

Audit Representation Letter from Trustees

The CR & LD Sells Self-Managed Superannuation Fund

Year ended 30 June 2020

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 The CR & LD Sells Self Managed 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.

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*.

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.

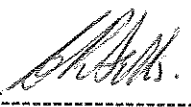
Subsequent Events

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

 x

L D Sells
Director of Trustee Company

 x

C R Sells
Director of Trustee Company

CR & LD SELLS SMSF PTY LTD
ATF
CR & LD SELLS SELF MANAGED SUPERANNUATION FUND
20 Elstree Avenue, Menora, WA 6050

10 June 2021

D Baker & Associates Pty Ltd
PO Box 310
Midland WA 6936

Dear Sir / Madam,

In preparation for your examination of the special purpose financial report of the **CR & LD Sells Self Managed Super Fund** as at 30 June 2020, the following representations are made which are true to the best of our knowledge and belief:

1. Risk of Fraud

The risk that the financial report is materially misstated due to fraud is considered to be low as a result of the following:

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

We have not identified any specific risks of fraud, 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.

2. Procedures for Identifying and Responding to Fraud

As trustee we believe the procedures in place reduce the risk of fraud, however should fraudulent activity be identified, the trustee 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 controls would be put in place to limit any future activity from affecting the fund.

3. Existence of Fraud

We confirm we have no knowledge of any actual, suspected or alleged fraud affecting the fund.

Yours faithfully,



Chris Sells
Director of Trustee Company



Leanne Sells
Director of Trustee Company

ENGAGEMENT LETTER

To: The Trustees, The CR & LD Sells Self Managed Superannuation Fund

Scope

You have requested that we audit the financial report of The CR & LD Sells Self Managed Superannuation Fund, which comprises the balance sheet as at 30 June 2020, 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

Acknowledged on behalf of, The CR & LD Sells Self Managed Superannuation Fund
by


..... x
C Sells
Director of Trustee Company


..... x
L Sells
Director of Trustee Company

**Member Notification to Trustees
Commute Pension Back to Accumulation Phase**

The Administrator

CR & LD Sells Self Managed Superannuation Fund
20 Elstree Avenue
Menora WA 6050

Re: Christopher Sells - Member

I wish to inform the trustees that I would like to commute the full balance of my allocated pension of \$398,795.00 back to accumulation phase as from 1 July 2019 (leaving \$nil in the pension phase of my fund).



Christopher Sells

x

Date:01/07/2019

**Trustees Notification to Members
Commute Pension Back to Accumulation Phase**

The Member
CR & LD Sells Self Managed Superannuation Fund
20 Elstree Avenue
Menora WA 6050

Re: Christopher Sells - Member

We confirm acceptance of your request to commute the full balance of your allocated pension of \$398,795.00 back to accumulation phase as from 1 July 2019 (leaving \$nil in the pension phase of my fund).



Christopher Sells

X

Date:01/07/19

**Member Notification to Trustees
Commencement of an Allocated Pension**

The Administrator

CR & LD Sells Self Managed Superannuation Fund
20 Elstree Avenue
Menora WA 6050

Re: Christopher Sells - Member

I wish to inform the trustees that I would like to commence an allocated pension as at 1 July 2019 with \$426,816.93 (leaving \$nil in the accumulation phase of my fund). At this time, I would like to draw a pension of \$16,000.00 for the 2020 year.

My age at pension commencement is 70.



Christopher Sells

Date: 1/7/19

**Trustees Notification to Members
Commencement of an Allocated Pension**

The Member
CR & LD Sells Self Managed Superannuation Fund
20 Elstree Avenue
Menora WA 6050

Re: Christopher Sells – Member

We confirm acceptance of your request to commence an allocated pension from 1 July 2019 with \$426,816.93

I wish to inform the member that \$16,000.00 of pensions will be paid to yourself for the 2020 tax year.

Your age at pension commencement is 70.



Christopher Sells

x

Date: 1/7/2019

CR & LD SELLS SMSF PTY LTD
ATF
CR & LD SELLS SELF MANAGED SUPERANNUATIO FUND

MINUTES OF MEETING OF THE TRUSTEE OF THE SUPER FUND HELD AT 20 Elstree Avenue, Menora,
PERTH ON THE 10 June 2021

PRESENT: Chris Sells (Chairman)
Leeanne Sells

ALLOCATION OF NET PROCEEDS: The trustee has complete discretion in whether to allocate the net year proceeds either proportionately, partially or exclusively or to allow the accumulation in the general accounts. Therefore it was resolved that for the year ended 30 June 20, that net earnings be distributed in proportion to the members opening balances.

