
Financial statements and reports for the year ended
30 June 2022

Liberty4 Super Fund

Prepared for: Darren Favaloro and Lesley Favaloro

Liberty4 Super Fund Reports Index

Trustees Declaration

Compilation Report

Detailed Operating Statement

Detailed Statement of Financial Position

Notes to the Financial Statements

Members Statement

Trustee Minute / Resolution

Trustee Representation Letter 2020

Liberty4 Super Fund

Trustees Declaration

The trustees have determined that the Fund is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The trustees declare that:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2022 present fairly, in all material respects, the financial position of the Superannuation Fund at 30 June 2022 and the results of its operations for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- (ii) the financial statements and notes to the financial statements have been prepared in accordance with the requirements of the trust deed; and
- (iii) the operation of the superannuation fund has been carried out in accordance with its trust deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations during the year ended 30 June 2022.

Specifically, the trustees declare that:

- in accordance with s120 of the Superannuation Industry (Supervision) Act 1993, no individual trustee has been or is a disqualified person;
- the Fund has satisfactory title to all assets, all assets are unencumbered and free from charge as prescribed by s50 of the Superannuation Industry (Supervision) Act 1993 and reg13.14 of the Superannuation Industry (Supervision) Regulations 1994; and
- to the knowledge of the trustees, there have been no events or transactions subsequent to the balance date which could have a material impact on the Fund. Where such events have occurred, the effect of such events has been accounted and noted in the Fund's financial statements.

Signed in accordance with a resolution of the trustees by:

.....
Darren Favaloro

Trustee

.....
Lesley Favaloro

Trustee

16 September 2022

Liberty4 Super Fund Compilation Report

We have compiled the accompanying special purpose financial statements of the Liberty4 Super Fund which comprise the statement of financial position as at 30/06/2022 the operating statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1 to the financial statements.

The Responsibility of the Trustee(s)

The Trustee(s) of Liberty4 Super Fund are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the financial reporting framework used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the Trustee(s), we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework as described in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110: Code of Ethics for Professional Accountants.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the trustees who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

DKE Accounting Services

of

PO Box 547, Yarra Glen, Victoria 3775

Signed:

Dated: 16/09/2022

Liberty4 Super Fund

Detailed Operating Statement

For the year ended 30 June 2022

	2022	2021
	\$	\$
Income		
Contribution Income		
Employer Contributions - Concessional		
Lesley Favaloro	6,926.64	0.00
	<u>6,926.64</u>	<u>0.00</u>
Total Income	<u>6,926.64</u>	<u>0.00</u>
Expenses		
Accountancy Fees	550.00	0.00
ATO Supervisory Levy	0.00	259.00
Auditor's Remuneration	385.00	0.00
	<u>935.00</u>	<u>259.00</u>
Member Payments		
Life Insurance Premiums		
Favaloro, Darren - Accumulation (Accumulation)	2,384.16	0.00
Favaloro, Lesley - Accumulation (Accumulation)	2,384.26	0.00
	<u>4,768.42</u>	<u>0.00</u>
Investment Losses		
Unrealised Movements in Market Value		
Cryptocurrency		
Bitcoin	118,290.05	(261,986.61)
Ethereum	13,799.48	(19,018.75)
Litecoin	64,211.22	89,872.89
	<u>196,300.75</u>	<u>(191,132.47)</u>
Other Revaluations	0.00	112,722.38
	<u>0.00</u>	<u>112,722.38</u>
Changes in Market Values	<u>196,300.75</u>	<u>(78,410.09)</u>
Total Expenses	<u>202,004.17</u>	<u>(78,151.09)</u>
Benefits accrued as a result of operations before income tax	<u>(195,077.53)</u>	<u>78,151.09</u>
Income Tax Expense		
Income Tax Expense	(19,446.63)	19,074.40
Total Income Tax	<u>(19,446.63)</u>	<u>19,074.40</u>
Benefits accrued as a result of operations	<u>(175,630.90)</u>	<u>59,076.69</u>

