

Financial statements and reports for the year ended  
30 June 2018

Dr Sam Superannuation Fund

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Prepared for: Sarath Jayawardana and Luckmalie Jayawardana

# Dr Sam Superannuation Fund

## Operating Statement

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
<b>Income</b>			
<b>Investment Income</b>			
Dividends Received	5	212	248
Interest Received		4,421	8,204
<b>Contribution Income</b>			
Employer Contributions		0	59,530
Personal Non Concessional		0	3,474
<b>Other Income</b>			
Foreign Exchange Profits/ Losses		3	0
<b>Total Income</b>		<u>4,636</u>	<u>71,456</u>
<b>Expenses</b>			
Accountancy Fees		1,881	1,716
ATO Supervisory Levy		259	259
Auditor's Remuneration		814	814
Bank Charges		0	100
Legal Fees		550	0
<b>Member Payments</b>			
Life Insurance Premiums		429	11,418
<b>Investment Losses</b>			
Changes in Market Values	6	3,326	64,342
<b>Total Expenses</b>		<u>7,259</u>	<u>78,649</u>
<b>Benefits accrued as a result of operations before income tax</b>		<u>(2,624)</u>	<u>(7,192)</u>
Income Tax Expense		28	7,961
<b>Benefits accrued as a result of operations</b>		<u>(2,652)</u>	<u>(15,153)</u>

The accompanying notes form part of these financial statements.

Refer to compilation report

# Statement of Financial Position

As at 30 June 2018

	Note	2018 \$	2017 \$
<b>Assets</b>			
<b>Investments</b>			
Fixed Interest Securities (Australian) - Unitised	2	0	88,469
Shares in Listed Companies (Australian)	3	2,096	3,440
<b>Total Investments</b>		<u>2,096</u>	<u>91,909</u>
<b>Other Assets</b>			
Sundry Debtors		47	47
NAB Cash Management #8075		144,496	48,822
Commonwealth CDIA #3509		15,278	15,240
Citi Ultimate Business Saver # 7640		0	22,360
St. George Term Deposit #1046		52,227	50,000
Citibank Overnight Multi Currency #5512		70	67
Income Tax Refundable		5,866	0
<b>Total Other Assets</b>		<u>217,984</u>	<u>136,536</u>
<b>Total Assets</b>		<u>220,080</u>	<u>228,445</u>
Less:			
<b>Liabilities</b>			
Income Tax Payable		0	5,713
<b>Total Liabilities</b>		<u>0</u>	<u>5,713</u>
<b>Net assets available to pay benefits</b>		<u>220,080</u>	<u>222,732</u>
Represented by:			
<b>Liability for accrued benefits allocated to members' accounts</b>			
Jayawardana, Sarath - Accumulation		126,504	127,819
Jayawardana, Luckmalie - Accumulation		93,576	94,913
<b>Total Liability for accrued benefits allocated to members' accounts</b>		<u>220,080</u>	<u>222,732</u>

The accompanying notes form part of these financial statements.

Refer to compilation report

# **Notes to the Financial Statements**

For the year ended 30 June 2018

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## **Note 1: Summary of Significant Accounting Policies**

The trustees have prepared the financial statements on the basis that the superannuation fund is a non-reporting entity because there are no users dependent on general purpose financial statements. 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 accompanying Regulations, the trust deed of the fund and the needs of members.

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

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 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 their market values, which is the amount that a willing buyer of the asset could reasonably be expected to pay to acquire the 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 values have 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 trustees' assessment of 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 reporting date. The trustees have determined that the gross values of the fund's financial liabilities are 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 are subject to an insignificant risk of change in value.

### **c. Revenue**

Revenue is recognised at the fair value of the consideration received or receivable.

#### **Interest revenue**

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

# Notes to the Financial Statements

For the year ended 30 June 2018

## 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 are 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 the investment was acquired during the period).

## 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. 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.

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: Fixed Interest Securities (Australian) - Unitised

	2018 \$	2017 \$
UBS CG Series 31 AUD	0	44,234
UBS CG Series 30 AUD	0	44,234
	<hr/> 0	<hr/> 88,468

## Note 3: Shares in Listed Companies (Australian)

	2018 \$	2017 \$
Telstra Corporation Limited.	2,096	3,440
	<hr/> 2,096	<hr/> 3,440

