

## SMSF AUDIT CHECKLIST FOR YEARS UP TO AND INCLUDING 30 JUNE 2019

#### NAME OF FUND:

#### TRUSTEE DETAILS:

Name of corporate trustee (if applicable):

Name of individual trustees / director(s) of the trustee company:

1			
2.			
3.			
4.			

#### **A MEMBERSHIP DETAILS:**

Name of member:	Date of birth:	Date of entry:
1.	/ /	/ /
2.	/ /	/ /
3.	/ /	/ /
4.	/ /	1 1

## **3** ACCOUNTANT'S DETAILS:

Name of firm:	Contact No:
Name of contact:	
Email address:	

## **DECLARATION:**

I hereby certify that all documents supplied, including photocopies or scanned documents are true representations of the original documents.

Note: The auditor reserves the right to request original documents where circumstances warrant it.

Signature:	Date:
0	

Liability limited by a scheme approved under Professional Standards Legislation. Baumgartner Super Pty Ltd ACN 144 896 079 info@baumgartnersuper.com.au baumgartnersuper.com.au

# YES N/A

#### FINANCIAL STATEMENTS:

Copy of unaudited financial statements \*\*Please note: it is a requirement of S.35B of the SISA that the trustee declaration is signed by: Corporate trustee - if there is only one director of the corporate

trustee, that director; or otherwise at least 2 directors of the corporate trustee

Group of individual trustees - by at least 2 of those trustees

## **A MEMBER STATEMENTS:**

#### **SMSF ANNUAL RETURN:**

Copy of the draft SMSF annual return

For your information: Auditor's name: SMSF Auditor Number: Telephone number: Postal Address:

Mr David Andrew Burrows 100078984 03 9851 9066 PO Box 2502 Kew VIC 3101

#### **BANK STATEMENTS**:

Bank statements for the full financial year for all accounts held \*\*Please note that if you use <u>BGL Simple Fund 360</u> or <u>Class Super</u>, please refer to our Software Guides found at the back of this checklist for further information.

#### FIXED INTEREST SECURITIES:

Statement or certificate confirming ownership and value as at 30 June

Purchase and sale contracts for the year

## LISTED SHARES:

Details of current HIN/SRN and postcode

Broker's statement showing all transactions for the year \*\*Please note that if you use <u>BGL Simple Fund 360</u> or <u>Class Super</u>, please refer to our Software Guides found at the back of this checklist for further information.

## A MANAGED INVESTMENTS:

Acquisition and withdrawal confirmation notices

Annual statements from fund managers (or Master Trust / Wrap providers) confirming ownership and value \*\*Please note: ensure the exdistribution price has been used when valuing managed funds/unit trusts

Copy of Audit report if attached to annual statement

## PROPERTY 1

#### Address:

**Ownership:** 

Purchase/sale contract if property was purchased/disposed of during the year

Evidence (e.g. declaration/acknowledgement of trust) confirming that property is held for the Fund (only if the purchase documents do not stipulate the Fund as the purchaser)

\*\*Please note: The above documents are required in the first year Baumgartner Super audit the fund regardless of how long it has owned the property

Historical title search obtained post year end

Invoices to support any capital works during the year

#### Valuation:

Details of the method used to value the property and if not independent, confirm compliance with <u>ATO Valuation Guidelines</u>

(Refer to Trustee Property Valuation letter)

\*\*Please note: It is a requirement of Reg 8.02B of the SISR that all assets are recorded at the market value when preparing the Statement of Financial Position. Therefore the value of the property must be considered each year and evidence of this consideration must be provided to us

#### **Rental Arrangements(s):**

#### If leased to a related party:

Current Lease agreement

Commenced: / / Expires: / /

If expired, a minute to support the extension and any new terms to the original agreement

Evidence obtained that shows the rental is at market value (should be obtained at commencement and expiration of lease)

List evidence provided:

If a rural property:

- Evidence to show the related entity's activities meet the definition of a business (e.g. by providing the financial statements of the lessee)
- Evidence to show the property meets the definition of business real property(i.e. wholly or exclusively business use)

#### If leased to a non-related party:

Rental statement(s)

Current Lease agreement (only if not rented through agent)

If property is residential /holiday unit, confirmation it is not leased/occupied by members or related parties (attach confirmation from the trustees) YES N/A

## PROPERTY 2

#### Address:

**Ownership:** 

Purchase/sale contract if property was purchased/disposed of during the year

Evidence (e.g. declaration/acknowledgement of trust) confirming that property is held for the Fund (only if the purchase documents do not stipulate the Fund as the purchaser)

\*\*Please note: The above documents are required in the first year Baumgartner Super audit the fund regardless of how long it has owned the property

