

TABS - Super Fund Auditors

Tax And Business Services Pty Ltd
ABN 18 119 410 856
Ph: 02 9522 0981
Mob: 0408 272 002
Email: audit@tabs.net.au
PO Box 75, Sylvania 2224



26 March 2020

The Trustees
Sier Family Fund
22 Juvenis Avenue
Oyster Bay NSW 2225

Dear Trustees,

Consent to Appointment as Registered SMSF Auditor

The objective and scope of the audit

You have requested that we audit your Self Managed Superannuation Fund's (the Fund):

1. financial report, which comprises the [statement of financial position/statement of net assets] and the [operating statement/statement of changes in net assets] and the notes to the financial statements; and
2. compliance during the same period with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and SIS Regulations (SISR) specified in the approved form auditor's report as issued by the Australian Taxation Office, which are sections 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104, 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.

We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter. Our audit will be conducted pursuant to the SISA with the objective of our expressing an opinion on the financial report and the Fund's compliance with the specified requirements of the SISA and SISR. Please note the scope of our audit does not span to the recoverability of investments.

The responsibilities of the auditor

We will conduct our financial audit in accordance with Australian Auditing Standards and our compliance engagement in accordance with applicable Standards on Assurance Engagements, issued by the Auditing and Assurance Standards Board (AUASB). These standards require that we comply with relevant ethical requirements relating to audit and assurance engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that you have complied, in all material respects, with the specified requirements of the SISA and SISR.

The annual audit of the financial reports and records of the Fund must be carried out during and after the end of each year of income. In accordance with section 35C of the SISA, we are required to provide to the trustees of the Fund an auditor's report in the approved form within the prescribed time as set out in the SISR, 28 days after the trustees have provided all documents relevant to the preparation of the auditors report.

Financial audit

A financial audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. A financial audit also includes evaluating the appropriateness of the financial reporting framework, accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report. Due to the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material misstatements may remain undiscovered.

In making our risk assessments, we consider internal controls relevant to the Fund's preparation of the financial report 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 controls. However, we expect to provide you with a separate letter concerning any significant deficiencies in the Fund's system of

TABS - Super Fund Auditors

Tax And Business Services Pty Ltd
ABN 18 119 410 856
Ph: 02 9522 0981
Mob: 0408 272 002
Email: audit@tabs.net.au
PO Box 75, Sylvania 2224



accounting and internal controls that come to our attention during the audit of the financial report. This will be in the form of a letter to the trustee.

Compliance engagement

A compliance engagement involves performing audit procedures to obtain audit evidence about the Fund's compliance with the provisions of the SISA and SISR specified in the ATO's approved form auditor's report.

Our compliance engagement with respect to investments includes determining whether the investments are made for the sole purpose of funding members' retirement, death or disability benefits and whether you have an investment strategy for the Fund, which has been reviewed regularly and gives due consideration to risk, return, liquidity, diversification and the insurance needs of members. Our procedures will include testing whether the investments are made for the allowable purposes in accordance with the investment strategy, but not for the purpose of assessing the appropriateness of those investments to the members.

The responsibilities of the trustees

We take this opportunity to remind you that it is the responsibility of the trustees to ensure that the Fund, at all times, complies with the SISA and SISR as well as any other legislation relevant to the Fund. This includes seeking qualified legal advice to ensure the Fund Minutes and Resolutions pertaining to all matters that affect the entity are valid and that the Fund Deed is regularly reviewed to ensure all changes are valid and the deed remains compliant with current legislation. The trustees are also responsible for the preparation and fair presentation of the financial report.