Liberty4 Super Fund

Detailed Statement of Financial Position

As at 30 June 2022

	Note	2022	2021
		\$	\$
Assets			
Investments			
Cryptocurrency	2		
Bitcoin		164,002.15	282,292.20
Ethereum		10,219.27	24,018.75
Litecoin		39,387.79	103,599.01
Total Investments		<u>213,609.21</u>	<u>409,909.96</u>
Other Assets			
Bank Accounts	3		
CDIA SMSF Account		2,963.59	1,530.32
Deferred Tax Asset		516.83	0.00
Total Other Assets		<u>3,480.42</u>	<u>1,530.32</u>
Total Assets		<u>217,089.63</u>	<u>411,440.28</u>
Less:			
Liabilities			
Income Tax Payable		787.82	433.17
Deferred Tax Liability		0.00	19,074.40
Total Liabilities		<u>787.82</u>	<u>19,507.57</u>
Net assets available to pay benefits		<u>216,301.81</u>	<u>391,932.71</u>
Represented By :			
Liability for accrued benefits allocated to members' accounts	4, 5		
Favaloro, Darren - Accumulation		80,895.14	150,429.50
Favaloro, Lesley - Accumulation		135,406.67	241,503.21
Total Liability for accrued benefits allocated to members' accounts		<u>216,301.81</u>	<u>391,932.71</u>

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1: Summary of Significant Accounting Policies

The trustees have prepared the financial statements on the basis that the Superannuation Fund is not a reporting entity because it is not publicly accountable and is not required by law or governing document to prepare financial statements that comply with Australian Accounting Standards. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations, the trust deed of the Fund and the needs of members.

The financial statements have been prepared on a cash basis and are based on historical costs, except for investments which have been measured at market value.

The following significant accounting policies, which are consistent with the policies applied in the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

The financial statements were authorised for issue by the Trustee(s).

a. Measurement of Investments

The Fund initially recognises:

- (i) an investment when it controls the future economic benefits expected to flow from the asset. For financial assets, the trade date is considered to be the date on which control of the future economic benefits attributable to the asset passes to the Fund; and
- (ii) a financial liability on the date it becomes a party to the contractual provisions of the instrument.

Investments of the Fund have been measured at market value, which refers to the amount that a willing buyer could reasonably be expected to pay to acquire an asset from a willing seller if the following assumptions were made:

- that the buyer and the seller deal with each other at arm's length in relation to the sale;
- that the sale occurred after proper marketing of the asset; and
- that the buyer and the seller acted knowledgeably and prudentially in relation to the sale.

Market value has been determined as follows:

- (i) shares and other securities listed on the Australian Securities Exchange by reference to the relevant market quotations at the end of the reporting period;
- (ii) units in managed funds by reference to the unit redemption price at the end of the reporting period;
- (iii) fixed-interest securities by reference to the redemption price at the end of the reporting period;
- (iv) unlisted investments are stated at trustees' assessment based on estimated market value at balance date or where necessary, an external valuer's opinion; and
- (v) investment properties at the trustees' assessment of the market value or where necessary a qualified independent valuer's opinion at the end of reporting period.

Financial liabilities, such as trade creditors and other payables, are measured at the gross value of the outstanding balance at the end of the reporting period. The trustees have determined that the gross values of the Fund's financial liabilities is equivalent to their market values. Any remeasurement changes in the gross values of non-current financial liabilities (including liabilities for members' accrued benefits) are recognised in the operating statement in the periods in which they occur.

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at call, deposits with banks and short-term, highly liquid investments that are readily convertible to cash and subject to an insignificant risk of change in value.

c. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. Revenue is recognised at the fair value of the consideration received or receivable.

Notes to the Financial Statements

For the year ended 30 June 2022

Interest revenue

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised upon receipt.