# Notes to the Financial Statements

For the year ended 30 June 2018

## Note 5: Dividends

	2018 \$	2017 \$
Telstra Corporation Limited	212	248
	<u>212</u>	<u>248</u>

## Note 6: Unrealised Movements in Market Value

	2018 \$	2017 \$
<b>Fixed Interest Securities (Australian) - Unitised</b>		
UBS CG Series 30 AUD	10,766	0
UBS CG Series 31 AUD	10,766	0
	<u>21,531</u>	<u>0</u>
<b>Other Revaluations</b>		
Other Revaluations	0	(64,342)
	<u>0</u>	<u>(64,342)</u>
<b>Shares in Listed Companies (Australian)</b>		
Telstra Corporation Limited.	(1,344)	0
	<u>(1,344)</u>	<u>0</u>
<b>Total Unrealised Movement</b>	<u>20,187</u>	<u>(64,342)</u>
<b>Realised Movements in Market Value</b>		
	2018 \$	2017 \$
<b>Fixed Interest Securities (Australian) - Unitised</b>		
UBS CG Series 31 AUD	(23,513)	0
	<u>(23,513)</u>	<u>0</u>
<b>Total Realised Movement</b>	<u>(23,513)</u>	<u>0</u>
<b>Total Market Movement</b>	<u>(3,326)</u>	<u>(64,342)</u>

## **Trustees Declaration**

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

In the opinion of the trustees:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2018 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2018 and the results of its operations for the year then ended 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 2018.

Signed in accordance with a resolution of the trustees by:

.....  
Sarath Jayawardana

Trustee

.....  
Luckmalie Jayawardana

Trustee

Dated this ..... day of .....

Member's Statements for the year ended  
30<sup>th</sup> June 2018

Fund Name: Dr Sam Superannuation Fund

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Prepared for: Sarath Jayawardana and Luckmalie Jayawardana



# Members Statement

Sarath Gunaseela Jayawardana  
 421 Riverton Drive East  
 SHELLEY, Western Australia, 149,

## Your Details

Date of Birth : 21/10/1956  
 Age: 61  
 Tax File Number: Provided  
 Date Joined Fund: 01/07/2016  
 Service Period Start Date:  
 Date Left Fund:  
 Member Code: JAYSAR00001A  
 Account Start Date 01/07/2016  
 Account Phase: Accumulation Phase  
 Account Description: Accumulation

Nominated Beneficiaries N/A  
 Vested Benefits 126,503  
 Total Death Benefit 126,503

## Your Balance

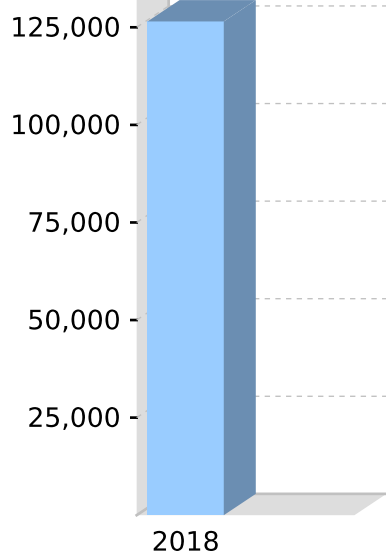
Total Benefits 126,503

### Preservation Components

Preserved 126,503  
 Unrestricted Non Preserved  
 Restricted Non Preserved

### Tax Components

Tax Free 16,604  
 Taxable 109,899



## Your Detailed Account Summary

	This Year
Opening balance at 01/07/2017	127,818
<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	(1,210)
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	
Income Tax	105
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Refund Excess Contributions	
Division 293 Tax	
Insurance Policy Premiums Paid	
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2018	126,503

# Members Statement

Luckmalie Jayawardana  
 421 Riverton Drive East  
 SHELLEY, Western Australia, 149,

## Your Details

Date of Birth : 21/10/1961  
 Age: 56  
 Tax File Number: Provided  
 Date Joined Fund: 01/07/2016  
 Service Period Start Date:  
 Date Left Fund:  
 Member Code: JAYLUC00001A  
 Account Start Date 01/07/2016  
 Account Phase: Accumulation Phase  
 Account Description: Accumulation

Nominated Beneficiaries N/A  
 Vested Benefits 93,576  
 Total Death Benefit 93,576

## Your Balance

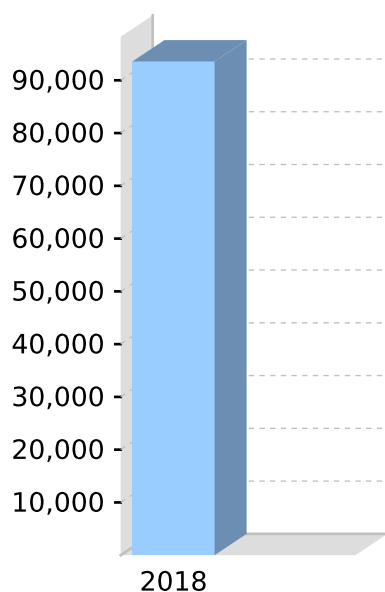
Total Benefits 93,576

### Preservation Components

Preserved 93,576  
 Unrestricted Non Preserved  
 Restricted Non Preserved

### Tax Components

Tax Free 12,760  
 Taxable 80,816



## Your Detailed Account Summary

	This Year
Opening balance at 01/07/2017	94,913
<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	(895)
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	
Income Tax	13
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Refund Excess Contributions	
Division 293 Tax	
Insurance Policy Premiums Paid	429
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2018	93,576

