

16 November 2021

Abundance Always Pty Ltd  
Abundance Super Fund  
c/- Green Frog Super  
PO Box 227  
Ballina NSW 2478

Dear Suzanne,

**RE: APPOINTMENT AS APPROVED SMSF AUDITOR**

**Scope of Retainer**

You have requested that we audit the Abundance Super Fund (the Fund). We will:

1. Audit the financial report, which comprises the statement of financial position as at 30 June 2021 and the operating statement for the year then ended and the notes to the financial statements; and
2. Assess compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and Superannuation Industry (Supervision) Regulations 1994 (SISR) specified in the approved form auditor's report as issued by the ATO, which are sections 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104, 104A, 105, 109 and 126K of the SISA, and Regulations 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14 and 13.18AA of the SISR.

Our audit will be conducted pursuant to the SISA with the objective of our expressing an opinion on the financial report and the fund's compliance with the specified requirements of the SISA and SISR.

Our retainer ends when we complete our report for the above year or if we terminate this Agreement on the grounds stated in this Agreement.

**Offer and Acceptance of Agreement**

This document is an offer to enter into an Agreement with you regarding the audit services to be provided to you. If you accept this offer you will be regarded as having entered into the agreement with us. This means you will be bound by the terms and conditions set out in this agreement, including being billed in accordance with it.

The laws of Queensland will apply to this agreement

**Acceptance will be by:**

- (i) Signing and returning a copy of this document; or
- (ii) Giving us instructions after receiving this document; or
- (iii) Contacting us and advising of your acceptance; or
- (iv) Paying to us the up-front amount requested in this agreement.

Failing to accept this offer within 30 days of the date of the date hereof may result in the withdrawal of our offer to act on your behalf.

## The Objective and Scope of the Audit

You have requested that we audit the Abundance Super Fund's financial report, which comprises the statement of financial position, the operating statement and the notes to the financial statements.

This includes assessment of compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and Superannuation Industry (Supervision) Regulations 1994 (SISR) specified in the approved form auditor's report as issued by the ATO, which are sections 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104, 104A, 105, 109 and 126K of the SISA, and Regulations 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14 and 13.18AA of the SISR.

Our audit will be conducted pursuant to the *Superannuation Industry (Supervision) Act 1993* (SISA) with the objective of expressing an opinion on the financial report and the fund's compliance with the specified requirements of the SISA and SISR.

## The Responsibilities of the Approved SMSF Auditor

We will conduct our financial audit in accordance with Australian Auditing Standards and my compliance engagement in accordance with applicable Standards on Assurance Engagements, issued by the Auditing and Assurance Standards Board (AUASB). These standards require that we comply with relevant ethical requirements relating to audit and assurance engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that you have complied, in all material respects, with the specified requirements of the SISA and SISR.

The annual audit of the financial reports and records of the Fund must be carried out during and after the end of each year of income. In accordance with section 35 of the SISA, we are required to provide to the trustees of the Abundance Super Fund an auditor's report in the permitted form within the prescribed time as set out in the SISR.

## Financial Audit

My responsibility is to express an opinion of a financial report based on my audit. I will conduct an independent audit of the financial report in order to express an opinion on it to the Trustee.

My objective is to obtain reasonable assurance about whether the financial report as a whole was free from material misstatement whether due to fraud or error, and to issue an auditors' report that includes my opinion. Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of the Trustee taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit 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 the fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I am required to communicate the planned scope and timing of my audit, and I note the scope of my audit will be sufficient to perform my duties as the auditor of the fund. The timing of the audit will be dictated by the provision of relevant documentation to commence the audit. I am also required to communicate the significant risks identified. Generally speaking, the auditing standards require a presumption that revenue recognition is a significant risk. Should other significant risks be identified as part of my audit, I will communicate these to you.

Our procedures do not include a review of the Fund's self-managed superannuation fund annual return. Accordingly no responsibility will be taken for any issues arising from inaccuracies in the return lodged.

As you are aware each investment has multiple risks, including loss of capital. In conducting our audit, we will not be checking the liquidity of the Fund's assets, the nature or class of investments, nor their suitability to the Fund's investment strategy. If any asset's capital is lost, due to any reason, we will not be responsible for any damages under section 12GF of Australian Securities and Investments Commission Act 2001. You are responsible for investing the Fund's assets and you should take full care of those investments. However, as an auditor, it is our duty of care to inform you, if in our opinion, we notice any investments are not recoverable. Please note many investments are complex in nature and we are not trained as SMSF auditors to analyse each investment, hence you should not entirely rely on our opinion.

In conduct of our audit, we are not required to form an opinion and report to you if the Fund is making or likely to make an economic loss or the Fund's assets are getting damaged or likely to get damaged due to conduct of any other person who you rely for investment decisions or appoint as custodians or investment manager. We are appointed to audit the Fund's financial report and not to audit entities where this Fund invests including but not limited to custodian services, unrelated trusts, companies, partnerships, entities not subject to audit pre 11 August 1999 or other entities.