Dividend revenue

Dividend revenue is recognised when the dividend has been paid or, in the case of dividend reinvestment schemes, when the dividend is credited to the benefit of the fund.

Rental revenue

Rental revenue arising from operating leases on investment properties is recognised upon receipt.

Distribution revenue

Distributions from unit trusts and managed funds are recognised as at the date the unit value is quoted ex-distribution and if not received at the end of the reporting period, are reflected in the statement of financial position as a receivable at market value.

Remeasurement changes in market values

Remeasurement changes in the market values of assets are recognised as income and determined as the difference between the market value at year-end or consideration received (if sold during the year) and the market value as at the prior year-end or cost (if acquired during the period).

Contributions

Contributions and transfers in are recognised when the control and the benefits from the revenue have been attained and are recorded by the Fund, gross of any taxes, in the period to which they relate.

d. Liability for Accrued Benefits

The liability for accrued benefits represents the Fund's present obligation to pay benefits to members and beneficiaries, and has been calculated as the difference between the carrying amount of the assets and the carrying amount of the other payables and income tax liabilities as at the end of the reporting period.

e. Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax liability balances during the year as well as unused tax losses.

No deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which the trustees expect to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

f. Critical Accounting Estimates and Judgements

The preparation of financial statements requires the trustees to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Notes to the Financial Statements

For the year ended 30 June 2022

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Note 2: Cryptocurrency

	2022 \$	2021 \$
Bitcoin	164,002.15	282,292.20
Ethereum	10,219.27	24,018.75
Litecoin	39,387.79	103,599.01
	213,609.21	409,909.96

Note 3: Banks and Term Deposits

	2022 \$	2021 \$
Banks		
CDIA SMSF Account	2,963.59	1,530.32
	2,963.59	1,530.32

Note 4: Liability for Accrued Benefits

	2022 \$	2021 \$
Liability for accrued benefits at beginning of year	391,932.71	0.00
Benefits accrued as a result of operations	(175,630.90)	59,076.69
Current year member movements	0.00	332,856.02
	216,301.81	391,932.71

Note 5: Vested Benefits

Vested benefits are benefits that are not conditional upon continued membership of the fund (or any factor other than resignation from the plan) and include benefits which members were entitled to receive had they terminated their fund membership as at the end of the reporting period.

	2022 \$	2021 \$
Vested Benefits	216,301.81	391,932.71

Note 6: Guaranteed Benefits

No guarantees have been made in respect of any part of the liability for accrued benefits.

Note 7: Changes in Market Values

Notes to the Financial Statements

For the year ended 30 June 2022

Unrealised Movements in Market Value

	2022	2021
	\$	\$
Cryptocurrency		
Bitcoin	(118,290.05)	261,986.61
Ethereum	(13,799.48)	19,018.75
Litecoin	(64,211.22)	(89,872.89)
	<u>(196,300.75)</u>	<u>191,132.47</u>
Other Revaluations		
Other Revaluations	0.00	(112,722.38)
	<u>0.00</u>	<u>(112,722.38)</u>
Total Unrealised Movement	<u>(196,300.75)</u>	<u>78,410.09</u>

Realised Movements in Market Value

	2022	2021
	\$	\$
Total Realised Movement	<u>0.00</u>	<u>0.00</u>
Changes in Market Values	<u>(196,300.75)</u>	<u>78,410.09</u>

Note 8: Income Tax Expense

	2022	2021
	\$	\$
The components of tax expense comprise		
Current Tax	144.60	0.00
Deferred Tax Liability/Asset	(19,591.23)	19,074.40
Income Tax Expense	<u>(19,446.63)</u>	<u>19,074.40</u>

The prima facie tax on benefits accrued before income tax is reconciled to the income tax as follows:

Prima facie tax payable on benefits accrued before income tax at 15%	(29,261.63)	11,722.66
Less:		
Tax effect of:		
Increase in MV of Investments	0.00	11,761.51
Tax Losses Deducted	38.85	0.00