## Investment Summary with Market Movement

As at 30 June 2018

Investment		Units	Market Price	Market Value	Average Cost	Accounting Cost	Overall	Unrealised Current Year	Realised Movement
<b>Cash/Bank Accounts</b>									
	Citibank Overnight Multi Currency #5512		69.980000	69.98	69.98	69.98			
	Commonwealth CDIA #3509		15,277.930000	15,277.93	15,277.93	15,277.93			
	NAB Cash Management #8075		144,496.080000	144,496.08	144,496.08	144,496.08			
	St. George Term Deposit #1046		52,226.600000	52,226.60	52,226.60	52,226.60			
				<b>212,070.59</b>		<b>212,070.59</b>			
<b>Fixed Interest Securities (Australian) - Unitised</b>									
	JAYAS040_U UBS CG Series 30 AUD	0.00	0.000000	0.00	0.00	0.00	0.00	10,765.58	0.00
	JAYAS040_0 UBS CG Series 31 AUD 2	0.00	0.000000	0.00	0.00	0.00	0.00	10,765.58	(23,513.48)
				<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>21,531.16</b>	<b>(23,513.48)</b>
<b>Shares in Listed Companies (Australian)</b>									
	TLS.AX Telstra Corporation Limited.	800.00	2.620000	2,096.00	3.70	2,960.00	(864.00)	(1,344.00)	0.00
				<b>2,096.00</b>		<b>2,960.00</b>	<b>(864.00)</b>	<b>(1,344.00)</b>	<b>0.00</b>
				<b>214,166.59</b>		<b>215,030.59</b>	<b>(864.00)</b>	<b>20,187.16</b>	<b>(23,513.48)</b>

Investment reports for the year ended  
30<sup>th</sup> June 2018

Fund Name: Dr Sam Superannuation Fund

# Dr Sam Superannuation Fund

## Investment Movement Report



As at 30 June 2018

Investment	Opening Balance		Additions		Disposals		Accounting Profit/(Loss)	Closing Balance		
	Units	Cost	Units	Cost	Units	Cost		Units	Cost	Market Value
Macquarie account 8594										
Citi Ultimate Business Saver # 7640		22,360.12		88,585.16		(110,945.28)			0.00	0.00
Citibank Overnight Multi Currency #5512		67.34		2.64					69.98	69.98
Commonwealth CDIA #3509		15,239.79		38.14					15,277.93	15,277.93
NAB Cash Management #8075		48,821.66		111,214.83		(15,540.41)			144,496.08	144,496.08
St. George Term Deposit #1046		50,000.00		2,226.60					52,226.60	52,226.60
		136,488.91		202,067.37		(126,485.69)			212,070.59	212,070.59
Fixed Interest Securities (Australian) - Unitised										
UBS CG Series 30 AUD	1.00	55,000.00			(1.00)	(55,000.00)	0.00		0.00	
UBS CG Series 31 AUD	1.00	55,000.00			(1.00)	(55,000.00)	(23,513.48)		0.00	
		110,000.00				(110,000.00)	(23,513.48)		0.00	
Shares in Listed Companies (Australian)										
Telstra Corporation Limited.	800.00	2,960.00						800.00	2,960.00	2,096.00
		2,960.00							2,960.00	2,096.00
		249,448.91		202,067.37		(236,485.69)	(23,513.48)		215,030.59	214,166.59



