

JEFF COLLINS PUBLIC ACCOUNTANT

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29 April 2019

De Beer Superannuation Fund

MEMORANDUM OF ACCOUNT

- (1) Attendance to 2018 Audit of the Fund
and provision of signed report;
- (2) Due Care & Consideration.

AS QUOTED \$300.00

Payment by direct deposit can be made to BSB – 014202 A/NO - 588676916
(In the name of Jeff Collins)



Self-managed superannuation fund independent auditor's report

Auditor details

Name: Jeff Collins

Postal address: PO Box 6018, UPPER MT GRAVATT QLD 4122

Business name: Collins Audit

Business postal address _____

SMSF auditor number (SAN)¹: 100015352

Professional organisation: The Institute of Public Accountants

Professional membership or registration number 195929

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name: DE BEER s/fund

Australian business number or tax file number:

Address: cb 4 stn

Year of income being audited: 2018

To the trustees

To the trustees of

DE BEER s/fund

[SMSF name]

¹ To be completed when issued by ASIC under the new SMSF Auditor Registration regime. See note on page 1.

Part A: Financial report

I have audited the special purpose financial report comprising

Operating Statement, Balance Sheet, Member's Statements & Notes thereto

[Insert the title of statements audited, including reference to the summary of significant accounting policies and other explanatory notes.]

[For example: 'the statement of financial position as at 30 June 2018 (year), and the operating statement, statement of changes in equity for the year then ended, a summary of significant accounting policies and other explanatory notes.'

of the (insert name of superannuation fund) for the year ended 30 June 2018
[year]

Trustee's responsibility for the financial report

The trustee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the SMSF's governing rules, the *Superannuation Industry (Supervision) Act 1993 (SISA)* and the *Superannuation Industry (Supervision) Regulations 1994 (SISR)*, and for such internal control as the trustee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on the audit. I have conducted an independent audit of the financial report in order to express an opinion on it to the trustee.

My audit has been conducted in accordance with Australian Auditing Standards. These standards require that I comply with relevant ethical requirements relating to audit engagements, and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the trustee's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the trustee's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

[Additional material may be inserted here at the discretion of the auditor.]

[Basis for Qualified / Disclaimer of / Adverse auditor's opinion]

[This section should be modified if the financial report is not a true and fair presentation of the financial position of the fund, or if in the opinion of the auditor the financial position of the fund may be, or may be about to become, unsatisfactory or there are other conditions that warrant a qualification.]

[Qualified / Disclaimer of / Adverse] auditor's opinion

In my opinion, [except for the effects on the financial statements of the matter/s referred to in the preceding paragraph] the financial report:

a) presents fairly, in all material respects, in accordance with the accounting policies described in the notes to the financial statements, the financial position of the fund at 30 June 2018 and the results of its operations for the year then ended
[year]

Part B: Compliance report

Trustee's responsibility for compliance

The trustee is responsible for complying with the requirements of the SISA and the SISR.

Auditor's responsibility

My responsibility is to express a conclusion on the trustee's compliance, based on the compliance engagement. My audit has been conducted in accordance with applicable Standards on Assurance Engagements, to provide reasonable assurance that the trustee of the fund has complied, in all material respects, with the relevant requirements of the following provisions (to the extent applicable) of the SISA and the SISR.

Sections: 17A, 35A, 35B, 35C(2), 52(2)(d), 52 (2)(e), 62, 65, 66, 67,67A, 67B, 69-71E, 73-75, 80-85, 103, 104A, 109, 126K

Regulations: 1.06(9A), 4.09, 5.03, 5.08, 6.17, 7.04, 13.12, 13.13, 13.14, 13.18AA²

[Additional sections and regulations may be inserted here at the discretion of the auditor.]

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the SISA and the SISR for the year ended 30 June 2018.

