

# KEDRON MANAGEMENT SERVICES PTY LTD

David C. Dossetto FIPA  
ASIC Registered SMSF Auditor No. 100079749

Accountants & SMSF Specialist Auditors  
ABN 89 264 918 074

15 March 2020

The Trustees  
Adam & Rebecca Heath Private Pension Fund  
12 Hoskins Drive  
Wellington Point Qld 4160

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Post PO Box 145, Kedron Qld 4031  
Office 4/245 Gympie Road, Kedron Qld 4031

Dear Adam & Rebecca,

**Re: Adam & Rebecca Heath Private Pension Fund**

I have completed my 2019 financial statements and SIS compliance audit of the annual financial statements of the Adam & Rebecca Heath Private Pension Fund. Under the auditing standards, auditors are obligated to issue a management letter after the completion of each superannuation fund audit and communicate to the client any significant matters encountered during the audit.

Our audit work is based on the information provided to us by the trustee, and we rely on such information to draw the conclusion of the audit. Whilst we provide reasonable assurance to the superannuation fund's compliance with the SIS provisions and other standards that may be applicable to the superannuation fund, we may not have identified all fraud, illegal acts, or other errors that may exist. At no time should any person rely on our audit work to disclose irregularities that may exist. It is the Trustee's responsibility to maintain an adequate system of internal control as the principal safeguard against irregularities which an audit examination may not disclose.

***In concluding our audit for 30<sup>th</sup> June 2019 we wish to advise that the life insurance is held in the names of the individual. The owner of the policy must be Rebecca Kate Heath & Adam Edward Heath ATF Adam & Rebecca Heath Private Pension Fund. Please rectify this ASAP. There are no other matters that require your attention.***

Please keep in mind that for next year's audit, we require:

- Bank statements, cheque books and deposit books
- Share buy/sell contracts, dividend statements and holding statements
- Quarterly distribution statements and annual tax statements for managed funds
- Invoices for all expenses
- Rental statements for property and invoices for associated expenses
- Confirmation of employer contributions (end of financial year payslip)
- Rollover Statements if applicable
- Life Insurance invoices and cover details if applicable

Yours faithfully,



**Lawrence C Bushell**  
Auditor



# **Self Managed Superannuation Fund Independent Auditor's Report**

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## **Approved SMSF Auditor details**

**Name:** Lawrence Charles Bushell

**Business name:** Kedron Management Services Pty Ltd

**Business postal address:** PO Box 145 Kedron Qld 4031

**SMSF Auditor number (SAN):** 100 264 453

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## **Self-managed superannuation fund details**

**Name:** Adam & Rebecca Heath Private Pension Fund

**ABN:** 49 554 197 801

**Address:** 12 Hoskins Drive, Wellington Point Qld 4160

**Year of income being audited:** 2019

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## **To the SMSF trustees**

**To the SMSF trustees of the Adam & Rebecca Heath Private Pension Fund**



## **Part A: Financial report**

### **Approved SMSF auditor's Opinion**

I have audited the special purpose financial report of the Adam & Rebecca Heath Private Pension Fund comprising the statement of financial position as 30 June 2019, and the operating statement, statement of changes in equity for the year then ended, a summary of significant accounting policies and other explanatory notes of the Adam & Rebecca Heath Private Pension Fund for the year ended 30 June 2019.

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 statements, the financial position of the fund at 30 June 2019 and the results of its operations for the year ended.

### **Basis of Opinion**

My audit has been conducted in accordance with Australian Auditing Standards<sup>1</sup>. 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 self-managed superannuation fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) as required by the Superannuation Industry (Supervision) Regulations 1994 (SISR). I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

### **Responsibilities of SMSF trustees for the financial report**

Each SMSF trustee (individual trustee or director of 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. The going concern basis of accounting is appropriate when it is reasonably foreseeable that the fund will be able to meet its liabilities as they fall due.