Our auditor's report will explain that the trustees are responsible for the preparation and the fair presentation of the financial report and for determining that the accounting policies used are consistent with the financial reporting requirements of the SMSF's governing rules, comply with the requirements of SISA and SISR and are appropriate to meet the needs of the members. This responsibility includes:

- Establishing and maintaining controls relevant to the preparation of a financial report that is free from misstatement, whether due to fraud or error. The system of accounting and internal control should be adequate in ensuring that all transactions are recorded and that the recorded transactions are valid, accurate, authorised, properly classified and promptly recorded, so as to facilitate the preparation of reliable financial information. This responsibility to maintain adequate internal controls also extends to the Fund's compliance with SIS including any Circulars and Guidelines issued by a relevant regulator to the extent applicable. The internal controls should be sufficient to prevent and/or detect material non-compliance with such legislative requirements;
- Selecting and applying appropriate accounting policies;
- Making accounting estimates that are reasonable in the circumstances; and
- Making available to us all the books of the Fund, including any registers and general documents, minutes and other relevant papers of all Trustee meetings and giving us any information, explanations and assistance we require for the purposes of our audit. Section 35C(2) of SISA requires that Trustees must give to the auditor any document, relevant to the conduct of the audit, that the auditor requests in writing within 14 days of the request.¹

As part of our audit process, we will request from the trustees written confirmation concerning representations made to us in connection with the audit.

Our audit report is prepared for the members of the Fund and we disclaim any assumption of responsibility for any reliance on our report, or on the financial report to which it relates, to any person other than the members of the Fund, or for any purpose other than that for which it was prepared.

¹ If the Fund is a reporting entity this sentence requires amendment to read: 'Our auditor's report will explain that the trustees are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards'.

TABS - Super Fund Auditors

Tax And Business Services Pty Ltd
ABN 18 119 410 856
Ph: 02 9522 0981
Mob: 0408 272 002
Email: audit@tabs.net.au
PO Box 75, Sylvania 2224



Independence

We confirm that, to the best of our knowledge and belief, the engagement team meets the current independence requirements of the SISA and SISR including APES 110 Code of Ethics for Professional Accountants in relation to the audit of the Fund. In conducting our financial audit and compliance engagement, should we become aware that we have contravened the independence requirements, we shall notify you on a timely basis.

Report on matters identified

Under section 129 of the SISA, we are required to report to you in writing, if during the course of, or in connection with, our audit, we become aware of any contravention of the SISA or SISR which we believe has occurred, is occurring or may occur. Furthermore, you should be aware that we are also required to notify the ATO of certain contraventions of the SISA and SISR that we become aware of during the audit, which meet the tests stipulated by the ATO, irrespective of the materiality of the contravention or action taken by the trustees to rectify the matter. Finally, under section 130, we are required to report to you and the ATO if we believe the financial position of the Fund may be, or may be about to become unsatisfactory. You should not assume that any matters reported to you, or that a report that there are no matters to be communicated, indicates that there are no additional matters, or matters that you should be aware of in meeting your responsibilities. The completed audit report may be provided to you as a signed hard copy or a signed electronic version

Compliance program

The conduct of our engagement in accordance with Australian Auditing Standards and applicable Standards on Assurance Engagements means that information acquired by us in the course of our engagement is subject to strict confidentiality requirements. Information will not be disclosed by us to other parties except as required or allowed for by law or professional standards, or with your express consent. Our audit files may, however, be subject to review as part of the compliance program of a professional accounting body or the ATO. We advise you that by signing this letter you acknowledge that, if requested, our audit files relating to this audit will be made available under these programs. Should this occur, we shall advise you. The same strict confidentiality requirements apply under these programs as apply to us as your auditor.

Limitation of liability

As a practitioner/firm participating in a scheme approved under Professional Services Legislation, our liability may be limited under the scheme.

Fees

We look forward to full co-operation with [you/your administrator] and we trust that you will make available to us whatever records, documentation and other information are requested in connection with our audit.

Our fees are a set rate, plus agreed upon out-of-pocket expenses. If we incur additional costs as a result of factors such as:

- information not being provided to us within agreed time limits;
- significant errors in the information that is provided;
- significant change to the scale of the engagement;
- a material issue arising which was not reasonably contemplated at the time of the fee quote
- then this additional time will also be billed.

Our fees may be billed at completion of the audit or as the work progresses if the time taken to complete is exceptional. It is our policy that fees be collected within 14 days from the invoice date. Late payments may attract interest penalties equal to the ATO benchmark interest rate at the invoice date.

TABS - Super Fund Auditors

Tax And Business Services Pty Ltd
ABN 18 119 410 856
Ph: 02 9522 0981
Mob: 0408 272 002
Email: audit@tabs.net.au
PO Box 75, Sylvania 2224



Other

This letter will be effective for future years unless we advise you of its amendment or replacement, or the engagement is terminated.

