

Carter Woodgate

CERTIFIED PRACTISING ACCOUNTANTS
CARTER WOODGATE Pty Ltd ACN 082 287 821 ABN 72 980 687 609

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OUR REF.:

YOUR REF.:

28TH July 2016

The Trustees
The Kambalda Boys Superannuation Fund
14 Andell Place
REDCLIFFE WA 6104

Dear Trustees

ENGAGEMENT LETTER

Australian Auditing Standards require that there must be a clear understanding in writing between the auditor and the client as to the extent of audit duties. Accordingly, we set out details of our responsibilities as auditors.

Audit of Financial Statements

In accordance with section 113 of the Superannuation Industry (Supervision) Act 1993 (SIS), the financial statements of a regulated superannuation fund must be audited by an approved auditor. The auditor must give the trustees a report on the financial statements in the approved form within the prescribed time after the year of income to which the financial statements relate.

We direct your attention to the fact that it is the trustees' responsibility for the maintenance of adequate accounting records and internal controls, the safeguarding of superannuation fund assets, the selection of accounting policies and the preparation of financial statements and returns. The trustees are required to keep minutes of meetings, reports and records of changes of trustees for a period of at least ten years.

Our audit will be conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement.

In forming our opinion of the financial statements, we will perform sufficient tests to obtain reasonable assurance as to whether:

- (i) The underlying accounting records are reliable and adequate as a basis for the preparation of the financial statements: and

- (ii) The financial position of the fund at balance date and the results for the year then ended are properly disclosed in the financial statements.

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

Because of the test nature and other inherent limitations of an audit together with the inherent limitations of any system of internal control, there is an unavoidable risk that even some material misstatement, fraud or irregularity may remain undiscovered.

In relation to tax effect accounting we will only audit the workings if the amounts are material.

Audit of SIS Compliance

For the 2015/16 year of income, we are required to express an opinion on compliance with certain aspects of SIS. Our report must refer to the following sections and regulations:

Sections 52(2)e, 52(2)d, 62, 65, 66, 67, 69-71e, 73-75, 80-85, 103, 106, 109, 111, 112, 113(1A), 121

Regulations 4.09, 5.08, 6.17, 7.04, 13.12, 13.13, 13.14

Report on Significant Matters

Under section 129 of SIS 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 Act or Regulations which we believe has occurred, is occurring or may occur.

We are also required to report any breach to the Regulator, the Australian Taxation Office.

We are also required under section 130 to report to you if we believe the fund may be, or may be about to become, in an unsatisfactory financial position. If we are not satisfied with your response as trustees as to the action taken to rectify the situation or we receive no such response, we are obliged to report the matter to the Australian Taxation Office. All auditors have these responsibilities.

In addition to our report on the financial statements, we will also report to you any material weakness in the fund's system of accounting and internal control which comes to our notice during the course of our audit.

Warranty by Trustees

The Trustees warrant, unless otherwise advised, that the fund has not received a notice of non-compliance.

Deed

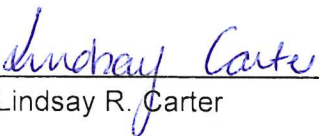
The Trustees agree to provide the Auditor with an original Deed and any amending Deeds. In particular in any year of benefit payment i.e. commencement of pension, or lump sum withdrawal, the Trustee is to again present for audit the original Deed and any amendment.

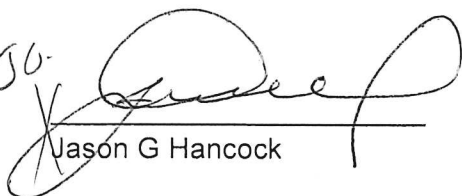
Fees


Our fees are based on the time required by the individuals assigned to the engagement plus direct out of pocket expenses. Our budgeted fee for the **audit of the fund** for the year ended 30 June 2016 is \$700 (plus GST), and will be included in your annual fee amount.

We would appreciate acknowledgment if the terms and conditions set out in this letter are not to your satisfaction.

Yours faithfully


Lindsay R. Carter

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Jason G Hancock

DS.

Dean Swinson