

**GEOFFREY AMBLER
CHARTERED ACCOUNTANT - AUDITOR**

21 Brimbrim Crescent
Mornington Vic 3931
Phone : 0359 754785
Mobile : 0448 045560
Email : gambler@supernerd.com.au
ABN : 67 650 731 603

5th October 2022

Mrs Daniela Mears & Mr Robert Mears
ATF RDK Mears Super Fund
52 Wattle Grove
Portsea Vic 3944

Dear Daniela & Robert,

Please find enclosed the 2021 Audit Report for the RDK Mears Super Fund as arranged through your accountants The Intelligent Financial Group.

The audit of the Superannuation Fund was conducted according to the Australian Auditing Standards and independently by myself and found that the fund had complied within the Superannuation Industry Act 1993 for the financial year ending 30th June 2021.

As part of the audit process, we require the trustees to sign a declaration that they have supplied all the relevant information needed for each year's audit. Please sign the letter attached, as well as a new client engagement letter and return to The Intelligent Financial Group.

The account for our services is enclosed.

If you have any queries in relation to the audit please do not hesitate to contact me.

Yours Faithfully



.....
GEOFFREY W. AMBLER
Chartered Accountant

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TAX INVOICE

5th October 2022

RDK Mears Super Fund
52 Wattle Grove
Portsea Vic 3944

Fee for Professional Services Rendered in relation to the Audit of the RDK Mears Super Fund for the year ended 30th June 2021 as arranged with your accountants The Intelligent Financial Group.

**Fee \$ 450
Inc Gst**

Banking Details - BSB - 083 861
Account Number - 048890751
Account Name - GW Ambler Office Account
National Australia Bank

Terms: Payment within 14 days of date of Invoice

**SELF-MANAGED SUPERANNUATION
FUND INDEPENDENT AUDITOR'S REPORT**

Approved SMSF Auditors Details

Name: Geoffrey William Ambler
Business name: Geoff Ambler
Business postal address: 21 Brimbrim Cres. Mornington Vic 3931
SMSF auditor number (SAN): 100199479

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name : RDK Mears Super Fund
Australian business number (ABN) or tax file number (TFN) : 912 054 164
Fund Address: 52 Wattle Grove Portsea Vic 3944
Year of income being audited: Year Ended 2021

To the SMSF trustees of the RDK Mears Super Fund:

Part A: Financial audit

Opinion

I have audited the special purpose financial report of the RDK Mears Super Fund comprising the statement of financial position as at 30 June 2021, and the operating statement, a summary of significant accounting policies and other explanatory notes.

In my opinion, the financial report presents fairly, in all material respects, in accordance with the accounting policies described in the notes to the financial report, statements, the financial position of the fund at 30 June 2021 and the results of its operations for the year then ended.

Basis for Opinion

My audit has been conducted in accordance with Australian Auditing Standards (issued by the Auditing and Assurance Standards Board). My responsibilities under those standards are further described in the *Approved SMSF Auditor's Responsibilities for the Audit of the Financial Report* section of this report.

I am independent of the SMSF in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to this audit and as required by the *Superannuation Industry (Supervision) Regulations 1994* (SISR). I have also fulfilled my other ethical responsibilities in accordance with the Code. In particular, neither myself or my firm assumed a management responsibility for the fund. My firm did not prepare the financial statements for the fund.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter - Basis of accounting

I draw attention to note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the RDK Mears Super Fund meet the requirements of the SMSF's governing rules, the *Superannuation Industry (Supervision) Act 1993* (SISA) and the SISR. As a result, the financial report may not be suitable for other purposes and should not be distributed to parties other than the trustees. My opinion is not modified in respect of this matter.

Responsibilities of the SMSF trustees for the financial report

Each SMSF trustee (individual trustee or director of the corporate trustee) is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the SMSF's governing rules, the SISA and the SISR. Each trustee is also responsible for such internal controls as they determine are necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustees are responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees intend to wind-up the fund or have no realistic alternative but to do so.

Each SMSF trustee is responsible for overseeing the fund's financial reporting process.

