

SUPER AUDITS

SELF-MANAGED SUPERANNUATION FUND INDEPENDENT AUDITOR'S REPORT

Approved SMSF auditor details

Name: Anthony William Boys

Business name: SUPER AUDITS

Business postal address: Box 3376 RUNDLE MALL 5000

SMSF auditor number (SAN): 100014140

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name Lambert

Australian business number (ABN) or tax file number (TFN): 91 419 537 331

Address C/- Office 4, 19-21 Metro Parade, Mawson Lakes SA 5095

Year of income being audited 1 July 2021 – 30 June 2022

To the SMSF trustee

To the trustee of Lambert Super Fund

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SUPER AUDITS

Part A: Financial audit

Opinion

I have audited the special purpose financial report of Lambert Super Fund comprising; the Profit & Loss Statement for the financial year ending 30 June 2022, the Balance Sheet as at 30 June 2022 and the Notes to and forming part of the Accounts for the year ended 30 June 2022 of Lambert Super Fund for the year ended 30 June 2022.

In my opinion, the financial report, presents fairly, in all material respects, in accordance with the accounting policies described in the notes to the financial report, the financial position of the fund at 30 June 2022 and the results of its operations for the year then ended.

Basis for Opinion

My audit has been conducted in accordance with Australian Auditing Standards¹. My responsibilities under those standards are further described in the Approved SMSF Auditor's Responsibilities for the Audit of the Financial Report section of this report. I am independent of the SMSF in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to this audit and as required by the Superannuation Industry (Supervision) Regulations 1994 (SISR). I have also fulfilled my other ethical responsibilities in accordance with the Code. In particular, neither myself, my firm or my network firm assumed a management responsibility for the fund. My firm did not prepare the financial statements for the fund but it was only a routine or mechanical service and appropriate safeguards were applied). Where my firm provided any other non-assurance services to the fund, we are satisfied that those services were not prohibited under the Code and any independence threats arising have been eliminated or reduced to an acceptable level by the application of safeguards.

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

Emphasis of Matter - Basis of accounting

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

¹The Australian Auditing Standards issued by the Auditing and Assurance Standards Board.

SUPER AUDITS

Responsibilities of SMSF trustees for the financial report

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of 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

3

AUDITING
DUE DILIGENCE
FORENSIC ACCOUNTING

SUPER AUDITS

the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I have communicated with the trustees and or the trustee's authorised representative 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 engagement

Opinion

I have undertaken a reasonable assurance engagement on Lambert Super Fund's compliance, in all material respects, with applicable provisions of the SISA and the SISR as listed below ("the listed provisions") for the year ended 30 June 2022.

Sections: 17A, 34, 35AE, 35B, 35C (2), 35 (D) (1), 52 (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 13.22 (B and C)

In my opinion, each trustee of Lambert Super Fund has complied, in all material respects, with the listed provisions, for the year ended 30 June 2022

Basis for Opinion

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

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

Independence and quality control

I have complied with the independence and other ethical requirements relating to assurance engagements and applied Auditing Standards 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. In particular, neither myself, my firm or my network firm assumed a management responsibility for the fund. Where my firm provided any other non-assurance services to the fund, we are satisfied that those services were not prohibited under the Code and any independence threats arising have been eliminated or reduced to an acceptable level by the application of safeguards.

SUPER AUDITS

SMSF trustees' responsibilities

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

Approved SMSF auditor's responsibilities

My responsibility is to express an opinion on the trustees' compliance, in all material respects, with the listed provisions for the year ended 30 June 2022. ASAE 3100 Compliance Engagements requires that I plan and perform my procedures to obtain reasonable assurance about whether the trustee(s) has / have complied, in all material respects, with the listed provisions for the year ended 30 June 2022.

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

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the listed provisions for the year ended 30 June 2022.


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

Inherent limitations

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

A reasonable assurance engagement for the year ended 30 June 2022 does not provide assurance on whether compliance with the listed provisions will continue in the future.

SMSF Auditor: A.W. Boys



SMSF Auditor's signature

SMSF Auditor's signature

Date: 10 July 2023

SUPER AUDITS

The Trustees
Lambert Super Fund
C/- Office 4, 19-21 Metro Parade,
Mawson Lakes SA 5095

A.W. Boys
Box 3376
Rundle Mall 5000
10 July 2023

Dear Trustees,

I have completed the audit of the Lambert Super Fund for the financial year ending 30 June 2022. The Trustees have complied in all material respects with the *Superannuation Industry (Supervision) Act 1993* and Regulations. **It is strongly recommended that the trustees regularly monitor the financial performance of the unlisted assets to minimise the potential risk of incurring significant capital losses that may occur from such investments. Also, the trustees are obliged to obtain a valuation or market appraisal of the unlisted assets, held by the Fund and report those market values in the financial statements of the Fund every year pursuant to Regulation 8.02B. Further, the trustees are obliged to conduct all related party transactions (if any) in accordance with LCR 2021/2 and section 109 of the SIS Act. In addition, the trustee is requested to minute all nonstandard significant events and transactions in the AGM minutes of the Fund, events such as ensuring that the terms and conditions of the loan do not breach the NALI and NALE requirements, as the loan should be on no different terms and conditions to that of a third party loan, which raises the question, why didn't the borrower borrow from a financial institution?**

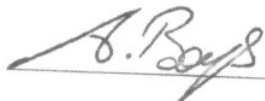
The Trustees are required to maintain the financial records of the Fund for a minimum of five years and the minutes of meetings are to be retained for ten years.

It is recommended that the trustees review their Investment Strategy annually to ensure the strategy meets the objectives of the members having regard to risk, return, liquidity and diversification of investments. Further, the trustee should determine whether the Fund should hold a contract of insurance that provides insurance cover for one or more members of the Fund.

Thank you for your professionalism and full cooperation throughout the audit process.

Should you have any queries regarding any of the above please contact me on 0410 712708.

Yours sincerely



SMSF Auditor's signature

Tony Boys
SMSF Auditor Number (SAN) 100014140
Registered Company Auditor 67793