

Fund name: THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012					
Balance Date: 30/06/2012		Completed By: JOHN SMITH Date: 20/12/2012					
Subject: Audit File Index		Reviewed By: SAM KING Date: 20/12/2012					
	Reference	Yes	No	N/A	Comments	Date	Initials
Permanent Details Permanent Workpapers Index Points to follow up in next year's audit Client Clearance Matters for partner attention / outstanding matters / matters to be discussed with Trustees Finalised Accounts / Tax Return (signed by Trustees) Audit Opinion (signed by auditor) Minutes Proposed Adjustments Trustee representation letter Management letter Correspondence with client - including invoices Confirmation letters - bank, investments, benefits and contributions Planning Financial Statements Trial Balance Cash Flows (where applicable) Workpapers Cash Receivables Investments and Investment income Contributions / Transfers In Benefits, Withdrawals and Pensions Accruals and Liabilities Profit and Loss Members Account Balances / Vested Benefits ATO Audit Checklist for SIS compliance - include annual report at rear Taxation Tax return file copy and calculations							

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Balance Date: 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012			
Subject: Audit Planning Memorandum				Reviewed By: SAM KING Date: 20/12/2012			
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<p>Hggv Ci tggf "Hgg"enkgpvlphqto gf +*****&</p> <p>CewcnEquv"enkgpvlphqto gf +*****&</p> <p>Gpi ci go gpvCeegr wpeg Ki'vj ku'vj g'htuv'lo g"i qw'j cxg'cwf kqf 'vj g'hwpf A Ki'gu'j cxg"i qwtgegkxgf "gy lecn'ergctcpeg'htqo "vj g'r tgxlqwu cwf kqtA Ki'vj gtg'cp' "kuwgu'lf gpv'kqf 'lp'vj g'gy lecn'ergctcpeg'y j lej j ki j rki j v'vj cv'vj g'cwf k'uj qwf "pqv'dg'ceegr vgf A J cxg"i qwtgegkxgf "c'eqr { "qh'vj g'r tgxlqwu"i gct'au'cwf k'tgr qt vA J cxg"i qwtgegkxgf "c'eqr { "qh'vj g'r tgxlqwu"i gct'au'o cpci go gpv ngwt "h'cr r necdrg+A Y gtg'vj gtg's wcn'lecn'kqpu'lp'vj g'r tlqt"i gct'cwf k'tgr qt vA Ctg'vj g'cwf k'r ctvpgt'cpf "cwf k'vgo "o go dgt 'lpf gr gpf gpv'q'vj g enkgpA</p> <p>Cwf k'Ueqr g J cxg'vj g'hqmy lpi "dggp'tgxky gf "q"cuugu'vj g'cwf k'ueqr gA</p> <p>Vj g'Vtwugg'cttcpi go gpw</p> <p>Vj g'pcwtg'qh'vj g'Hwpf</p> <p>Vj g'Vtwu'F ggf "cpf "cp' "Vtwu'F ggf "co gpf o gpw</p> <p>Vj g'Vtwugg'o lpgwu'cpf "eqtt gur qpf gpeg'hkgu</p> <p>Kpxguo gpv'utcvgi {</p> <p>Rtkqt"i gct'au'cwf k'y qtnkpi "r cr gt "cpf "uwi i gukqp'htqo tgxlkqpu</p> <p>Rgto cpgpv'hkgu</p> <p>Rtkqt"i gct'au'hkpcpckn'ucvgo gpw'cpf "cwf kqt'au'tgr qtv</p> <p>Rtkqt"i gct'au'cppwcn'tgwtp"y j gtg'cr r necdrg+cpf lpeqo g'cz "tgwtp</p> <p>Ej cpi gu'lp'tgrgxcpv'igi kucvqp'vj cv'o c' "chgev'vj g hkpcpckn'tgr qt vpi "qt'eqo r nkepeg'qh'vj g'hwpf</p> <p>F kuewui'y kj "cr r tqr tlcvg'enkgp'r gtuppgn'tgrgxcpv ej cpi gu'cpf "f gxm'r o gpw'chgev'pi "vj g'hwpf 0</p> <p>Eqpf wev'cp"cpn'lecn'tgxky</p> <p>F kuewui'o cvgtu'vj cv'o c' "chgev'vj g'cwf k'y kj "qvj gt hko "r gtuppgn'y j q'tgpf gt'pqp/cwf k'ugt'xlegu'q'vj g enkgp'0h'pgeguuct { "r tgr ctg'cp' "cr r tqr tlcvg o go qtcpf c'ht'lpnwukqp'lp'vj ku'ugev'qp</p>							

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<p>Has the Fund entered into a Limited Recourse Borrowing Arrangement? (describe risk)</p> <p>Ctg'yj gtg'cngtpcvkxg'Hqto u'qh'Kpxguvo gpw'Cf qr vgf "Kq0 eqngevcdng'cpf'r gtupcri'wug'cuugvu+A ""Nkv'cngtpcvkxg'kpxguvo gpw'/'f guetldg'tkum+</p> <p>Have you identified other matters for concern? (describe risk)</p> <p>When audit risk areas are identified, these should be carefully documented and additional testing procedures considered accordingly.</p> <p>O cvgtlcrkv{ 'hgxgnlht'bwf kv</p> <p>F gvgto kpg'o cvgtlcrkv{ 'hgxgnlht'kpcpelcrilucvgo gpw'bwf kv F gvgto kpg'o cvgtlcrkv{ 'hgxgnlht'eqo r rlcpeg'bwf kv</p> <p>Uco r rgu'Tgs vlt gf</p> <p>Dgpgkh/Rc{o gpw</p> <p>Eqptldwkpqu</p> <p>Kpxguvo gpw</p> <p>Fkt gevEqplht o cvkqpu'Tgs vlt gf</p> <p>Dcpm</p> <p>Kpxguvo gpv'O cpci gt*u+</p> <p>Ewuxqf kcp'/'bwf kv'eqo hqt'hwgt</p> <p>Qvj gt'Kpxguvo gpw</p> <p>Cf o kpkutcvqt</p> <p>Cewct{</p> <p>Go r mq{gt</p> <p><u>HTCWF</u></p> <p>J cxg'/{qw'eqpukf gtgf "yj g'r qvgpvkcrilqh'htcwf "kp"ceeqtfcpeg y kj "CUC"462" Eqo r rvgv'htcwf'Ej gemkv</p> <p><u>TGNCVGF'RCTVKGU</u></p>							

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<p>Qdvclo'whelelcpv'cwf k'gxf gpeg'tgi ctf lpi 'vj g lf gpv'helelcpv'cpf 'f kuemwtg'qh'tgrv'f 'r ctv'gu'lp ceeqtf cpeg'y kj 'CUC'7720</p> <p>VKOPI 'QHCWFV'Y QTM</p> <p>Guvdrkuj 'vj g'wlo lpi 'qh'vj g'cwf k'y qtm'cpf 'vj g'tgs wlt gf f cvg'qh'eqo r r'g'v'kp 'hqt' r ctv'ewr't'cwf k'kpi 'r tqegf wtgu'cu y gmi'cu'vj cv'qh'vj g'cwf k'tgr qt v0</p> <p>Rtgr ctg'c'ewt'g'p'v'f gct'au'wlo g'dwf i gv'cpf 'guvdrkuj 'cpf eqqtf k'pcv'g'wch'kpi 'tgs wlt go gpw0</p> <p>F gvgto kpg'vj g'cr r tqcej 'q'vj g'y j qrg'cwf k'lp'ewf lpi 'c rtgrko k'pct'f 'cuuguo gpv'qh'uki p'helelcpv'ctgcu'qh'eqpegtp'cpf vj g'o cvgt'k'rk'f 'h'x'gn'lp'ceeqtf cpeg'y kj 'CUC'5420E'ngctn'f f qewo gpv'vj ku'cr r tqcej 'hqt'vj g'cwf k'h'rg0</p> <p>P qvg<Vj g'cdq'x'g'r'p'p'lpi 'b go qtc'p'f wo 'eqxgt u'd'c'ule r'p'p'lpi 'h'p'r'f 0'R'g'c'ug'g'p'w't g'c'n'lgo r'rq'f g'gu'f g't h'q'to lpi cwf k'c'ev'k'k'g'u't g'ty ct g'q'h'y j gt g'vj g'qr g't cv'k'p'u'lp tgi ctf u'v'q'vj g'h'wp'f 'ct g'eqo r'ngz'lp'p'c'w't g'q't 't'k'i p'helelcpv t'k'm'u't g'lpj gt gpv'0'lp'w'ej 'ec'ug'u'c'f f k'k'p'c'n'r'p'p'lpi o c'f 'd'g't'gs wlt gf 0</p>	Reference	Yes	No	N/A	Comments	Date	Initials

20 December 2012

To the trustee of the
The Jones Super Dooper Fund
C/-12 Market Street
South Melbourne VIC 3205

Dear Trustee,

The Objective and Scope of the Audit

You have requested that we audit the The Jones Super Dooper Fund:

1. financial report, which comprises the Statement of Financial position/Statement of net assets, as at 30 June 2012 and the Operating Statement/Statement of changes in net assets for the year/period then ended 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 the SIS Regulations (SISR) specified in the approved form auditor's report as issued by the ATO, which are sections 17A, 35A, 35B, 35C(2), 52(2)(d), 52(2)(e), 62, 65, 66, 67, 67A, 67B, 69-71E, 73-75, 80-85, 103, 104A, 109 and 126K of the SISA and regulations 1.06(9A), 4.09, 5.03, 5.08, 6.17, 7.04, 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.

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 35 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, being a day before the latest date stipulated by the ATO for lodgement of the fund's Annual Return.

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

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 gives due consideration to risk, return, liquidity and diversification. 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 time, complies with the SISA and SISR as well as any other legislation relevant to the fund. 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.
- Making available to us all the books of the Funds, 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 SIS requires that Trustees must give to the auditor any document that the auditor requests in writing within 14 days of the request.

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.

Independence

We confirm that, to the best of our knowledge and belief, the engagement team meets the current independence requirements of the Code of Ethics for Professional Accountants, as issued by the Accounting Professional and Ethical Standards Board 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 Australian Taxation Office (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. 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 will 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 the Professional Services Legislation, our liability may be limited under the scheme.

Fees

We look forward to full co-operation with you and 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, which will be billed as work progresses, are based on the time required by staff members assigned to the engagement plus out-of-pocket expenses. Individual hourly rates vary according to the degree of responsibility involved and the experience and skills required. Our annual audit fee will be revised and agreed upon each year with the Trustee. Any additional services required, that are outside the scope of this engagement, will be billed on a time/cost basis.

Other

We would appreciate if you could 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 fund.

Yours sincerely

Sam King

The Institute of Chartered Accountants in Australia
123456

Acknowledged on behalf of the Trustee of the The Jones Super Dooper Fund by:

(Signed)
(dated) / /

BANK AUDIT CONFIRMATION

Instructions

Auditor Copy (Original)

Auditor

- (a) Complete all known details in the shaded areas of this form before forwarding to the bank, including all known account names and the corresponding BSB and account numbers.
- (b) If the space provided on the form is inadequate, attach a separate request giving full details of the information required.