Approved SMSF auditor's responsibilities for the audit of the financial report¹

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of trustees taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of an internal control.
- Obtain an understanding of internal controls relevant to the audit 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 fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial report or if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I have communicated with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I may identify during the audit.

Part B: Compliance engagement

Opinion

I have undertaken a reasonable assurance engagement on the RDK Mears Super Fund 's compliance, in all material respects, with the applicable provisions of the SISA and the SISR as listed below ("the listed provisions") for the year ended 30 June 2021.

Sections: 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K

Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA

In my opinion, each trustee of the RDK Mears Super Fund has complied in all material respects, with the listed provisions, for the year ended 30 June 2021.

Basis for Opinion

I have conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3100 Compliance Engagements issued by the Auditing and Assurance Standards Board.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independence and quality control

I have complied with the independence and other ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements / ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*² in undertaking this assurance engagement. In particular, neither myself or my firm assumed a management responsibility for the fund.

SMSF trustees' responsibilities

Each SMSF trustee is responsible for complying with the listed provisions and for the identification of risks that threaten compliance with the listed provisions, controls which will mitigate those risks and monitoring ongoing compliance.

Approved SMSF auditor's responsibilities

My responsibility is to express an opinion on the trustees' compliance, in all material respects, with the listed provisions, for the year ended 30 June 2021 ASAE 3100 *Compliance Engagements* requires that I plan and perform my procedures to obtain reasonable assurance about whether the trustee have complied, in all material respects, with the listed provisions for the year ended 30 June 2021

An assurance engagement to report on the trustees' compliance with the listed provisions involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the compliance requirements. The procedures selected depend on my judgement, including the identification and assessment of risks of material non-compliance.

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the listed provisions for the year ended 30 June 2021

These tests have not been performed continuously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the SISA and the SISR apart from those specified.

Inherent limitations

Due to the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with the listed provisions may occur and not be detected.

A reasonable assurance engagement for the year ended 30 June 2021 does not provide assurance on whether compliance with the listed provisions will continue in the future.

SMSF Auditor's name

Geoffrey William Ambler



SMSF Auditor's signature

Date audit completed:

5th October 2022

Appendix 1 – Explanation of listed sections and regulations in compliance engagement

This appendix is included to assist with the meaning of the legislation and regulations listed above

Section or Regulation	Explanation
S17A	The fund must meet the definition of an SMSF
S35AE	The trustees must keep and maintain accounting records for a minimum of five years
S35B	The trustees must prepare, sign and retain accounts and statements
S35C(2)	The trustees must provide the auditor with the necessary documents to complete the audit in a timely and professional manner; and within 14 days of a written request from the auditor
S62	The fund must be maintained for the sole purpose of providing benefits to any or all of the following: <ul style="list-style-type: none"> • fund members upon their retirement • fund members upon reaching a prescribed age • the dependants of a fund member in the case of the member's death before retirement
S65	The trustees must not loan monies or provide financial assistance to any member or relative at any time during the financial year
S66	The trustees must not acquire any assets (not listed as an exception) from any member or related party of the fund
S67	The trustees of the fund must not borrow any money or maintain an existing borrowing (not listed as an exception)
S67A & 67B	The fund must comply with the limited recourse borrowing arrangement rules when borrowing to purchase single acquirable asset or replacement assets (not listed as an exception to the borrowing rules)
S82-85	The trustees must comply with the in-house asset rules
S103	The trustees must keep minutes of all meetings and retain the minutes for a minimum of 10 years