Please be advised we are not actuaries and as such can make no opinion on the accuracies of any ECPI calculations undertaken by third parties utilised by you to undertake this function and accordingly you acknowledge no responsibility will be taken for any issues arising from inaccuracies in the ECPI calculations.

### **Compliance Audit**

A compliance audit involves performing audit procedures to obtain audit evidence about the fund's compliance with the provisions of the SISA and SISR specified in the ATO's approved form auditor's report.

Our compliance audit with respect to investments includes determining whether the investments are made for the sole purpose of funding members' retirement, death or disability benefits and whether you have an investment strategy for the fund, which gives due consideration to risk, return, liquidity, diversification and the insurance requirements of all members. Our procedures will include testing whether the investments are made for the allowable purposes in accordance with the investment strategy, but not for the purpose of assessing the appropriateness of those investments to the members.

### **The Responsibilities of the Trustees**

We take this opportunity to remind you that it is the responsibility of each SMSF trustee to ensure that the fund, at all times, complies with the SISA and SISR as well as any other legislation relevant to the fund. Each trustee is also responsible for the preparation and fair presentation of the financial report.

Our auditor's report will explain that each trustee is responsible for the preparation and the fair presentation of the financial report and for determining that the accounting policies used are consistent with the financial reporting requirements of the SMSF's governing rules, comply with the requirements of SISA and SISR and are appropriate to meet the needs of the members. This responsibility includes:

- Establishing and maintaining controls relevant to the preparation of a financial report that is free from misstatement, whether due to fraud or error. The system of accounting and internal control should be adequate in ensuring that all transactions are recorded and that the recorded transactions are valid, accurate, authorised, properly classified and promptly recorded, so as to facilitate the preparation of reliable financial information. This responsibility to maintain adequate internal controls also extends to the Fund's compliance with SISA including any Circulars and Guidelines issued by a relevant regulator to the extent applicable. The internal controls should be sufficient to prevent and/or detect material non-compliance with such legislative requirements.
- Assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to a going concern and using the going concern basis of accounting unless the trustee's intend to wind up the fund. The going concern basis of accounting is appropriate when it is reasonably foreseeable that the fund will be able to meet its liabilities as they fall due.
- Overseeing the fund's financial reporting process.
- Selecting and applying appropriate accounting policies.
- Making accounting estimates that are reasonable in the circumstances.
- Subsection 35C (2) of SISA requires that Trustees must give to the auditor any document that the auditor requests in writing within 14 days of the request. Making available to us all the books of the Fund, including:
  - Any registers and general documents;
  - Minutes and any other relevant papers of all Trustee meetings; and
  - Giving us any information, explanations and assistance we require for the purposes of our audit.

As part of our audit process, we will request from the trustees written confirmation concerning representations made to us in connection with the audit.

Although during our audit process we will endeavour to discover any conflicts of interest that maybe occurring however we also rely on you informing us of any potential, perceived or real conflicts as spelled out in our trustee representation letter.

Our audit report is prepared for the members of the Fund and we disclaim any assumption of responsibility for any reliance on our report, or on the financial report to which it relates, to any person other than the members of the fund, or for any purpose other than that for which it was prepared.

Unless otherwise agreed to, I assume no responsibility to design audit procedures to identify matters that may be appropriate to report to you. The audit of the financial report does not relieve the trustee of their individual responsibilities.

### **Independence**

We confirm that we have complied with the auditor independence requirements prescribed by the SISR and the competency standards set by the Australian Securities and Investments Commission (ASIC).

We confirm that, to the best of our knowledge and belief, the engagement team meets the current independence requirements of the Code of Ethics for Professional Accountants as issued by the Accounting Professional & Ethical Standards Board in relation to the audit of the Fund. In conducting our financial and compliance audit, should we become aware that we have contravened the independence requirements, we shall notify you on a timely basis.

### **Report on Matters Identified**

Under section 129 of the SISA, we are required to report to you in writing, if during the course of, or in connection with, our audit, we become aware of any contravention of the SISA or SISR which we believe has occurred, is occurring or may occur. Furthermore you should be aware that we are also required to notify the Australian Taxation Office (ATO) of certain contraventions of the SISA and SISR that we become aware of during the audit, which meets the tests stipulated by the ATO, irrespective of the materiality of the contravention or action taken by the trustees to rectify the matter. Finally, under section 130 we are required to report to you and the ATO if we believe the financial position of the fund may be, or may be about to become, unsatisfactory.

We are required to inform you of certain uncorrected mis-statements identified during the audit that were considered to be immaterial in nature. We must obtain representation from you acknowledging the uncorrected mis-statements have been brought to your attention and that you have considered the effects of these mis-statements to be immaterial individually and in the aggregate to the financial report.

You cannot assume that any matters reported to you, or that a report indicating there are no matters to be communicated, indicates that there are no additional matters that you should be aware of in meeting your responsibilities.