Bank

- (a) Confirm that the details provided in the shaded areas are correct as at the confirmation date shown below, and highlight any variation/s. Also add any relevant information that may have been omitted by the customer/auditor.
- (b) Complete the unshaded areas in sections 1-10.
- (c) Sign the completed form and return the original direct to the auditor, and a duplicate to the customer, in the stamped addressed envelopes provided. A copy may be retained by the bank.

Bank (Name & Address) MBL (MIML CASH SOLUTIONS) 1 Shelley Street Sydney NSW 2000	Customer/Entity (Name & Address) THE JONES SUPER DOOPER FUND 12 MARKET STREET SOUTH MELBOURNE VIC 3205
	Customer's Authorised Signatory Date

Auditor (Name & Address) KING, SAM 100 BANK ST MELBOURNE VIC 3000	Confirmation Date (DD/MM/YYYY) 30/06/2012
Contact Name: SAM KING Telephone Number: 03 98950001 Fax Number: Email Address:	Authority to Disclose Information attached Yes/No
Date of Audit Request (DD/MM/YYYY)	Third Party Authority attached Yes/No/Not applicable
	Request for Acknowledgement attached Yes/No

1. CREDIT ACCOUNT BALANCES

Provide details of all account balances in favour of the bank customer as at the confirmation date, in respect of current accounts, interest bearing deposits, foreign currency accounts, convertible certificates of deposit, money market deposits, cash management trusts and any other credit balances. Provide details for the accounts listed below and for any other accounts not listed.

Provide details of any account or balance that is subject to any restriction(s) whatsoever and indicate the nature and extent of the restriction, e.g. garnishee order.

Account Name	BSB Number	Account Number	Currency	Balance
JOE TEST & MARY TEST ATF TEST SUPER FUND 1	182500	940010093		

2. DEBIT ACCOUNT BALANCES

Provide details of all account balances owed to the bank by the bank customer as at the confirmation date, in respect of overdraft accounts, bank loans, term loans, credit cards and any other debit balances.

Provide details of any account or balance that is subject to any restriction(s) whatsoever and indicate the nature and extent of the restriction, e.g. garnishee order.

Account Name	BSB Number	Account Number	Currency	Balance

3. PROMISSORY NOTES/BILLS OF EXCHANGE HELD FOR COLLECTION ON BEHALF OF THE CUSTOMER

Maker/Acceptor	Due Date	Balance

4. CUSTOMERS OTHER LIABILITIES TO BANK

Provide details of the following as at the confirmation date:

- (a) Acceptances, bills discounted with recourse to the customer or any subsidiary or related party of the customer, endorsed drafts/notes, forward exchange contracts, letters of credit, liability in respect of shipping documents where customer's account not yet debited.
- (b) Bonds, guarantees, indemnities or other undertakings given to the bank by the customer in favour of third parties (including separately any such items in favour of any subsidiary or related party of the customer). Give details of the parties in favour of whom guarantees or undertakings have been given, whether such guarantees or undertakings are written or oral and their
- (c) Bonds guarantees, indemnities or other undertakings given by you, on your customer's behalf, stating whether there is recourse to your customer and/or any other related entity.
- (d) Other liabilities—give details.

Nature of Liability	Terms of Liability	Currency	Name of Beneficiary	Balance

5. ITEMS HELD AS SECURITY FOR CUSTOMER'S LIABILITIES TO THE BANK

With respect to items held as security for customer's liabilities to the bank indicate whether the security:

- (a) relates to particular borrowings or liabilities to the bank and whether it is lodged in the customer's name or by a third party. (If lodged by a third party, that party's authority to disclose details must be attached).
- (b) is formally charged (provide details of date, ownership and type of charge);
- (c) supports facilities granted by the bank to the customer or to another party.
- (d) is limited in amount or to a specific borrowing or, if to your knowledge, there is a prior, equal or subordinate charge;

Provide details of any arrangements for set-off of balances or compensating balances e.g., back to back loans. Include details of date, type of document and account covered, any acknowledgement of set-off, whether given by specific letter of set-off or incorporated in some other document;

Provide details of any negative pledge arrangements that exist.

Provide details here

6. LEASES

Provide details of all known finance leasing commitments

Leased Item	Restrictions / Special Arrangements	Currency	Implicit Interest Rate	Repayment Terms	Balance

7. ACCOUNTS OPENED/CLOSED

List details of any accounts opened or closed during the twelve months prior to confirmation date.

Account Name	BSB Number	Account Number	Open or Closed?	Date opened/closed

8. UNUSED LIMITS/FACILITIES

Please confirm details of all available unused limits/facilities at confirmation date.

Types of facility	Facility Limit	Unused Limit	Terms of Facility Use

9. DEFAULTS AND BREACHES

With reference to the customer's accounts with the bank, provide details of any defaults or breaches during the period and full details of such defaults and breaches. Include details, for example, of:

- (a) loans payable in default at the confirmation date and whether they have since been re-negotiated, and
- (b) bank covenants breached during the twelve months up to the confirmation date and whether the breach was remedied.

Provide details here

10. OTHER INFORMATION

Please confirm (see shaded area below) and/or provide any other details (unshaded area below) relating to any financial relationships not dealt with under sections to 1-9 above.

11. BANK AUTHORISATION

This certificate has been completed from our records at(bank details).

The Bank and its staff are unable to warrant the correctness of that information and accordingly hereby disclaim all liability in respect of the same. The information contained herein is confidential and provided for private use in confirmation of our customer accounts for audit purposes only. It may not be used for any other purpose or by any other persons. In particular this is not a credit reference.

AUTHORISED BY:	Other authorisation details (where applicable)
Signature: _____	
Name (print name) _____	
Title _____	
Telephone Number _____	
Email Address _____	
Date Completed _____	

JOHN JONES
MARY JONES
ANN JONES
SAM JONES

20 December 2012

Sam King
100 Bank St
Melbourne VIC 3000

Dear Sir/Madam,

**Re: The Jones Super Dooper Fund
Trustee Representation Letter**

This representation letter is provided in connection with your audit of the financial report of the The Jones Super Dooper Fund and the Fund's compliance with the Superannuation Industry (Supervision) Act 1993 (SISA) and SIS Regulations (SISR), for the period ended 30 June 2012, 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 2012 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 SIS Act and Regulations. We acknowledge our responsibility for ensuring that the financial report is in accordance with the accounting policies as selected by ourselves and requirements of the SIS Act and Regulations, and confirm that the financial report is free of material misstatement's, including omissions.

We confirm, to the best of our knowledge and belief, the following representations are 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. Trust Deed, 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 constituent trust deed at all times during the year and there were no amendments to the trust deed during the year, except as notified to you.

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

JOHN JONES
MARY JONES
ANN JONES
SAM JONES

the ATO, which are sections 17A, 35A, 35B, 35C(2), 52(2)(d), 52(2)(e), 62, 65, 66, 67, 67A, 67B, 69-71E, 73-75, 80-85, 103, 104A, 109 and 126K of the SISA and regulation 1.06(9A), 4.09, 5.03, 6.17, 7.04, 13.12, 13.13, 13.14 and 13.18AA of the SISR.

All contributions accepted and benefit 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.

4. Investment Strategy

The investment strategy has been determined with due regard to risk, return, liquidity and diversity, and the asset 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 Reports and the Notes attached there to. These policies are consistent with the policies adopted last year.

6. Fund Books and Records

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 controls to prevent and detect error. 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.

All accounting records and financial reports have been kept for 5 years, minutes and records of trustees' or directors of the corporate trustee meetings or for sole trustee: decisions have been kept for 10 years and trustee declarations in the approved form have been signed and 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 their net 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.

8. 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.

9. Ownership and Pledging of Assets

The Fund has satisfactory title to all assets disclosed in the Statement of Financial Position. All investments are registered in the

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SAM JONES

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.

10. Related Parties

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 SIS Act at the time of 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.

11. Borrowing's

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

12. 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 they are not misleading as to the financial position of the Fund or its operations.

13. Outstanding Legal Action

The Trustees confirm that there is no outstanding legal action or claims against the Fund.

There have been no communications from the ATO concerning a contravention of the SIS Act or Regulations which has occurred, is occurring or is about to occur.

We understand that your examination was made in accordance with Australian Auditing Standards and applicable Standards on Assurance Engagement 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 SIS Act and Regulations, 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 sincerely,
For and on behalf of the Trustee(s)

.....
Signature of Trustee

.....
Date

Fund name: THE JONES SUPER DOOPER FUND					Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date: 30/06/2012					Completed By: JOHN SMITH Date: 20/12/2012		
Subject: Workpapers Lead Schedule					Reviewed By: SAM KING Date: 20/12/2012		
Account Code	Description	This Year	Last Year	Change	Schedule	Complete	Reviewed
001	Financial Statements Review				001	a	a
235	Capital Gains/(Losses) - Taxable	(1,207.03)		(1,207.03)	235	a	a
239	Dividends Received	(5,748.28)		(5,748.28)	239	a	a
242	Employer Contributions - Concessional	(13,334.64)		(13,334.64)	242	a	a
247	Increase in Market Value of Investments	(40,761.18)		(40,761.18)	247	a	a
250	Interest Received	(125.04)		(125.04)	250	a	a
350	Other Expenses	2,060.00		2,060.00	350	a	a
485	Income Tax Expense	5,751.37		5,751.37	485	a	a
490	Profit/Loss Allocation Account	53,364.80		53,364.80	490	a	a
501	Jones, John (Accumulation)	(311,189.02)	(289,500.00)	(21,689.02)	501	a	a
502	Jones, Mary (Accumulation)	(297,560.78)	(265,885.00)	(31,675.78)	502	a	a
604	Cash at Bank	107,688.68	91,487.00	16,201.68	604	a	a
724	Fixed Interest Securities (Australian)	40,000.00	40,000.00		724	a	a
772	Real Estate Properties (Australian)	375,000.00	250,000.00	125,000.00	772	a	a
776	Shares in Listed Companies (Australian)	86,280.00	151,675.00	(65,395.00)	776	a	a
782	Units in Listed Unit Trusts (Australian)	40,767.00	59,182.00	(18,415.00)	782	a	a
850	Income Tax Payable	(14,794.76)	(13,766.00)	(1,028.76)	850	a	a
870	Deferred Tax Liability	(26,191.12)	(23,193.00)	(2,998.12)	870	a	a