Notes to the Financial Statements

For the year ended 30 June 2022

Add:

Tax effect of:

Decrease in MV of Investments	29,445.11	0.00
Tax Losses	0.00	38.85
Rounding	(0.03)	0.00
Income Tax on Taxable Income or Loss	144.60	0.00

Less credits:

Current Tax or Refund	<u>144.60</u>	<u>0.00</u>
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Liberty4 Super Fund

Members Statement

Darren Favaloro

Your Details

Date of Birth : Provided
 Age: 59
 Tax File Number: Provided
 Date Joined Fund: 07/09/2015
 Service Period Start Date: 07/09/2015
 Date Left Fund:
 Member Code: FAVDAR00001A
 Account Start Date: 07/09/2015
 Account Phase: Accumulation Phase
 Account Description: Accumulation

Nominated Beneficiaries: N/A
 Nomination Type: N/A
 Vested Benefits: 80,895.14
 Total Death Benefit: 80,895.14

Your Balance

Total Benefits 80,895.14

Preservation Components

Preserved 80,895.14
 Unrestricted Non Preserved
 Restricted Non Preserved

Tax Components

Tax Free
 Taxable 80,895.14

Your Detailed Account Summary

	This Year
Opening balance at 01/07/2021	150,429.50
<u>Increases to Member account during the period</u>	
Employer Contributions	
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	(75,028.48)
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	
Income Tax	(7,878.28)
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Refund Excess Contributions	
Division 293 Tax	
Insurance Policy Premiums Paid	2,384.16
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2022	80,895.14

Liberty4 Super Fund

Members Statement

Lesley Favaloro

Your Details

Date of Birth :	Provided	Nominated Beneficiaries:	N/A
Age:	56	Nomination Type:	N/A
Tax File Number:	Provided	Vested Benefits:	135,406.67
Date Joined Fund:	07/09/2015	Total Death Benefit:	135,406.67
Service Period Start Date:	07/09/2015		
Date Left Fund:			
Member Code:	FAVLES00002A		
Account Start Date:	07/09/2015		
Account Phase:	Accumulation Phase		
Account Description:	Accumulation		

Your Balance

Total Benefits	135,406.67
<u>Preservation Components</u>	
Preserved	135,406.67
Unrestricted Non Preserved	
Restricted Non Preserved	
<u>Tax Components</u>	
Tax Free	
Taxable	135,406.67

Your Detailed Account Summary

	This Year
Opening balance at 01/07/2021	241,503.21
<u>Increases to Member account during the period</u>	
Employer Contributions	6,926.64
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	(122,207.27)
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	1,039.01
Income Tax	(12,607.36)
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Refund Excess Contributions	
Division 293 Tax	
Insurance Policy Premiums Paid	2,384.26
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2022	135,406.67

Minutes of a meeting of the Trustee(s)