The trustees are responsible for overseeing the fund's financial reporting process.

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<sup>1</sup>The Australian Auditing Standards issued by the Auditing and Assurance Standards Board.



## **Approved SMSF auditor's responsibilities for the audit of the financial report**

My responsibility is to express an opinion on the financial report based on my audit. I have conducted an independent audit of the financial report in order to express an opinion on it to the trustees.

My objective is 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.

I have complied with the competency standards set by Australian Securities & Investments Commission (ASIC). My audit has been conducted in accordance with Australian Auditing Standards. These standards require that I comply with relevant ethical requirements relating to audit engagements, and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

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 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 communicate 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 identify during the audit.





## **Part B: Compliance report**

### **Approved SMSF Auditor's Opinion**

I have performed a reasonable assurance engagement on the Adam & Rebecca Heath Private Pension Fund to provide an opinion in relation to its compliance, in all material respects, with the applicable provisions of the SISA and the SISR as listed below in the *Approved SMSF auditor's Responsibility* section of this report.

In my opinion, [except for the matter/s referred to below] each trustee of Adam & Rebecca Heath Private Pension Fund has complied, in all material respects, with the applicable provisions of the SISA and the SISR specified below, for the year ended 30 June 2019.

### **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 requirements in accordance with the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) as required by the SISR.

I/My firm apply/applies Australian Standard on Quality Control 1 ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

I have complied with the competency standards set by ASIC.

### **SMSF trustees' responsibility for compliance**

Each SMSF trustee is responsible for complying with the requirements of the SISA and the SISR and for identifying, designing and implementing internal controls as they determine necessary to meet compliance requirements and monitor ongoing compliance.

### **Approved SMSF auditor's responsibility for the compliance report**

My responsibility is to express an opinion on the trustees' compliance with the applicable requirements of the SISA and the SISR, based on the compliance engagement. My procedures included testing that the fund has an investment strategy that complies with the SISA and that the trustees make investments in line with that strategy, however, no opinion is made on its appropriateness to the fund members.

My reasonable assurance engagement has been conducted in accordance with applicable Standards on Assurance Engagements issued by the Auditing and Assurance Standards Board, to provide reasonable assurance that the trustees of the fund have complied, in all material respects, with the relevant requirements of the following provisions (to the extent applicable) of the SISA and the SISR.

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

An assurance engagement to report on the fund's compliance with the applicable requirements of the SISA and the SISR 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 SISA and the SISR for the year ended 30 June 2019.

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 does not provide assurance on whether compliance with the listed provisions will continue in the future.

**SMSF Auditor's name**

**Lawrence Charles Bushell**

**SMSF Auditor's signature**

  
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**Date audit completed**

**15 March 2020**



## Appendix 1 – Explanation of listed sections and regulations in compliance report

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"> <li>• fund members upon their retirement</li> <li>• fund members upon reaching a prescribed age</li> <li>• the dependants of a fund member in the case of the member's death before retirement</li> </ul>
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





**Adam & Rebecca Heath Private Pension Fund**

ABN 49 554 197 801

Financial Statements  
For the year ended 30 June 2019

**Pearson Group Nominees Pty Ltd**

Accountants - Corporate Advisors

38 Radley Street

Virginia 4014

Email: [admin@pearson-group.com.au](mailto:admin@pearson-group.com.au)



**Adam & Rebecca Heath Private Pension Fund**  
**ABN 49 554 197 801**

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Adam & Rebecca Heath Private Pension Fund

ABN 49 554 197 801

Detailed Operating Statement

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Net assets available to pay benefits at the beginning of the year		71,107.22	57,811.51
<b>Revenue</b>			
Employers contributions		10,544.44	16,299.74
Interest received		727.60	853.63
Total revenue		11,272.04	17,153.37
<b>Expenses</b>			
Filing fees		259.00	259.00
Life Insurance Expense		1,519.25	1,252.36
Total expenses		1,778.25	1,511.36
<b>Surplus (Deficit)</b>		<b>9,493.79</b>	<b>15,642.01</b>
Income tax expense		1,424.07	2,346.30
<b>Surplus (Deficit) After Income Tax</b>		<b>8,069.72</b>	<b>13,295.71</b>
<b>Net Assets Available to Pay Benefits at End of Period</b>		<b>79,176.94</b>	<b>71,107.22</b>

The accompanying notes form part of these financial statements.