S104	The trustees must keep up to date records of all trustee or director of corporate trustee changes and trustee consents for a minimum of 10 years
S104A	Trustees who became a trustee on or after 1 July 2007 must sign and retain a trustee declaration
S105	The trustees must ensure that copies of all member or beneficiary reports are kept for a minimum of 10 years
S109	All investment transactions must be made and maintained at arms- length – that is, purchase, sale price and income from an asset reflects a true market value/rate of return
S126K	A disqualified person cannot be a trustee, investment manager or custodian of a superannuation fund
Sub Reg 1.06 (9A)	Pension payments must be made at least annually, and must be at least the amount calculated under Schedule 7
Reg 4.09	Trustees must formulate, regularly review and give effect to an investment strategy for the fund
Reg 4.09A	The assets of the SMSF must be held separately from any assets held by the trustee personally or by a standard employer sponsor or an associate of the standard employer sponsor
Reg 5.03	Investment returns must be allocated to members in a manner that is fair and reasonable
Reg 5.08	Member minimum benefits must be maintained in the fund until transferred, rolled over, allotted (to the member's spouse) or cashed out in a permitted fashion
Reg 6.17	Payments of member benefits must be made in accordance with Part 6 or Part 7A of the regulations and be permitted by the trust deed
Reg 7.04	Contributions can only be accepted in accordance with the applicable rules for the year being audited
Reg 8.02B	When preparing accounts and statements required by subsection 35B(1) of SISA, an asset must be valued at its market value
Reg 13.12	Trustees must not recognise an assignment of a super interest of a member or beneficiary
Reg 13.13	Trustees must not recognise a charge over or in relation to a member's benefits
Reg 13.14	Trustees must not give a charge over, or in relation to, an asset of the fund
Reg 13.18AA	Investments in collectables and personal use assets must be maintained in accordance with prescribed rules

Geoffrey W.Ambler
21 Brimbrim Crescent
Mornington, Vic, 3931

**RDK Mears Super Fund
Trustee Representation Letter**

In connection with your audit examination of the financial report of the RDK Mears Super Fund for the year ended 30 June 2021, we hereby confirm, at your request that to the best of our knowledge and belief, the following representation relating to the accounts are correct.

Financial Report

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation of the financial report.

The Trustee have determined that the fund is not a reporting entity for the year ended 30 June 2021 and that the requirement to apply Australian Accounting Standards and other mandatory reporting requirements do not apply to the fund. 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 the SISR, and to confirm that the financial report is free of material misstatements, including omissions.

Sole Purpose

The fund has been maintained for the sole purpose of providing superannuation benefits to its members and their dependents.

Superannuation Fund Books/Records/Minutes

- (a) We have made available to you all financial records and related data, other information, explanations and assistance necessary for the conduct of the audit.
- (a) We have made available to you Minutes of all trustee(s)' meetings and the Trust Deed.
- (b) We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
- (c) Records maintained during the period were in accordance with the Australian Taxation Office requirements.

Asset Form

The assets of the superannuation fund are being held in a form suitable for the benefit of the members of the fund, and have been held in accordance with the fund's investment strategy.

Ownership and Pledging of Assets

The superannuation fund has satisfactory title to all assets disclosed in the Statement of Financial Position. Investments are registered in the name of the trustee(s).

No assets of the superannuation fund have been pledged to secure liabilities of the superannuation fund or of others.

Investments

- (a) We have considered the requirement of generally accepted accounting standards in regard to impairment of assets when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount.
- (d) There are no commitments, fixed or contingent, for the purchase or sale of long-term investments that have not been disclosed in the financial statements.
- (e) The investment strategy has been determined and reviewed with due regard to risk, return, liquidity, diversity and the insurance needs of fund members, and the assets of the fund are in line with this strategy.
- (f) All investments are acquired, maintained and disposed of on an arm's length basis.

Contributions

Concessional contributions, if any, received by the fund have been reviewed in line with the limits imposed by the legislation, taking into account contributions paid to other superannuation funds.

Non-concessional contributions, if any, received by the fund have been reviewed in line with the limits imposed by the legislation, taking into account contributions paid to other superannuation funds. To the best of our knowledge, non-concessional contributions received are in line with member specific contribution caps.

Any excess contributions will be dealt with as required by the ATO.

Trust Deed

The superannuation fund is being conducted in accordance with its governing rules, and you have been provided with copies of any updates to the governing rules made during the financial year.