The completed audit report may be provided to you or via your nominated representative as engaged by you either as a signed hard copy or a signed electronic version. The report provided at audit completion shall not be inferred in whole or part or used for any purpose other than for which it was specifically prepared without our written consent.

I am required by the Australian Auditing Standards to include an Emphasis of Matter paragraph in my audit report, and I note the anticipated wording will be:

*Without modifying my opinion, I draw attention to note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the fund meet the requirements of the SMSF's governing rules, the Superannuation Industry (Supervision) Act 1993 and the Superannuation Industry (Supervision) Regulations 1994. As a result, the financial report may not be suitable for another purpose.*

Notwithstanding the ATO publish the required wording of the audit report that I am required to use, there may be circumstances in which my report may differ from its expected form and content.

### **Privacy and Compliance Program**

The conduct of our audit in accordance with Australian Auditing Standards and applicable Standards on Assurance Engagements means that information acquired by us in the course of our audit is subject to strict confidentiality requirements. We may also be subject to the Privacy Act 1988. We will not use any personal information obtained during the audit for any purposes other than for the purpose of conducting the audit.

Our audit files may be subject to review by the ATO and ASIC. We advise that by signing this letter you acknowledge that, if requested, our audit files relating to this audit will be made available under this review program. The same strict confidentiality requirements apply under the ATO and ASIC review programs as apply to us as your auditor.

We will keep secure personal information obtained during the audit to ensure it is not misused, lost, improperly accessed, modified or disclosed in any form. After completing the audit, we will return to you any original documents containing personal information that we obtain from you during the course of the audit, except for copies or extracts as required to be retained by auditing standards. Documentation forwarded to us electronically or that is not an original, will not be returned to you.

Information will not be disclosed by us to other parties except: as required or allowed for by law or professional standards. Information may also be disclosed to other parties where it is necessary to complete the audit engagement.

During the course of our audit, it is sometimes necessary for us to request information from third parties including (however not limited to) share registries, managed fund and wrap account providers, financial institutions, advisers, regulatory agencies, title search facilities, and accountants etc. to verify and obtain information required solely to satisfy our audit.

We take no responsibility for the transfer of information and security protocols from third parties, the trustee/s or accountant/s. Furthermore we take no responsibility for loss or errors in any form with the use of web based platforms, data feeds and other such web based services utilised by the trustee or their representatives and not limited to their accountant/s and advisers.

Should the trustee/s of the Fund electronically present the financial statements and other documentation on an internet website, the security controls over information on the website should be addressed by the trustees. It is beyond the scope of the audit to examine the controls over electronic presentation of this data. Responsibility for electronic presentation is that of the trustee/s.

By signing this letter you acknowledge all of the above and consent to our authority to request and directly receive any such information required in any format, consent to the use of service delivery software systems and data handling as part of the audit procedure and as specified in point 2 below: Document and Data Storage and Management and Electronic Communication.

#### **Limitation of Liability and Responsibility for Loss**

As a firm covered by professional indemnity insurance our liability is limited under this insurance.

In the event that you have not complied with our schedule of fees or this appointment or we do not receive sufficient information and outstanding queries returned in a timely fashion prior to lodgement deadline, we accept no responsibility for any interest, penalties or losses incurred. Further the responsibility to lodge the Self-managed superannuation fund annual return, other forms and statements statutorily required by the Australian Taxation Office is that of the trustees of the fund or its accountants / fund administrators. We accept no responsibility for late lodgement or failure of these lodgements.

Due to the inherent limitations of assurance engagement, together with the internal control structure, it is possible that fraud, error, or non-compliance with the listed provisions may occur and not be detected. A reasonable assurance engagement does not provide assurance on whether compliance with the listed provisions will continue in the future.

We are not liable for any matter which is the responsibility of the trustee or where there has been any misrepresentation by the trustee to us. To the maximum extent permitted by law, our liability for any error is limited to rectifying the work undertaking and refunding the fee if our retainer is terminated.

#### **Fees and Payment Terms**

Our fees are based on a standard schedule of fees as agreed directly with Green Frog Super plus any direct out of pocket expenses including title search fees and/or other applicable search fees which will be on-charged at cost. This fee schedule may be updated each financial year. Please pay any such fees as required in our terms and per the relevant invoice, within the required time frames.

We may at our discretion utilise debt collection services if an invoice is not paid within the required time. If you fail to pay an invoice on the due date you hereby unconditionally agree to indemnify us from all legal and debt collection costs and disbursements that may be incurred by us in the recovery of outstanding monies under the relevant invoice. If you fail to pay an invoice on the due date you also hereby unconditionally agree to indemnify us from claims against us in the course of our debt recovery process.

Failure to pay or pay on time may also result in the requirement for any current and outstanding fees to be paid prior to commencement of work and may result in the withdrawal of our services at our discretion. Superannuation Funds which have outstanding late SMSF Annual Returns, or for funds that have paid an external party and we have not received the invoiced amount directly or for wind up funds you may be required to be prepay prior to the commencement of the audit. Accepted methods of payment include: direct deposit via the bank account details per the relevant invoice or payment at any NAB Branch with remittance emailed to our office. Please ensure to include invoice number as reference and/or email remittance advice to our office as failure to do so will result in the account remaining outstanding and/or bank tracing fees on charged at cost.