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements for our financial audit and compliance engagement of the Fund.

Yours faithfully,

A handwritten signature in black ink, appearing to read "C. Price", written over a horizontal line.

Catherine Price - Director

We understand and agree to the terms of this engagement:

A handwritten signature in black ink, appearing to read "T. Sier", written over a horizontal line.

Trevor Sier

Natalie Sier



26 March 2020

Private and Confidential

TABS - Super Fund Auditors
PO Box 75
SYLVANIA NSW 2224

Dear Auditor,

Re: Sier Family Fund 30 June 2019

This representation letter is provided in connection with your audit of the financial report of the Sier Family 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 June 2019, 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 June 2019 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 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 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 or as 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 [or director of the corporate trustee] receives any remuneration for any duties or services performed by the trustee [or 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 sought qualified legal advice to ensure the Fund Minutes and Resolutions pertaining to all matters that affect the entity are valid and that the Fund Deed is regularly reviewed to ensure all changes are valid and the deed remains compliant with current legislation.

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 SISA, 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, 104, 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's contravention report].

4. Investment strategy

The investment strategy has been determined and reviewed with due regard to risk, 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 control 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 years;
- minutes and records of trustees' [or directors of the corporate trustee] meetings [or for sole trustee: decisions] are being kept for 10 years;
- records of trustees' [or directors of the corporate trustee] changes and trustees' consents are being kept for at least 10 years;
- copies of all member or beneficiary reports are being kept for 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. 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 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.

There are no commitments, fixed or contingent, for the purchase or sale of long term investments other than those disclosed in the financial report.

8. 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.

9. Significant assumptions

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

10. 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.

11. Ownership and pledging of assets

The Fund has satisfactory title to all assets appearing in the statement of financial position/net assets. All investments are registered in the name of the Fund, where possible, and are in the custody of the respective manager/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. 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. 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 the 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.

13. Borrowings

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

14. 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 the financial statements are not misleading as to the financial position of the Fund or its operations.

15. Outstanding legal action

We confirm 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.

16. Going concern

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

17. Additional matters

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 the 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 faithfully,



Trevor Sier



Natalie Sier



TABS - Super Fund Auditors

Tax And Business Services Pty Ltd
ABN 18 119 410 856
Ph: 02 9522 0981
Mob: 0408 272 002
Email: audit@tabs.net.au
PO Box 75 Sylvania 2224



26 March 2020

The Trustees,
Sier Family Fund
22 Juvenis Avenue
Oyster Bay NSW 2225

Dear Trustees,

Audit Management Letter

We have completed the audit of the Sier Family Fund, for the financial year ended 30 June 2019. We wish to report to you the following matters arising from our audit:

1. Superannuation Industry (Supervision) Act 1993 (SIS Act) and the Superannuation Industry (Supervision) Regulations 1994 (SIS Regulations) breaches:

No contraventions of the SIS Act were identified during our Audit;

2. Material audit adjustments

No material audit adjustments were identified/carried out during our Audit;

3. Matters for Trustee attention

In the course of our audit, we did not detect any instances of Non Compliance. Please ensure you advise your Accountant/Tax Agent or Professional Adviser if you have other super funds, so that your Total Super Balance may be calculated as this is used to track the limit on contributions that can be made from 1 July 2017;

4. Further matters for your review

We did not identify any significant administration issues in the conduct of our Audit.

Please take note that the earnings from investments did not cover the operating expenses for the 2019 financial year as shown in the Operating Statement. Please ensure you discuss the current investment strategy with your professional adviser to ensure the desired results are being achieved. Please note the scope of our audit does not span the recoverability of investments.

If your fund holds property:

- Loans/Borrowings – BEFORE SIGNING and even if the loan is currently in place - it is extremely important that Trustees seek professional advice about any GUARANTEES or INDEMNITIES provided by the individual SMSF Trustees/members to completely understand the implications for possible deemed contributions, non-arms length income, breaches of the s67A of SISA and Reg 13.22D of the SIS Regulations, if these guarantees or indemnities are ever exercised by the lender.
- Please plan ahead for the possibility of the death of a member and discuss cash flow issues with your professional, qualified advisor.
- Trustees should always consider appropriate property insurance.