Historical title search obtained post year end

Invoices to support any capital works during the year

#### Valuation:

Details of the method used to value the property and if not independent, confirm compliance with <u>ATO Valuation Guidelines</u>

(Refer to Trustee Property Valuation letter)

\*\*Please note: It is a requirement of Reg 8.02B of the SISR that all assets are recorded at the market value when preparing the Statement of Financial Position. Therefore the value of the property must be considered each year and evidence of this consideration must be provided to us

#### **Rental Arrangements(s):**

#### If leased to a related party:

Current Lease agreement

Commenced: / / Expires: / /

If expired, a minute to support the extension and any new terms to the original agreement

Evidence obtained that shows the rental is at market value (should be obtained at commencement and expiration of lease)

List evidence provided:

If a rural property:

- Evidence to show the related entity's activities meet the definition of a business (e.g. by providing the financial statements of the lessee)
- Evidence to show the property meets the definition of business real property(i.e. wholly or exclusively business use)

#### If leased to a non-related party:

Rental statement(s)

Current Lease agreement (only if not rented through agent)

If property is residential /holiday unit, confirmation it is not leased/occupied by members or related parties (attach confirmation from the trustees) YES N/A

# YES N/A

## **LIMITED RECOURSE BORROWING:**

Bare trust agreement

Loan agreement

Loan account statements

Legal opinion in relation to the arrangement's compliance with the SISA (if obtained

Where the loan is from a related party of the Fund, please ensure that the fund complies with the LRBA Safe Harbour Guidelines (<u>PCG</u> 2016/5)

# **Š** LOANS:

Signed loan agreement(s)

Details of the borrower's relationship to the SMSF (i.e. how did the SMSF become aware of the lending opportunity?)

If the borrower is a related party:

- i) Evidence to support that the loan is on normal commercial terms, including the assessment undertaken by the fund prior to advancing the loan
- ii) Financial statements of the related entity

If the borrower is an unrelated party, their contact details for the purposes of a loan confirmation

Where the loan is secured against property, current title search to confirm the mortgage has been registered

Where the loan is secured against personal property, details of any security interests registered on the PPSR

Where the loan has been repaid between the balance date and the date of the audit, a copy of the Fund's bank statement confirming receipt

# YES N/A

## **COLLECTABLES & PERSONAL USE ASSETS:**

Purchase and sale invoices/receipts (even if acquired during prior periods)

Details of the method used to value the assets and if not independent, confirm compliance with <u>ATO Valuation Guidelines</u> \*\*Please note: It is a requirement of Reg 8.02B of the SISR that all assets are recorded at the market value when preparing the Statement of Financial Position. Therefore, <u>the value of the collectables must</u> <u>be considered each year</u> and evidence of this consideration must be provided to us.

Evidence to prove the asset was insured within 7 days of being acquired and continues to be insured.

Lease agreements and details of the lessee's relationship with the SMSF

Evidence to show the asset was not stored in the private residence of a related party of the Fund

Valuation from a qualified independent valuer if transferred to related party during the year

#### CLOSELY HELD/RELATED PARTY INVESTMENTS:

Share or unit certificates & register

Evidence to confirm each investment is not an in-house asset (e.g. pre - 11/8/99 investment; acquired during transitional period to 30/6/09; complies with Division 13.3A of the SISR)

Year-end financial statements for each company or trust

Tax return for each company or trust

Dividend statements or trust distribution statements for each investment

Where the company or trust holds property, provide the following:

- Property address
- Details of the method used to value the property and if not independent, confirm compliance with ATO Valuation Guidelines
- If the lessee is a related party, provide a copy of the lease agreement and evidence to support the rent is at market rates
- Historical title search obtained post year end if Baumgartner Super hasn't previously audited the fund

\*\*Please note: further audit information may be required once the financial statements have been reviewed

## **C** INVESTMENTS IN ENTITIES THAT <u>ARE</u> MANAGED INVESTMENT SCHEMES:

Evidence of acquisitions and disposals

Evidence of holding as at 30 June

Details of the method used to value the investment and if not independent, confirm compliance with <u>ATO Valuation Guidelines</u>

# YES N/A

# **C** INVESTMENTS IN ENTITIES THAT <u>ARE NOT</u> MANAGED INVESTMENT SCHEMES:

Evidence of acquisitions and disposals

Year-end financials

Auditor's report on the financials (if applicable)

Details of the method used to value the investment and if not independent, confirm compliance with **ATO Valuation Guidelines** 

## MEMBER BENEFITS CONTRIBUTIONS/TRANSFERS IN:

Completed and signed rollover statements for monies rolled into the fund

Evidence the member satisfied the work test if aged 65 or over (Complete Work Test Declaration Letter at the back of this checklist)

