

Annual Report, Realised FX Gains and Losses Issue

Frequently Asked Questions

What is the issue?

We have identified an issue within the *Mason Stevens FY2023 Annual Report*.

In the section titled **Realised FX Gains and Losses Report**, a security transactions. The columns labelled "AUD Cost Base" and "AUD Proceeds" were transposed incorrectly, resulting in a gain being reported as a loss and a loss being reported as a gain.

For example, if a client made a \$200 loss, the report reflects a \$200 gain. Conversely, if a client made a \$200 gain, the report reflected a loss of \$200.

Who is not impacted?

A client will not be impacted where:

- Foreign securities were held during the 2022-23 financial year, or
- Where a client relied on the standalone report titled "**Realised Capital Gains/(Losses) and Tax Report**", tab "**FXGainsLosses**" available directly from the platform, as this data is correct.
- Foreign currency cash transactions are not impacted. formatting change was made in the 2023 Annual Report to separate out the foreign currency gains / losses between cash and

Additionally, any clients with a Masons Stevens Super accounts are not impacted, nor are those who relied on any data feeds (e.g. from BGL or Class etc) as these are correct. Returns lodged using data fed information or onscreen data rather than the Annual Report should not be impacted.

Who is impacted?

Only clients who bought or sold foreign securities within the FY2023 financial year are impacted, if the FY2023 Annual Report (either PDF or Excel) was relied upon to lodge the client's 2023 tax return.

It is important to note, that if a client bought or sold foreign securities and relied on the standalone report titled "**Realised Capital Gains/(Losses) and Tax Report**", tab "**FXGainsLosses**", available directly from the platform this data is correct. This report is still available to view and download online today.

Why are you informing my client even though the impact is small?

Mason Stevens are not authorised to give tax advice and without knowing the client's circumstances, we cannot determine the full impact on any client's tax position. Therefore, this information allows you or their tax adviser to use professional discretion and make informed decisions in relation to each client's individual circumstances.

Can we re-issue the Annual Report?

Unfortunately, no. Clients can download the standalone report titled "**Realised Capital Gains/(Losses) and Tax Report**", directly from the platform for the correct information.

Alternatively, clients can request a "Letter of Notification" from us which will outline the correct information. This request can be emailed to wealth@masonstevens.com.au with their Mason Stevens account number. The Letter of Notification can be used in conjunction with their FY2023 Annual report.

What if the client has already lodged their tax return?

Mason Stevens are not authorised to give tax advice. Clients should discuss how this issue impacts their 2023 tax return with a qualified tax accountant. Without knowing the client's circumstances, we cannot determine the full impact on their tax position.

My client hasn't lodged their 2023 tax return yet. Do they need to do anything?

Clients should:

- Download the standalone report titled "**Realised Capital Gains/(Losses) and Tax Report**" and use this information to complete their tax return. This is available on the Mason Stevens platform; or
- Use the FY2023 Annual Report in conjunction with their Letter of Notification, available on request.

Please note there are additional calculations that will require adjustment as indicated in the table below:

FY2023 Annual Report item	Item to be recalculated
Other income - FX gain on trade settlement	<ul style="list-style-type: none">• Other Assessable Income• Total Other Income - Category 1 (j)• Sub-Total Australian income (A)• Cash distribution sub-total (A+B+C+D+E)
Other allowable deductions - FX Losses on Trade Settlement	<ul style="list-style-type: none">• Other deductions not claimable elsewhere• Total Other deductions – not claimable elsewhere

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