held on 16 September 2022 at

PRESENT:	Darren Favalaro and Lesley Favalaro
MINUTES:	The Chair reported that the minutes of the previous meeting had been signed as a true record.
FINANCIAL STATEMENTS OF SUPERANNUATION FUND:	<p>It was resolved that the financial statements would be prepared as special purpose financial statements as, in the opinion of the trustee(s), the Superannuation Fund is not a reporting entity and therefore is not required to comply with all Australian Accounting Standards.</p> <p>The Chair tabled the financial statements and notes to the financial statements of the Superannuation Fund in respect of the year ended 30 June 2022 and it was resolved that such statements be and are hereby adopted as tabled.</p>
TRUSTEE'S DECLARATION:	It was resolved that the trustee's declaration of the Superannuation Fund be signed.
ANNUAL RETURN:	Being satisfied that the Fund had complied with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and Regulations during the year ended 30 June 2022, it was resolved that the annual return be approved, signed and lodged with the Australian Taxation Office.
TRUST DEED:	The Chair tabled advice received from the Fund's legal adviser confirming that the fund's trust deed is consistent with all relevant superannuation and trust law.
INVESTMENT STRATEGY:	The allocation of the Fund's assets and the Fund's investment performance over the financial year were reviewed and found to be within the acceptable ranges outlined in the investment strategy. After considering the risk, rate of return, diversification and liquidity of the investments and the ability of the Fund to discharge its existing liabilities, it was resolved that the investment strategy continues to reflect the purposes and circumstances of the Fund and its members. Accordingly, no changes in the investment strategy were required.
INSURANCE COVER:	The trustee(s) reviewed the current life and total and permanent disability insurance coverage on offer to the members and resolved that the current insurance arrangements were appropriate for the Fund.
ALLOCATION OF INCOME:	It was resolved that the income of the Fund would be allocated to the members based on their average daily balance (an alternative allocation basis may be percentage of opening balance).
INVESTMENT ACQUISITIONS:	It was resolved to ratify the investment acquisitions throughout the financial year ended 30 June 2022.
INVESTMENT DISPOSALS:	It was resolved to ratify the investment disposals throughout the financial year ended 30 June 2022.
AUDITORS:	<p>It was resolved that</p> <p>Anthony Boys</p> <p>of</p> <p>PO Box 3376, Rundall Mall, South Australia 5000</p> <p>act as auditors of the Fund for the next financial year.</p>
TAX AGENTS:	<p>It was resolved that</p> <p>DKE Accounting Services</p>

Minutes of a meeting of the Trustee(s)

held on 16 September 2022 at

act as tax agents of the Fund for the next financial year.

TRUSTEE STATUS:

Each of the trustee(s) confirmed that they are qualified to act as trustee(s) of the Fund and that they are not disqualified persons as defined by s 120 of the SISA.

CONTRIBUTIONS RECEIVED:

It was resolved that the contributions during the year be allocated to members on the basis of the schedule provided by the principal Fund employer.

ACCEPTANCE OF ROLLOVERS:

The trustee has ensured that any rollover made to the Fund, meets the requirements of the Fund's deed and does not breach the superannuation laws in relation to:

1. making rollover between Funds; and,
2. breaching the Fund or the member investment strategy.

The trustee has reviewed the rollover and received advice that the rollover is in accordance with the Trust Deed and the rules of the Fund and the superannuation laws. As such the trustee has resolved to accept the rollover on behalf of the member.

PAYMENT OF BENEFITS:

The trustee has ensured that any payment of benefits made from the Fund, meets the requirements of the Fund's deed and does not breach the superannuation laws in relation to:

1. making payments to members; and,
2. breaching the Fund or the member investment strategy.

The trustee has reviewed the payment of the benefit and received advice that the transfer is in accordance with the Deed and the superannuation laws. As such the trustee has resolved to allow the payment of the benefits on behalf of the member.

CLOSURE:

All resolutions for this meeting were made in accordance with the SISA and Regulations.

There being no further business the meeting then closed.

Signed as a true record –

.....

Darren Favaloro

Chairperson

16 September 2022

PO Box 3376
Rundall Mall, South Australia 5000

Dear Sir/Madam,

**Re: Liberty4 Super Fund
Trustee Representation Letter**

This representation letter is provided in connection with your audit of the financial report of the Liberty4 Super Fund (the Fund) and the Fund's compliance with the Superannuation Industry (Supervision) Act 1993 (SISA) and SIS Regulations (SISR), for the year ended 30/06/2022, for the purpose of you expressing an opinion as to whether the financial report is, in all material respects, presented fairly in accordance with the accounting policies adopted by the Fund and the Fund complied, in all material respects, with the relevant requirements of SISA and SISR.

The Trustees have determined that the Fund is not a reporting entity for the year ended 30/06/2022 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 SISR. We acknowledge our responsibility for ensuring that the financial report is in accordance with the accounting policies as selected by ourselves and requirements of the SISA and SISR, and confirm that the financial report is free of material misstatements, including omissions.