Matters Arising

Conclusion

Fund name THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	001	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Financial Statements Review		
		Verify	Date
Audit Objectives			
Audit Concerned with assertions of: valuation, completeness and disclosure.			
SIS No specific issues to consider for SIS, however, ensure fund has Trust Deed, and Fund name and any reference to Trust Deed date are as per the Trust Deed. Section 35B requires that as a minimum, trustees must prepare a statement of financial position and an operating statement.			
TAX No specific issues in relation to tax.			
AAS If Fund prepares general purpose financial statements, ensure in accordance with AAS1, AAS25 and AAS33			
Audit Procedures			
1	Test additions and any other calculations used in the financial statements.	a	20/12/2012
2	Read through the accounts noting any spelling or grammar errors.	a	20/12/2012
3	Ensure the notes reconcile to the financial statements.	a	20/12/2012
4	Ensure the name of Fund is in accordance with the Trust Deed.	a	20/12/2012
5	Ensure all figures used in accounts are referenced either to work done, or noted that figure is accepted and on what basis.	a	20/12/2012
6	Ensure prior year figures agree to prior year - final signed accounts.	a	20/12/2012
7	If Trustee company - ensure ACN number appears on Trustee statement.	a	20/12/2012
8	Ensure Trustees listed agrees with prior year and any changes noted in Funds minutes.	a	20/12/2012
9	Ensure any reference to the Trust Deed date is correct.	a	20/12/2012
10	Vouch any representations made in the accounts.	a	20/12/2012
11	Ensure accounts balance.	a	20/12/2012
12	Ensure reference to investments are consistent from notes to accounts (ie. if called PST - make sure same terms used in notes to the accounts).	a	20/12/2012
13	In defined benefits fund - ensure that a current Actuarial summary review is attached to the accounts.	a	20/12/2012
14	Agree disclosures sufficient by ticking off directly to AAS 25, including AAS 33 note, (all funds - even non reporting entities - require statement of financial position and operating statement - Per SIS Section 35B).	a	20/12/2012
15	Ensure all related party transactions disclosed.	a	20/12/2012
16	Have there been any changes in the accounting policies applied in the current year compared to the prior year? If yes, make sure that the changes are noted in the notes to the financial statements.	a	20/12/2012

Fund name THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	001	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Financial Statements Review		
17	Ensure that adequate consideration is given to events occurring after balance date to the date of the auditor's report and that these events have been appropriately dealt with in the financial statements.	a	20/12/2012
18	Consider whether any contingent liabilities exist and ensure that these matters have been properly disclosed in the financial report.	a	20/12/2012
19	If this is the first year of audit of the fund (but not a new fund), review the opening balances for reasonableness.	a	20/12/2012
20	If this is the first year of audit of the fund (but not a new fund), ensure that the bank account balance from the prior year financial statements agrees to the bank statements at the beginning of the audit period.	a	20/12/2012
21	If this is the first year of audit of the fund (but not a new fund), confirm the liability for accrued benefits figure in the prior year financial statements is correct by confirming the members' balance have increased by the expected amounts in the current period.	a	20/12/2012
22	Does the trial balance agree to the financial statements? Ensure any discrepancies are noted and that adequate testing is completed on these discrepancies.	a	20/12/2012
23	Review the general ledger, noting any material journal entries and adjustments. Have these been accurately reflected in the financial statements?	a	20/12/2012
Matters Arising			
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012		
Schedule Ref 235				Reviewed By: SAM KING Date: 20/12/2012		
Account Name Capital Gains/(Losses) - Taxable						
Account Code	Description	This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
235/007	Macquarie Group Limited - Ordinary Fully Paid		(1,207.03)			(1,207.03)
	Total		(\$1,207.03)			
					Verify	Date
Audit Objectives						
Audit Concerned with assertions of: occurrence, completeness and disclosure.						
SIS No specific issue.						
TAX: Changes in Net Market Value not taxable until realised, if a taxable asset. If investment is in a PST - never will be taxable. Consideration to be given to booking PDIT / FITB for unrealised gains if applying AASB 112.						
If members are 100% in pension mode, capital gains will be taxed at 0%. Funds receive 1/3 discount rather than 50% discount on capital gains.						
Audit Procedures						
1	Review calculation of the Movement in Net Market Value to ensure performed correctly				a	20/12/2012
2	Ascertain whether return on investment is reasonable compared with declared rates of return				a	20/12/2012
3	Ensure realised gain calculation only includes unit linked investments and not interest bearing investments				a	20/12/2012
4	Vouch redemption of investments to source documentation (such as sell contracts, bank statements, etc).				a	20/12/2012
5	Ensure any tax deferred amounts from managed funds are adjusted against the cost base.				a	20/12/2012
Matters Arising						
Conclusion						

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012		
Schedule Ref 239				Reviewed By: SAM KING Date: 20/12/2012		
Account Name Dividends Received						
Account Code	Description	This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
239/001	Bhp Billiton Limited		(2,943.99)			(2,943.99)
239/002	Australia and New Zealand Banking Group Limited - Ordinary Fully Paid		(1,000.00)			(1,000.00)
239/003	Telstra Corporation Limited. - Ordinary Fully Paid		(1,600.00)			(1,600.00)
239/004	Macquarie Group Limited - Ordinary Fully Paid		(204.29)			(204.29)
	Total		(\$5,748.28)			
					Verify	Date
Audit Objectives						
Audit Concerned with assertions of: occurrence, completeness and disclosure						
SIS No specific issue						
TAX Must identify if any of the income is exempt by virtue of being a life policy or PST. If taxable must consider the timing of assessability (i.e. when received) and any concessional treatment of income (i.e. franked shares, or exempt distributions)						
Audit Procedures						
1	Review dividend statements to ensure all dividend income received.				a	20/12/2012
2	If dividend statements are not available review dividends in accordance with published rates or registry details.				a	20/12/2012
3	Ensure franked amount, unfranked amount and franking credit components have been treated correctly.				a	20/12/2012
4	Trace income to bank statements to ensure all income recognised, or that income has been reinvested.				a	20/12/2012
5	Ascertain whether income received is reasonable compared with declared rates of return. Compare rates of return to prior years and confirm that return is not under or over stated.				a	20/12/2012
6	Ascertain the nature of the income (i.e. taxable or exempt)				a	20/12/2012
7	Review statements to ensure no TFN tax withheld, and if so ensure treated correctly (i.e to be treated as rebatable credit in the tax return).				a	20/12/2012
8	Ensure any foreign tax credits are treated correctly (lesser of actual foreign tax credit or 15% of foreign income).				a	20/12/2012
9	For any foreign income received, ensure amount is recorded in \$AUD and that if foreign currency transaction occur, that they are converted at the appropriate currency rates and accounted for correctly.				a	20/12/2012
10	Confirm accounting treatment of franking credits and ensure accounting				a	20/12/2012

Fund name	THE JONES SUPER DOOPER FUND	Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	239	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Dividends Received		
treatment is consistent with details disclosed in accounting policy notes in financial statements.		a	20/12/2012
11	Where material perform analytical review.		
Matters Arising			
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref 242				Reviewed By: SAM KING Date: 20/12/2012	
Account Name Employer Contributions - Concessional					
Account Code	Description	This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance
242/002	Jones, Mary		(13,334.64)		
	Total		(\$13,334.64)		
				Verify	Date
Audit Objectives					
Audit					
Concerned with assertions of: occurrence, completeness and disclosure					
SIS					
Have member contributions been remitted within 28 days of the month in which the deduction was made from member's salary.					
Members age 65 - 74: contribution accepted ONLY if members work at least 40 hours in a 30 day consecutive period during the financial year					
TAX					
Company contributions taxed as they are PAID. Therefore cash basis used. Transfers In from a previously taxed source are exempt, as are member contributions. Contribution limits apply to both concessional and non-concessional contributions. Penalties apply if these are exceeded.					
Audit Procedures					
1	Obtain listing of Contributions received and dissect by MEMBER, MEMBER DEEMED, AWARD and EMPLOYER, noting the dates of receipt. (ie. general ledger listing).			a	20/12/2012
2	Confirm the contributions received with the sponsoring employer (i.e. Confirmation letter). Reference confirms received to the workpapers.			a	20/12/2012
3	Ensure any contributions can be accepted as per Trust Deed and Reg 7.04			a	20/12/2012
4	Ensure that contributions have been allocated to the member for whom they were remitted.			a	20/12/2012
5	Ensure all contributions received are brought to account by reviewing contributions received after balance date.			a	20/12/2012
6	Trace sample of contributions to employer remittance advice.			a	20/12/2012
7	Trace contributions to bank statements or as an in-specie transfer of assets.			a	20/12/2012
8	Ensure that if there are in-specie contributions, that the amount is at market value and the asset is permitted to be transferred to the fund in accordance with SIS Section 66.			a	20/12/2012
9	Are there any members over 65, and if so have they worked at least 40 hours in a 30 day consecutive period.			a	20/12/2012
10	Are there any members over 75. If so, contributions are unable to be			a	20/12/2012

Fund name	THE JONES SUPER DOOPER FUND	Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	242	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Employer Contributions - Concessional		
accepted, unless an award permits the contributions.			
11	Is it a Defined Benefit Fund? If yes, answer below questions:	a	20/12/2012
11(A)	Review contribution in conjunction with the recommendation of most recent actuarial report and the benefit certificate (SGA Sec 10)	a	20/12/2012
11(B)	Review the most recent funding and solvency certificate (SIS Div 9.3)	a	20/12/2012
11(C)	Review calculation of "notional taxed contributions" for contribution cap reporting.	a	20/12/2012
11(D)	Check that a copy of the funding and solvency certificate was given to each employer sponsor.	a	20/12/2012
12	If the member has not provided their TFN to the Fund, ensure that the contributions are not accepted.	a	20/12/2012
13	Ensure contributions are in accordance with the superannuation guarantee rates.	a	20/12/2012
14	Does the member earn income of more than \$300,000 (this includes taxable income, concessional superannuation contributions, adjusted fringe benefits, total net investment losses, target foreign income, tax-free government pensions and benefits, less child support). If yes, ensure contributions are taxed at 30%, rather than 15%.	a	20/12/2012
15	For members earnings over \$300,000, did the income level only exceed \$300,000 due to the inclusion of concessional contributions in the calculation? If yes, 30% tax rate only applies to the excess over the income of \$300,000.	a	20/12/2012
Matters Arising			
Conclusion			

Fund name				THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date				30/06/2012		Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref				247		Reviewed By: SAM KING Date: 20/12/2012	
Account Name				Increase in Market Value of Investments			
Account Code		Description	This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
247		Increase in Market Value of Investments		(40,761.18)			(40,761.18)
		Total		(\$40,761.18)			
Audit Objectives Audit Concerned with assertions of: occurrence, ownership, accuracy, completeness and disclosure. SIS No specific issue. TAX: Changes in Net Market Value not taxable until realised, if a taxable asset. If investment is in a PST - never will be taxable. Consideration to be given to booking PDIT / FITB for unrealised gains if applying AASB 112. If members are 100% in pension mode, capital gains will be taxed at 0%. Funds receive 1/3 discount rather than 50% discount on capital gains. Audit Procedures 1 Review calculation of the Movement in Net Market Value to ensure performed correctly 2 Ascertain whether return on investment is reasonable compared with declared rates of return 3 Ensure change in NMV calc only includes unit linked investments and not interest bearing investments Matters Arising 							

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref 250				Reviewed By: SAM KING Date: 20/12/2012	
Account Name Interest Received					

