

## ENGAGEMENT LETTER

To: The Trustees, McIntosh Superannuation Fund

### Scope

You have requested that we audit the financial report of McIntosh Superannuation Fund, which comprises the balance sheet as at 30 June 2021, and the income statement for the year then ended a summary of significant accounting policies, other explanatory notes and the trustees' declaration. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter. Our audit will be conducted with the objective of expressing an opinion on the financial report and compliance with the *Superannuation Industry Supervisory Act 1993*.

We will conduct our audit in accordance with Australian Auditing Standards. Those Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement. An audit involves performing audit 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. An audit also includes evaluating the appropriateness of the financial reporting framework, accounting policies used, and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial report.

Because of the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material misstatements may remain undiscovered. In making our risk assessments, we consider internal control relevant to the entity's preparation 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 on the effectiveness of the entity's internal control.

We take this opportunity to remind you that the responsibility for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Superannuation Industry Supervisory Act 1993* is that of the trustees. Our auditor's report will explain that the trustees are responsible for the preparation and the fair presentation of the financial report in accordance with the applicable financial reporting framework and this responsibility includes:

- designing, implementing, and maintaining internal control relevant to the preparation of a financial report that is free from misstatement, whether due to fraud or error.
- selecting and applying appropriate accounting policies; and
- making accounting estimates that are reasonable in the circumstances.

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

**Other Matters under the *Corporations Act 2001***

*Independence*

We confirm that, to the best of our knowledge and belief, we currently meet the independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report. In conducting our audit of the financial report, should we become aware that we have contravened the independence requirements of the *Corporations Act 2001*, we shall notify you on a timely basis.

We look forward to your full cooperation and make available to us whatever records, documentation, and other information we request in connection with our audit.

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements for our audit of the financial report.

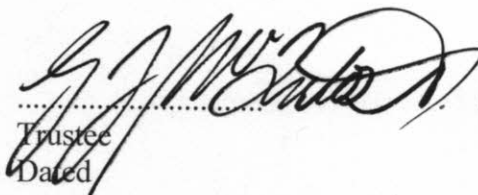
Yours faithfully,

.....

A.W. Boys  
Registered Company Auditor 67793  
Dated

Acknowledged on behalf of, McIntosh Superannuation Fund by

(signed)

 8/1/21  
.....  
Trustee  
Dated

## MINUTES OF TRUSTEES' ANNUAL GENERAL MEETING

### McIntosh Superannuation Fund

**At:** 1 Muscat Street, LEETON, NSW 2705  
**Date** 11 August 2021


- Present:** Mrs. Eleanor McIntosh Trustee  
Mrs. Erica McIntosh Trustee  
Mr. Glenn McIntosh Trustee
- Chairperson:** Mr Glenn McIntosh Trustee
- Trusteeship:** The Trustees act as trustee of the McIntosh Superannuation Fund.
- Minutes:** The Chairperson reported that the minutes of the previous meeting had been signed as true record.
- Financial Statements of Superannuation Fund:** IT WAS RESOLVED that the financial statements would be prepared as a Special Purpose Financial Report as, in the opinion of the trustees, the Superannuation Fund is a non-reporting entity and therefore is not required to comply with all the Australian Financial Standards.
- The Chairperson tabled the Financial Statements and Notes to the Financial Statements of the Superannuation Fund in respect of the year ended and it was resolved that such Statements be and are hereby adopted as tabled.
- Trustee's Declaration:** IT WAS RESOLVED that the Trustee' Declaration of the Super Fund be signed.
- Form F Annual Tax Return:** BEING SATISFIED that the Fund had complied with all the relevant requirements of the *Superannuation Industry (Supervision) Act 1993* ("the SIS Act") and Regulations during the year ended 30 June 2020, it was resolved that the Annual Tax Return be approved, signed & lodged with the Australian Taxation Office.
- Investment Strategy:** THE FUND INVESTMENT PERFORMANCE was reviewed and found to be within the acceptable investment ranges outlined in the investment strategy. After considering the risk, rate or return and liquidity of the investments and the ability of the fund to discharge its existing liabilities it was resolved that no changes in the investment strategy were required.

- Allocation of Income:** IT WAS RESOLVED that the income of the fund would be allocated to the members based on their average daily balance (an alternative allocation basis may be percentage of opening balance).
- Investments:** IT WAS RESOLVED to ratify the investment acquisitions and disposals throughout the financial year ended 30<sup>th</sup> June 2020.
- Auditors:** IT WAS RESOLVED that Mr Tony Boys, Registered Company Auditor continue to act as Auditor of the Fund.
- Tax Agents:** IT WAS RESOLVED that AC Chartered Accountants continue to act as tax agents of the Fund for the year ending 30 June 2021.
- Trustee Status:** Each of the trustees confirmed that they are qualified to act as trustees of the fund and that they are not disqualified persons as defined by Section 121 of the SIS Act.

All resolutions for this meeting were made in accordance with Regulation 4.08 of the SIS Act and Regulations.