We confirm, to the best of our knowledge and belief, the following representations are made to you during your audit.

1. Sole Purpose Test

The Fund is maintained for the sole purpose of providing benefits for each member on their retirement, death, termination of employment or ill-health.

2. Trustees are not disqualified

No disqualified person acts as a director of the trustee company/an individual trustee.

3. Fund's Governing Rules, Trustees' Responsibilities and Fund Conduct

The Fund meets the definition of a self-managed superannuation fund under SISA, including that no member is an employee of another member, unless they are relatives and no trustee/director of the corporate trustee, receives any remuneration for any duties or services performed by the trustee/director in relation to the fund.

The Fund has been conducted in accordance with its governing rules at all times during the year and there were no amendments to the governing rules during the year, except as notified to you.

The Trustees have complied with all aspects of the trustee requirements of the SISA and SISR.

The Trustees are not subject to any contract or obligation which would prevent or hinder the Trustees in properly executing their functions and powers.

The Fund has been conducted in accordance with the SISA, the SISR and the governing rules of the Fund.

The Fund has complied with the requirements of the SISA and SISR specified in the approved form auditor's report as issued by the ATO, which are sections 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104A, 105, 109 and 126K of the SISA and regulations 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14 and 13.18AA of the SISR.

All contributions accepted and benefits paid have been in accordance with the governing rules of the Fund and relevant provisions of the SISA and SISR.

There have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report *or we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report and the Auditor's/actuary contravention report.*

4. Investment Strategy

The investment strategy has been determined and reviewed with due regard to risk, including recoverability of investments, return, liquidity, diversity and the insurance needs of Fund members, and the assets of the Fund are in line with this strategy.

5. Accounting Policies

All the significant accounting policies of the Fund are adequately described in the Financial Report and the Notes attached thereto. These policies are consistent with the policies adopted last year.

6. Fund Books and Records

All transactions have been recorded in the accounting records and are reflected in the financial report. We have made available to you all financial records and related data, other information, explanations and assistance necessary for the conduct of the audit; and minutes of all meetings of the Trustees.

We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect error and fraud. We have established and maintained an adequate internal control structure to facilitate the preparation of reliable financial reports, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.

We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Fund and involves the Trustees or others.

In instances where the 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.

Information retention obligations have been complied with, including:

- Accounting records and financial reports are being kept for five (5) years,
- Minutes and records of trustees'/directors of the corporate trustee meetings/decisions are being kept for ten (10) years;
- Records of trustees'/directors of the corporate trustees' changes and trustees' consents are being kept for at least ten (10) years;
- Copies of all member or beneficiary reports are being kept for ten (10) years; and
- Trustee declarations in the approved form have been signed and are being kept for each Trustee appointed after 30 June 2007.

7. Fraud, error and non-compliance

There have been no:

- a) Frauds, error or non-compliance with laws and regulations involving management or employees who have a significant role in the internal control structure that could have a material effect on the financial report.
- b) Communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.
- c) Violations or possible violations of laws or regulations whose effects should have been considered for disclosure in the financial report or as a basis for recording an expense.

8. Asset Form and Valuation

The assets of the Fund are being held in a form suitable for the benefit of the Members of the Fund, and are in accordance with our investment strategy.

Investments are carried in the books at their net market value. Such amounts are considered reasonable in light of present circumstances.

We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.

We have assessed their recoverability and we are comfortable that the fund will be able, if needed, to realise these assets.

There are no commitments, fixed or contingent, for the purchase or sale of long term investments.

9. Safeguarding Assets

We have considered the importance of safeguarding the assets of the fund, and we confirm we have the following procedures in place to achieve this:

- Authorised signatories on bank and investment accounts are regularly reviewed and considered appropriate; and
- Tangible assets are, where appropriate, adequately insured and appropriately stored.