# Dr Sam Superannuation Fund

## Realised Capital Gains Report

For the period: 1 July 2017 to 30 June 2018

Investment		Accounting Treatment				Tax Treatment						
Purchase Contract Date	Disposal Contract Date	Units	Cost	Proceeds	Accounting Profit/(Loss)	Adjusted Cost Base	Reduced Cost Base	Indexed Cost Base	Indexed Gains	Discounted Gains (Gross)	Other Gains	Capital Loss
<b>Fixed Interest Securities (Australian) - Unitised</b>												
UBS CG Series 30 AUD												
30/06/2017	05/09/2017	1.00	55,000.00	55,000.00	0.00	55,000.00	55,000.00	0.00	0.00	0.00	0.00	0.00
		<b>1.00</b>	<b>55,000.00</b>	<b>55,000.00</b>	<b>0.00</b>	<b>55,000.00</b>	<b>55,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
UBS CG Series 31 AUD												
30/06/2017	29/08/2017	1.00	55,000.00	31,486.52	(23,513.48)	55,000.00	55,000.00	0.00	0.00	0.00	0.00	(23,513.48)
		<b>1.00</b>	<b>55,000.00</b>	<b>31,486.52</b>	<b>(23,513.48)</b>	<b>55,000.00</b>	<b>55,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(23,513.48)</b>
		<b>2.00</b>	<b>110,000.00</b>	<b>86,486.52</b>	<b>(23,513.48)</b>	<b>110,000.00</b>	<b>110,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(23,513.48)</b>
		<b>2.00</b>	<b>110,000.00</b>	<b>86,486.52</b>	<b>(23,513.48)</b>	<b>110,000.00</b>	<b>110,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(23,513.48)</b>

# Unrealised Capital Gains Report

As at 30 June 2018

Investment	Units	Cost	Tax Deferred /Depreciation	CGT Cost Base	Market Value	Projected Profit /(Loss)	Taxable Profit Indexation	Taxable Profit Discounted	Taxable Profit Notional
<b>Shares in Listed Companies (Australian)</b>									
Telstra Corporation Limited.	800.00	2,960.00	0.00	2,960.00	2,096.0000	(864.00)	0.00	0.00	0.00
		<b>2,960.00</b>	<b>0.00</b>	<b>2,960.00</b>	<b>2,096.0000</b>	<b>(864.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
		<b>2,960.00</b>	<b>0.00</b>	<b>2,960.00</b>	<b>2,096.0000</b>	<b>(864.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



For the year ended 30<sup>th</sup> June 2018

Trustee resolution

Trustee representation letter

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Prepared for: Sarath Jayawardana and Luckmalie Jayawardana

# Minutes of a meeting of the Trustee(s)

held on 30 June 2018 at 421 Riverton Drive East, SHELLEY, Western Australia 149

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<b>PRESENT:</b>	Sarath Jayawardana and Luckmalie Jayawardana
<b>APOLOGIES:</b>	
<b>MINUTES:</b>	The Chair reported that the minutes of the previous meeting had been signed as a true record.
<b>FINANCIAL STATEMENTS OF SUPERANNUATION FUND:</b>	<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 a non-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 2018 and it was resolved that such statements be and are hereby adopted as tabled.</p>
<b>TRUSTEE'S DECLARATION:</b>	It was resolved that the trustee's declaration of the superannuation fund be signed.
<b>ANNUAL RETURN:</b>	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 2018, it was resolved that the annual return be approved, signed and lodged with the Australian Taxation Office.
<b>TRUST DEED:</b>	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.
<b>INVESTMENT STRATEGY:</b>	The allocation of the fund's assets and the fund's investment performance over this financial year were reviewed and found to be within the acceptable ranges outlined in the investment strategy. After considering the risk, rate of return 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.
<b>INSURANCE COVER:</b>	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.
<b>ALLOCATION OF INCOME:</b>	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).
<b>INVESTMENT ACQUISITIONS:</b>	It was resolved to ratify the investment acquisitions throughout the financial year ended 30 June 2018.
<b>INVESTMENT DISPOSALS:</b>	It was resolved to ratify the investment disposals throughout the financial year ended 30 June 2018.
<b>AUDITORS</b>	<p>It was resolved that</p> <p>Super Audits Pty Ltd</p> <p>of</p> <p>PO Box 3376, RUNDLE MALL, South Australia 5000</p> <p>act as auditors of the Fund for the next financial year.</p>

## Minutes of a meeting of the Trustee(s)

held on 30 June 2018 at 421 Riverton Drive East, SHELLEY, Western Australia 149

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### TAX AGENTS

It was resolved that

Mora Wealth Accountants Pty Ltd

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.

### 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 –

.....  
Sarith Jayawardana

.....  
Luckmalie Jayawardana

Chairperson

15/03/2019

Anthony Boys  
P.O. Box 3376  
RUNDLE MALL, SA 5000

Dear Sir/Madam,

**Dr Sam Superannuation Fund**

**Superannuation Fund Management/Trustee Representation Letter**

In connection with your audit examination of the financial report of Dr Sam Superannuation Fund for the year ended 30/06/2018, hereby confirm, at your request that to best of our knowledge and belief, the following representation relating to the accounts are correct.

**Financial Report**

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation of the financial report.