There being no further business the meeting then closed.

Signed as a true and correct record.

  
Mr Glenn McIntosh Trustee  
Chairperson

## **Investment Strategy**

### **McIntosh Superannuation Fund – 1 July 2020**

The SMSF Investment Strategy for the above-named Fund is detailed below.

#### **Overview**

This Investment Strategy is created in compliance with the SIS Act. As part of this Investment Strategy the Trustees acknowledge that:

The Fund accepts employer and member contributions as the laws allow.

The Fund accepts transfers from other superannuation funds and from a spouse as the laws allow.

The Fund can invest in accordance with this Investment Strategy.

The Fund provides benefits to members upon retirement as the laws allow.

The Fund allows access to any unrestricted non-preserved benefits as the laws allow.

The Fund provides other activities as allowed by the laws and regulations from time to time.

#### **Investment Objectives**

The objective of the Fund is to maximise benefits for the purposes of providing Retirement Benefits to the Fund Members in accordance with the Trust Deed governing the Fund's operations. The Investment Objectives which have been considered by the Trustees of the Fund in formulating the Investment Strategy include:

The Trustee will act prudently to pursue the maximum rate of return possible, subject to acceptable risk and diversification parameters.

The Trustee will consider the number of years to retirement of the Members when considering investment options.

The Trustee will establish a tolerance within the Fund to short term fluctuations in income and capital values given the profile of the Member's ages.

The Trustees will have proper regard to the risks associated with the investments given the Funds Objectives and cash flow requirements.

The Trustee will invest to ensure sufficient liquidity is retained within the Fund to meet benefit payments and other liabilities as they fall due.

The Trustees before investing in a particular asset will have proper regard to the balance between the risk and return, so as to maximize the rate of return on Member's entitlements subject to an appropriate level of risk.

#### **Investment Review**

The Investment Objectives of the Fund will be reviewed annually and at such other times as a significant event occurs which affects the Fund.

## **Investment Strategy**

With regard to the investment objectives outlined above the Trustees have adopted to pursue an Investment Strategy aimed at accumulating over the long term some or all of the following asset classes:

ASX Listed Securities  
ASX Listed and Exchange Traded Options  
ASX Listed Warrants  
International Listed Securities  
Australian and International CFDs  
Australian and International Managed Funds  
Cash  
Term Deposits  
Bonds  
Debentures  
Other Cash Based Investments  
Property Investment with or without borrowings  
Physical Metals and Commodities  
Foreign Exchange  
Other Assets that the Trustee considers appropriate to the extent permitted by the Trust Deed and Super Laws.

## **Percentage Investment Range**

The Trustees consider that no specific percentage range for each of the above asset classes should be adopted but that each asset class should be considered on its own investment merits having regard to an appropriate degree of diversification noting that diversification is only one factor to be considered in this strategy.

## **Single Asset Investment Strategy**

A single asset strategy may be adopted by the Fund if the asset proposed to be invested in is considered by the Trustee to satisfy a core purpose of the Fund's Investment Objectives and provided that the Trustee is satisfied that no other benefit (excepting incidental benefits) is conferred upon members or associated parties.

## **Arms Length Basis**

All investments by the Fund shall be on an arms length basis and will be acquired, maintained, or disposed of on commercial terms at market rates of returns.

## **Maximising Member Returns**

The Trustee considers that this Investment Strategy will fulfil the principal objective of maximising member returns having regard to risk and is consistent with the investment objectives of the Fund.

## **Limited Recourse Borrowings**

The Trustee may borrow money under a limited recourse loan as provided for under sections 67A and 67B of the SIS Act. The Borrowings may be used for any permitted purpose including the purchasing, refinancing, repair, and maintenance of an Acquirable Asset such as a Property.

## Insurance

The Trustee notes that they cannot accept the transfer of an existing insurance policy from a member, or a relative of a member but may arrange new Insurance cover for members within the Fund.

Arranging insurance cover is an important part of the fund's investment strategy to provide benefits for members and their family. The Trustee has considered whether insurance, such as life insurance, income protection insurance and disability cover or other permissible cover should be held for one or more members. Arranging insurance cover will depend on the age, applicable premium and extent of cover appropriate and is subject to the availability of insurance in respect of a member. Whilst the trustee can generally claim a tax deduction for the insurance premium, excluding trauma cover, the trustee also takes into account the restricted tax deductibility of premiums for an "own occupation" definition for disability cover.

## Paying Debts

The Trustee is obliged to pay tax, expenses, and benefits on behalf of the Fund. The Trustee ensures that it holds sufficient cash (or readily realisable assets) to meet such obligations.

## Personal Assets and Fund Assets to be kept separate

The Trustee must ensure that money and other assets of the Fund are kept separate from those held by the Trustee personally.

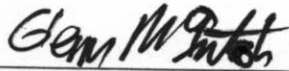
## Revalue annually

When preparing the documents such as the statement of the Fund's financial position, the trustee must ensure that the Fund's assets are valued at their market value.