10. Significant Assumptions

We believe that significant assumptions used by us in making accounting estimates are reasonable.

11. Ownership and Pledging of Assets

The Fund has satisfactory title to all assets appearing in the Statement of Financial Position. All investments are registered in the name of the Fund, where possible, and are in the custody of the respective Trustee.

There are no liens or encumbrances on any assets or benefits and no assets, benefits or interests in the Fund have been pledged or assigned to secure liabilities of others.

All assets of the Fund are held separately from the assets of the members, employers and the Trustees. All assets are acquired, maintained and disposed of on an arm's length basis and appropriate action is taken to protect the assets of the Fund.

12. Payment of benefits

Benefits have been calculated and provided to members in accordance with the provisions of the Fund's governing rules and the relevant legislation.

The Trustee has revalued Member/s benefits to market value just prior to paying out a portion or all of a member's account balance.

13. Related Parties

We have disclosed to you the identity of the Fund's related parties and all related party transactions and relationships. Related party transactions and related amounts receivable have been properly recorded or disclosed in the financial report.

[Delete this paragraph if not applicable]

Acquisitions from, loans to, leasing of assets to and investments in related parties have not exceeded the in-house asset restrictions in the SISA at the time of investment, acquisition or at year end.

The Fund has not made any loans or provided financial assistance to members of the Fund or their relatives.

If the Fund owns residential property the members of the Fund or associates or other related parties do not lease, or use the property for personal use.

14. Acquisitions from related parties

No assets have been acquired by the Fund from members or associates or other related parties of the Fund other than those assets specifically exempted by Section 66 of SISA.

15. Borrowings

The Fund has not borrowed money or maintained any borrowings during the period, with the exception of borrowings which were allowable under SISA.

16. Subsequent Events

No events or transactions have occurred since the date of the financial report, or are pending, which would have a significant adverse effect on the Fund's financial position at that date, or which are of such significance in relation to the Fund as to require mention in the notes to the Financial Statements in order to ensure they are not misleading as to the financial position of the Fund or its operations.

17. Outstanding Legal Action

[Delete this paragraph if not applicable]

We confirm that you have been advised of all significant legal matters, and that all known actual or possible litigation and claims have been adequately accounted for, and been appropriately disclosed in the financial report. There have been no communications from the ATO concerning a contravention of the SISA or SISR which has occurred, is occurring or is about to occur.

18. Going Concern

We confirm we have no knowledge of any event or conditions that would cast significant doubt on the fund's ability to continue as a going concern.

19. Residency

The Trustees declare that the Fund was a resident Australian superannuation fund at all times during the year of income.

20. Investment Returns

Investment returns of the Fund have been allocated to members in a manner that is fair and reasonable.

21. Insurance

Where the Fund has taken out a life insurance policy on behalf of a member, the Trustee confirms that the Fund is the beneficial owner.

The Trustee also confirms that the Fund has not purchased a policy over the life of a member, where the purchase is a condition and consequence of a buy-sell agreement the member has entered into with another individual.

22. Limiting powers of Trustees

The Trustees have not entered into a contract or done anything else, that would prevent the Trustees from, or hinder the Trustees in, properly performing or exercising the Trustees' functions and powers.

23. Collectables and Personal Use Assets

If the Trustees own collectables and/or personal use assets these assets are not being used for personal use.

24. Uncorrected misstatements

We believe the effects of those uncorrected financial report misstatements aggregated by the auditor during the audit are immaterial, both individually and in aggregate, to the financial report taken as a whole. A summary of such items is attached.

25. Additional Matters

Include any additional matters relevant to the particular circumstances of the audit, for example:

- The work of an expert has been used; or
- Justification for a change in accounting policy

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

Yours sincerely,
For and on behalf of the Trustee(s)

.....
Darren Favaloro

Trustee
16 September 2022

.....
Lesley Favaloro

Trustee
16 September 2022