.9
Receivables	1,167.6	-	1,167.6	-	1,167.6
<b>Total financial assets not measured at fair value</b>	<b>1,787.6</b>	<b>-</b>	<b>1,787.1</b>	<b>-</b>	<b>1,787.1</b>
<b>Financial liabilities measured at fair value</b>					
<i>Financial liabilities measured at fair value through profit and loss</i>					
Derivative financial liabilities	38.8	-	38.8	-	38.8
<b>Total financial liabilities measured at fair value</b>	<b>38.8</b>	<b>-</b>	<b>38.8</b>	<b>-</b>	<b>38.8</b>
<b>Financial liabilities not measured at fair value</b>					
<i>Financial liabilities measured at amortised cost</i>					
Borrowings and subordinated debt	920.7	-	906.1	-	906.1
Collateral deposits held	92.2	-	92.2	-	92.2
Payables	1,385.0	-	1,385.0	-	1,385.0
<b>Total financial liabilities not measured at fair value</b>	<b>2,397.9</b>	<b>-</b>	<b>2,383.3</b>	<b>-</b>	<b>2,383.3</b>
<b>31 December 2021</b>					
<i>Financial assets measured at fair value</i>					
<i>Financial assets measured at fair value through profit and loss</i>					
Investment in unlisted managed investment schemes	0.1	-	0.1	-	0.1
Debt Securities	541.7	-	541.7	-	541.7
Derivative financial assets	57.8	-	57.8	-	57.8
<b>Total financial assets measured at fair value</b>	<b>599.6</b>	<b>-</b>	<b>599.6</b>	<b>-</b>	<b>599.6</b>
<i>Financial assets not measured at fair value</i>					
<i>Financial assets measured at amortised cost</i>					
Negotiable certificates of deposit	50.0	-	50.0	-	50.0
Floating rate notes	38.0	-	38.2	-	38.2
Promissory notes	-	-	-	-	-
Receivables	1,531.9	-	1,531.9	-	1,531.9
<b>Total financial assets not measured at fair value</b>	<b>1,619.9</b>	<b>-</b>	<b>1,620.1</b>	<b>-</b>	<b>1,620.1</b>
<i>Financial liabilities measured at fair value</i>					
<i>Financial liabilities measured at fair value through profit and loss</i>					
Derivative financial liabilities	29.6	-	29.6	-	29.6
<b>Total financial liabilities measured at fair value</b>	<b>29.6</b>	<b>-</b>	<b>29.6</b>	<b>-</b>	<b>29.6</b>
<i>Financial liabilities not measured at fair value</i>					
<i>Financial liabilities measured at amortised cost</i>					
Borrowings and subordinated debt	925.9	-	939.2	-	939.2
Collateral deposits held	38.8	-	38.8	-	38.8
Payables	702.9	-	702.9	-	702.9
<b>Total financial liabilities not measured at fair value</b>	<b>1,667.6</b>	<b>-</b>	<b>1,680.9</b>	<b>-</b>	<b>1,680.9</b>

## Notes to the financial statements

for the half year ended 30 June 2022

### 8. Fair value information (continued)

The company's methodology and assumptions used to estimate the fair value of financial instruments are described below:

<i>Negotiable certificates of deposit (NCD), Floating rate notes and Promissory notes</i>	The fair value of NCDs, floating rate notes and promissory notes represents the discounted amount of estimated future cash flows expected to be received, based on the maturity profile of the respective NCDs, floating rate notes and promissory notes.
<i>Receivables and payables</i>	Receivables/payables primarily represents loans to/from entities within the AMP Limited Group. For balances receivable/payable on demand, the fair value is the outstanding balance. For balances not receivable/payable on demand, fair value is estimated with reference to a discounted cash flow model using discount rates appropriate for the respective counterparties and the terms to maturity.
<i>Investments in unlisted managed investment schemes</i>	The fair value of investments in unlisted managed investment schemes is determined on the basis of published redemption prices of those managed investment schemes at the reporting date.
<i>Derivative financial assets and liabilities</i>	The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted market prices (current bid price or current offer price) at the reporting date. The fair value of financial instruments not traded in an active market (e.g. over-the-counter derivatives) is determined using valuation techniques. Valuation techniques include net present value techniques, option pricing models, forward pricing, swap models, discounted cash flow methods and comparison to quoted market prices or dealer quotes for similar instruments. The models use a number of inputs, including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying instruments. Some derivative contracts are significantly cash collateralised, thereby minimising both counterparty risk and the Company's own non-performance risk.
<i>Borrowings and subordinated debt</i>	Borrowings can comprise commercial paper, drawn liquidity facilities, various floating-rate and medium-term notes, and subordinated debt. The estimated fair value of borrowings and subordinated debt is determined with reference to quoted market prices at the reporting date. For borrowings and subordinated debt where quoted market prices are not available, a discounted cash flow model is used, based on a current yield curve appropriate for the remaining term to maturity. For short term borrowings and subordinated debt, the par value is considered a reasonable approximation of the fair value.
<i>Debt Securities</i>	Debt securities comprise a portfolio of government and semi-government bonds. The fair value of listed debt securities reflects the bid price at the reporting date. Listed debt securities that are not frequently traded are valued by discounting estimated recoverable amounts.  The fair value of unlisted debt securities is estimated using interest rate yields obtainable on comparable listed investments. For debt securities with a maturity of less than 12 months, par value is considered a reasonable approximation of fair value.

