

**H R J Holdings Superannuation Fund**  
**TRUSTEE REPRESENTATION LETTER**

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Anthony Boys  
PO Box 3376, Rundle Mall, South Australia 5000

Dear Anthony

**TRUSTEE REPRESENTATION**

This representation letter is provided in connection with your audit of the financial report of H R J Holdings Superannuation Fund and the Fund's compliance with the Superannuation Industry (Supervision) Act 1993 (SISA) and SIS Regulations (SISR), for the year ended 30 June 2021 for the purpose of you expressing an opinion as to whether the financial report is, in all material respects, within the relevant requirements of SISA and SISR.

The trustee/s has/have determined that the Fund is not a reporting entity. 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. I/We acknowledge our responsibility for ensuring that the financial report is in accordance with the relevant financial reporting framework and requirements of SISA and SISR, and confirm that the financial report is free of material misstatements, including omissions.

I/we confirm, to the best of my/our knowledge and belief, the following representations made to you during your audit:

**1. 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.

**2. Trustees are not disqualified**

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

**3. Trust deed, trustees' responsibilities and Fund conduct**

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

The Fund has been conducted in accordance with its constituent trust deed at all times during the year and there were no amendments to the trust deed during the year, except as notified to you.

The trustee/s has/have complied with all aspects of the trustee requirements of the SISA and SISR. It is the trustees' responsibility to identify, design and implement internal controls as determined necessary to meet compliance requirements and monitor ongoing compliance.

The trustee/s is/are not subject to any contract or obligation which would prevent or hinder the trustee/s in properly executing their functions and powers.

The Fund has been conducted in accordance with SISA, SISR and the governing rules of the Fund.

All contributions accepted and benefits paid have been in accordance with the governing rules of the Fund and relevant provisions of the SISA and SISR. Any excess contributions will be dealt with as required by the ATO.

There has been no communication from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.

There has been no fraud, error or non-compliance with SIS or other laws and regulations involving members, trustees or other people who have a significant role in internal control.

There has been no fraud, error or non-compliance with laws and regulations that could have a material effect on the financial report.

#### **4. Investment strategy**

The investment strategy has been determined with due regard to risk, return, liquidity and diversity, and the assets of the Fund are in line with this strategy.

#### **5. Accounting policies**

All the significant accounting policies of the Fund are adequately described in the financial report and the notes attached thereto. These policies are consistent with the policies adopted last year unless otherwise stated.

#### **6. Fund books and records**

I/we have made available to you all financial records and related data, other information, explanations and assistance necessary for the conduct of the audit; and minutes of all meetings of the trustee/s.

I/we acknowledge our responsibility for the design and implementation of internal control to prevent and detect error. I/we have established and maintained an adequate internal control structure to facilitate the preparation of reliable financial reports, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.

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

All accounting records and financial reports have been kept for 5 years, minutes and records of trustees' [or directors of the corporate trustee] meetings [or for sole trustee: decisions], records of changes of trustees, and consent to act as trustees/director have been kept for 10 years, and trustee declarations in the approved form have been signed and kept for each trustee appointed after 30 June 2007.

#### **7. Asset form and valuation**

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 investment strategy.

Investments are carried in the books at market value. Such amounts are considered reasonable in light of present circumstances.

I/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 long term investments.

## **8. Ownership and pledging of assets**

The Fund has satisfactory title to all assets appearing in the financial report. All investments are registered in the name of the Fund, where possible, and are in the custody of the respective manager/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.

All assets of the Fund are held separately from the assets of the members, employers and the trustees. Every effort has been made to ensure all assets are acquired, maintained and disposed of on an arm's length basis and appropriate action is taken to protect the assets of the Fund.

## **9. Related parties**

All related party transactions have been brought to your attention. No asset has been acquired from a member or a related party other than as permitted under the SIS legislation. All related party transactions are conducted on an arm's length basis.

Related party transactions and related amounts receivable have been properly recorded or disclosed in the financial report. Acquisitions from, loans to, leasing of assets to, and investments in related parties have not exceeded the in-house asset restrictions in the SISA at the time of the investment, acquisition, or at year end.

The Fund has not made any loans or provided financial assistance to members of the Fund or their relatives.

## **10. Borrowings**

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

## **11. Subsequent events**

No events or transactions have occurred after year end, or are pending, which would have a significant adverse effect on the Fund's financial position at that date, or which are of such significance in relation to the Fund as to require mention in the notes to the financial statements in order to ensure they are not misleading as to the financial position of the Fund or its operations.

## **12. Outstanding legal action**

The trustee/s confirm/s that there are no outstanding legal action or claims against the Fund. There have been no communications from the ATO concerning a contravention of SISA or SISR which has occurred, is occurring, or is about to occur.

## **13. Contingent liabilities**

Any material liabilities or contingent liabilities or assets including those arising under derivative financial instruments have been properly recorded and/or disclosed in the financial report.

## **14. Fund residency**

The trustee/s confirm/s that the Fund meets the definition of an Australian Superannuation Fund in accordance with subsection 295-95(2) of the ITAA 1997.

## **15. Going concern assumption**

The trustee/s confirm/s that there is no knowledge of any events or conditions that would cast significant doubt on the Fund's ability to continue as a going concern.

I/we have made investments for the members of the Fund and fully understand all the investment risks for each investment, including loss of capital and income. I/we acknowledge that you will not be checking the liquidity, risk, return, and nature of the investments or their suitability to our investment strategy. If any asset of the Fund fails and capital/income is lost, I/we will not be taking any action for damages against you under section 12GF of the Australian Securities and Investments Commissions Act 2001.

I/we acknowledge that you will not form an opinion or report to us if the Fund is making or likely to make an economic loss or the Fund's assets are getting impaired or likely to get impaired due to the conduct of any other person whom we rely on for investment decisions or appoint as custodian or investment manager. I/we understand your appointment is to audit the Fund's financial report and not to audit entities where this Fund invests, for example custodian services, related/unrelated trusts, related/unrelated companies or other entities.

I/we understand that your examination 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.

#### **16. Timing of representations**

Should this representation letter be signed on a date other than when the audit report is signed, I/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, I/we shall inform you prior to the finalisation of your audit and the signing of your audit report.

Yours faithfully

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Chanida Drake and Nicholas Drake