Account Code	Description	This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
250/001	Cash at Bank		(125.04)			(125.04)
	Total		(\$125.04)			
					Verify	Date
Audit Objectives Audit Concerned with assertions of: occurrence, completeness and disclosure SIS No specific issue TAX Must identify if any of the income is exempt by virtue of being a life policy or PST. If taxable must consider the timing of assessability (i.e. when received) and any concessional treatment of income (i.e. Franked shares, or exempt distributions) Audit Procedures 1 Trace income to bank statements to ensure all income recognised, or that income has been reinvested. 2 Ascertain whether income received is reasonable compared with declared rates of return. 3 Ascertain the nature of the income (i.e. taxable or exempt) 4 Review statements to ensure no TFN tax withheld, and if so ensure treated correctly (i.e. to be treated as rebatable credit in the tax return) 5 Ensure any foreign tax credits are treated correctly (lesser of actual credit or 15% of foreign income) 6 Where material perform analytical review.						
					a	20/12/2012
					a	20/12/2012
					a	20/12/2012
					a	20/12/2012
					a	20/12/2012
					a	20/12/2012
Matters Arising						
Conclusion						

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref 350				Reviewed By: SAM KING Date: 20/12/2012	
Account Name Other Expenses					

Account Code	Description	This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
301	Accountancy Fees		2,060.00			2,060.00
	Total		\$2,060.00			
					Verify	Date
Audit Objectives Audit Concerned with assertions of: occurrence, accuracy, cut off, classification and completeness. SIS No specific issues TAX Consider nature of expense as to its tax treatment. Audit fees deductible when INCURRED (generally cash basis unless fee agreed prior to year end). General Life Premiums are deductible on a PAID basis. Most other expenses on an INCURRED basis (ie. accruals basis can be used). In most instances, fines/penalties will NOT be tax deductible.						
Audit Procedures 1 Obtain listing of all expenses and vouch sample to supporting documentation. 2 Ensure that all expenses are expenses belonging to the Fund. 3 If fund pays insurance for members, ensure policy is registered in the name of the trustee. 4 Sight the life insurance policy. 5 Vouch transactions on the life insurance statement to premiums based, bonuses or benefits received in the fund's records. 6 Ensure expenses appear reasonable compared with prior year. 7 Where material perform analytical review. 8 Formation costs should be treated as an expense and written off. 9 Ensure that each class of expense is correctly treated for income tax purposes. 10 If fund is registered for GST, ensure: a) no GST claim for: i) Fees for general legal advice ii) Fees for the preparation of a tax return or BAS iii) Audit Fees iv) Residential property expenses, such as insurance, agent fees, etc. b) reduced GST can be claimed for: i) Actuarial fees ii) Administration fees						

Fund name THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	350	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Other Expenses		
<p>iii) Investment management fees and charges</p> <p>11 Ensure that if expenses are paid by employer or member on behalf of the Fund, that the expenses are either reimbursed to the member / employer, or the amounts are treated as a concessional or non-concessional contribution.</p> <p>12 If expenses have been treated as a contribution, ensure the contribution limits have not been exceeded.</p> <p>13 Where there are depreciable assets, review the fixed asset register / depreciation schedule to ensure appropriate depreciation rates and useful lives are being used.</p> <p>14 Ensure any fees paid to the trustee are for reimbursement of fund expenses, and not fees paid for acting as trustee for the fund.</p> <p>15 If there is a limited recourse borrowing arrangement in place, ensure that no expenses are for the improvement of the asset. Repairs and maintenance expenses are permitted.</p> <p>16 For repair and maintenance expenses associated with a property under a limited recourse borrowing arrangement, ensure the expenses are in the name of the superannuation fund, and not the bare trust.</p> <p>Matters Arising</p> <p>Conclusion</p>			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012		
Schedule Ref 485				Reviewed By: SAM KING Date: 20/12/2012		
Account Name Income Tax Expense						
Account Code Description		This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance Change	
485	Income Tax Expense		5,751.37		5,751.37	
	Total		\$5,751.37			
Audit Objectives Audit Concerned with assertions of: occurrence, accuracy, cut off, classification and completeness. SIS No specific issues TAX Tax rate of 15% on investment earnings (net of expenses) and capital gains (if held less than 12 months - 10% if held more than 12 months). Entitled to imputation credit on dividends and potentially withholding tax on foreign income. Tax rate of 15% on concessional contributions. For capital gains, assets purchased prior to 30 June 1988 are deemed to be purchased on that date (i.e. no CGT free assets in a superannuation fund). Audit Procedures 1 Ensure member contributions have been treated as non-assessable unless the fund received a notice in accordance with section 290-170 of the ITAA 1997 2 Ensure capital gains from the disposal of PST's and insurance policies have been excluded from taxable income. 3 Ensure fee rebates and income from PST's have been excluded from taxable income. 4 Ensure income from assets used to pay pensions is not assessable and an actuarial certificate has been obtained to apportion the income where assets are not segregated (if required). Ensure the non-assessable pension income proportion has been correctly applied to income, but not taxable contributions. 5 If the fund pays a complying pension or the assets of the fund are segregated, ensure that income is allocated correctly between assessable and non-assessable components. 6 Ensure franking credits from dividends have been taken up correctly and that fund has held the share for the required period to qualify for the franking credit. 7 Ensure trust distribution income has been treated correctly in accordance with different classes of income (i.e. exempt, tax free, deferred, capital gains, foreign, etc). 8 Ensure foreign credits are taken up correctly, noting that the foreign tax credits allowed to be claimed is the lesser of the credit or 15% of the					Verify	Date

Fund name THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	485	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Income Tax Expense		
	foreign income.		
9	Ensure CGT calculations are correct, including discounted capital gains, other capital gains, indexed gains and capital losses. Remember that capital losses must be applied before any discount.	a	20/12/2012
10	Ensure any CGT cost base adjustments (relating from difference in accounting and taxable income from trusts) have been taken up correctly.	a	20/12/2012
11	Ensure any non arm's length income has been identified and taxed at the appropriate tax rates (i.e. generally will be the highest marginal tax rate).	a	20/12/2012
12	If the fund applies AASB112, ensure the deferred tax assets and liabilities are correctly calculated and included in the financial statements, including deferred tax assets arising from unrealised losses (after discounting), deferred tax assets arising from tax losses are only brought to account where the trustee is confident that these will be recoverable in the future and there is supporting documentation proving the deferred tax assets and liabilities represent the tax effect of timing differences.	a	20/12/2012
13	If the fund is applying AASB 112, ensure that this is appropriate for the SMSF, especially if the fund is paying pensions.	a	20/12/2012
14	If the fund does not apply AASB 112, ensure that this is disclosed in the accounting policies note in the financial statements.	a	20/12/2012
15	Confirm that tax has been calculated for ordinary income at 15%, unless the fund has received a notice advising it is non-complying for taxation purposes.	a	20/12/2012
16	Confirm that PAYG instalments and TFN credits paid by the fund during the period have been correctly identified and applied against the current tax liability.	a	20/12/2012
17	Where a member contribution is made in one account which exceeds the non-concessional contribution cap, ensure the contribution was returned within 30 days of receipt. Ensure that this amount is excluded from the tax calculation.	a	20/12/2012
18	Have the small business CGT exemptions been utilised? If yes, ensure amount rolled into fund is not counted towards the non-concessional limit and does not exceed the CGT cap amount. Ensure that the small business CGT concessions have been calculated correctly and applied to the correct member.	a	20/12/2012
19	If the fund is registered for GST, review the GST calculation and Business	a	20/12/2012

Fund name THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	485	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Income Tax Expense		
<p>Activity Statements to ensure the correct amounts are being disclosed and the fund is meeting its reporting and payment obligations. Ensure the correct amount of GST is being applied, taking into consideration reduced input tax credits (RITC).</p> <p>20 Ensure deductions are correctly treated as deductible and are not capital in nature. Ensure that the deductions were actually incurred by the fund.</p> <p>Matters Arising</p> <p>Conclusion</p>		a	20/12/2012

Fund name	THE JONES SUPER DOOPER FUND					
Balance Date	30/06/2012					
Schedule Ref	490					
Account Name	Profit/Loss Allocation Account					
<div>Prepared By: JOHN SMITH Date: 20/12/2012</div> <div>Completed By: JOHN SMITH Date: 20/12/2012</div> <div>Reviewed By: SAM KING Date: 20/12/2012</div>						
Account Code	Description	This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
490	Profit/Loss Allocation Account		53,364.80			53,364.80
	Total		\$53,364.80			
					Verify	Date
<div>Audit Objectives<div>AuditConcerned with assertions of: occurrence, accuracy and completeness</div><div>SISNo specific issues</div><div>TAXNo specific issues</div></div> <div>Audit Procedures<ol style="list-style-type: none">Vouch all income and expenses to supporting documentation in accordance with other workpapers.Ensure that net profit/loss allocation appears reasonable.</div> <div>Matters Arising</div> <div>Conclusion</div>					a	20/12/2012
					a	20/12/2012

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012		
Schedule Ref 501				Reviewed By: SAM KING Date: 20/12/2012		
Account Name Jones, John						
Account Code	Description	This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
501/001	Opening Balance - Preserved/Taxable		(267,500.00)		(267,500.00)	
501/006	Opening Balance - Restricted Non Preserved/Tax Free		(22,000.00)		(22,000.00)	
501/031	Share of Profit/(Loss) - Preserved/Taxable		(23,624.77)			(23,624.77)
501/053	Income Tax - Preserved/Taxable		1,935.75			1,935.75
	Total		(\$311,189.02)		(\$289,500.00)	
					Verify	Date
Audit Objectives						
Audit Concerned with assertions of: accuracy, completeness and disclosure. Also provisions of the Trust Deed						
SIS Ensure vesting in accordance with Regs 5.04						
TAX No specific issues in relation to tax						
Audit Procedures						
1	Obtain listing of all members account balances and ensure final page of review showing total of breakup is on file.				a	20/12/2012
2	Ensure fund review figure balances with vested figure in financial statements.				a	20/12/2012
3	Ensure vested benefit does not exceed net assets.				a	20/12/2012
4	Testing of member statements as follows:				a	20/12/2012
4(A)	Ensure opening balance correct and accuracy of all calculations (ie. do add check, review of interest calc and tax calc, ensure admin. expenses and Insurance premiums correctly apportioned between member accounts)				a	20/12/2012
4(B)	Confirm vesting in accordance with Regulations and Trust Deed.				a	20/12/2012
4(C)	Ensure members resignation benefit is at least members vested benefit as at balance date.				a	20/12/2012
4(D)	Ensure contribution levels in accordance with the Deed				a	20/12/2012
4(E)	Test employer contributions and member contributions to individual member accounts.				a	20/12/2012
4(F)	Ensure any undeducted contributions and Gov Co-contributions correctly recorded.				a	20/12/2012
5	For Lifetime-Complying and Lifetime-Flexi pension members: - Ensure actuarial/funding certificate is obtained and breakdown of member's accounts is per certificate.				a	20/12/2012