Income Tax Assessment Act, Superannuation Industry (Supervision) Act and Regulations

- (a) The fund meets the definition of a self-managed superannuation fund under SISA.
- (b) The fund has been conducted in accordance with the SISA, the SISR and its governing rules at all times during the year. Also, there were no amendments to the governing rules during the year, except as notified to you.
- (c) The fund is being conducted in accordance with SISA and SISR, in particular the relevant requirements of the following provisions:
Sections: 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67,67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K
Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA
- (d) The trustee(s) have been nominated and may only be removed in such manner and circumstances as are allowed in the Trust Deed.
- (e) The trustees are not disqualified persons under s126K of SISA.
- (f) Any vacancy among the trustee(s) is filled in accordance with the Trust Deed.
- (g) The trustee(s) have complied with all Trustee standards set out in SISR and the covenant prescribed by section 52 of the SISA.
- (h) The trustee(s) have complied with all investment standards set out in the SISA and the SISR.
- (i) Information retention obligations have been complied with.

- (g) All contributions accepted and benefits paid have been in accordance with the governing rules of the fund and relevant provisions of the SISA and the SISR.
- (h) We have calculated income tax expense, current tax liability, deferred tax liability and deferred tax asset according to the definitions of taxable income and allowable deductions. We have calculated and recognised all other applicable taxes according to the relevant tax legislation.
- (i) There are no activities that invoke the anti-avoidance provisions of any applicable tax legislation.

All known instances of non-compliance or suspected non-compliance with the relevant Income Tax Assessment Act or the SIS legislation whose effect should be considered when preparing the financial report, or that impact your obligation to report certain matters to the Australian Taxation Office have been disclosed to you.

Commitments

- (a) There are no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.
- (a) There were no commitments for purchase or sale of securities or assets or any options given by the fund including options over share capital.

Borrowings

The trustees have not borrowed money on behalf of the superannuation fund with the exception of borrowings which were allowable under the SIS Act and the SIS Regulations.

Related Parties

- (a) The fund has not made any loans to, or provided financial assistance to members of the fund or their relatives.
- (b) No asset has been acquired from a member or a related party other than as permitted under the SISA and the SISR.
- (c) Related party transactions and related amounts receivable or payable have been properly disclosed in the financial statements.

Accounting Misstatement Detected by Audit

There has been no misstatement noted by audit during the course of the current year audit.

Insurance

The superannuation fund has an established procedure whereby an officer reviews at least annually the adequacy of insurance cover on all assets and insurable risks where relevant. This review has been performed and where it is considered appropriate, assets and insurable risks of the superannuation fund are adequately covered by insurance.

Accounting Estimates

We confirm the significant assumptions used in making accounting estimates are reasonable.

Fair Value Measurements and Disclosures

We confirm the significant assumptions used in fair value measurements and disclosures are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the fund.

Going Concern

In the opinion of the trustees there are reasonable grounds to believe that the superannuation fund will be able to:

- Pay its debts as and when they fall due.
- Continue as a going concern for the foreseeable future.

We, therefore, confirm that the going concern basis is appropriate for the financial report.

Events after Balance Sheet Date

We are not aware of any events that have occurred between the financial reporting date to the date of this letter that we need to disclose or recognise in the financial report.

Comparative Information

We confirm that there have been no restatements made to correct a material misstatement in the prior period financial report that affects the comparative information.

Fraud and Error

- (a) There has been no:
 - (i) Fraud, error, or non-compliance with laws and regulations involving management or employees who have a significant role in the internal control structure.
 - (ii) Fraud, error, or non-compliance with laws and regulations that could have a material effect on the financial report.
 - (iii) Communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.
- (b) The superannuation fund has disclosed to the auditor all significant facts relating to any frauds or suspected frauds known to management that may have affected the superannuation fund.
- (c) The superannuation fund has disclosed to the auditor the results of its assessment of the risk that the financial report may be materially misstated as a result of fraud.

Internal Controls

We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. We have established and maintained an adequate internal control structure to facilitate the preparation of a reliable financial report and to ensure that the assets of the superannuation fund are safeguarded from fraud or error. We have assessed the risk that the financial report may be materially misstated as a result of fraud and advise we have no knowledge of any actual, suspected or alleged fraud affecting the superannuation fund. There have been no irregularities that could elude to a fraud affecting the fund.

The superannuation fund does not have a formal process of identifying, estimating or assessing business risks relevant to the financial reporting objectives, and this is considered appropriate in the circumstances.

There are no specific risks arising from the information technology utilised by the superannuation fund that require attention by the trustee(s).