**Adam & Rebecca Heath Private Pension Fund**  
**ABN 49 554 197 801**  
**Detailed Statement of Financial Position as at 30 June 2019**

	2019	2018
	\$	\$
<hr/>		
<b>Other Assets</b>		
Cash at bank - Westpac # 7025	86,457.58	74,431.76
Cash at bank - Westpac # 7009	509.63	2,782.66
Total other assets	<u>86,967.21</u>	<u>77,214.42</u>
Total assets	<u>86,967.21</u>	<u>77,214.42</u>
<b>Liabilities</b>		
Taxation	6,495.27	5,071.20
Filing Fees Payable	1,295.00	1,036.00
Total liabilities	<u>7,790.27</u>	<u>6,107.20</u>
<b>Net Assets Available to Pay Benefits</b>	<u><u>79,176.94</u></u>	<u><u>71,107.22</u></u>

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The accompanying notes form part of these financial statements.





**Adam & Rebecca Heath Private Pension Fund**

**ABN 49 554 197 801**

**Member's Information Statement**

**For the year ended 30 June 2019**

	2019	2018
	\$	\$
<hr/>		
<b>Rebecca Kate Heath</b>		
Opening balance - Members fund	36,966.41	30,949.23
Increase in member's benefit for the year	3,874.29	6,017.18
Balance as at 30 June 2019	<u>40,840.70</u>	<u>36,966.41</u>
Withdrawal benefits at the beginning of the year	36,966.41	30,949.23
Withdrawal benefits at 30 June 2019	40,840.70	36,966.41

**Withdrawal Benefit**

Your withdrawal benefit is the amount you are entitled to on resignation or retirement and represent the sum of:

- member contributions
- superannuation guarantee contributions
- award contributions
- other employer contributions made on your behalf

and earnings (after income tax) associated with the above contributions.

The preserved portion of your withdrawal benefit is the amount which cannot be paid out until you permanently retire from the workforce on or after age 55. The preservation age is to be increased from 55 to 60, on a phased in basis, by 2025.

**Withdrawing Funds**

Should a member wish to withdraw some or all of their withdrawal benefits from the fund, they should contact the administrator prior to taking action to be advised of their benefit entitlements at date of disposal.

**Eligible Rollover Fund**

The Fund has selected an 'eligible rollover fund' to which it will transfer benefits belonging to 'lost' members or unclaimed benefits.

Government regulations define members as 'lost' if two consecutive reports, sent at least six months apart, are returned unclaimed to the fund.



**Adam & Rebecca Heath Private Pension Fund**

**ABN 49 554 197 801**

**Member's Information Statement**

**For the year ended 30 June 2019**

**2019**  
**\$**

**2018**  
**\$**

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Unclaimed benefits are those belonging to members who have left their employer and fail to give instructions to the Fund for the disbursement of their benefit within 90 days of exiting.

In each case the Fund will transfer these benefits to [INSERT DETAILS]. If you would like further details about this fund, or if your benefits have been transferred to it, please contact:

The Administrator

[INSERT DETAILS].

[INSERT DETAILS].

[INSERT DETAILS].

[INSERT DETAILS].

**Contact Details**

As required by the Superannuation Industry (Supervision) Regulations 1994, should you require any assistance in understanding your entitlement benefits or wish to obtain further details of your investment and entitlements, please contact, Adam Heath or write to The Trustee Adam & Rebecca Heath Private Pension Fund.