The management/trustee have determined that the fund is not a reporting entity for the year ended 30/06/2018 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 requirement of the SISA and the SISR, and to confirm that the financial report is free of material misstatements, including omissions.

**Sole Purpose**

The fund has been maintained for the sole purpose of providing superannuation benefits to its members and their dependents.

**Superannuation Fund Books/Records/Minutes**

- (a) We have made available to you all financial records and related data, other information, explanations and assistance necessary for the conduct of the audit.
- (b) We have made available to you Minutes of all trustee(s)' meetings and the Trust Deed.
- (c) We have established and maintained an adequate internal control structure to facilitate the preparation of reliable financial statements, 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 statements.
- (d) We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
- (e) Records maintained during the period were in accordance with the Australian Taxation Office requirements.

**Asset Form**

The assets of the superannuation fund are being held in a form suitable for the benefit of the members of the fund and have been held in accordance with the fund's investment strategy.

**Ownership and Pledging of Assets**

The superannuation fund has satisfactory title to all assets disclosed in the Statement of Financial Position. Investments are registered in the name of the trustee(s).

No assets of the superannuation fund have been pledged to secure liabilities of the superannuation fund or of others.

## **Investments**

- (a) We have considered the requirement of generally accepted accounting standards in regard to impairment of assets when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount.
- (b) There are no commitments, fixed or contingent, for the purchase or sale of long-term investments that have not been disclosed in the financial statements.
- (c) The investment strategy has been determined 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.
- (d) All investments are acquired, maintained and disposed of on an arm's length basis.

## **Trust Deed**

The superannuation fund is being conducted in accordance with its Trust Deed.

## **Superannuation Industry (Supervision) Act and Regulations**

- (a) The fund meets the definition of a self-managed superannuation fund under the SISA.
- (b) The fund has been conducted in accordance with the SISA, the SISR and its governing rules at all times during the year. Also there were no amendments to the governing rules during the year, except as notified to you.
- (c) The fund is being conducted in accordance with the SISA and the SISR, in particular the relevant requirements of the following provisions:  
  
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
- (d) The trustee(s) have been nominated and may only be removed in such manner and circumstances as are allowed in the Trust Deed.
- (e) The trustees are not disqualified persons under s126K of the SISA.
- (f) Any vacancy among the trustee(s) is filled in accordance with the Trust Deed.
- (g) The trustee(s) have complied with all trustee standards set out in SISR and the covenant prescribed by section 52 of the SISA.
- (h) The trustee(s) have complied with all investment standards set out in the SISA and the SISR.
- (i) Information retention obligations have been complied with.
- (j) All contributions accepted, and benefits paid have been in accordance with the governing rules of the fund and relevant provisions of the SISA and the SISR.

There are no breaches or possible breaches of the SIS legislation whose effects should be considered for disclosure in the financial report or to the Australian Taxation Office.

## **Commitments**

- (a) There are no material commitments for construction or acquisition of property, plant and equipment to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.
- (b) There were no commitments for purchase or sale of securities or assets or any options given by the fund including options over share capital.

## **Taxation**

- (a) We have calculated income tax expense, current tax liability, deferred tax liability and deferred tax asset according to the definitions of taxable income and allowable deductions. We have calculated and recognised all other applicable taxes according to the relevant tax legislation.
- (b) There are no activities that invoke the anti-avoidance provisions of any applicable tax legislation.

## **Borrowings**

The trustees have not borrowed money on behalf of the superannuation fund with the exception of borrowings which were allowable under the SIS Act and the SIS Regulations.

## **Related Parties**

- (a) The fund has not made any loans to or provided financial assistance to members of the fund or their relatives.
- (b) No asset has been acquired from a member or related party other than as permitted under the SISA and the SISR.
- (c) Related party transactions and related amounts receivable or payable have been properly disclosed in the financial statements.

## **Accounting Misstatement Detected by Audit**

There has been no misstatement noted by audit during the course of the current year audit.

## **Insurance**

The superannuation fund has an established procedure whereby an officer reviews at least annually the adequacy of insurance cover on all assets and insurable risks where relevant. This review has been performed and where it is considered appropriate, assets and insurable risks of the superannuation fund are adequately covered by insurance.

## **Accounting Estimates**

We confirm the significant assumptions used in making accounting estimates are reasonable.

## **Fair Value Measurements and Disclosures**

We confirm that significant assumptions used in fair value measurements and disclosures are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the fund.

## **Going Concern**

In the opinion of the trustees there are reasonable grounds to believe that the superannuation fund will be able to:

- Pay its debts as and when they fall due.
- Continue as a going concern for the foreseeable future.

We, therefore, confirm that the going concern basis is appropriate for the financial report.