## Termination

You may terminate this appointment if we have breached the terms of this appointment and have not remedied such breach within 14 days of the breach from you to us.

We may terminate this Agreement by giving you written notice for just cause or if you:

- (i) Do not provide us with adequate instructions
- (ii) Refuse to act in accordance with our advice
- (iii) Breach this Agreement
- (iv) Instruct us to act unlawfully or unethically
- (v) Fail to co-operate fully in the conduct of your matter
- (vi) Indicate that you have lost confidence in us
- (vii) Fail to pay any accounts or to provide money as required under this Agreement in relation to this matter or any other matters we are conducting on your behalf
- (viii) Lose legal capacity to instruct us
- (ix) Are informed by us that we have a conflict of interest and can no longer act on your behalf.

We will give you written notice of our intention to terminate this Agreement.

Upon termination of this Agreement for any reason we are entitled to payment of all outstanding fees and costs up to the termination and to a lien on all documents and if there is money owing to us after the Agreement is terminated. Please note, if we have already commenced the audit, you will still be liable for our fees and we may be obliged to lodge the audit and any audit contravention report in accordance with our legal obligations.

## Pre-Audit Representation

In preparation for our examination of the special purpose financial report of the fund as at 30 June 2021 we require each Trustee to make certain disclosures in relation to the risk of fraud. We also require confirmation of your instructions in regards to communications and authorities and your acknowledgement of the documentation and data storage and management terms as outlined below.

We look forward to full co-operation with you and we trust that you will make available to us whatever records, documentation and other information are requested in connection to our audit. By signing this letter, each Trustee of the fund hereby confirms the following representations are true to the best of their knowledge and belief:

### 1. Documents & Records

We acknowledge that we are responsible for providing you, as auditor, with access to all information that is relevant to the preparation of the financial report, and any additional information or records you may request.

### 2. Document and Data Storage and Management and Electronic Communication

We may utilise third party software systems and providers as part of our service delivery and to store and manage your records electronically. The portals, cloud storage facilities and IT servers operated by these providers may be located outside Australia. We will utilise CCH Ifirm and office 365 with storage facilities located in Australia and Box data storage which is located in the U.S.A. Whilst we have taken reasonable measures to maintain data stored in these systems and platforms, we advise that no storage facility, software system or computer system is free from risk including however not limited to data breach and security breach. As part of the terms of our engagement you agree to indemnify and release us from all claims for damages arising from the use of electronic storage, cloud based storage facilities, cloud based portals, off site email storage or the failure of third party security applications that we utilise.

In the provision of our services we may communicate via email with you and/or your representative directly. This will include the provision of finalised audit documentation to your representative and any other correspondence required in the completion of our service. The risks associated with email communication however not limited to include non-delivery, failure to read an email, email communications sent without encryption and interception by a third party. You agree to indemnify us from all claims arising from the use of email as a form of communication in the undertaking of the audit.

Information may also be disclosed to other parties where it is necessary to complete the audit for which you have engaged us and by signing this letter you acknowledge and accept this.

### 3. Authority to Communicate with Green Frog Super and Rely on Representations, Information and Documentation as Provided

I/We represent that we have engaged Green Frog Super to act on the behalf of the fund and as part of this engagement I/We represent that Green Frog Super will communicate directly with Quay SMSF Audits with regard to the provision of any required documentation and answering of queries to facilitate the completion of the financial and compliance audit of the fund. We understand and acknowledge this communication will be conducted primarily electronically via email however may also include communication via phone and in writing. We confirm that you can rely on the representations and information provided by Green Frog Super and staff.

#### 4. Provision of Completed Audit Documentation

The completed audit documentation will consist of an audit management letter and a self-managed superannuation fund independent auditor's report covering our opinion of both part A and part B of the audit.

I/We represent that we have engaged Green Frog Super to act on the behalf of the fund and we acknowledge through this engagement that Green Frog Super will provide the completed audit documentation directly to us as forwarded by Quay SMSF Audits. If this should not be the case or the documents have not been received we shall contact Quay SMSF Audits in writing.

#### 5. Risk of Fraud

We acknowledge the importance of placing a strong emphasis on fraud prevention. The nature, extent and frequency of assessments undertaken by us to conclude that there is a low risk that the financial report is materially misstated due to fraud, are informal and ad-hoc given the nature of the fund, however we confirm:

- The trustees are signatories on all transactions and no other party has the authority to act on behalf of the trustees and
- Reconciliations are undertaken by the fund's accountant for both investments held and all bank accounts maintained by the fund.

