

KEDRON MANAGEMENT SERVICES PTY LTD

Larry C. Bushell
ASIC Registered SMSF Auditor No. 100264453

Accounts & SMSF Special Auditors
ABN 89 264 918 074

26 August 2019

The Trustee,
Costin & Tucker Private Pension Fund
5 Pinanga Place
Little Mountain Qld 4551

Mobile: 0409 690 359
Email: larry@kedronmanagementservices.com.au
Post: PO Box 145, Kedron Qld 4031
Office: 4/245 Gympie Road, Kedron Qld 4031

Dear Sir / Madam,

RE: APPOINTMENT AS AUDITOR

You have requested I act as auditor of the Costin & Tucker Private Pension Fund as of, and for the year ended 30 June 2018 I am pleased to confirm my acceptance of the appointment and would now like to set out my understanding of the terms of this engagement.

Audit of the Financial Report

In accordance with Section 35C of the Superannuation Industry (Supervision) Act 1993 ("SIS"), the financial report of a regulated superannuation fund must be audited by an approved auditor. The auditor must give the trustee a report on the special purpose financial report in the approved form within the prescribed time after the year of income to which the financial report relates.

The work undertaken by me to form an opinion is permeated by judgement, in particular regarding the nature, timing and extent of the audit procedures for gathering of audit evidence and the drawing of conclusions based on the audit evidence gathered. In addition, there are inherent limitations in any audit, and these include the use of testing, the inherent limitations of any internal control structure, the possibility of collusion to commit fraud, and the fact that most audit evidence is persuasive rather than conclusive. As a result, my audit can only provide reasonable – not absolute – assurance that the financial report is free from material misstatement.

I direct your attention to the fact that it is each trustee's responsibility for the maintenance of adequate accounting records and internal controls, the safeguarding of superannuation fund assets, the selection of accounting policies, the preparation of the special purpose financial report and returns. I note each trustee is responsible for providing access to all information that is relevant to the preparation of the financial report, and any additional information that may be required as part of the audit. In particular, I note each trustee is responsible for the implementation and operation of accounting and internal control systems that are designed to prevent and detect fraud and error.

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The audit of the financial report does not relieve the trustee of their individual responsibilities.

My audit work involves examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report in order to form an opinion as to whether, in all material respects, the financial report is fairly stated in accordance with the accounting policies described in the notes thereto.

My audit will be planned and conducted primarily to enable me to express my professional opinion as to whether the financial report complies with Australian Accounting Standards and other reporting requirements as adopted by the trustee, but, also, so as to have reasonable expectation of detecting material misstatements arising as a result of irregularities which would have a material effect on the financial report. Unless otherwise agreed to, I assume no responsibility to design audit procedures to identify matters that may be appropriate to report to you.

I am required to communicate the planned scope and timing of my audit, and I note the scope of my audit will be sufficient to perform my duties as the auditor of the fund. The timing of the audit will be dictated by the provision of relevant documentation to commence the audit. I am also required to communicate the significant risks identified. Generally speaking, the auditing standards require a presumption that revenue recognition is a significant risk. Should other significant risks be identified as part of my audit, I will communicate these to you.

My audit will be conducted in accordance with Australian Auditing Standards. The objective of the audit is to obtain a reasonable assurance about whether the special purpose financial report as a whole is free from material mis-statement, whether due to fraud or error and to issue an audit report on the financial report.

As part of my audit, I will request from the trustees written confirmation concerning representations made to me in connection with the audit.

I am required by the Australian Auditing Standards to include an Emphasis of Matter paragraph in my audit report, and I note the anticipated wording will be:

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 the fund meet the requirements of the SMSF's governing rules, the Superannuation Industry (Supervision) Act 1993 and the Superannuation Industry (Supervision) Regulations 1994. As a result, the financial report may not be suitable for another purpose.

Notwithstanding the ATO publish the required wording of the audit report that I am required to use, there may be circumstances in which my report may differ from its expected form and content.

Audit of SIS Compliance

I am also required to form a conclusion in respect of compliance with certain aspects of SIS and the Regulations thereto. I direct your attention to the fact that it is each trustee's responsibility to ensure compliance with SIS and the Regulations thereto. I note each trustee is responsible for providing access to all information that is relevant to the compliance engagement, and any additional information that may be required as part of the compliance engagement.

I note this is a direct engagement, and the compliance aspect of my audit is considered to be a reasonable assurance engagement, that is, I am required to plan the compliance engagement to reduce the engagement risk to an acceptably low level. The compliance aspect of the assurance report is intended to be used by the trustee of the fund, and the content of the report will be as determined by the ATO. The assurance report, applicable to the year ended 30 June, 2017 must refer to the following Sections and Regulations:

Sections: 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K; 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, 13.18AA.

Report on Significant Matters

Under Section 129 of SIS I am required to report to you in writing, if during the course of, or in connection with, my audit, I become aware of certain contraventions of the Act or Regulations which I believe has occurred, are occurring or may occur. There are instances where I will be obligated to report the contravention(s) to the Australian Taxation Office ("ATO"). I am also required under Section 130 to report to you and the ATO if I believe the fund may be about to become, or may be in an unsatisfactory financial position.