**Events after Balance Sheet Date**

We are not aware of any events that have occurred between the financial reporting date to the date of this letter that we need to disclose or recognise in the financial report.

**Comparative Information**

We confirm that there have been no restatements made to correct a material misstatement in the prior period financial report that affects the comparative information.

**Fraud and Error**

- (a) There has been no:
  - (i) Fraud, error, or non-compliance with laws and regulations involving management or employees who have a significant role in the internal control structure.
  - (ii) Fraud, error, or non-compliance with laws and regulations that could have a material effect on the financial report.
  - (iii) Communication from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.
- (b) The superannuation fund has disclosed to the auditor all significant facts relating to any frauds or suspected frauds known to management that may have affected the superannuation fund.
- (c) The superannuation fund has disclosed to the auditor the results of its assessment of the risk that the financial report may be materially misstated as a result of fraud.

**Legal Matters**

We confirm that all matters that may result in legal action against the fund or the trustees in respect of the fund, have been discussed with a solicitor and brought to the attention of the auditor so that a solicitor's representation letter may be obtained.

**General**

- (a) Neither the superannuation fund nor any Trustees have any plans or intentions that may materially affect the book value or classification of assets and liabilities at balance sheet date.
- (b) The superannuation fund accepts responsibility for the implementation and operations of accounting and internal control systems that are designed to prevent and detect fraud and error. We have established and maintained adequate internal control to facilitate the preparation of a reliable financial report, 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.
- (c) There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.
- (d) The superannuation fund has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.

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

**Additional Matters**

There are no additional matters.

**Signed by the Directors/ Trustee for the Dr Sam Superannuation Fund**

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**Director / Trustee**

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**Director / Trustee**



For the year ended 30<sup>th</sup> June 2018

Audit engagement letter

Audit report

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Prepared for: Sarath Jayawardana and Luckmalie Jayawardana

## **Dr Sam Superannuation Fund**

Dear Trustees,

### **Dr Sam Superannuation Fund Audit Engagement Letter**

#### **Objectives and Scope of the Audit**

You have requested that we audit the financial statements of the SMSF for the year ended 30 June 2018. We are pleased to confirm our acceptance and understanding of this engagement by means of this letter.

Our audit will be performed in accordance with Australian Auditing Standards, the *Superannuation Industry (Supervision) Act 1993* (SISA) and the *Superannuation Industry (Supervision) Regulations* (SISR) with the objective of expressing an opinion on the financial report and the fund's compliance with the specified requirements of the SISA and the SISR.

#### **Our Responsibilities**

We will conduct our audit in accordance with Australian Auditing Standards. Those Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

An 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. An audit also includes evaluating the appropriateness of the financial reporting framework, accounting policies used and the implementation and operation of accounting and internal control systems that are designed to prevent and detect fraud and error, as well as evaluating the overall presentation of the financial report.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatement may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

In making our risk assessments, we consider internal control relevant to the entity'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 entity's internal control. We will, however, communicate to you in writing any significant deficiencies in internal control relevant to the audit of the financial report that we have identified during the audit.

#### **Trustees' Responsibilities**

Our audit will be conducted on the basis that the trustee(s) acknowledge and understand that they have responsibilities:

- For the preparation of the financial report that gives a true and fair view in accordance with the Australian Auditing Standards, other mandatory reporting requirements and the SIS Act and SIS Regulations is that of the trustee(s);
- For such internal control as the trustee(s) determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error; and
- To provide us with:
  - Access to all information of which the trustees are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
  - Additional information that we may request from the trustees for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

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

Australian Auditing Standards require that we determine whether the financial reporting framework applied in the preparation of this special purpose of financial report is acceptable. If we determine the financial reporting framework to be unacceptable, we will not be able to undertake the audit engagement unless the framework is amended and then determined to be acceptable.

If a qualified audit report is to be issued following the completion of our audit, we will advise the details to you in a timely manner and prior to the issue of our report.

### **Audit of SIS Compliance**

For the year ended 30 June 2018, we are required to form an opinion in respect of compliance with certain aspects of SIS. Our report must refer to the following sections and regulations:

Sections: 17A, 35AE, 35B, 35C(2), 52, 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, 13.22C

### **Report on Significant Matters**

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 Act or Regulations which we believe has occurred, is occurring or may occur.

We are also required to report to the ATO, as regulator, any contravention of the SISA and the SISR, where we believe the contravention may affect the interests of the members of beneficiaries of the fund.

In addition, we are also required under section 130 to report to you if we believe the superannuation fund may be, or may be about to become, in an unsatisfactory financial position. If we are not satisfied with your response as trustee(s) as to the action taken to rectify the situation or we receive no response, we are obliged to report the matter to the ATO.