#### 6. Procedures for Identifying and Responding to Fraud

We have not identified any specific risks of fraud and have no knowledge of any actual, suspected or alleged fraud affecting the fund. As trustees we believe that the procedures in place reduce the risk of fraud, however should fraudulent activity be identified, the trustees would ensure all trustees are aware of the situation and the fund's accountant and auditor would be informed. Depending on the situation, steps would be implemented to cease the fraudulent activity and further controls would be put in place to limit any future activity from affecting the fund. However we acknowledge that if fraud existed within the fund, the most likely areas of concern would be investments or cash being mis-appropriated or contributions being intercepted prior to being banked into the fund's bank account.

#### 7. Existence of Fraud, Errors and Non Compliance

We confirm that we have no knowledge of any actual, suspected or alleged fraud affecting the fund. We also confirm that there have been no errors or non-compliance with laws and regulations and no communications received from regulatory authorities concerning non-compliance and deficiencies in financial reporting practices.

In preparation for our examination of the special purpose financial report of the fund as at 30 June 2021, we require each trustee to make the representations in accordance with the attached letter. Please return this letter with your signatures to indicate that it is in accordance with your understanding of the arrangements for our audit of the fund and that you are knowledgeable of the matters in this engagement. We may be required to contact the Fund's prior auditor and/or accountant and request documentation. Your signature permits us to do this and permits the previous auditor to provide that information. Should you not wish us to contact your current auditor or require any further assistance, please do not hesitate to contact our office.

Kind Regards,

**Quay SMSF Audits**



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**Heath Griffiths B Com**

ASIC Registered SMSF Auditor

I/We, understand and agree with the terms of this engagement, and confirm the pre-audit representations made in relation to the fund.

Abundance Always Pty Ltd

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Suzanne Schamschula  
Director

16 November 2021

**Private and Confidential**

Abundance Always Pty Ltd  
Abundance Super Fund  
c/- Green Frog Super  
PO Box 227  
Ballina NSW 2478

Dear Suzanne,

**RE: TRUSTEE REPRESENTATION LETTER**

As noted in our audit engagement letter, as part of our normal audit process we request from the Trustees a written confirmation concerning representations made to us in connection with the audit of your Self-Managed Superannuation Fund. Enclosed is a letter for this purpose.

Please read the letter thoroughly, it contains important information about your responsibilities as Trustees. Please sign this letter where indicated and return to our office. This letter will form part of our audit working papers.

Should you have any queries regarding the letter please do not hesitate to contact us.

Kind Regards,  
**Quay SMSF Audits**



**Heath Griffiths B Com**  
ASIC Registered SMSF Auditor

Digitally Signed with BGL SmartSign on 19/11/2021  
(See attached BGL SmartSign Digital Certificate)

Heath Griffiths  
Quay SMSF Audits  
P.O. Box 1064  
Townsville QLD 4810

Dear Mr Griffiths,

In connection with your audit of the financial report of the Abundance Super Fund (the Fund) and the Fund's compliance with the Superannuation Industry (Supervision) Act 1993 (SISA) and Superannuation Industry (Supervision) Regulations (SISR), for the year ended 30 June 2021, for the purposes of you expressing an opinion as to whether the financial report is, in all material respects, presented fairly in accordance with the accounting policies adopted by the Fund and the Fund complied, in all material respects, with the relevant requirements of the SISA and SISR.

The Trustees have determined that the Fund is not a reporting entity for the year ended 30 June 2021, and that the requirement to apply Australian Accounting Standards and other mandatory reporting requirements do not apply to the Fund. Accordingly the financial report prepared is a special purpose financial report which is for distribution to members of the Fund and to satisfy the requirements of the SISA and SISR. We confirm that financial report is free from material misstatements, including omissions. We are responsible for the presentation (in the financial statements) of the operating statement/changes in net assets for the period and the presentation of the statement of financial position/statement of net assets at balance date, in conformity with generally accepted accounting principles and in accordance with the relevant statutory requirements and applicable Accounting Standards.

We confirm we are knowledgeable on the matters contained in this representation letter. Each Trustee confirms, the following representations are true and correct to the best of our knowledge and belief:

**1. Accounting Policies**

All the significant accounting policies of the fund are adequately described in the financial report and the notes attached to the financial statements, are consistent with the policies adopted last year unless otherwise detailed and are appropriate for the fund.

**2. Superannuation Annual Return**

The information disclosed in the annual tax return is complete and accurate.

**3. Sole Purpose test**

The fund is maintained for the sole purpose of providing benefits for each member on their retirement, death, termination of employment or ill-health.

**4. Legislative Requirements**

The fund is being conducted in accordance with the Superannuation Industry (Supervision) Act 1993, and the Superannuation Industry (Supervision) Regulations 1994, in particular the relevant requirements of the following provisions:

Sections: 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K

Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA

There are no breaches or possible breaches of laws or regulations whose effects should be considered for disclosure in the financial statements and to the ATO.

**5. Fund Books/Records/Minutes**

We acknowledge that we are responsible for providing you, as auditor, with access to all information that is relevant to the preparation of the financial report, and any additional information you may request. As agreed in the audit engagement letter, we have made available to you all financial books, records, related data and other information necessary for the conduct of the audit including relevant minutes of all meetings of the Trustees. We have also ensured it has been kept in the appropriate format for the required period of time.