Please note, it is the Trustees responsibility to ensure the financials are signed in accordance with s35B(3) ie by the Sole Trustee Director or at least 2 Directors of the corporate trustee or at least 2 individual trustees. These signed financials must be retained for a period of 5 years after the end of the year of income to which they relate. Trustees can be penalized for contravening this section of legislation.

The Trustees must be aware that internal controls are their responsibility to maintain. We strongly recommend that trustees consider requiring at least two (2) signatures on all bank accounts in order to make any payment. This reduces the risk that a trustee may make payments without the other trustee(s) knowledge or approval. When giving third party authority to view and/or make transactions on the super fund accounts on your behalf (as trustee of the super fund), please ensure risk is limited by ensuring your understand the extent of the authority, authority is provided in writing, you are notified when transactions are made, correspondence is received by you as well as the adviser and you check account transactions regularly.

Liability limited by a scheme approved under Professional Standards Legislation

TABS - Super Fund Auditors

Tax And Business Services Pty Ltd
ABN 18 119 410 856
Ph: 02 9522 0981
Mob: 0408 272 002
Email: audit@tabs.net.au
PO Box 75 Sylvania 2224



It is the Trustees responsibility to seek qualified legal advice to ensure the Fund Minutes and Resolutions pertaining to all matters that affect the entity are valid and that the Fund Deed is regularly reviewed to ensure all changes are valid and the deed remains compliant with current legislation.

This report is prepared on the basis of the limitations set out below.

The matters raised in this report are only those that came to our attention during the course of our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made. We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud. Accordingly, management should not rely on our report to identify all weaknesses that may exist in the systems and procedures reviewed, or potential instances of fraud that may exist. Our comments should be read in the context of the scope of our work. Findings within this report may have been prepared on the basis of management representations.

This report has been prepared solely for your use as management of the Sier Family Fund and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. Should you have any questions in relation to the above matters, please do not hesitate to contact our office.

Yours sincerely,


Catherine Price

TABS - Super Fund Auditors

Tax And Business Services Pty Ltd
ABN 18 119 410 856
Ph: 02 9522 0981
Mob: 0408 272 002
Email: audit@tabs.net.au
PO Box 75 Sylvania 2224



Auditor details

Name: Catherine Price

Postal address: PO Box 75, Sylvania, NSW, 2224

Business name : TABS - Super Fund Auditors

Business postal address: PO Box 75, Sylvania, NSW, 2224

SMSF Auditor number (SAN): 100033789

Professional organisation: CPA Australia

Professional membership or registration number: 9258298

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name: Sier Family Fund

Australian business number or tax file number: 36279979138

Address: 22 Juvenis Avenue, Oyster Bay, NSW, 2225

Year of income being audited: 30 June 2019

To the trustees

To the trustees of Sier Family Fund



Part A: Financial report

Approved SMSF auditor's Opinion

I have audited the special purpose financial report of the Sier Family Fund comprising the statement of financial position as at 30 June 2019, and the operating statement, and the notes to the financial statements of the Sier Family 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 then ended.

Basis for Opinion

My audit has been conducted in accordance with Australian Auditing Standards². 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.

Emphasis of Matter - Basis of accounting

Without modifying my opinion, I draw attention to note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist Sier Family 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.

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.

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

²The Australian Auditing Standards issued by the Auditing and Assurance Standards Board.

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 Sier Family 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, each trustee of Sier Family 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 SMSF Auditor's 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.


Signature of approved SMSF auditor: Catherine Price

Date: 26 March 2020

Appendix 1 - Explanation of listed sections and regulations in compliance report

This appendix is included to assist trustees 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
S52B(2)(e)	The trustee/director of a corporate trustee must not enter into a contract that would prevent / hinder them from exercising the powers of a trustee/corporate trustee.
S62	The fund must be maintained for the sole purpose of providing benefits to any or all of the following: * fund members upon their retirement, * fund members upon reaching a prescribed age, * the dependents of a fund member in the case of a member's death before retirement.
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.
S109	All investment transactions must be made and maintained at arms length - i.e. 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 the 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.