**Adam & Rebecca Heath Private Pension Fund**

**ABN 49 554 197 801**

**Member's Information Statement**

**For the year ended 30 June 2019**

	2019	2018
	\$	\$
<hr/>		
<b>Adam Edward Heath</b>		
Opening balance - Members fund	34,140.81	26,862.28
Increase in member's benefit for the year	4,195.43	7,278.53
Balance as at 30 June 2019	<u>38,336.24</u>	<u>34,140.81</u>
Withdrawal benefits at the beginning of the year	34,140.81	26,862.28
Withdrawal benefits at 30 June 2019	38,336.24	34,140.81

**Withdrawal Benefit**

Your withdrawal benefit is the amount you are entitled to on resignation or retirement and represent the sum of:

- member contributions
- superannuation guarantee contributions
- award contributions
- other employer contributions made on your behalf

and earnings (after income tax) associated with the above contributions.

The preserved portion of your withdrawal benefit is the amount which cannot be paid out until you permanently retire from the workforce on or after age 55. The preservation age is to be increased from 55 to 60, on a phased in basis, by 2025.

**Withdrawing Funds**

Should a member wish to withdraw some or all of their withdrawal benefits from the fund, they should contact the administrator prior to taking action to be advised of their benefit entitlements at date of disposal.

**Eligible Rollover Fund**

The Fund has selected an 'eligible rollover fund' to which it will transfer benefits belonging to 'lost' members or unclaimed benefits.

Government regulations define members as 'lost' if two consecutive reports, sent at least six months apart, are returned unclaimed to the fund.



**Adam & Rebecca Heath Private Pension Fund**

**ABN 49 554 197 801**

**Member's Information Statement**

**For the year ended 30 June 2019**

**2019**

**2018**

**\$**

**\$**

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Unclaimed benefits are those belonging to members who have left their employer and fail to give instructions to the Fund for the disbursement of their benefit within 90 days of exiting.

In each case the Fund will transfer these benefits to [INSERT DETAILS]. If you would like further details about this fund, or if your benefits have been transferred to it, please contact:

The Administrator

[INSERT DETAILS].

[INSERT DETAILS].

[INSERT DETAILS].

[INSERT DETAILS].

**Contact Details**

As required by the Superannuation Industry (Supervision) Regulations 1994, should you require any assistance in understanding your entitlement benefits or wish to obtain further details of your investment and entitlements, please contact, Adam Heath or write to The Trustee Adam & Rebecca Heath Private Pension Fund.





Adam & Rebecca Heath Private Pension Fund

ABN 49 554 197 801

Member's Information Statement

For the year ended 30 June 2019

	2019	2018
	\$	\$
<b>Amounts Allocatable to Members</b>		
Yet to be allocated at the beginning of the year		
Benefits accrued as a result of operations as per the operating statement	8,069.72	13,295.71
Amount allocatable to members	<u>8,069.72</u>	<u>13,295.71</u>
<b>Allocation to members</b>		
Rebecca Kate Heath	3,874.29	6,017.18
Adam Edward Heath	4,195.43	7,278.53
Total allocation	<u>8,069.72</u>	<u>13,295.71</u>
Yet to be allocated	<u>8,069.72</u>	<u>13,295.71</u>
<b>Members Balances</b>		
Rebecca Kate Heath	40,840.70	36,966.41
Adam Edward Heath	38,336.24	34,140.81
Allocated to members accounts	<u>79,176.94</u>	<u>71,107.22</u>
Yet to be allocated		
Liability for accrued members benefits	<u>79,176.94</u>	<u>71,107.22</u>

The accompanying notes form part of these financial statements.



