










| SECTION | DESCRIPTION | YES | NO | N/A |
|--|--|-----|----|-----|
| <u>DOES THE SMSF MEET THE DEFINITION OF A SMSF?</u> | | | | |
| SIS Act Section 17A | Does the SMSF meet the definition of an SMSF in accordance with the requirements of section 17A of the SIS Act? | | | |
| | Has the trustee of the SMSF maintained copied copies of: | | | |
| | - SMSF Trust Deed | | | |
| | - Member applications | | | |
| | - Trustee consents | | | |
| | - ATO trustee declarations | | | |
| SISA Act Section 121 | Have all of the trustees provided a declaration or statement that there is no reason that would prohibit them from acting as a trustee? | | | |
| <u>SOLE PURPOSE</u> | | | | |
| SIS Act Section 62 | Was the SMSF maintained for the 'sole purpose' of providing benefits to: <ul style="list-style-type: none"> - SMSF members upon their retirement; - SMSF members reaching the age prescribed; or - dependants of the SMSF members in the case of the member's death before retirement | | | |
| | Trust deed indicates that the SMSF has been established and maintained solely for providing retirement benefits to members or to their dependants in the case of a member's death | | | |
| | The character and purpose of the SMSF's investments do not suggest that: <ul style="list-style-type: none"> - investment arrangements provide prohibited financial assistance to another party; or - trustees, or their family or friends, are given access to SMSF assets for private use. | | | |

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| <u>INVESTMENT RESTRICTIONS</u> | | | | |
| SIS Act Section 65 | Did the trustee loan monies or provide financial assistance to any member or relative of a member at any time during the financial year under review? | | | |
| | The trustees of the SMSF have not? | | | |
| | - Lent money of the SMSF | | | |
| | - Given any other financial assistance using the resources of the SMSF to a member or a relative of a member of the SMSF | | | |
| SIS Act Section 66 | Did the trustee acquire any assets not listed as an exception under section 66 from any member or from a related party of the SMSF?  | | | |
| SIS Act Section 67 | Did the trustees of the SMSF borrow any money or maintain an existing borrowing, other than as allowed by specific borrowing exceptions under the legislation?  | | | |
| | Examination of the SMSF's creditors and accounting records does not indicate that the trustees borrowed or maintained a borrowing at any time during the financial year except for the purposes and under the conditions permitted.  | | | |
| SIS Act Sections 82, 83, 84 & 85 | Loans, investments and leases of the SMSF have been examined? | | | |
| | Has the trustees complied with the in-house asset rules? | | | |
| | Did the total value of in-house assets exceed 5% of the market value of the SMSF assets at year end? | | | |
| | Did the trustees acquire an in-house asset that caused the total value of in-house assets at the time of acquisition to exceed the 5% in-house asset ratio limit? | | | |
| | Have the trustees intentionally entered into or carried out a scheme that has the effect of artificially reducing the market value ratio of the SMSF's in house assets? | | | |
| SIS Act Section 109 | Have all investment transactions been made and maintained on an arm's length basis?  | | | |
| | The purchase or sale of assets has been sampled to ensure: | | | |
| | - The purchase or selling price was at a fair market value; and | | | |

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| | - The money was actually paid | | | |
| | Lease arrangements have been sampled to ensure that: | | | |
| | - Formal lease agreements were drawn up; | | | |
| | - Investments were entered into and maintained on commercial terms; | | | |
| | - Lease payments were actually made in accordance with agreements; and | | | |
| | - Appropriate collections action was taken if the terms were breached. | | | |
| | Loans have been sampled to ensure: | | | |
| | - There is a formal loan contract and repayment schedule; | | | |
| | - The loan conditions are on commercial terms, including the period of loan, repayments, security and interest rates, and | | | |
| | - Repayments have been made | | | |
| | Investments in entities have been examined to ensure: | | | |
| | - All transactions were carried out at market value; | | | |
| | - Commercial rates of return were achieved; and | | | |
| | - The return on investments was paid or received, for example, trust distributions or dividends? | | | |
| SIS Act Paragraph 52(2)(d) | Have all assets of the SMSF been held separate from any assets held by the trustee personally or by the employer sponsor? | | | |
| | Where state law prevents the asset from being held in the SMSF's name, is there other documentary evidence that clearly identifies the SMSF ownership of the asset or is a caveat, instrument or declaration of trust in place? | | | |
| | Are all assets held either in the name of the SMSF or in the name of the trustees for the SMSF? | | | |



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| <u>CONTRIBUTION STANDARDS</u> | | | | |
| SIS Reg Regulation 7.04 | Did the SMSF receive any contributions during the year? | | | |
| | Have you checked the form that the contributions were received? | | | |
| | Were any of the contributions received in the form of an asset other than cash? | | | |
| | If yes, were the requirements of section 66 of the SIS Act complied with?  | | | |
| | Did an employer make a contribution? | | | |
| | Were these contributions made in accordance with the conditions set down within Part 7 of the SIS Regulations?  | | | |
| | Did the SMSF receive any contributions from members? | | | |
| | If the member is claiming a tax deduction for the contributions has the appropriate notice been provided to the trustee (s290 notice)? | | | |
| | Did the SMSF receive the member's TFN (for super purposes) within 30 days of receiving the member contribution? | | | |
| | If not, did they return the contribution? | | | |
| <u>BENEFIT STANDARDS</u> | | | | |
| SIS Reg Regulation 6.17 Regulation 5.08 | Did the trustee pay any benefits to members during the year under review? | | | |
| | Was the payment made in accordance with Part 6 of the SIS Reg and permitted by the trust deed? | | | |
| | Did the SMSF pay a pension during the year? | | | |
| | Did the trust deed permit the payment of a pension and did the trustees meet all administrative requirements for the payment of pensions?  | | | |
| | Have minimum pension benefit payment standards been met?  | | | |
| | Have members' minimum benefits in the SMSF (as defined) been maintained in the SMSF until the benefits are cashed, rolled over or transferred as benefits of the member?  | | | |

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| <u>ADMINISTRATIVE OBLIGATIONS</u> | | | | |
| SIS Act Section 103 | Did the trustees keep minutes of all meetings and maintain the minutes for a minimum of 10 years, or since the establishment of the SMSF? | | | |
| SIS Act Section 35A | Did the trustees keep and maintain accounting records for a minimum of five years, or since the establishment of the SMSF? | | | |
| SIS Act Section 104A | Have the trustees who became a trustee after 1 July 2007, signed and maintained an ATO trustee declaration? | | | |
| SIS Act Section 35B | Did the trustees prepare and maintain proper accounting records and prepare a statement of financial position and an operating statement, in accordance with Australian accounting principles and practices? | | | |
| SIS Act Section 35C | Did the trustee provide you with the necessary documents to complete the audit in a professional and timely manner? | | | |
| SIS Reg Regulation 4.09 | Did the trustee have an investment strategy for the SMSF which gave consideration to: <ul style="list-style-type: none"> - risk - return - liquidity - diversification, and - life and TPD insurance of the members? | | | |
| SIS Reg Paragraph 52(2)(e) | Did the trustees enter into a contract, or do anything else that would prevent or hinder the trustee from properly performing or exercising the functions or powers of a trustee? | | | |
| SIS Reg Regulation 13.12 | Did the trustee recognise, or in any way encourage or sanction, an assignment of a super interest of a member or beneficiary? | | | |
| SIS Reg Regulation 13.13 | Did the trustees recognise, or in any way sanction, a charge over or in relation to a member's benefits? | | | |
| SIS Reg Regulation 13.14 | Did the trustees give a charge over, or in relation to, an asset of the SMSF? | | | |