To monitor internal controls over financial reporting, we review all reports provided by the information technology systems utilised by the superannuation fund for accuracy. This assists in determining if the information is sufficiently reliable for financial reporting purposes.

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

Legal Matters

We confirm that all matters that may result in legal action against the fund or the trustees in respect of the fund, have been discussed with a solicitor and brought to the attention of the auditor so that a solicitor's representation letter may be obtained.

General

- (a) Neither the superannuation fund nor any trustees have any plans or intentions that may materially affect the book value or classification of assets and liabilities at balance sheet date.
- (d) There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.
- (e) The superannuation fund has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.

We understand that your examination was made in accordance with the Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the fund taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Signed on behalf of the Trustees of the RDK Mears Super Fund

Daniela Mears – Individual Trustee

Robert Mears – Individual Trustee

GEOFFREY AMBLER

CHARTERED ACCOUNTANT - AUDITOR

21 Brimbrim Crescent
Mornington Vic 3931
Phone : 0359 754785
Mobile : 0448 045560
Email: gambler@supernerd.com.au
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Engagement Letter

Mrs Daniela Mears & Mr Robert Mears
ATF RDK Mears Super Fund

Further to your request for me to act as Auditor of the RDK Mears Super Fund ('the Fund') for the year ended 30 June 2021 I hereby consent to the appointment and would like now to set out my understanding of the terms of this engagement.

Audit Scope

In accordance with Section 35C of the *Superannuation Industry (Supervision) Act 1993* ('SISA'), I am required to give you a report, in the approved form, known as an 'Independent Auditor's Report', on the operations of the Fund for each financial year for which I am appointed. More specifically, my report must include an opinion on the special purpose financial report of the Fund, as well as the Fund's compliance with the following specific sections of SISA and the *Superannuation Industry (Supervision) Regulations 1994* ('SISR').

Sections: 17A, 35AE, 35B, 35C(2), 52B(2)(d), 52B(2)(e), 62, 65, 66, 67, 67A, 67B, 69-71E, 73-75, 80-85, 103, 104A, 109, 126K

Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA

My procedures with respect to Regulation 4.09 will include testing that you have an Investment Strategy and that you have given consideration to risk, return, liquidity, diversification, the insurance needs of the Fund's members and that the Fund's investments are made in line with that Investment Strategy. No opinion is made on the Investment Strategy or its appropriateness to the Fund's members.

My procedures do not include a review of the Fund's self-managed superannuation fund annual return, although I may peruse it to identify areas that require my close attention. Accordingly, no opinion will be given and no responsibility taken for any issues arising from any inaccuracies in the return lodged.

Auditor Responsibilities, Audit Objectives and Audit Approach

My audit will be conducted in accordance with the Australian Auditing Standards, the applicable standards on Assurance Engagements and with the relevant professional and ethical standards issued by the Accounting Professional and Ethical Standards Board Limited ('APESB'), with the objective of providing an opinion on the items contained within, and confined to, the audit scope. I confirm that, to the best of my knowledge, my staff and I, currently meet the independence requirements of APES 110 and have complied with the competency standards set by ASIC.

My audit of the Fund's Financial Report will be planned and conducted primarily to enable me to express my professional opinion as to whether the financial statements comply with Australian Accounting Standards and your reporting requirements under a special purpose reporting framework, so as to have reasonable expectations of detecting those material misstatements arising as a result of irregularities which would have a material effect on the financial statements. Unless otherwise agreed with you, I assume no

responsibility to design audit procedures to identify matters that may be appropriate to report to you. However, if I encounter matters during the course of my audit that I believe should be brought to your attention, I will communicate these matters to you. I note that my communication to you may be directed to you through the accountant, administrator or financial advisor you may have engaged to complete the Fund's financial statements and maintain its member records.

The work undertaken by my staff and I ('us') to form an opinion is determined by judgement, in particular regarding the nature, timing and extent of the audit procedures for the gathering of audit evidence, and the drawing of conclusions based on the audit evidence gathered. In addition, there are inherent limitations in any audit, and these include the use of testing, the inherent limitations of any internal control structure, the possibility of collusion to commit fraud, and the fact that most audit evidence is persuasive rather than conclusive. As a result, my audit can only provide reasonable – not absolute – assurance that the financial statements are free from material misstatement. The report provided at the completion of the audit shall not be inferred or used for any purpose other than for which it was specifically prepared.