**Adam & Rebecca Heath Private Pension Fund**

**ABN 49 554 197 801**

**Trustees' Declaration**

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The trustees of the Adam & Rebecca Heath Private Pension Fund declare that:

- (i) the financial statements and notes to the financial statements present fairly the financial position of the Fund as at 30 June 2019, and the results of its operations for the year then ended; and
- (ii) the financial statements and notes to the financial statements have been prepared in accordance with applicable Australian Accounting Standards, other mandatory reporting requirements and the provisions of the trust deed, as amended; and
- (iii) the operation of the Fund has been carried out in accordance with its trust deed and in compliance with:
  - (a) the requirements of the Superannuation Industry (Supervision) Act 1993 and Regulations; and
  - (b) applicable sections of the Corporations Act 2001 and Regulations; and
  - (c) the requirements under s 13 of the Financial Sector (Collection of Data) Act 2001; and
  - (d) the guidelines issued by the Australian Prudential Regulation Authority on derivative risk statements for superannuation entities investing in derivatives;during the year ended 30 June 2019.

Signed in accordance with a resolution of the trustees by:

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Adam Heath , (Trustee)

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Rebecca Heath , (Trustee)

Brisbane

Date



**Adam & Rebecca Heath Private Pension Fund**

**ABN 49 554 197 801**

**Independent Audit Report to the Members of Adam & Rebecca Heath Private Pension Fund**

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**Opinion**

I have audited the financial statements of Adam & Rebecca Heath Private Pension Fund for the year ended 30 June 2019, comprising the Statement of Financial Position, Operating Statement, Statement of Cash Flows, Notes to the Financial Statements and Trustees' Declaration.

In my opinion, the financial statements present fairly, in all material respects, in accordance with Australian Accounting Standards, the financial position of Adam & Rebecca Heath Private Pension Fund as at 30 June 2019 and the results of its operations, cash flows, changes in equity/reserves and changes in members' benefits for the year ended 30 June 2019.

**Basis for Opinion**

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities section of my report. I am independent of the entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

**Trustees' responsibility for the financial statements**

The RSE's trustees are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the requirements of the Superannuation Industry (Supervision) Act 1993 (SIS Act) and the Superannuation Industry (Supervision) Regulations 1994 (SIS Regulations). The trustees are also responsible for such internal controls as the trustees determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the ability of the RSE to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the RSE or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibility**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Australian Auditing Standards, I exercised professional judgement and maintained professional scepticism throughout the audit. I also:



**Adam & Rebecca Heath Private Pension Fund**

**ABN 49 554 197 801**

**Independent Audit Report to the Members of Adam & Rebecca Heath Private Pension Fund**

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- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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 internal control.
- Obtained an understanding of internal control 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 RSE'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 RSE's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my auditor opinion. My auditor conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the RSE to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 identified during my audit.





**Adam & Rebecca Heath Private Pension Fund**

**ABN 49 554 197 801**

**Independent Audit Report to the Members of Adam & Rebecca Heath Private Pension Fund**

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## **Compliance**

### **Opinion**

I have performed a reasonable assurance engagement to provide an opinion in relation to the trustees' compliance with applicable provisions under the Superannuation Industry (Supervision) Act 1993 (SIS Act), Superannuation Industry (Supervision) Regulations 1994 (SIS Regulations), APRA reporting standards, Corporations Act 2001 (Corporations Act) and Corporation Regulations 2001 (Corporation Regulations).

In my opinion the trustees of Adam & Rebecca Heath Private Pension Fund have complied, in all material respects with:

- (a) The requirements of the applicable SIS Act and SIS Regulations, APRA reporting standards, Corporations Act and Corporations Regulations specified below for the year ended 30 June 2019
- (b) The requirement to maintain an operational risk reserve at the required target amount in accordance with its ORFR strategy.

### **Basis for Opinion**

I conducted the engagement in accordance with the Standard on Assurance Engagements ASAE [ASAE 3100 Compliance Engagements / 3150 Assurance Engagements on Controls] issued by the Auditing and Assurance Standards Board.

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

### **Trustees' responsibility for compliance**

The RSE's trustees are responsible for complying with the requirements of the SIS Act, SIS Regulations, APRA reporting standards, the Corporations Act and Corporations Regulations and the conditions of its RSE licence.

