

BWR ACCOUNTING PTY LIMITED

Chartered Accountants

Director: Brian Roughley MTax, FCA

Liability limited by
a scheme approved
under Professional
Standards Legislation

ABN 85 102 629 550
11 Daniel Street, Granville
PO Box 205
Granville NSW 2142
Tel: 02 9637 5158
Fax: 02 9897 1424
Email: brian@bwraccounting.com.au

FILE NOTE

Date: 16.06.2020
Client: Ricca superannuation scheme

Problem with the dissection of life insurance premiums for the 2019 year.

From approximately September 2019 to June 2020 we have requested, initially from the members, documentation showing the split up of life insurance premiums for the year in order to be able to establish which member they related to. The members did not have documentation from the insurance companies for that purpose, and we resorted to contacting Matt Gildea their insurance broker directly by both email and telephone. On each of at least 10 occasions he promised to provide the relevant information which related to insurance policies with BT, Clearview and AIA.

Documentation was provided for AIA and BT in June 2020, however in relation to Clearview the only information provided related to February 2019 and prior. The Broker advised he could not get any more current information as the policies had now lapsed/been cancelled. To February 2019 the premium was \$211 for which we have a split between Carlo and Valerio Chiavaroli. And in February 2019 the premium amount changed to \$242. We discussed this problem with the members and suggested that as we know the amount of the increase we could use that percentage increase and apply it proportionately to the split of the old February 2019 premium. As this only affects premiums paid from February 2019 onwards to June 2019 any potential split error is likely to be minimal and immaterial. Both Carlo and Valerio agreed to this solution.

This note will be provided to the super fund's auditor as assurance that we have done our best to split the relevant premiums. Tony Boys the auditor has indicated that this will be acceptable.



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND



Tax agent
63623000

Planning your future®

CALCULATION OF SPLIT OF INSURANCE POLICY

Total amount paid monthly old premium is \$211.55 (split Carlo 97.72 and Val 113.82)

Total new amount paid per month is \$243.90

Percentage increase from previous premium is 15.29%

Therefore split calculated as Carlo \$112.66 and Val \$131.24

Brian Roughley