Fund name	THE JONES SUPER DOOPER FUND	Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	501	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Jones, John		
If reserves are disclosed separately: - Review the Trust Deed and minutes to ensure that the reserve is permitted and recorded in accordance with trustee policy. - Review the movements in the reserve during the period to ensure that they are accurate and in accordance with trustee policy. - Ensure that the reserve disclosure in the financial statement is appropriate and consistent with the member's entitlements.			
Matters Arising			
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012		
Schedule Ref 502				Reviewed By: SAM KING Date: 20/12/2012		
Account Name Jones, Mary						
Account Code	Description	This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
502/001	Opening Balance - Preserved/Taxable		(265,885.00)		(265,885.00)	
502/011	Employer Contributions - Concessional		(13,334.64)			(13,334.64)
502/031	Share of Profit/(Loss) - Preserved/Taxable		(22,156.76)			(22,156.76)
502/051	Contributions Tax - Preserved		2,000.16			2,000.16
502/053	Income Tax - Preserved/Taxable		1,815.46			1,815.46
	Total		(\$297,560.78)		(\$265,885.00)	
					Verify	Date
Audit Objectives						
Audit Concerned with assertions of: accuracy, completeness and disclosure. Also provisions of the Trust Deed						
SIS Ensure vesting in accordance with Regs 5.04						
TAX No specific issues in relation to tax						
Audit Procedures						
1	Obtain listing of all members account balances and ensure final page of review showing total of breakup is on file.				a	20/12/2012
2	Ensure fund review figure balances with vested figure in financial statements.				a	20/12/2012
3	Ensure vested benefit does not exceed net assets.				a	20/12/2012
4	Testing of member statements as follows:				a	20/12/2012
4(A)	Ensure opening balance correct and accuracy of all calculations (ie. do add check, review of interest calc and tax calc, ensure admin. expenses and Insurance premiums correctly apportioned between member accounts)				a	20/12/2012
4(B)	Confirm vesting in accordance with Regulations and Trust Deed.				a	20/12/2012
4(C)	Ensure members resignation benefit is at least members vested benefit as at balance date.				a	20/12/2012
4(D)	Ensure contribution levels in accordance with the Deed				a	20/12/2012
4(E)	Test employer contributions and member contributions to individual member accounts.				a	20/12/2012
4(F)	Ensure any undeducted contributions and Gov Co-contributions correctly recorded.				a	20/12/2012
5	For Lifetime-Complying and Lifetime-Flexi pension members: - Ensure actuarial/funding certificate is obtained and breakdown of member's accounts is per certificate.				a	20/12/2012

Fund name	THE JONES SUPER DOOPER FUND	Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	502	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Jones, Mary		
If reserves are disclosed separately: - Review the Trust Deed and minutes to ensure that the reserve is permitted and recorded in accordance with trustee policy. - Review the movements in the reserve during the period to ensure that they are accurate and in accordance with trustee policy. - Ensure that the reserve disclosure in the financial statement is appropriate and consistent with the member's entitlements.			
Matters Arising			
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref 604				Reviewed By: SAM KING Date: 20/12/2012	
Account Name Cash at Bank					
Account Code Description		This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance Change
604	Cash at Bank		107,688.68		91,487.0016,201.68
	Total		\$107,688.68		\$91,487.00
Audit Objectives Audit Concerned with assertions of: existence, completeness and valuation SIS Ensure that bank account did not go into overdraft at any time during the year. If this did occur – we must ascertain if the overdraft was only temporary and for the purpose of financing payment of benefits to members, to cover settlement of securities transactions, for the purpose of paying surcharge or in accordance with the instalment warrant provisions (S.67) TAX No specific issues to consider for tax Audit Procedures 1 Ensure all bank statements are available for review. 2 Take a copy and review reconciliation prepared by administrator. 2(A) Perform add check. 2(B) Note last cheque No. for the period (per reconciliation). 2(C) Vouch to cheque book if possible as last cheque drawn for the period. 2(D) Vouch to bank statements before year end, all cheques drawn up to last day of year, as presented (except for unrepresented cheques in reconciliation). 2(E) Testing for additional unrepresented cheques not previously identified in reconciliation. 2(F) Trace unrepresented cheques to bank statements subsequent to year end. 2(G) Check large and unusual amounts and ensure no cancelled cheques in reconciliation. 3 Review the aging of Unpresented Cheques and investigate any "old" entries (unclaimed monies) 4 Vouch ownership of the bank accounts from the bank statement to the Fund. 5 Obtain direct confirmation of bank balance from financial institution. 6 Agree balance confirmed to reconciliation performed. 7 Ensure that the bank account did not go into overdraft during the year. (if into overdraft note cause & time period) Matters Arising				Verify	Date
				a a a a a a a a a a a a a	20/12/2012 20/12/2012 20/12/2012 20/12/2012 20/12/2012 20/12/2012 20/12/2012 20/12/2012 20/12/2012 20/12/2012 20/12/2012 20/12/2012 20/12/2012

Fund name	THE JONES SUPER DOOPER FUND	Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	604	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Cash at Bank		
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012		
Schedule Ref 724				Reviewed By: SAM KING Date: 20/12/2012		
Account Name Fixed Interest Securities (Australian)						
Account Code Description		This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance Change	
724/001	Westpac Term Deposit	1.00	40,000.00	1.00	40,000.00	
	Total		\$40,000.00		\$40,000.00	
Audit Objectives Audit Concerned with assertions of: existence, ownership, completeness and valuation. More specifically, that the investments are valued at Net Market Value - AAS 25 SIS Ensure that all investment are in "prescribed investments". TAX Must identify if any of the investments are exempt by virtue of being a life policy or PST. If taxable must consider the tax effect accounting issue - ie. the CGT implications of what to treat as permanent differences and timing differences. Also note that where expenses are incurred in gaining exempt income this cost will NOT be deductible to the Fund. Audit Procedures 1 Sight original certificates and confirm correct ownership, date of issue of certificates and date of maturity of the investment. 2 Agree the value of the investment held at year end with quoted market prices. 3 For bonds, confirm the net market value at year end with the originator of the security or with published market prices. 4 For unlisted non-transferable debentures, agree the net market value with the face value. 5 Confirm that the investment is in the name of the trustee and that the documentation clearly identifies that the investment is an asset of the fund. 6 Confirm that the method used to value the investment is consistent with that disclosed in the accounting policy note in the financial statements. 7 Ascertain the nature of the investment (i.e. PST or insurance policy - Exempt or Taxable) 8 Ensure the investment is in accordance with the fund's investment strategy. 9 Trace applications and redemptions of investments to investment statement and to bank. 10 Complete sample selection form and conclude on adequacy of sample selected given population size. Matters Arising					Verify	Date

Fund name	THE JONES SUPER DOOPER FUND	Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	724	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Fixed Interest Securities (Australian)		
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012		
Schedule Ref 772				Reviewed By: SAM KING Date: 20/12/2012		
Account Name Real Estate Properties (Australian)						
Account Code Description		This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance Change	
772/001	Unit 7, 270 Grange Road, Toorak	1.00	375,000.00	1.00	250,000.00	125,000.00
	Total		\$375,000.00		\$250,000.00	
Audit Objectives Audit Concerned with assertions of: existence, ownership, completeness and valuation. More specifically, that the investments are valued at Net Market Value. SIS Ensure that all investment are in "prescribed investments". TAX Must identify if any of the investment are exempt by virtue of being a life policy or PST. If taxable must consider the tax effect accounting issue - ie. the CGT implications of what to treat as permanent differences and timing differences. Also note that where expenses are incurred in gaining exempt income this cost will NOT be deductible to the Fund. Audit Procedures 1 Complete property searches or view the original titles for all real estate investment owned by the fund. 2 Ensure that each property is owned by the trustee and is correctly and appropriately recorded as an investment of the fund. This may involve viewing a declaration of trust or similar documentation. 3 Check that there are no registered encumbrances, or if so, the related liabilities are correctly reflected in the financial statements and are permitted by the SIS Act and Regs. 4 Assess the valuation of the property to determine if appropriate (if director/trustee valuation, should ensure valuation methodology is documented. Generally, property investments will be carried at market value in accordance with ATO Superannuation Circular 2003/1).) 5 If the trustees have relied on an independent valuation, obtain a copy of this and confirm that: a. The value is correctly reflected in the financial statements b. The valuation refers to the correct property c. The valuation was based on reasonable assumptions and is current d. The valuation takes into account redemption costs e. The valuation takes into account GST (if applicable) f. If the property has been subsequently sold, that the sale price does not differ significantly from the valuation 6 Consider the carrying value of the property in light of current economic					Verify	Date
					a	20/12/2012
					a	20/12/2012
					a	20/12/2012
					a	20/12/2012
					a	20/12/2012
					a	20/12/2012

Fund name THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	772	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Real Estate Properties (Australian)		
	conditions and determine whether conditions have changes so as to make the valuation out of date.		
7	Consider the lease term and rental amount to determine if conditions are on a commercial basis (market rental)	a	20/12/2012
8	Determine who the lessee of the property is, ensuring the in-house asset provisions have not been contravened (i.e. cannot lease residential property to related parties).	a	20/12/2012
9	Where the property includes buildings and other fixtures, ensure there is adequate insurance in place and where the fixtures are being depreciated, ensure that appropriate depreciation rates are being used and are consistent with prior periods.	a	20/12/2012
10	Vouch additions and disposals to supporting documentation (i.e. contracts for sale for the purchase and sale of property, invoices for fixture and fittings and trace to bank).	a	20/12/2012
11	<p>If the section 67A and 67B borrowing provisions have been used, ensure the following:</p> <p>a. There is a security (bare/custodian) trust deed in place</p> <p>b. There is a loan agreement between the fund and the lender with regards to the borrowed amount</p> <p>c. That the property is purchased in the name of the trustee of the security trustee (NOT the trustee of the superannuation fund)</p> <p>d. The property is shown as an asset in the financial statements of the fund (NOT the security (bare/custodian) trust) and there is a corresponding liability in the fund for the borrowing.</p> <p>e. All rental and expenses of the property in the security trust are reflected in the operating statement of the fund.</p>	a	20/12/2012
Matters Arising			
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012		
Schedule Ref 776				Reviewed By: SAM KING Date: 20/12/2012		
Account Name Shares in Listed Companies (Australian)						
Account Code Description		This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
776/001	Bhp Billiton Limited	2,000.00	60,000.00	2,000.00	70,060.00	(10,060.00)
776/002	Australia and New Zealand Banking Group Limited - Ordinary Fully Paid	500.00	11,000.00	500.00	3,215.00	7,785.00
776/003	Telstra Corporation Limited. - Ordinary Fully Paid	4,000.00	14,760.00	4,000.00	78,400.00	(63,640.00)
776/004	Macquarie Group Limited - Ordinary Fully Paid	20.00	520.00			520.00
Total			\$86,280.00		\$151,675.00	
Audit Objectives Audit Concerned with assertions of: existence, ownership, completeness and valuation. More specifically, that the investments are valued at Net Market Value. SIS Ensure that all investment are in "prescribed investments". TAX Must identify if any of the investments are exempt by virtue of being a life policy or PST. If taxable must consider the tax effect accounting issue - ie. the CGT implications of what to treat as permanent differences and timing differences. Also note that where expenses are incurred in gaining exempt income this cost will NOT be deductible to the Fund. Audit Procedures 1 Vouch ownership of the investments from the holding statement / confirmation / share certificate received to the Fund. 2 Obtain direct confirmation of investment balance from each investment. 2(A) Reference confirmations to the workpapers. 3 Ensure investments valued at net market value / redemption value (refer to ATO circular). 4 Ensure the fund's investments are maintained in accordance with the investment strategy. 5 Where investment is a (derivatives) investment, ensure a derivatives risk statement (DRS) exists where required and complies with Regulation 13.15A of the SIS Regulations. 6 Trace applications and redemptions of investments to investment statement and to bank. 7 Complete sample selection form and conclude on adequacy of sample selected given population size. Matters Arising					Verify	Date