The trustees are responsible, under Prudential Standard SPS 114 Operational Risk Financial Requirement (SPS 114), for maintaining financial resources at the required target amount in accordance with its Operational Risk Financial Requirement (ORFR) strategy. The financial resources held to meet the ORFR target amount must be held either as:

- (a) an operational risk reserve within an RSE;
- (b) operational risk trustee capital held by the RSE licensee; or
- (c) a combination of both an operational risk reserve held within an RSE and operational risk trustee capital held by the RSE licensee.

### **Independence and Quality Control**

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and apply Auditing Standard ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements in undertaking this assurance engagement.



**Adam & Rebecca Heath Private Pension Fund**

**ABN 49 554 197 801**

**Independent Audit Report to the Members of Adam & Rebecca Heath Private Pension Fund**

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**Independent Assurance Practitioner's responsibilities**

My responsibility is to express an opinion on the trustees' compliance with the requirements of the SIS Act, SIS Regulations, APRA reporting standards, Corporations Act and Corporation Regulations based on the reasonable assurance engagement. My reasonable assurance engagement has been conducted in accordance with applicable AUASB Standards on Assurance Engagements. These Standards require that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance whether the trustees of Adam & Rebecca Heath Private Pension Fund have, in all material respects:

(a) complied with the relevant requirements of the following provisions (to the extent applicable) of the SIS Act and SIS Regulations:

Sections 29VA, 35A, 65, 66, 67, 95, 97, 98, 99F, 101, 105, 106, 109, 117, 154 and 155(2);

Regulations 3.10, 5.08, 6.17, 7.04, 7.05, 9.09, 9.14, 13.14, 13.17, 13.17A;

(b) complied with the APRA reporting standards that are subject to reasonable assurance (to the extent applicable);

(c) complied with the relevant requirements of the following provisions of the Corporations Act and Corporation Regulations (to the extent applicable):

Sections 1012B, 1012F, 1012H(2), 1012I, 1013B, 1013D, 1013K(1), 1013K(2), 1016A(2), 1016A(3), 1017B(1), 1017B(5), 1017BA, 1017C(2), 1017C(3), 1017C(5), 1017C(8), 1017D(1), 1017D(3), 1017D(3A), 1017DA(3), 1017E(2), 1017E(3), 1017E(4), 1020E(8) and 1020E(9);

Regulations 7.9.07Q–7.9.07W, 7.9.11K, 7.9.11N, 7.9.11O, 7.9.11P, 7.9.11Q, 7.9.32(3), 7.9.48B, 7.9.48C and 7.9.48D; and

(d) complied with the requirement to prepare the respective forms required by the APRA reporting standards; for the year ended 30 June 2019.

**Inherent limitations**

Due to the inherent limitations of any evidence gathering procedures and the internal control framework, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with the applicable SIS Act and SIS Regulations, APRA reporting standards, Corporations Act and Corporations Regulations specified above, as a reasonable assurance engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with the applicable SIS Act and SIS Regulations, APRA reporting standards, Corporations Act and Corporations Regulations specified above are undertaken on a test basis.

**Emphasis of Matter - Basis of Preparation of APRA reporting forms and restriction on use and distribution**

This report has been prepared solely for the trustees in order to meet the APRA reporting requirements of the trustees. This report is intended solely for the trustees and APRA (and ASIC where applicable), and should not be distributed to or used by parties other than the trustees and APRA (and ASIC where applicable). I disclaim any assumption of responsibility for any reliance on this report to any party other than the trustees and APRA (and ASIC where applicable), or for any purpose other than that for which it was prepared.

Signature of RSE Auditor: \_\_\_\_\_

Date:

Name of RSE Auditor: Laurence Bushell,

Firm:



**Adam & Rebecca Heath Private Pension Fund**

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Fund**

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Address: PO Box 145 Kedron, Qld 4031