Trustee Responsibilities

I direct your attention to the fact you are responsible for the maintenance of adequate accounting records and internal controls, the safeguarding of superannuation fund assets, the selection of accounting policies, the preparation and fair presentation of financial statements in accordance with a special purpose financial reporting framework, and compliance with SISA and SISR. In particular, I remind you that you are responsible for the implementation and operation of accounting and internal control systems necessary to enable the preparation of the financial report that is free from material misstatements whether due to fraud or error.

As part of the audit process, my staff and I ('we') may request from you, your accountant, administrator or financial advisor, written confirmation concerning representations made to us in connection with the audit. Please note, Section 35C(2) of SISA requires a trustee to give an auditor a document within 14 days if requested in writing by the auditor. For the purposes of this section, a request in writing to the trustee(s) will include an email sent by us to your accountant, administrator or financial advisor.

Report on Compliance Matters

In accordance with Section 129 of SISA, I am required to report to you in writing if during the course or in connection with my audit, I become aware of any contravention of SISA or SISR which I believe has occurred, is occurring or may occur. I am also required under Section 130 of SISA to report to you if I believe the Fund may be, or be about to become, in an unsatisfactory financial position. Where the contravention is of such a nature that it meets the reporting criteria established by the Australian Taxation Office, then I am also obliged to report the matter to the Australian Taxation Office by way of an Auditor Contravention Report.

Report on Other Matters

As well as reporting to you, either directly or through your accountant, administrator or financial advisor, any compliance matters that may have arisen during the audit, I may also report to you any matters arising from the financial audit and any other issues I believe should be brought to your attention. You should not however assume that any management letter issued will indicate all matters that you should be aware of in meeting your responsibilities.

If there are no matters for me to report to you, I will not provide a management letter.

Privacy and Quality Control

The conduct of my audit shall be in accordance with Australian Auditing Standards, which means that information acquired by us in the course of my audit is subject to strict confidentiality requirements. Geoff Ambler is also subject to the Privacy Act 1988 in its handling of personal information. We will not use any personal information obtained during the audit for any purpose other than for the purpose of conducting the audit.

We will keep secure personal information obtained during the audit to ensure it is not misused, lost, or improperly accessed, modified, or disclosed. After completing the audit, we will return to you any original documents we have obtained from you, your accountant, administrator or financial advisor during the course of the audit. Documentation forwarded to us electronically, or that is not an original, will not be returned to you unless specifically requested. Information will not be disclosed by us to other parties except as required or allowed for by law or professional standards, or with your authority. I wish to draw your attention to our firm's system of quality control which has been established and maintained in accordance with the relevant APESB standard. As a result, my audit files may be subject to review as part of the quality control review program of Chartered Accountants Australia and New Zealand, which monitors compliance with professional standards by its members. I advise you that by signing this letter you acknowledge that, if requested, my audit files relating to this engagement will be made available under this program. Should this occur, I will advise you. My files may also be reviewed by the Australian Taxation Office in its capacity as Regulator of self-managed superannuation funds. Should this occur, I will advise you.

Fees

My fees are based on the time required by the individuals assigned to the engagement plus direct out of pocket expenses. Please note this fee is inclusive of the goods and service tax ('GST').

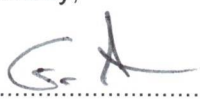
Fees – Compliance Breaches

In situations where the Fund has contravened the SISA or SISR, further audit work will be required. Where the contravention is of such a nature that an Auditor Contravention Report is required to be lodged, an additional fee's will be charged.

Confirmation of Terms and Conditions

This letter will be effective for future years unless I advise you of its amendment or replacement, or if the engagement is terminated. Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements of the audit of the financial statements and SIS compliance. By signing and returning the attached copy of this letter you are also taken to have acknowledged and agreed to your responsibilities outlined above.

Yours faithfully,

Signed 

Geoffrey Ambler

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Daniela Mears – Individual Trustee

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Robert Mears – Individual Trustee