Fund name	THE JONES SUPER DOOPER FUND	Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	776	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Shares in Listed Companies (Australian)		
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012		
Schedule Ref 782				Reviewed By: SAM KING Date: 20/12/2012		
Account Name Units in Listed Unit Trusts (Australian)						
Account Code Description		This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance	Change
782/001	General Property Trust	12,700.00	40,767.00	12,700.00	59,182.00	(18,415.00)
Total			\$40,767.00		\$59,182.00	
Audit Objectives Audit Concerned with assertions of: existence, ownership, completeness and valuation. More specifically, that the investments are valued at Net Market Value. SIS Ensure that all investment are in "prescribed investments". TAX Must identify if any of the investments are exempt by virtue of being a life policy or PST. If taxable must consider the tax effect accounting issue - ie the CGT implications of what to treat as permanent differences and timing differences . Also note that where expenses are incurred in gaining exempt income this cost will NOT be deductible to the Fund. Audit Procedures 1 Vouch ownership of the investments from the statement / confirmation received to the Fund. 2 Obtain direct confirmation of investment balance from each investment. 2(A) Reference confirmations to the workpapers. 3 Ensure investments valued at net market value / redemption value (refer to ATO circular). Check to see if the units are valued cum or ex distribution and that this is correctly and consistently applied. 4 Ascertain the nature of the investment (i.e. PST or Insurance Policy - Exempt, or Taxable). 5 Ensure the fund's investments are maintained in accordance with the investment strategy. 6 Where investment is a collective (derivatives) investment, ensure derivatives risk statement (DRS) exists where required and complies with SIS Regulation 13.15A 7 Trace applications and redemptions of investments to investment statement and to bank. 8 Complete sample selection form and conclude on adequacy of sample selected given population size. Matters Arising					Verify	Date

Fund name	THE JONES SUPER DOOPER FUND	Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	782	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Units in Listed Unit Trusts (Australian)		
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref 850				Reviewed By: SAM KING Date: 20/12/2012	
Account Name Income Tax Payable					
Account Code Description		This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance Change
850/001	Income Tax Payable		(16,519.25)		(13,766.00)(2,753.25)
850/002	Imputed Credits		1,724.49		1,724.49
Total			(\$14,794.76)		(\$13,766.00)
Audit Objectives Audit Concerned with assertions of: existence and completeness. Also provisions of the Trust Deed SIS No specific issues TAX No specific issues in relation to tax. Audit Procedures 1 Ensure member contributions have been treated as non-assessable unless the fund received a notice in accordance with section 290-170 of the ITAA 1997. 2 Ensure capital gains from the disposal of PST's and insurance policies have been excluded from taxable income. 3 Ensure fee rebates and income from PST's have been excluded from taxable income. 4 Ensure income from assets used to pay pensions is not assessable and an actuarial certificate has been obtained to apportion the income where assets are not segregated (if required). Ensure actuarial certificate is received prior to lodgment of tax return. 5 Ensure the non-assessable pension income proportion has been correctly applied to income, but not taxable contributions. If the fund pays complying pensions or the assets of the fund are segregated, ensure that income is allocated correctly between assessable and non-assessable components. 6 Ensure franking credits from dividends have been taken up correctly. 7 Ensure trust distribution income has been treated correctly in accordance with different classes of income (i.e. exempt, tax free, deferred, capital gains, foreign etc). 8 Ensure foreign tax credits are taken up correctly, nothing that the foreign tax credits allowed to be claimed is the lesser of the credit or 15% of the foreign income. 9 Ensure CGT calculations are correct, including discounted capital gains,				Verify	Date

Fund name THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date	30/06/2012	Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref	850	Reviewed By: SAM KING Date: 20/12/2012	
Account Name	Income Tax Payable		
other capital gains, indexed gains and capital losses. Remember that capital losses must be applied before any discount.			
10	Ensure any CGT costbase adjustments (relating from differences in accounting and taxable income from trusts) have been taken up correctly.	a	20/12/2012
11	Ensure any non arm's length income has been identified and taxed at the appropriate tax rates (i.e generally will be the highest marginal tax rate).	a	20/12/2012
12	If the fund applies AASB112, ensure the deferred tax assets and liabilities are correctly calculated and included in the financial statements, including deferred tax assets arising from unrealised losses (after discounting), deferred tax assets arising from tax losses are only brought to account where the trustee is confident that these will be recoverable in the future and there is supporting documentation proving the deferred tax assets and liabilities represent the tax effect of timing differences.	a	20/12/2012
13	Confirm that tax has been calculated for ordinary income at 15%, unless the fund has received a notice advising it is non-complying for taxation purposes.	a	20/12/2012
14	Confirm that PAYG instalments and TFN credits paid by the fund during the period have been correctly identified and applied against the current tax liability.	a	20/12/2012
Matters Arising			
Conclusion			

Fund name THE JONES SUPER DOOPER FUND				Prepared By: JOHN SMITH Date: 20/12/2012	
Balance Date 30/06/2012				Completed By: JOHN SMITH Date: 20/12/2012	
Schedule Ref 870				Reviewed By: SAM KING Date: 20/12/2012	
Account Name Deferred Tax Liability					
Account Code Description		This Year Quantity	This Year Balance	Last Year Quantity	Last Year Balance Change
870	Deferred Tax Liability		(26,191.12)		(23,193.00) (2,998.12)
	Total		(\$26,191.12)		(\$23,193.00)
Audit Objectives Audit Where appropriate, that the provision exists, is correct, accurately recorded in the correct period, is authorised, consistent with the Fund's operations, and disclosed in accordance with relevant standards. SIS No specific issue to consider. TAX Is appropriate and recorded in terms of AAS 3 and AAS 5. Audit Procedures 1 For material liabilities, vouch to supporting documentation. 2 Peruse provision for Deferred Income Tax Reconciliation worksheet and fund carried forward tax losses as to basis of calculation. 3 Check basis of calculation to supporting documentation. Matters Arising <					

Fund name: THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date: 30/06/2012		Completed By: JOHN SMITH Date: 20/12/2012		
Subject: Compliance Checklist		Reviewed By: SAM KING Date: 20/12/2012		
		Yes	No	N/A
<p><i>NOTE: Questions with an asterisk(*) are NOT required to be commented on in the Compliance Opinion</i></p> <p>PLANNING</p>				
1	Is a copy of the current engagement letter on file ?	a		
2	Are prior year, ATO returns (including income tax, member contribution statements and annual return) and financial statements in the prior year file ?	a		
3	Are copies of all Trust Deeds and amendments on file ?	a		
4	Does the Trust Deed incorporate the SIS Act, SIS Regulations and applicable taxation rules?	a		
5	Does the deed have a deeming clause, which deems the appropriate legislation into or out of the deed to allow the SMSF to remain complying, without necessitating a deed amendment?	a		
6*	Is the Trust Deed properly executed ?	a		
7*	Does the Deed state the name of the Fund ?	a		
8*	Does the Deed state who the Trustees are ?	a		
9*	Does the Deed state how Trustees are appointed and how they can be removed ?	a		
10*	Does the Deed state the powers of the Trustee ?	a		
11*	Does the Deed state that members can act as Trustees ?	a		
12*	Does the Deed state that disqualified person cannot act as Trustees ?	a		
13*	Does the Deed state that Trustees cannot accept payment for services rendered as a Trustee ?	a		
14*	Does the Deed state what benefits can be paid to members?	a		
15*	Does the Deed state what contributions the Fund can accept ?	a		
16*	Does the Deed state who can be members?	a		
17A)	Does the Deed permit members to be: A non working spouse	a		
17B)	A retired person	a		
17C)	A Child	a		
18*	Does the Deed state how to windup the Fund ?	a		
19	Was the Fund set up during the year ? If YES, has the Trustee signed the Trustee Declaration as required by the ATO ?		a	
20*	Is the Trustee aware of and does the Trustee understand the provisions of the Trust Deed? NOTE: the Trustee is bound by the deed and responsible for any contravention of the rules set out in the deed. It is important the Trustee is aware of the contents of the Deed.	a		
21*	Does the Fund have a Trustee (S.19(2))?	a		
22*	Does the Trust Deed state that the sole or primary purpose of the fund is the provision of old age pensions (S.19(3))?	a		
23	Does the fund have a corporate trustee? If YES, confirm who prepares Trustee company financial statements and ASIC returns.	a		
24*	Does the Trustee have a consent to act as Trustee on file for each Trustee? (consent is required for appointment to be valid and the consent must be in writing) (S.118).	a		
25	Have you ensured that individual Trustees or directors of the corporate trustee are not disqualified persons? (S.126K)	a		

Fund name: THE JONES SUPER DOOPER FUND		Prepared By: JOHN SMITH Date: 20/12/2012		
Balance Date: 30/06/2012		Completed By: JOHN SMITH Date: 20/12/2012		
Subject: Compliance Checklist		Reviewed By: SAM KING Date: 20/12/2012		
		Yes	No	N/A
26	If they did become disqualified, was the ATO immediately notified?			a
27	Has the Trustee kept minutes and retained them for at least 10 years? (S.103)	a		
28	Has the Trustee kept a copy of its election under section 71E for 10 years? (S.103(2A))			a
29*	Has the Trustee kept up to date records of changes in Trustees for 10 years? (S.104)	a		
30	Has each Trustee / Director signed a declaration that he or she understands his or her duties as trustee of a SMSF, no later than 21 days after becoming such a Trustee / Director (S.104A)?	a		
31*	Has the Trustee kept records given to members and retained them for at least 10 years? (S.105)	a		
32	Has the fund kept appropriate accounting records for at least 5 years – within Australia, to enable accounts to be prepared and a return to be prepared in accordance with S.35B and S.35D? (S.35A)	a		
33	Do the accounting records comply with accounting guidelines for true and accurate accounts?	a		
34	Do the accounting records provide an accurate record of the true financial position of the fund?	a		
35	Do the accounting records assist an approved auditor in reviewing the financial statements and preparing the audit report?	a		
36	Do the accounting records assist members in understanding their benefit?	a		
37	Have you reviewed the Trust Deed to ensure the fund is maintained for the “sole purpose” of providing benefits to fund members on retirement or dependents on death of members? (S.62)	a		
38	Have you reviewed the Trust Deed to ensure provisions comply in this regard?	a		
39	Have you reviewed the character and purpose of the Fund’s investments to ensure that the investment arrangements do not indicate the purpose is to provide financial assistance to another party?	a		
40	Have you reviewed the character and purpose of the fund’s investments to ensure that the fund is not running a business?	a		
41	Have you reviewed the character and purpose of the fund’s investments to ensure that the trustee has not made fund assets available for anyone else’s private use?	a		
42	Have you reviewed benefit payments to ensure no preserved benefits are paid before a condition of release has been met?	a		
43*	Does the fund comply with the SMSF rules (S.17A)	a		
44*	If a single member fund, was the trustee either a company, with 1 director, who must be the member; a company, with 2 directors, one of whom must be the member and the other a person who is not an employer, unless they are related; or 2 individual trustees, one of whom must be the member and the other a person who is not an employer, unless they are related? (Exceptions to strict member/trustee rules only apply if one member of the fund is deceased or a member is under a legal disability)			a
45*	If there are 2-4 members, is the trustee a company, where all members are directors and there are no other directors or individuals, where all members are trustees and there are no other trustees? (Exceptions to strict member/trustee rules only apply if one member of the fund is deceased or a member is under a legal disability)	a		

