

4 January 2024

The Trustees  
J & G Welsh Superannuation Fund  
c/- Dodd Accounting  
Suite 3  
2 - 6 Hunter St  
**Parramatta NSW 2150**

Dear Trustees,

**Subject: Actuarial Certificate – Tax Exempt Percentage for the 2022/23 year  
J & G Welsh Superannuation Fund**

Thank you for requesting this actuarial certificate from Verus SMSF Actuaries.

Results

We calculate that the tax exempt percentage for J & G Welsh Superannuation Fund in the 2022/23 financial year is **57.33%**.

More Information

Further details regarding this actuarial certificate are contained in the appendices, including:

- Appendix 1: Data Summary
- Appendix 2: Detailed Results
- Appendix 3: Further Information

Note that the results in this certificate are based on the information provided to us. If there are any material changes to the information provided, please contact us, as the results may need to be updated.

If you would like to discuss any aspect of this actuarial certificate, please don't hesitate to contact us.

Yours sincerely,



**Alfred Au**, B.Com, LL.B. (Hons), FIAA  
Consulting Actuary

Verus Reference Number: ZA14042047004

## Actuarial Certificate – Section 295-390 of the Income Tax Assessment Act

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### Appendix 1 - Data Summary

#### Contact Details

Name	Toby Dodd
Company	Dodd Accounting
Telephone	02 9747 5777

#### Fund Details

Fund Name	J & G Welsh Superannuation Fund
Name of Trustees	Gregory Brent Welsh
	Jennifer Margaret Welsh
Tax Year for Actuarial Certificate	2022/23
ABN of Fund	18 547 085 430

#### Member Details

Members' Names	Gregory Brent Welsh
	Jennifer Margaret Welsh

#### Financial Details

	Amount (\$)
Opening Balance at 1 July 2022	925,540.52
Concessional Contributions	43,220.63
Non-concessional Contributions	0.00
Rollovers-in	0.00
Rollovers-out	0.00
Lump Sum and Pension Benefits Paid	27,370.18
Other Net Income	(4,742.09)
Closing Balance at 30 June 2023	936,648.88

We understand that the Fund's financial statements have not been audited at the time this certificate has been prepared.

#### Segregation

The Fund did not have any segregated current pension assets during the financial year.

**Appendix 2 - Detailed Results**

Tax Exempt Percentage

This actuarial certificate has been prepared to provide the tax exempt percentage applying to J & G Welsh Superannuation Fund for the 2022/23 financial year.

During the 2022/23 financial year, the Fund contained only member accounts in accumulation phase and account based pensions. Therefore no assumptions about future inflation, investment returns or discount rates have been required to calculate the tax exempt percentage. Only data regarding the Fund’s balances in accumulation phase and the Fund’s balances in retirement phase plus details of transactions within, to and from the Fund during the year have been provided for this calculation.

Using the data supplied, we have calculated the tax exempt percentage based on the ratio below:

$$\frac{\text{Average value of current pension liabilities}}{\text{Average value of superannuation liabilities}} = \frac{\$532,484}{\$928,823} = 57.33\%$$

The values for the current pension liabilities and the superannuation liabilities shown above are time weighted average balances over the financial year. Segregated current pension assets and segregated non-current assets (if any) have been excluded from the values shown above.

Member Breakdown

To assist you, we have also calculated the breakdown of the tax exempt percentage between the Fund’s members, as follows:

<b>Member Name</b>	<b>Tax Exempt Percentage</b>	<b>Taxable Percentage</b>
Gregory Brent Welsh	0.00%	42.59%
Jennifer Margaret Welsh	57.33%	0.08%
Reserve	0.00%	0.00%
<b>Total</b>	<b>57.33%</b>	<b>42.67%</b>

This breakdown between members is not required for the Fund’s tax return, but may assist in other ways, for example with allocating the Fund’s tax liabilities between members.

### **Appendix 3 - Further Information**

#### Actuarial Standards

This actuarial certificate has been prepared in accordance with Professional Standard 406 of the Institute of Actuaries of Australia.

#### Other Comments

We have been informed by the trustee and/or their advisors that the relevant pension liabilities meet the requirements to be considered a retirement phase superannuation income stream. We have relied upon this information in preparing this actuarial certificate.

As required under Professional Standard 406, we are satisfied that the value of particular liabilities of the Fund at a particular time as set out in this certificate is the amount of the Fund's assets, together with any future contributions in respect of the benefits concerned and expected earnings on the assets and contributions after that time, that would provide the amount required to discharge those liabilities as they fall due.

We also document the following information items provided to us, and upon which we have relied, when preparing this certificate:

<b>Item</b>	<b>Information Provided</b>
Does the Fund meet the definition of Disregarded Small Fund Assets for the tax year covered by this certificate?	No
Have the trustee(s) chosen (if eligible) to treat all of the assets of the fund as not being segregated current pension assets for the whole of the tax year covered by this certificate?	Yes

#### Requirement for and Use of Actuarial Certification

This actuarial certificate is required so that the Fund can claim an exemption from tax on the investment income derived from the unsegregated assets supporting members' balances that are in retirement phase. The certificate should be obtained before the Fund submits its tax return. It does not need to be submitted with the Fund's tax return, but should be retained in the Fund's records.

An actuarial certificate is required for a Fund that has been partly in retirement phase and partly in accumulation phase during the year and which is not applying the segregated method throughout the year. Therefore an actuarial certificate is not required if:

- The Fund was entirely in accumulation phase for the whole of the tax year; or
- The Fund was entirely in retirement phase for the whole of the tax year; or
- The Fund's retirement phase assets and accumulation phase assets were fully segregated throughout the tax year.

The tax exempt percentage should be applied to the Fund's assessable income (excluding any non-arm's length income, concessional contributions and any income derived from segregated assets) to determine how much income is exempt from tax.