A failure on the part of the trustee to rectify these breaches to the satisfaction of the ATO may result in significant penalties to the trustee and the fund itself.

In addition to our report on the financial statements, we will also report to you any material weaknesses in the fund's system of accounting and internal control which come to our notice during the course of our audit.

### **Quality Control**

The conduct of our audit in accordance Australian Auditing Standards means that information acquired by us in the course of our audit 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 expressed consent.

Our audit files may, however, be subject to review as part of the quality control review program of Regulators and or Professional Bodies which monitors compliance with professional standards by its members.

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 this program. Should this occur, we will advise you. The same strict confidentiality requirements apply under this program as apply to us as your auditor.

### **Independence/Conflict of Interest**

We have established policies and procedures designed to ensure our independence, including policies on holding financial interests in the superannuation fund and other related parties, rotation of audit partners, business relationships, employment relationships, and the provision of non-audit services in accordance with professional statement APES 110 – Code of Ethics for Professional Accountants.

### **Outsourced Services**

We do not use any outsourced services in overseas locations when conducting client assignments.

### **Data Storage**

We use data storage located in the office, but it may be replicated to other locations.

Accepting our services as part of this engagement agreement indicates your acceptance of the use of outsourced services, cloud hosted software and outsourced data storage under the conditions outlined above.

**Limitation of Liability**

Our firm's liability to you or any other user of the audit report is limited by a Scheme approved under Professional Standards Legislation.

**Other**

We would appreciate acknowledgement of terms and conditions set out in this letter. Please note that this letter will be effective for future years unless the terms of the engagement are altered by future correspondence.

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 audit of the financial report.

If you have any queries in relation to this, please contact me.

To: MR ANTHONY BOYS

I/We hereby confirm your appointment as Auditor under the above terms of engagement.

For and on behalf of The Trustee for the **Dr Sam Superannuation Fund**

**Signed &  
Dated**

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Yours sincerely,

ANTHONY BOYS – REGISTERED COMPANY AUDITOR

**DATED:** 15 March 2019

Signed document to be returned to P.O. Box 3376, RUNDLE MALL SA 5000

**Dr Sam Superannuation Fund**  
**Self-Managed Superannuation Fund**

## **Independent Auditor's Report**

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### **Approved SMSF auditor details**

Name	Anthony Boys
Business name	Super Audits Pty Ltd
Business Postal address	PO Box 3376, RUNDLE MALL, South Australia, 5000
SMSF auditor number (SAN)	100014140

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

Self-managed superannuation fund (SMSF) name	Dr Sam Superannuation Fund
Australian business number (ABN) or tax file number (TFN)	58162524053
Address	421 Riverton Drive East, SHELLEY, Western Australia, 6148
Year of income being audited	2018

### **To the SMSF trustees**

To the SMSF trustees of	Dr Sam Superannuation Fund
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## **Independent Auditor's Report**

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### **PART A - FINANCIAL REPORT**

I have audited the special purpose financial report comprising the Statement of Financial Position as at 30 June 2018, the Operating Statement for the year then ended, a summary of significant accounting policies and other explanatory notes of the Dr Sam Superannuation Fund for the year ended 30 June 2018.

#### **SMSF trustee's responsibility for the financial report**

Each SMSF 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 Superannuation Industry (Supervision) Act 1993 (SISA) and the Superannuation Industry (Supervision) Regulations 1994 (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.

#### **Approved SMSF auditor's responsibility**

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 trustee. I have complied with the auditor independence requirements prescribed by the SISR and the competency standards set by Australian Securities & Investments Commission (ASIC).

My audit has been conducted in accordance with Australian Auditing Standards. These standards require that I comply with relevant ethical requirements relating to audit engagements, and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the trustee's preparation and fair presentation 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 of the effectiveness of the trustee's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustee, as well as evaluating the overall presentation of the financial report.

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

#### **Approved SMSF auditor's opinion**

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 2018 and the results of its operations for the year then ended.

#### **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 Dr Sam Superannuation Fund meet the requirements of the SMSF's governing rules, the Superannuation Industry (Supervision) Act 1993 (SISA) and the Superannuation Industry (Supervision)

**Dr Sam Superannuation Fund**

**Self-Managed Superannuation Fund**

## **Independent Auditor's Report**

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Regulations 1994 (SISR). As a result, the financial report may not be suitable for another purpose.

## **Independent Auditor's Report**

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### **PART B - COMPLIANCE REPORT**

#### **SMSF trustee's responsibility for compliance**

Each SMSF trustee is responsible for complying with the requirements of the SISA and the SISR.