² An explanation of each of these sections and regulations is attached as an appendix to assist trustees. Please ensure that it is attached to the fund's audit report

These tests have not been performed continuously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the SISA and the SISR apart from those specified. My procedures with respect to section 62 included testing that the fund trust deed establishes the fund solely for the provision of retirement benefits for fund members or their dependants in the case of the member's death before retirement; a review of investments to ensure the fund is not providing financial assistance to members, unless allowed under the legislation; and testing that no preserved benefits have been paid before a condition of release has been met.

My procedures with respect to regulation 4.09 included testing that the fund trustee has an investment strategy, that the trustee has given consideration to risk, return, liquidity and diversification, and that the fund's investments are made in line with that investment strategy. No opinion is made on the investment strategy or its appropriateness to the fund members.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit conclusion.

[Basis for Qualified / Disclaimer of / Adverse] auditor's conclusion]

[This section should be modified if, in the opinion of the auditor, a contravention of one of the provisions listed is material.]

[Qualified / Disclaimer of / Adverse] auditor's conclusion

In my opinion, [except for the matter/s referred to above] the trustee of (insert name of superannuation fund) has complied, in all material respects, with the requirements of the SISA or the SISR specified above, for the year ended 30 June 2018.

Signature

Signature of approved auditor

J. Collins

Date

29/4/2019

Appendix 1 – Explanation of listed sections and regulations in compliance report

This appendix is included to assist trustees with the meaning of the legislation and regulations listed above

Section or Regulation	Explanation
S17A	The fund must meet the definition of an SMSF
S35A	The trustees must keep and maintain accounting records for a minimum of five years
S35B	The trustees must prepare and maintain proper accounting records
S35C(2)	The trustees must provide the auditor with the necessary documents to complete the audit in a timely and professional manner; and within 14 days of a written request from the auditor
S52(2)(d)	The assets of the SMSF must be held separately from any assets held by the trustee personally or by a standard employer sponsor or an associate of the standard employer
S52 (2)(e)	The trustee must not enter into a contract that would prevent / hinder them from exercising the powers of a trustee
S62	The fund must be maintained for the sole purpose of providing benefits to fund members upon their retirement, or upon reaching a prescribed age, or to the dependents in the case of a member's death before retirement
S65	The trustees must not loan monies or provide financial assistance to any member or relative at any time during the financial year
S66	The trustees must not acquire any assets (not listed as an exemption) from any member or related party of the fund
S67	The trustees of the fund must not borrow any money or maintain an existing borrowing (not listed as an exemption)
S67A-67B	Limited recourse borrowing arrangements
S69-71E	Outline of the in-house asset rules that trustees must follow. (These relate to transactions of any kind with a related party of the fund)
S73-75	Outline of the manner in which in-house assets must be valued by trustees (arms length market value)

Appendix 1 (continued)

S80-85	The trustees must comply with the in-house asset rules
S103	The trustees must keep minutes of all meetings and retain the minutes for a minimum of 10 years
S104A	Trustees who became a trustee on or after 1 July 2007 must sign and retain a trustee declaration
S109	All investment transactions must be made and maintained at arms length - ie purchase, sale price and income from an asset reflects a true market value/rate of return
S126K	A disqualified person cannot be a trustee, investment manager or custodian of a superannuation fund
Sub Reg 1.06 (9A)	Pension payments must be made at least annually and must be at least the amount calculated under clause 2 of Schedule 7
Reg 4.09	Trustees must have an investment strategy for the fund
Reg 5.03	Investment returns must be allocated to members in a manner that is fair and reasonable
Reg 5.08	Member benefits must be maintained in the fund until transferred or cashed out in a permitted fashion
Reg 6.17	Payments must be made in accordance with Part 6 of the regulations and be permitted by the trust deed
Reg 7.04	Contributions must be accepted in accordance with the applicable rules for the year being audited
Reg 13.12	Trustees must not recognise an assignment of a super interest of a member or beneficiary
Reg 13.13	Trustees must not recognise a charge over or in relation to a member's benefits
Reg 13.14	Trustees must not give a charge over, or in relation to, an asset of the fund
Reg 13.18AA	Investments in collectables and personal use assets must be maintained in accordance with prescribed rules.