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46*	Have you ensured the trustee was not paid for services provided?	a		
47*	Have you ensured that no member is an employee of another member, unless the 2 members are related?	a		
48*	Did the Trustee become aware of an event that would have a significant adverse effect on the financial position of the Fund? (S.106)		a	
49	If YES, was the Regulator notified within 3 days of the significant adverse event?			a
50*	Did the fund become insolvent i.e. the Trustee will not (or may not) be able to make payments to members when the obligation arises?		a	
51	Has the Trustee entered into a contract which would prevent or hinder the Trustee from properly performing the Trustee's functions and powers? (S.52(2)(e))		a	
52	Has money and assets of the Fund been kept separate to money and assets of the Trustee personally (S.52(2)(d))	a		
53	Has money and assets of the Fund been kept separate to money and assets of the standard employer sponsor or an associate of the standard employer sponsor? (S.52(2)(d))			a
54*	Is the bank account held in the name of the Trustee, as trustee for the Fund?	a		
55*	Are all shares, managed funds, etc, held in the name of the Trustee, as trustee for the Fund or held in the Fund's name directly?	a		
56*	Is property held in the name of the Trustee, and is there a declaration of trust in place to state the property belongs to the Fund?	a		
57*	If the Trustee changed during the year, did the investments reflect the change?	a		
INVESTMENTS				
<u>General</u>				
1	Does the investment strategy consider the risks involved and the expected returns, taking into account the investment objectives, the liquidity of the investments and cash flow requirements of the Fund? (R.4.09)	a		
2	Does the investment strategy take into account diversification issues? (R.4.09)	a		
3	Does the investment strategy take into account the ability of the Fund to discharge its liabilities? (R.4.09)	a		
4*	Have you reviewed the investment strategy to ensure it complies with the requirements of S.52(2)(f)?	a		
<u>Loans to Members</u>				
1	Did the fund loan money to, or provide financial assistance to a member or relative of a member of the fund? (S.65)			
2	If the fund was established before 16/12/85 (private sector) / 25/5/88 (public sector) and loans were made to members during the period, does the trust deed permit loans to be made to members? (S.65(2)(3))			
3	If the fund was established after 16/12/85 (private sector) / 25/5/88 (public sector) were no funds used to provide loans to members?			
4	Is there a loan agreement in place for the money loaned to the member of the fund?			
5	Is the loan on normal commercial terms (i.e. is interest being charged on the loan, is there a nominated loan period, is there additional interest if the loan is in default?			
6	Have the provisions of S.109 been considered?			

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<u>Arms Length</u> 1 Were all transactions completed on a commercial basis? (S.109) If NO, complete questions below: 2* Have you ensured any non-arms length purchases or sales of assets were completed at market value? (check valuation report where possible) 3* Have you checked bank statements for any non-arm's length purchases or sales of assets made in cash? 4* Have you ensured any non-arm's length lease arrangements have written contracts? 5* Have you ensured any non-arm's length lease arrangements have been entered into and maintained on commercial terms? 6* Have you ensured the lease payments plus residual value of any non-arm's length lease arrangements are at market rates? 7* Have you ensured the lease payments for any non-arm's length lease arrangements have actually been made? 8* Have you ensured any non-arm's length loan arrangements have written contracts and a repayment schedule? 9* Have you ensured the terms, repayments and interest rates for any non-arm's length loan arrangements have been entered into and maintained on commercial terms? 10* Have you ensured the loan payments for any non-arm's length lease arrangements have actually been made? 11* Have you ensured the realisation of any investments, shares issued and units allocated for any transactions with non-arm's length entities were at market value? 12* Have you ensured that any non-arm's length investments provide a commercial rate of return? 13* Have you ensured the investment returns for any non-arm's length investments have actually been paid? <u>Borrowings</u> 1 Did the Fund carry any borrowings during the year? (S.67) If YES, complete the questions below: 2 Was the borrowing for the purpose of covering settlement of securities transactions as listed in S.67(3)(a) (not exceeding 7 days and 10% of the value of the fund assets). NOTE: at the time the relevant investment decision was made, it must have been likely the borrowing would not be needed (cannot deliberately use this provision in order to make the investment purchase). 3 Was the borrowing for the purpose of benefit payments (not exceeding 90 days and 10% of the value of fund assets)? (S.67(2)) 4 Was the borrowing for the purpose of paying surcharge or an advance instalment (not exceeding 90 days and 10% of the value of fund assets)? (S.67(2A)) 5 Was the borrowing for the purpose of acquiring an instalment warrant? (S.67A or 67B) 6 Did the fund undertake an instalment warrant transaction? If YES, complete the questions below: 7 Does the Trust Deed allow for the fund to borrow? 8 Has a trust (sometimes known as a bare, custodian, security or holding trust) been created for the asset?				

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9	Does the bare trust have a different trustee to the fund (not compulsory but recommended in accordance with trust law)?			
10	Was a declaration of trust prepared when the asset was acquired?			
11	Was the declaration of trust stamped when the asset was acquired by the fund after the loan was repaid (NOTE: stamping may not be required in all states)			
12	Is there a loan agreement in place between the lender and the fund? (NOTE: the lender can be a related party of the fund)			
13	Ensure that the loan agreement is on normal commercial terms, particularly if the lender is a related party of the fund			
14	Have trustee minutes been put into place acknowledging that the instalment warrant conditions have been complied with?			
15	Is the asset acquired under the instalment warrant arrangement a permitted asset that the fund is able to acquire?			
16	Was the borrowing in relation to improving the asset?			
17	Has the Trustee considered the Fund's investment strategy, the prudence test and the sole purpose test with regards to the asset (i.e. has the Trustee considered whether the Fund can service the debt, capital gains, stamp duty, liquidity, etc)?			
18*	Did the fund have borrowings at 11/6/86 (private sector funds) / 1/7/90 (public sector funds)? (S.67(5) & S.67(6)). Was this borrowing repaid by 30/6/95 / 30/6/00?			
	<u>Acquisition of Assets From Members</u>			
1	Did the fund acquire any assets from a related party of the fund ? (NOTE: "Related Party" includes a member; a Part 8 associate of a member; a standard employer sponsor or a Part 8 associate of a standard employer sponsor)			
2	If YES, were any listed securities acquired at market value as required by S.66 ? (NOTE: Listed securities expanded from only "Australian" securities to include securities on exempt markets and listed overseas securities from 11/8/99). Details of the asset should be included in the Matters Arising workpaper for section)			
3	If YES, was any business real property acquired at market value as required by S.66? (NOTE: Funds can invest 100% of assets in business real property from 12/5/99. Acquisition includes in-specie contributions in addition to purchases). Details of the asset should be included in the Matters Arising section of the relevant workpaper			
4	If YES, have the requirements of S.66(2A) been adhered to?			
5	If YES, was an in-house asset within meaning of S.71(1) acquired at market value? (NOTE: Funds can purchase an in-house asset as long as it is acquired at market value and the acquisition of the asset would not exceed the allowable in-house asset level of the Fund (5%)) Details of the asset should be included in the Matters Arising section of the relevant workpaper.			
6	Has the trustee entered into or carried out a scheme that the acquisition would avoid the application of the acquisition of assets from related parties rules(S.66(3))?			
	<u>In-House Assets</u>			
1	Did the fund invest in or make a loan to a related party of the fund, an investment			

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	in a related trust or have a lease arrangement between the Trustee and a related party of the Fund? (NOTE: A lease will not be treated as an in-house asset, where the asset being leased is business real property. Other exemptions to in-house asset rules are where an investment is in widely held trust or where the property is owned by the Fund and the related party as Tenants in Common). If YES complete questions below.			
2	Is the Trust a widely held unit trust, i.e. - do unit holders have fixed entitlement to all of the income and capital of the Trust, - not less than 20 unit holders between them have fixed entitlement to 75% or more of income of the Trust or fixed entitlement to 75% or more of capital of the Trust ? If YES, investment is not an in-house asset.			
3	Where the fund acquired the asset for less than its arm's length value, or whole or part of the consideration paid was not money, was the cost of the asset taken to be it's arm's length value at the time of acquisition (S.73)?			
4	Has the Trustee taken all reasonable steps to ensure that the in-house asset provisions are complied with (S.84)?			
5*	Have you ensured the Trustee has not entered into a scheme that would result in an artificial reduction of the market value ratio of the fund's in-house assets and that the artificial reduction would avoid the application of the in-house asset rules (S.85)?			
6*	In the 1995/96 to 1997/98 year of income, have you ensured the historical cost value ratio at any time during the period 1/7/95 to 30/6/98 did not exceed 10% (S.80)?			
7*	Have you ensured the market value ratio of fund's in-house assets calculated by taking the (whole \$ value of in-house assets x 100) divided by (the whole \$ in value of assets of fund) (S.75)			
8*	In the 1998/99 and 1999/2000 year of income, have you ensured the market value ratio did not exceed 10% at the end of the relevant year (S.81)?			
9	In 2000/2001 and later years of Income, have you ensured the market value ratio did not exceed 5% at the end of the relevant year (S.82)? (If ratio does exceed 5% then the Trustee must prepare a written plan (by the end of the following year of income) to dispose of the excess in the next year of income and carry out the plan).			
10	Have you ensured the fund did not acquire any in-house assets where the market value ratio exceeds 5% or after acquisition, the market value ratio exceeds 5% (S.83)? (NOTE: From 11/8/99, in-house assets include assets leased to "related parties" and investments in related unit trusts. Investments in non geared unit trusts are exempt and these rules do not apply for arrangements in existence before 11/8/1999. Further, the following will not be considered in-house assets: (a) Investments and any loans made prior to 11/8/99, if it was not an in-house asset prior to 11/8/99 (S.71A); (b) Assets subject to a lease prior to 11/8/99 will continue to be excluded as long as lease commenced prior to 11/8/99 is not broken (S.71B);			
11	Have you ensured the fund did not re-invest earnings on in-house assets?			
12	Have you ensured the fund did not make any additional investments into a related unit trust with geared investments?			
13	Have you ensured any arrangements entered into after 11/8/99 that constitute			