#### **Approved SMSF auditor's responsibility**

My responsibility is to express a conclusion on the trustee's compliance, based on the compliance engagement.

My firm applies the Australian Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

I have complied with the competency standards set by ASIC, the auditor independence requirements prescribed by the SISR and the ethical requirements relating to assurance engagements which are founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

My audit has been conducted in accordance with applicable Standards on Assurance Engagements, to provide reasonable assurance that the trustee of the fund has 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

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 2018.

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. My procedures with respect to section 62 included testing that the fund trust deed establishes the fund solely for the provision of retirement benefits for fund members or their dependants in the case of the member's death before retirement; a review of investments to ensure the fund is not providing financial assistance to members, unless allowed under the legislation; and testing that no preserved benefits have been paid before a condition of release has been met.

My procedures with respect to regulation 4.09 included testing that the fund trustee has an investment strategy, that the trustee has given consideration to risk, return, liquidity, diversification, the insurance needs of fund members, and that the fund's investments are made in line with that investment strategy. No opinion is made on the investment strategy or its appropriateness to the fund members.

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



# **Independent Auditor’s Report**

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**Approved SMSF auditor’s conclusion**

In my opinion, each trustee of Dr Sam Superannuation Fund has complied, in all material respects, with the requirements of the SISA of the SISR specified above, for the year ended 30 June 2018.

Signature of approved SMSF auditor: .....  
Anthony Boys

Date:

## **Independent Auditor's Report**

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

This appendix is included to assist with the meaning of the legislation and regulations listed above.

<b>Section or Regulation</b>	<b>Explanation</b>
S17A	The fund must meet the definition of an SMSF
S35AE	The trustees must keep and maintain accounting records for a minimum of five years
S35B	The trustees must prepare, sign and retain accounts and statements
S35C(2)	The trustees must provide the auditor with the necessary documents to complete the audit in a timely and professional manner; and within 14 days of a written request from the auditor
S62	<p>The fund must be maintained for the sole purpose of providing benefits to any or all of the following:</p> <ul style="list-style-type: none"><li>• fund members upon their retirement</li><li>• fund members upon reaching a prescribed age</li><li>• the dependants of a fund member in the case of the member's death before retirement</li></ul>
S65	The trustees must not loan monies or provide financial assistance to any member or relative at any time during the financial year
S66	The trustees must not acquire any assets (not listed as an exception) from any member or related party of the fund
S67	The trustees of the fund must not borrow any money or maintain an existing borrowing (not listed as an exception)
S67A & 67B	The fund must comply with the limited recourse borrowing arrangement rules when borrowing to purchase single acquirable asset or replacement assets (not listed as an exception to the borrowing rules)
S82-85	The trustees must comply with the in-house asset rules
S103	The trustees must keep minutes of all meetings and retain the minutes for a minimum of 10 years
S104	The trustees must keep up to date records of all trustee or director of corporate trustee changes and trustee consents for a minimum of 10 years
S104A	Trustees who became a trustee on or after 1 July 2007 must sign and retain a trustee declaration

## **Independent Auditor's Report**

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S105	The trustees must ensure that copies of all member or beneficiary reports are kept for a minimum of 10 years
S109	All investment transactions must be made and maintained at arms-length – that is, purchase, sale price and income from an asset reflects a true market value/rate of return
S126K	A disqualified person cannot be a trustee, investment manager or custodian of a superannuation fund
Sub Reg 1.06 (9A)	Pension payments must be made at least annually, and must be at least the amount calculated under Schedule 7
Reg 4.09	Trustees must formulate, regularly review and give effect to an investment strategy for the fund
Reg 4.09A	The assets of the SMSF must be held separately from any assets held by the trustee personally or by a standard employer sponsor or an associate of the standard employer sponsor
Reg 5.03	Investment returns must be allocated to members in a manner that is fair and reasonable
Reg 5.08	Member minimum benefits must be maintained in the fund until transferred, rolled over, allotted (to the member's spouse) or cashed out in a permitted fashion
Reg 6.17	Payments of member benefits must be made in accordance with Part 6 or Part 7A of the regulations and be permitted by the trust deed
Reg 7.04	Contributions can only be accepted in accordance with the applicable rules for the year being audited
Reg 8.02B	When preparing accounts and statements required by subsection 35B(1) of SISA, an asset must be valued at its market value
Reg 13.12	Trustees must not recognise an assignment of a super interest of a member or beneficiary
Reg 13.13	Trustees must not recognise a charge over or in relation to a member's benefits
Reg 13.14	Trustees must not give a charge over, or in relation to, an asset of the fund
Reg 13.18AA	Investments in collectables and personal use assets must be maintained in accordance with prescribed rules