The financial assets and liabilities measured at fair value are categorised using the fair value hierarchy which reflects the significance of inputs into the determination of fair value as follows:

- Level 1: the fair value is valued by reference to quoted prices and active markets for identical assets or liabilities;
- Level 2: the fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
- Level 3: the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There have been no significant transfers between Level 1 and Level 2 during the 2022 financial half year.

**Notes to the financial statements**

for the half year ended 30 June 2022

**9. Transactions with related parties**

The Company has transactions with related parties including controlled entities and associated entities. Most of those related party activities are provision of inter-company loans to companies within the AMP group. Other related party transactions are in respect of administrative services provided by fellow controlled entities in the AMP group.

**(a) Income and expense transactions with related parties**

	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
	Interest income from related parties		Other income from related parties		Interest expense to related parties	
<b>Related parties</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
AMP Limited	138	-	-	-	-	2,476
AMP Wealth Management Holdings Pty Ltd	-	-	-	-	9	-
AMP Advice Holdings Pty Limited	1	48	-	-	-	-
AMP Capital Finance Limited	777	3,411	1,116	1,116	-	-
NMFM Limited	-	-	-	-	105	-
AMP Bank Limited	16	489	-	-	-	-
IPAC Asset Management Ltd	-	-	-	-	26	-
<b>Total</b>	<b>932</b>	<b>3,948</b>	<b>1,116</b>	<b>1,116</b>	<b>140</b>	<b>2,476</b>

**(b) Balances with related parties**

	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
	Amounts owed by related parties		Amounts owed to related parties	
<b>Related parties</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
AMP Limited	125,828	171,479	-	138
AMP Group Holdings Limited	-	-	1,013,180	368,781
AMP Finance Services Limited	-	-	6,730	7,378
AMP Services Limited	970,457	1,038,820	-	-
AMP Wealth Management Holdings Pty Limited	-	-	264,230	211,866
AMP Advice Holdings Pty Limited	2,736	44	-	41,305
AWM Services Pty Ltd	-	-	19,982	-
AMP Capital Finance Limited	-	290,207	-	-
AMP Bank Limited	1,130	1,114	-	-
NMFM Limited	-	-	47,985	67,987
<b>Total</b>	<b>1,100,150</b>	<b>1,501,664</b>	<b>1,352,107</b>	<b>697,455</b>

## Notes to the financial statements

for the half year ended 30 June 2022

### 10. New accounting standards

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### 11. Events occurring after the reporting date

On 14 July 2022, the Company issued 10 ordinary shares to its parent entity, AMP Group Services Limited, for the consideration of \$40.0m. In addition, on 23 August 2022, the Company fully repaid GBP Subordinated Guaranteed Bonds in the amount of \$62.0m and on 31 August 2022, the Company repaid CHF \$40.0m of medium term notes outstanding as at 30 June 2022.

Other than the matters noted above, at the date of this report, the directors are not aware of any other matter or circumstance that have arisen since the reporting date that has significantly affected, or may significantly affect, the entity's operations in future years; the results of those operations in future years; or the Company's state of affairs in future years.



**AMP Group Finance Services Limited**

**Directors' declaration**

for the half year ended 30 June 2022

In accordance with a resolution of the directors of AMP Group Finance Services Limited, we state for the purposes of Section 303(4) of the *Corporations Act 2001* that, in the opinion of the directors:

- (a) there are reasonable grounds to believe that AMP Group Finance Services Limited will be able to pay its debts as and when they become due and payable; and
- (b) the financial statements and the notes of AMP Group Finance Services Limited for the financial half year ended 30 June 2022 are in accordance with the *Corporations Act 2001*, including Section 304 (compliance with accounting standards) and Section 305 (true and fair view).



.....  
Director

Sydney, 8 September 2022



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working world**

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## **Independent auditor's review report to the members of AMP Group Finance Services Limited**

### **Conclusion**

We have reviewed the accompanying half-year financial report of AMP Group Finance Services Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Company does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### **Basis for conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### **Directors' responsibilities for the half-year financial report**


The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibilities for the review of the half-year financial report**


Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 30 June 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards

and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Ernst & Young



Anita Kariappa  
Partner  
Sydney  
8 September 2022