We confirm all transactions have been recorded and are reflected in the financial report. We confirm you have been provided with the governing rules applicable to the fund as at year end.

Where documentation has been provided to you and/or our accountants and other individuals electronically for the preparation of the Funds special purpose financial report and conduct of your audit, we acknowledge there have been no alterations or omissions and we have not caused these documents to be altered in any way or form. Furthermore where records have been presented for audit which include but not limited to transaction listings generated in lieu of bank statements issued by the Funds financial institution/s we confirm we have not altered these in any way or caused these to be altered in any way and they are exactly as represented on the actual bank statement issued by the funds financial institution/s.

Minutes and records of trustee's meetings, trustee declarations and member or beneficiary reports have been kept for 10 years. All accounting records and financial reports have been kept for 5 years. Trustee declarations in the approved form have been signed and kept for each trustee appointed after 30 June 2007. Trustee or director of corporate trustee changes and trustee consents have been retained for 10 years. We also confirm we have retained the Fund's permanent documents.

There are no assets or liabilities of the Fund that have not been disclosed to you. The financial report accurately discloses the full extent of the assets and liabilities of the Fund. We confirm all transactions have been recorded and are reflected in the financial report and that significant assumptions used by us in making accounting estimates are reasonable.

## 6. Asset Form

The assets of the Fund are being held in a form suitable for the benefit of the members of the Fund, and are in accordance with the Fund's investment strategy, trust deed and governing rules.

## 7. Safeguarding Assets

We have considered the importance of safeguarding the assets of the fund, and we confirm we have the following procedures in place to achieve this:

- Authorised signatories on bank and investment accounts are regularly reviewed and considered appropriate; and
- Tangible assets are, where appropriate, adequately insured and appropriately stored.

## 8. Conflict of Interest

Where the fund has invested with related parties, as defined by section 10 of the SISA, and a potential, perceived or real conflict of interest exists we acknowledge our duty to inform you, in writing, of any such conflicts.

Additionally where the fund has relied on advice from other professionals with whom the members have a personal friendship or business relationship and there exists a potential, perceived or real conflict of interest we acknowledge our duty to inform you, in writing, of any such potential, perceived or real conflicts.

## 9. Investments

- Investments as at 30 June, 2021 are carried in the books at market value as required by SISR Reg 8.02B. Such amounts are considered reasonable in light of present circumstances and there is no indication of permanent impairment subsequent to year end;
- We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities;
- There are no commitments, fixed or contingent, for the purchase or sale of investments (long term or otherwise) that have not been disclosed in the financial report;
- We have complied with all investment standards set out in SISA and all investments have been acquired, maintained and disposed of on an arm's lengths basis;
- The Trustees have considered the need to obtain insurance over the Fund's assets; and
- The investment strategy has been determined with due regard to risk, return, liquidity and diversification as well as the insurance needs of members.
- Where the fund holds investments via way of an instalment warrant arrangement or limited recourse borrowing arrangement we confirm;
  - The asset acquired is one permitted to be acquired and held directly by the relevant legislation;
  - The borrowing is used solely for the purpose of acquiring the asset;
  - The loan is a non-recourse loan; and
  - The fund has a right to acquire legal ownership of the asset and the beneficial interest which is held on trust by the fund.
- In the event the fund has investments in unlisted related entities which are in house assets of the fund we confirm that the related entities;
  - Have conducted all transactions at arm's length;
  - Have not provided financial assistance or lent money to any related party of the fund;
  - Have not entered into any form of lease agreement with a related party of the fund unless the lease pertains to business real property;
  - Do not have any borrowings or loans or have assets with a charge or encumbrance over them;
  - Have not acquired assets from a related party of the fund unless permitted under relevant law;
  - Do not have investments in any other entities; and
  - For investments in a pre 11th August 1999 related unit trust we confirm that the investment in the unit trust was not an in house asset and made by the fund prior to 11 August 1999. We further confirm that reinvestment of profits and any additional investments in the unit trust have been made by the super fund in accordance with s71D and s71E of the SISA as applies.
- In the event that the fund has made an investment/s in collectables – SISR Regulation 13.18AA;

- The fund has not contravened the sole purpose test and the in-house asset rules of the SISA in regard to the investment/s and no related party of the fund has derived personal benefit from these investments;
- The trustees of the fund have made a decision on where to store the item/s, which cannot be held or displayed at a related party or members' property, and have documented the decision. This document must be kept for a minimum of 10 years;
- The collectable/s have been acquired in line with the fund's investment strategy;
- The collectables are adequately insured within the fund's name and within the required timeframe;
- Where the collectable/s is leased a copy of a binding lease agreement has been maintained; and
- Where a collectable/s is sold to a related party of the fund it has been done at market value.
- We have made investments for the members of the Fund and fully understand all the investment risks for each investment, including loss of capital. In conducting your audit we are aware you will not be checking the liquidity of the Fund assets, the nature or class of investments, nor their suitability to our investment strategy. If any assets of the fund fail and capital is lost, we will not be taking any action for damages against you under section 12GF of Australian Securities and Investments Commission Act 2001. However, as an auditor, we understand it is your duty of care to inform us, if you notice any investments are not recoverable.
- In conduct of your audit, it is not expected you form an opinion and report to us if the Fund is making or likely to make an economic loss or the Fund's assets are getting damaged or likely to get damaged due to conduct of any other person who we rely for investment decisions or appoint as custodians or investment manager. We understand your appointment is to audit the Fund's financial report and not to audit entities where this Fund invests, including however not limited to custodian services, unrelated trusts, companies, partnerships, entities not subject to audit pre 11 August 1999 or other entities.