CLOSURE: There being no further matters to discuss the meeting was declared closed.

SIGNED AS A TRUE AND CORRECT RECORD


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Chairman

Minutes of the Meeting
of CR & LD Sells SMSF

Minutes of the meeting of Chris & Leeanne Sells as directors of the trustee company for CR & LD Sells SMSF, held at 20 Elstree Avenue, Menora WA 6050.

Present:

Chris Sells


Leeanne Sells

Date: 10 June 2021

Trustees acknowledge the payment of following expenses for the June 2020 Year:

- Accounting Fees - \$1,528.00
- Actuarial Fees - \$100.00
- Supervisory Levy- \$259.00
- Filing Fees - \$54.00

Declaration: We hereby declare that these minutes are a true and correct meeting.



Chris Sells
Atf CR & LD Sells SMSF



Leeanne Sells
Atf CR & LD Sells SMSF

SMSF investment strategy

Investment Strategy for CR & LD Sells SMSF

Adopted by the Trustee's on 1 July 2019

Introduction

The purpose of this statement is to document the investment objectives and strategy formulated by the Trustees of the CR & LD Sells SMSF ('the Fund') in relation to the investment of the assets of the Fund.

1. Fund overview

1.1. Fund details

The Fund will be maintained for the sole purpose of providing retirement benefits to members and death benefits to their beneficiaries in accordance with section 62 of the SIS Act.

The membership profile of the Fund is as follows:

Member name	Age	Expected years to retirement age	Account balance	Asset structure	Accumulation / Pension phase balance
Christopher Sells	69	0	\$426,817	Investments	Pension
Leeanne Sells	59	6	\$204,169	Investments	Accumulation

1.2. Fund trustee

The trustee(s) of the Fund are:

Directors of the Corporate Trustee CR & LD Sells SMSF Pty Ltd

Christopher Robin Sells

Leeanne Dorothy Sells

2. Investment objectives

2.1. General objectives

The Trustees of the Fund have the following general objectives:

- Ensure the Funds' assets are at all times invested in accordance with the trust deed and comply with the applicable legislative / regulative requirements.
- Consider the levels of diversification achieved within the Fund's portfolio, and assess the associated risks where it is determined that the portfolio lacks diversification and / or has elected to implement a sector bias.
- Consider the Fund's liquidity levels and its ability to meet payments and liabilities as they fall due.
- Consider whether the Fund should hold a contract of insurance that provides insurance cover for one or more members of the fund.

2.2 Specific objectives - investment

The Trustees of the Fund have the following investment objective:

- To establish and maintain an investment portfolio that will allow the members to generate sufficient benefits so as to provide for their retirement.

- The Trustees expect that returns will vary each year and acknowledge that there may be years when a negative return may occur.
- The Trustees may implement a gearing strategy to grow capital over the long term, provided the borrowing arrangement is carried out in accordance with the requirements set out in the trustee deed and superannuation law.

Having considered the specific liabilities on the Fund in relation to the members, the trustee has determined to adopt the following investment objective for the Fund:

- To adopt an aggressive portfolio of investments, which should aim to achieve an average investment return that exceeds inflation by at least 2.00% when measured over a 5 to 10 year time frame.

3. Investment strategy

To achieve the outlined objectives, investment risk may be mitigated by investing in a broad range of asset classes. The Trustee acknowledges that diversification can result in a significant reduction to return volatility whilst achieving the anticipated level of return. A proportion of the Fund's assets will be invested in cash with some of this provisioned to meet benefit payments and Fund expenses. This cash position will be kept under review.

To achieve the outlined objectives, the Fund will invest majority of its portfolio in Australian Shares and hold a small proportion in cash. Some of the cash has been provisioned to meet insurance payments, tax and Fund expenses. The Fund's liquidity position will be reviewed regularly in view of the allocation to Australian and International Shares.