Notice required under section 290-170 of the ITAA 1997 (completed and signed prior to income stream commencement if deductible contributions received)

Completed and signed contributions splitting form

Completed and signed Capital Gains Tax cap election form

## MEMBER BENEFITS PAID/TRANSFERS OUT:

Trustee minutes documenting withdrawals

Paperwork documenting the commencement of the pension

PAYG Payment summaries for income streams and/or lump sums paid (if recipient is less than 60)

Rollover statements for monies rolled out of Fund

Statement from receiving Fund confirming receipt of rollover

Evidence the member satisfied a condition of release if benefits withdrawn before age 65

(Declaration forms can be found at the back of this checklist)

Where there has been a pension conversion (TRIS to ABP), please provide us with the supporting documents requesting this

Current actuarial certificate to certify exempt income stream income, or defined benefit income stream

#### If death benefit paid:

Death certificate or notice of probate

Any binding or non-binding death benefit notifications

Trustee minutes documenting their decision regarding to whom death benefits are to be paid

#### If benefits paid as result of marriage breakdown:

Formal written agreement, consent orders or court order to split superannuation

Minutes from Trustee(s) confirming/consenting to the payment split

#### **Other withdrawals:**

ATO release authority (ECC, ENCC & Div 293 tax)

# YES N/A

## **INCOME**:

Dividend statements

\*\*Please note that if you use <u>BGL Simple Fund 360</u> or <u>Class Super</u>, please refer to our Software Guides found at the back of this checklist for further information.

Trust distribution statements (if separate from annual valuation statements

For all related party transactions, documentation or evidence that income is at arm's length

## EXPENSES:

Invoices/statements supporting reconciliations/schedules

Insurance policy documents confirming owner, member insured, cover type and premiums

## SOFTWARE REPORTS:

\*\*Please note that if you use <u>BGL Simple Fund 360</u> or <u>Class Super</u>, please refer to our Software Guides found at the back of this checklist for further information.

General Ledger & Trial Balance

Investment Summary Report

Investment Income Report

Listing of purchases made during the year (e.g. Investment Movement Report)

Listing of sales made during the year (e.g. Disposals Report)

## **b** BAUMGARTNER SUPER DOCUMENTATION:

Signed engagement letter

Signed trustee representation letter (signed by all Trustees/Directors)

## ADDITIONAL AUDIT INFORMATION:

Amendments to the Trust Deed

Enduring Power of Attorney or General Power of Attorney documents

Trustee minutes prepared during the year

Signed ATO Trustee declaration (where there is a new individual Trustee or Director of the Corporate Trustee)

ATO correspondence regarding non-compliance, audit or review

Other documents concerning breaches or matters that need to be brought to our attention

Latest ASIC annual company statement (if corporate trustee)

A reconciliation of the Future Income Tax Benefit or Deferred Tax

Asset if included in the Statement of Financial Position

Other relevant information that would assist us in completing the audit

# YES N/A

# ITEM

## **C**SMSF's INVESTMENT STRATEGY:

Ensure the strategy has regard to the whole of the circumstances of the entity

Ensure the strategy specifically has regard to:

- a) The risk involved in making, holding and realising, and the likely return from, the entity's investments, having regard to its objectives and expected cash flow requirements
- b) The composition of the entity's investments as a whole including:
  - The extent to which they are diverse
  - The extent to which they involve exposure of the entity to risks from inadequate diversification
- c) The liquidity of the entity's investments, having regard to its expected cash flow requirements
- d) The ability of the entity to discharge its existing and prospective liabilities

Ensure the strategy has considered whether the trustee should hold a contract of insurance that provides insurance cover for each member

Where the fund holds an investment in one of the following, ensure the strategy specifically refers to that investment

- Collectables
- Cryptocurrency
- LRBA
- Option trading

Ensure the trustee has "given effect" to the documented investment strategy. That is, ensure the trustee has not taken any action that doesn't align with the contents of the strategy

**FOR THE FIRST YEAR BAUMARTNER SUPER IS ENGAGED ONLY:** Prior year signed financial statements (including member statements)

Prior year signed audit report

Prior year management letter (if applicable)

Prior year Auditor Contravention Report (if applicable)

Latest trust deed

Where there has been a change of Trustee since commencement of the Fund please provide us with the relevant signed resignation and appointment documents

# *∂* LINKS TO LETTERS

- ➔ Work Test Declaration
- ➔ Retirement Declaration (Aged between 57-59)
- → Retirement Declaration (Aged between 60-64)
- → Trustee Property Valuation 30 June 2019
- → Class Super Software Guide for Accountants
- → BGL Simple Fund 360 Software Guide for Accountants