#### **10. Ownership and Pledging of Assets**

The fund has satisfactory title to all assets disclosed in the statement of financial position. All assets are registered in the name of the Fund, where possible, and are in the custody of the respective Trustee.

There are no liens or encumbrances on any assets or benefits, and no assets, benefits or interests in the Fund have been pledged or assigned to secure liabilities of others. No assets of the fund have been pledged to secure liabilities of the fund (unless the charge is permitted by the legislation).

All assets of the fund are held separately from the assets of the members, employers and the Trustees.

All assets are acquired, maintained and disposed of on an arms' length basis and appropriate action is taken to protect the assets of the fund.

#### **11. Investment Strategy**

The investment strategy has been determined with due regard to risk, return, liquidity and diversification, the insurance needs of the fund members, and the assets of the fund are in line with this strategy and this is the case even where investments may be considered risky, may have negative or limited returns, may be illiquid and may not equate to a diversified portfolio. If given effect by trustees in prior years we confirm that the investment strategy has been reviewed by a resolution of all the members and trustees of the fund.

#### **12. Trust Deed**

The Fund is being conducted in accordance with its Trust Deed and governing rules. Any amendments to the trust deed during the financial year have been notified to you.

#### **13. Income Tax Assessment Act, SISA and SISR**

The fund is in compliance with the requirements of the relevant Income Tax Assessment Act, and the fund is being conducted in accordance with the SISA and SISR (with the exception of any contraventions as identified by you as the auditor) and we specifically confirm:

- a) The directors of the corporate trustee have been nominated, have consented to act and may only be removed in such manner and circumstances as are allowed in the governing rules;
- b) The trustee has complied with all the trustee standards set out in the regulations and the covenants prescribed by SISA Section 52;
- c) No director of the corporate trustee is a disqualified person;
- d) The trustee has complied with the investment standards set out in SISA; and
- e) Information retention obligations have been complied with.

All known instances of non-compliance or suspected non-compliance with the relevant Income Tax Assessment Act or the SISA legislation whose effects should be considered when preparing the financial report, or that impact your obligation to report certain matters to the Australian Taxation Office have been disclosed to you.

#### **14. Trustee's Responsibilities and Fund Conduct**

The Fund meets the definition of a self-managed superannuation fund under the SISA, including that no member is an employee of another member, unless they are relatives, and no trustee receives any remuneration for any duties or services performed by the Trustee in relation to the Fund.

Each SMSF Trustee has complied with all aspects of the trustee requirements of the SISA and SISR.

No disqualified person acts as a director of the trustee company or as an individual trustee.

The Trustees are not subject to any contract or obligation which would prevent or hinder the trustees in properly executing their functions and powers.

The fund has been conducted in accordance with SISA, SISR and the governing rules of the Fund, is in compliance with the requirements of the relevant Income Tax Assessment Act.

The trustees have been nominated, have consented to act and may only be removed in such a manner and circumstances as are allowed in the trust deed and the funds governing rules.

Information retention obligations have been complied with.

The Trustee has not received any communication from the ATO concerning removal of the complying status of the Fund. All known instances of non-compliance or suspected non-compliance (which has occurred, is occurring or is about to occur) with the relevant Income Tax Assessment Act, the SISA legislation, the SISR Regulations and the Corporations Act 2001 whose effects should be considered when preparing the financial report, or that impact your obligation to report certain matters to the Australian Taxation Office, have been disclosed to you.

#### **15. Residency**

The fund was an Australian resident superannuation fund at all times during the year of income.

We specifically confirm that, throughout the year of income being audited:

- The fund was established in Australia or any asset of the fund is situated in Australia; and
- The central management and control of the fund is ordinarily in Australia; and
- Either the fund had no active member, or at least 50% of the following is attributable to superannuation interests held by active members who are Australian residents:
  - (i) The total market value of the fund's assets attributable to superannuation interests held by active members, or
  - (ii) The sum of the amounts that would be payable to or in respect of active members if they voluntarily ceased to be members.

#### **16. Contributions**

We confirm contributions if any, received by the fund are within the limits and comply with any requirements imposed by the legislation, taking into account contributions paid to other superannuation funds, and any excess contributions will be dealt with as required by the ATO.

The Trustee has only accepted contributions to the Fund permitted by the Trust Deed and the relevant sections of the SISA and SISR.