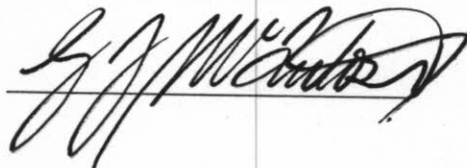
## Review

The Trustees are to regularly review the Funds investment strategy and evidence this review in the minutes of trustee meetings held during the income year. The Trustees may review this strategy as required, but it will be reviewed at least annually.

Trustee



Signature



# **Audit Representation Letter from Trustee(s)**

## **McIntosh Superannuation Fund**

**Year ended 30 June 2021**

To the auditor,

Dear Sir,

With respect to the audit of the financial statements of the above-mentioned fund for the year ended stated, the following representations are made which are true and correct to the best of my (our) knowledge and belief that will address the necessary compliance requirements of the *Superannuation Industry (Supervision) Act 1993*.

### **Preparation of the ATO Income Tax & Regulatory Return**

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

### **Sole Purpose of the Fund**

The sole purpose of the Fund is to provide retirement and/or death benefits to its members and/or beneficiaries.

### **Accounting Policies**

All the significant accounting policies of the Fund are adequately described in the Financial Statements and the Notes thereto. These policies are consistently applied unless specifically noted in the Financial Statements and Notes.

### **Fund Books/Records/Minutes**

All financial books, records and relevant material relating to the transactions and activities of the Fund have been made available to you, including minutes of the Trustees' meetings, the Trust Deed (as amended) and the Rules of the Fund. The Financial Statements accurately disclose the Revenue and Expenses and the full extent of the Assets and Liabilities of the Fund.

### **Asset Form**

The assets of the Fund are being held in an acceptable form suitable for the benefit of the members of the Fund and have been stated at their net market value.

### **Ownership and Pledging of Assets**

1. The Fund has satisfactory title to all assets shown in the Financial Statements
2. Investments are registered in the name of **McIntosh Superannuation Fund**
3. No assets of the Fund have been pledged to secure liabilities of the Fund or of any other fund or entity.



### **Investments**

1. Investments are carried in the books at their net market value.
2. Amounts stated are considered reasonable in the current market condition, and there has not been any permanent diminution in their value below the amounts recorded in the Financial Statements.
3. There are no commitments, fixed or contingent, for the purchase or sale of long-term investments.
4. Investment transactions and investments held are in accordance with the Investment Strategy, which has been determined with due regard to risk, return, liquidity and diversity.
5. The Trustee(s) have complied with all the Investment Standards stipulated in the Regulations relating to the SIS Act as amended.

### **Trust Deed Amendments**

All amendments (if any) to the Trust Deed were made in order for the Fund to comply with the SIS Act, Regulations and any other applicable legislation relating to the operation and governance of the Fund.

### **Governing Rules**

The Fund is being conducted in accordance with its Trust Deed and Governing Rules.

### **Legislative Requirements**

The Fund is being conducted in accordance with the *Superannuation Industry (Supervision) Act 1993*, and the Regulations of the said Act. Including minimum pension payments to members entitled to receive a pension.

### **Contributions**

The Trustees confirm the contributions, if any, received by the fund are within the limits imposed by the legislation, taking into account contributions paid by the members to other superannuation funds.

### **Use of Assets**

All assets of the Fund have been used for the sole purpose of generating retirement benefits in accordance with the *Superannuation Industry (Supervision) Act 1993* and the Investment Strategy of the Fund.

### **Pension Payments and Withdrawal of Funds**

All pension payments (if any) and all withdrawal of funds from the accounts of the Fund have been made in accordance with statutory limitations imposed by legislation governing the Fund and all withdrawals of funds have been in accordance with the *Superannuation (Supervision) Act 1993*.

### **Trustee Responsibilities**

The Trustees are aware of their responsibilities to the Members and the various regulatory bodies.

**Trustee Covenants**

The Trustee(s) have complied with all the Trustee Covenants set out in section 52 of the *Superannuation (Supervision) Act 1993*.

**Legal Matters**

The Trustees confirm you have been advised of all significant legal matters, and that the probability of any material revenue or expenses arising from such legal matters has been adequately accounted for and been appropriately disclosed in the financial report.

**Related Parties**

All related party transactions have been brought to your attention.

**Disqualified person not to act as a Trustee**

There is no reason why any Trustee should be prohibited from acting as a Trustee of this Superannuation Fund.

**Information to Members**

Information relating to the transactions and activities of the Fund has been supplied in a timely manner.

**Meetings**

Meetings have been conducted in accordance with the Trust Deed and the requirements of the SIS Act. Resolutions and issues on which the Trustee(s) have voted, or on which they were required to vote have been passed by at least a 2/3rds majority of the Trustees.

**Subsequent Events**

Since the end of the financial year stated in the Financial Statements till the date of this letter, there have been no events or transactions that would have a material effect upon the Fund either financially or operationally.

Yours faithfully