In relation to liquidity, the Trustees have appropriately considered the age of the members and the likelihood that assets may need to be redeemed and considered what proportion, if any, of the Fund's assets need to be held in highly liquid assets.

3.1. Asset allocation

The strategic asset allocation ranges (benchmark range) that the Fund's sector exposures will be maintained within and the benchmark allocation for the Fund are as follows:

Asset class - Growth	Benchmark allocation	Benchmark range
Cash	98.75%	0.00% - 100.00%
Diversified fixed interest	0%	0.00% - 90.00%
Direct property	0%	0.00% - 90.00%
Listed property securities	0%	0.00% - 50.00%
International shares	0%	0.00% - 90.00%
Australian shares	1.25%	0.00% - 99.00%
Other allowable investments	0%	0.00% - 90.00%
Total	100.00%	

3.2. Review

The appropriateness of this investment strategy will be formally assessed at least once a year and will be kept under constant review to reflect any fundamental changes in the investment environment or changes to member's circumstances.

The Trustees may rely on a professional adviser for advice on insurance and investment-related matters including the management of the Fund's assets.

4. Reserves

The Trustees, subject to any restrictions in the trust deed, may maintain a reserve for the purpose of smoothing investment returns credited to member, the payment of the Fund's expenses, or as determined by the actuary in relation to defined benefit pensions provided by the Fund. The assets backing the reserve will be invested in accordance with the investment objectives and strategy as other assets of the Fund.

5. Monitoring

The Trustees shall monitor the overall performance of the Fund's investments in relation to the investment objective on at least an annual basis. As necessary, the Fund's investments will be rebalanced in accordance with the benchmark asset allocation.

If, as a consequence of a change in market values, the value of an asset class has ceased to conform to the strategic asset allocation ranges specified for that asset class, then the asset class shall nevertheless be treated as complying with this investment strategy if either:

- at its first meeting after learning that the asset or asset class is outside strategic asset allocation ranges, the Trustee determines that the value of the asset class is acceptable;
- steps are taken to re-balance in accordance with the strategic asset allocation ranges within a reasonable time.

The trustees shall monitor the overall appropriateness of the Fund's insurances in relation to the insurance objectives on at least an annual basis. The trustees will adjust the types and levels of insurances required, as when necessary.

6. Insurances

The Trustees will consider whether to hold a contract of insurance that provides insurance cover for one or more members of the Fund. When determining the insurance needs of each member the trustee will take into consideration their personal circumstances including:

- their existing insurance arrangements both inside and outside the Fund
- their income as well as their assets and liabilities
- what impact the death or disability of the member would have on their own / their beneficiaries standard of living and their ability to fund ongoing expenses as well as pay any associated medical bills and care costs
- the affordability of the cover having regard to the member's retirement savings and other financial goals.
- the availability of the cover given the member's personal circumstances.

6.1 Insurance decisions

The Trustees decisions in relation to the need to hold insurances, including the type and level of insurance to be acquired, will be documented in the minutes of Trustees meetings.

6.2 Review of insurance requirements

The Trustees will review the need to hold insurances for members as well as the type and level of insurance required on a regular basis. Any decisions to change the Fund's insurance arrangements will be recorded in the minutes of Trustee meetings.

Trustee declaration

I declare that:

- All the information provided to my adviser in this document is true, current and correct.

CSells.

x

14/6/2021

Christopher Sells as Director of Corporate Trustee CR &
LD Sells SMSF Pty Ltd for the CR & LD Sells SMSF

Date

LD Sells

x

14.6.2021

Leeanne Sells as Director of Corporate Trustee CR & LD
Sells SMSF Pty Ltd for the CR & LD Sells SMSF

Date

CR & LD SELLS SELF MANAGED SUPERANNUATION FUND
ABN 60 361 492 019
Trustees' Declaration

The trustees have determined that the fund is not a reporting entity and that the special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.


In the opinion of the trustees:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2020 present fairly, in all material respects, the financial position of the Superannuation Fund at 30 June 2020 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements; and
- (ii) the financial statements and notes to the financial statements have been prepared in accordance with the requirements of the trust deed; and
- (iii) the operation of the Superannuation Fund has been carried out in accordance with its trust deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations during the year ended 30 June 2020.

Signed in accordance with a resolution of the trustees by:



C Sells, (Trustee)



L Sells, (Trustee)

Date