#### **17. Internal Controls**

We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect error and fraud. We have established and maintained an adequate internal control structure to facilitate the preparation of reliable financial reports and to ensure that the assets of the fund are safeguarded from fraud or error.

We have assessed the risk that the financial report may be materially misstated as a result of fraud and advise we have no knowledge of any actual, suspected or alleged fraud affecting the fund. There have been no irregularities that could elude to a fraud affecting the fund.

The fund does not have a formal process for identifying, estimating or assessing business risks relevant to the financial reporting objectives and this is considered appropriate in the circumstances.

There are no specific risks arising from the information technology utilised by the fund that require attention by the Trustee.

To monitor internal controls over financial reporting, we review all reports provided by the information technology systems utilised by the fund for accuracy. This assists in determining if the information is sufficiently reliable for financial reporting purposes.

In instances where the fund uses a custodian, we confirm we have not been advised of any fraud, non-compliance with laws and regulations or uncorrected misstatements that would affect the financial report of the fund.

#### **18. Material Misstatement**

We acknowledge and understand the work undertaken to form an opinion by the approved SMSF Auditor is permeated by judgement with regard to many factors including but not limited to the nature, timing and extent of the audit procedures in relation to the gathering of audit evidence and the conclusions drawn based on the gathered audit evidence.

We understand that we have not engaged the approved SMSF auditor to detect any fraud or errors. There are inherent limitations in any audit, including however not limited to the use of testing, inherent limitations of any internal control structure, possibility of collusion and the fact that most audit evidence is persuasive rather than conclusive. As such, the audit cannot provide absolute assurance that the financial report is free of material misstatement.

We confirm any uncorrected misstatements identified by the auditor have been brought to our attention. The material effect of these uncorrected misstatements on the financial report has been considered both individually and in aggregate. Appropriate remedial action has been taken where the effect on the financial report is material.

#### **19. Legal Matters**

We confirm you have been advised of all significant legal matters, and that all known actual or possible litigation and claims have been adequately accounted for, and been appropriately disclosed in the financial report.

Any minutes of meetings with the Funds legal counsel have been provided for audit review. There have been no communications from the ATO concerning a contravention of the SISA or SISR which has occurred, is occurring, or is about to occur.

#### **20. Related Parties and Members**

All related party transactions have been brought to your attention. We confirm any related party transactions and related amounts receivable or payable and where permitted under the SISA including sales, purchases, loans, transfers, leasing arrangements and guarantees have been properly recorded or disclosed in the financial report. That any acquisitions from, loans to, leasing of assets to and investments in related parties are at arm's length, have not exceeded the in-house asset restrictions in the SISA at the time of the investment acquisition or at year end.

We also confirm the fund has not lent money to, or given financial assistance to a member or relative of a member.

#### **21. Borrowings**

The Fund has not borrowed money or maintained any borrowings during the year, with the exception of borrowings which were allowable under SISA.

#### **22. Subsequent Events**

Other than those reported, there are no events subsequent to year end or any pending events subsequent to year end, nor any new litigation or claims referred to the Funds legal counsel that would require adjustment to, or disclosure in, the financial report or notification to the ATO.

#### **23. Going Concern Assumption**

We confirm we have no knowledge of any events or conditions that would cast significant doubt on the fund's ability to continue as a going concern.

#### **24. Fund Structure**

We confirm that the sole member and director to the corporate trustee, Abundance Always Pty Ltd, to be Suzanne Schamschula.

## 25. Timing of Representations

It is taken that the above representations are applicable to the 2021 audit of the fund. Should this representation letter be signed on a date other than when the audit report is signed, we note that the above representations are still appropriate, relevant and accurate to the date on which your audit report is signed. Should this not be the case, we shall inform you in writing prior to the finalisation of your audit, and the signing of your audit report.

I/We understand that your examination for the year ended 30 June 2021 was made in accordance with Australian Auditing Standards and applicable Standards on Assurance Engagements and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the Fund taken as a whole, and on the compliance of the Fund with specified requirements of SISA and SISR, and that your tests of the financial and compliance records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully,  
Abundance Always Pty Ltd

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Suzanne Schamschula  
Director

Digitally Signed with BGL SmartSign on 19/11/2021  
(See attached BGL SmartSign Digital Certificate)



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### **Signatories Required and Confirmed**

The following people have consented to digitally sign this document with BGL SmartSign, in which a BGL SmartSign digital signature will replace the need for a written signature.

#### **1. Suzanne Schamschula**

Fund Contact

Verified Email address:suzanne.scham@gmail.com

Verified Mobile Telephone:61403113225

IP Address: 203.213.77.23

#### **Timestamp**

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19/11/2021 13:59:50 +1100

#### **Audit**

Document 2021 Audit Engagement Letter - Abundance Super Fund.pdf for Abundance Super Fund has been uploaded by Gisella D'Orio.

Document 2021 Audit Engagement Letter - Abundance Super Fund.pdf for Abundance Super Fund has been signed by Suzanne Schamschula.