Report on Other Matters

I am required to inform you of certain uncorrected mis-statements identified during the audit, and I must obtain representations from you acknowledging the uncorrected mis-statements have been brought to your attention, and that you have considered the effects of these mis-statements to be either material or immaterial individually, and in aggregate to the financial report.

At the completion of the audit I will prepare an audit management letter to advise you of any matters encountered during the course of the audit that I believe should be brought to your attention. I am also required to form an opinion on the accounting policies adopted in preparing the financial report. Please note you should not assume that matters reported to you, or that a report that there are no matters to be communicated, indicates that there are no additional matters that you should be aware of in meeting your responsibilities.

Privacy and Quality Control

The conduct of my audit in accordance with Australian Auditing Standards means that information acquired by me in the course of my audit is subject to strict confidentiality requirements. I am also subject to the Privacy Act 1988 in the handling of personal information. I will not use any personal information obtained during the audit for any purpose other than for the purpose of conducting the audit.

I will keep secure personal information obtained during the audit to ensure it is not misused, lost, or improperly accessed, modified or disclosed. After completing the audit, I will return to you any documents containing personal information that I obtain from you during the course of the audit, except for copies or extracts as required to be retained by auditing standards.

Information will not be disclosed by me to other parties except as required or allowed for by law or professional standards, or with your authority. My audit files may be subject to review as part of the quality control review program of The Chartered Accountants Australia & New Zealand ("CAANZ") which monitors compliance with professional standards by its members. My audit files may also be subject to review by the ATO and the Australian Securities and Investments Commission ("ASIC"). I advise you that by signing this letter you acknowledge that, if requested, my audit files relating to this audit will be made available under any of these review programs. Should this occur I will advise you. The same strict confidentiality requirements apply under the CAANZ, ATO and ASIC reviews that apply to myself as your auditor.

Our fees are \$495 (Inc GST) per audit up to and including the 2019 financial year. Additional fees apply for contraventions and other services. It is policy that fees be collected within 7 days from the date the invoice was issued. I trust that this arrangement is acceptable to you.

This letter will be effective for future years unless I advise you of its amendment or replacement, or if 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 my audit.

Prior to my accepting this appointment as auditor, I am obligated to contact your previous auditor. I may also need to request documentation, that may be contained in the audit file of your previous auditor. Your signature below permits me to do this and permits the previous auditor to provide that information. Should you not wish me to contact your previous auditor, please contact me to discuss.

Yours faithfully,
Kedron Management Services Pty Ltd



Lawrence C Bushell

I understand and agree with the terms of this engagement:

Gregory Costin

Trustee/ Director

Date: 2 September 2019

APPLICATION FOR MEMBERSHIP

To the Trustee/s,

Name of Fund: Costin & Tucker Private Pension Fund

Gregory Costin & Ruth Tucker,
5 Pinanga Place
Little Mountain Qld 4551

I, Gregory Costin apply for admission to membership of the Fund and undertake as follows:

- (i) I will be bound by the Trust Deed governing the Fund as it is presently constituted or as it may be varied from time to time.
- (ii) I understand the terms and conditions of the Trust Deed including benefits payable to Members and understand my rights and the rights of my dependants pursuant to the Trust Deed.

My personal details and those of my employer/s are attached to this application. I acknowledge that the discretion vested in you by Rule 12.2 of the Fund is an absolute and unfettered discretion but I express the wish that in the exercise of such discretion you give consideration to paying lump sum death benefit in the following proportions:-

Name of Designated Beneficiary	Address of Designated Beneficiary	Relationship to Member	% of Lump Sum Death Benefit

I understand that the Trustee is required to request that I provide my Tax File Number for the purposes of Section 299F of the *Income Tax Assessment Act 1936 (as amended)*. I further understand that I am under no obligation to supply this number, but that should I fail to do so, tax may be deducted from my account at the top marginal rate.

My Tax File Number is: 489 342 199

Dated: 4/8/2006

Signature: _____
Applicant

APPLICATION FOR MEMBERSHIP

To the Trustee/s,

Name of Fund: Costin & Tucker Private Pension Fund

5 Pinanga Place
Little Mountain Qld 4551

I, Ruth Tucker apply for admission to membership of the Fund and undertake as follows:

- (i) I will be bound by the Trust Deed governing the Fund as it is presently constituted or as it may be varied from time to time.
- (ii) I understand the terms and conditions of the Trust Deed including benefits payable to Members and understand my rights and the rights of my dependants pursuant to the Trust Deed.

My personal details and those of my employer/s are attached to this application. I acknowledge that the discretion vested in you by Rule 12.2 of the Fund is an absolute and unfettered discretion but I express the wish that in the exercise of such discretion you give consideration to paying lump sum death benefit in the following proportions:-

Name of Designated Beneficiary	Address of Designated Beneficiary	Relationship to Member	% of Lump Sum Death Benefit

I understand that the Trustee is required to request that I provide my Tax File Number for the purposes of Section 299F of the *Income Tax Assessment Act 1936 (as amended)*. I further understand that I am under no obligation to supply this number, but that should I fail to do so, tax may be deducted from my account at the top marginal rate.

My Tax File Number is: 162 504 069

Dated: 4/8/2006

Signature: _____
Applicant