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<p>in-house assets have been wound back by 1/7/2001 to fall within the allowable in-house asset limits? Definitions of Related Party (S.70B, S.70C, S.70D), primary entity, sufficient influence (S.70E(1)), control of trust (S.70E(2)) and a group (S.70E(3)) are found in the SIS Act)</p> <p><u>Collectables/Personal Use</u></p> <p>1 Does the fund invest in any of the following S62A items (these are considered collectable or personal use assets):</p> <p>a. Artworks?</p> <p>b. Jewellery?</p> <p>c. Antiques?</p> <p>d. Artefacts?</p> <p>e. Coins, medallions or bank notes?</p> <p>f. Postage stamps or first day covers?</p> <p>g. Rare folios, manuscripts or books?</p> <p>h. Memorabilia?</p> <p>i. Wine or spirits?</p> <p>j. Motor vehicles?</p> <p>k. Recreational boats?</p> <p>l. Membership of sporting or social clubs?</p> <p>2 Ensure the collectable or personal use asset has not been leased to a related party of the fund (R.13.18AA(2)).</p> <p>3 Ensure that the collectable or personal use asset is not stored in the private residence of a related party (R.13.18AA(3)).</p> <p>4 Ensure a written record (i.e. Trustee minutes) are prepared and kept for at least 10 years, documenting the decision on where to store the collectable or personal use asset (R.13.18AA(4)).</p> <p>5 Ensure the collectable or personal use asset is insured, in the fund's name, within 7 days of acquiring the asset (R.13.18AA(5)).</p> <p>6 Ensure the collectable or personal use asset is not used by a related party (R.13.18AA(6)).</p> <p>7 If the collectable or personal use asset is transferred out of the fund to a related party, ensure that a qualified independent valuer provides the market price for the asset (R.13.18AA(7)).</p> <p>8 Did the fund hold the collectable or personal use asset prior to 30 June 2011?</p> <p>9 If yes, the fund has until 1 July 2016 to transition to the new rules above? If no, the fund has until 1 July 2011.</p> <p><u>Liens/Security</u></p> <p>1 Have you ensured the Trustee has NOT used fund assets for the purpose of security (other than as described in R.13.15) (R.13.14)?</p> <p>2 If the Trustee has provided a charge over the assets of the fund, is this in accordance with the limited circumstances described in R13.15?</p> <p><u>Risk Management Statements</u></p> <p>1 Has the Trustee of the fund directly undertaken a derivatives transaction and in doing so, provided a charge over the assets of the fund as required by the approved</p>			

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<p>exchange that is trading in derivatives on the Trustee's behalf (R.13.15A)? (NOTE: A charge over the assets means that assets have been set aside to cover any losses incurred on derivatives transaction (e.g. monies held with a broker, who has the freedom to draw on those funds in the event that the derivatives transactions entered into by the broker incur losses.) If YES answer questions below:</p> <p>2 Has the fund prepared a Derivatives Risk Management Statement (DRS)?</p> <p>3 Does the Derivatives Risk Management Statement set out the following:</p> <p>3(A) Policies for use of derivatives that include an analysis of the risks associated with the use of derivatives within the investment strategy of the fund; and</p> <p>3(B) Restrictions and controls on the use of derivatives that take in consideration the expertise of staff; and</p> <p>3(C) Compliance process to ensure that the controls are effective (for example, reporting procedures, internal and external audits and staff management procedures); and</p> <p>3(D) The investment to which the charge relates in accordance with the derivatives risk statement.</p> <p><u>Reserves</u></p> <p>1 Does the Fund maintain reserves?</p> <p>2 If yes, has the trustee credited (or debited) the investment return to the reserve account, taken into consideration:</p> <p>a. The return on investments; and</p> <p>b. The extent to which costs of the fund exceed the costs charged to member's account; and</p> <p>c. The level of the reserves (R.5.03(1)).</p> <p>3 Are the investment returns being allocated to members in a manner that is fair and reasonable (R5.03(2))?</p> <p>DISCLOSURE AND REPORTING TO MEMBERS</p> <p>1* Have you ensured there were no significant events during the year that adversely affected members (S.106)? If there were any significant events during the year, provide details in the Matters Arising section of the relevant workpaper including the date of occurrence and the date the members were notified)</p> <p>2 If there were any significant events during the year, were members notified within 3 working days of the Trustees becoming aware of the event?</p> <p>3* Were all members provided with an annual members statement by the due date of lodgment of the Fund's tax return?</p> <p>4* Do the member statements include all information which the trustee reasonably believes that a member would reasonably need for the purpose of understanding their benefit entitlements?</p> <p>5* Were members who left the fund during the year given an exit statement within 1 month of the member leaving employment containing the information in OR that otherwise satisfy the general rule?</p> <p>6* Do the exit statements include all information which the trustee reasonably believes that a member would reasonably need for the purpose of understanding their benefit entitlements?</p> <p>PAYMENT OF BENEFITS</p>				

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<u>General</u>				
1	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) on retirement (between 55 and 60 and gainful employment arrangement has come to an end and there is no intention to become gainfully employed on a part time or full time basis) (Reg Sch 1, R.6.01(7))?	a		
2	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) on retirement (between 60 and 65 and gainful employment arrangement has come to an end and either: the member attained the age on or before the ending of the employment OR there is no intention to become gainfully employed on a part time or full time basis) (Reg Sch 1, R.6.01(7))?			a
3	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) on death (Reg Sch 1, R.6.17A)?			a
4	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) on permanent incapacity (Reg Sch 1, R.6.01(2))?			a
5	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) on permanent departure from Australia (Reg Sch 1)?			a
6	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) in the case of severe financial hardship (as determined by Trustee having regard to period receiving welfare from the government, and ability to meet living expenses) and the amount has not exceeded \$10,000 in any 12 month period (Reg Sch 1, R.6.01(5))?			a
7	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) on a member attaining age 65 (Reg Sch 1, R.6.01(7))?			a
8	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) on termination of employment and preserved benefit is less than \$200 (Reg Sch 1)?			a
9	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) on temporary Incapacity (income stream whilst sick) (Reg Sch 1, R.6.01(2))?			a
10	Have preserved and restricted non preserved components only been paid in cash (R.6.17, R.6.18, R.6.19) other than as approved by the ATO in writing i.e. compassionate grounds (Reg Sch 1, R.6.01(2))?			a
11	Have the benefits cashed in pursuant to Reg Sch 1, R.6.01(7) been either paid in one or more lump sums or pensions or annuity purchases (R.6.18(3), R.6.19(3))?	a		
12	If the fund has paid any other benefits during the year, were these paid from unrestricted non preserved components (R.6.20)?			a
13	Have the compulsory cashing provisions been adhered to where a member of the fund has died?			a
14	Were all compulsory cashed benefits paid in cash or rolled into one or more pensions or annuities (R.6.21(2))?			a
15	Were benefits only cashed in favour of the member or the member's personal legal representative unless the member died (in which case the fund may pay a benefit in favour of a dependant or another individual where no personal legal representative or dependant could be found by the trustee (R.6.22))?			a

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16	Where a cashing restriction applies (i.e. is not NIL), were unrestricted non preserved components cashed first, restricted non preserved components cashed second and preserved components cashed third (R.6.22A)?	a		
17	Was a member's benefit only rolled over or transferred from the fund where the member consented to the rollover (R.6.28) or the trustee believes the fund to which the benefit will be rolled over, had received consent to the rollover from the member (R.6.28) or in the case of transfers only, the transfer is to a successor fund (R.6.29)?	a		
18	Has the Trustee complied with the requirement not to recognise, encourage or sanction any assignment of, or charge over, a member's benefit (R. 13.12, R. 13.13)?	a		
19*	Are employer contributions, roll-overs and transferred benefits treated as preserved benefits unless the trustee has proof that they should not be treated this way (R.6.15)?	a		
<u>Pensions</u>				
1	Ensure the trust deed makes provision for the payment of the pension.			
2	If this is the first year of the pension, ensure appropriate minutes are made available confirming the member has requested the pension to be paid and the Trustee(s) have acknowledged and agreed to the pension being paid.			
3	Ensure that an actuarial certificate has been provided prior to the lodgment of the tax return (where applicable).			
4	Ensure the member receiving the pension has been advised of the minimum and maximum pension amounts to be withdrawn.			
5	Agree pension paid to the PAYG Payment Summary issued (where applicable) and trace pension amounts to bank statement.			
6	Ensure that pension payments are made at least annually (R.1.06(9A)).			
7	If the pension is an account based pension, is the pension amount at least the amount calculated as per clause 1 of Schedule 7?			
8	If the pension is not an account based pension (i.e. lifetime complying pension, fixed term pension), ensure that there is no residual capital value, commutation value and that the withdrawal benefit is not greater than 100% of the purchase price of the pension, and that the amount is calculated in accordance with clause 2 of Schedule 7.			
9A)	If the pension is not an account based pension and does not meet the conditions outlined in point 8 above, ensure that each of the following apply: The pension is payable throughout the life of the beneficiary (primary and reversionary) or for a fixed term of years that is no greater than the pensioner's age at the pension start date and age 100.			
9B)	There is no requirement for an amount to be returned to the member when the pension ends.			
9C)	The total of the payments from the pension in the first year is at least the amount calculated in accordance with clause 2 of Schedule 7.			
9D)	The pension payments in subsequent years cannot vary from the total of payments in the previous year unless the variation is as a result of an indexation arrangement or the transfer of the pension to another person.			

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9E)	If the pension is commuted, the commutation cannot exceed the benefit that was payable immediately before the commutation.			
10	Ensure the pension is not transferrable to another person (unless the pensioner has died).			
11	Ensure that the capital value of the pension is not being used as security for a borrowing.			
PRESERVATION				
1	Are amounts disclosed as preserved equal to amount shown as preserved at 30 June 1999 plus all contributions thereafter (R.6.03)?	a		
2	Are amounts disclosed as restricted non-preserved and unrestricted non-preserved the same as when calculated at 30 June 1999 (do not increase for interest credited to these benefits) i.e. all earnings after 1/7/99 are to be preserved (R.6.08, R.6.10)?	a		
3	Where negative interest applied to members accounts, have the negative earnings been applied first against the members preserved components, second against the members restricted non-preserved components and third against the members unrestricted non-preserved components (R.6.16A)?	a		
4	Where a rollover was credited to the member's account were the preserved, restricted non-preserved and unrestricted non-preserved components of the roll over maintained in the fund (R.6.06, R.6.08, R.6.09)?	a		
CONTRIBUTIONS				
1	Have all contributions been accepted by the fund in respect of members under age 65 (no work test required) (R.7.04(1), R.7.05(1))?			
2	Have contributions only been accepted in respect of members who have reached age 65, but not the age 75 where: (a) the contributions are mandated employer contributions; OR (b) the member is employed for at least 40 hours in a 30 days consecutive period during the year.(R.7.04(1B), R.7.05(1B))?			
3	Have contributions only been accepted in respect of members who have reached age 75, where the contributions are under an award and are mandatory contributions? (R.7.04(1C), R.7.05 (1C))?			
4	Have contributions been accepted after a period where one of the above applied, only where the Trustee is satisfied that the contributions could have been made in respect of that prior period (R. 7.04(2), R.7.05(2)) ? (NOTE: R.7.04 applies to regulated superannuation funds generally and R.7.05 applies to defined benefit funds)			
5*	Have member contributions deducted from payroll been remitted within 28 days of the following month (S.64)?			
6	Have the contribution limits for concessional and non-concessional contributions been adhered to?			
7	If the contribution limits have been exceeded and the Trustee chooses to have the fund pay the excess contributions tax, has the Trustee applied to the Commissioner for the special condition of release to have money released to pay the tax?			
8	If the member has utilised the averaging provisions, has the member not exceeded the non-concessional contributions for the three year period?			
9	Is the member over 65 years of age? Ensure member has not used 3 year averaging for			

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contributions.			
MINIMUM BENEFITS TO BE MAINTAINED			
1 Have minimum benefits been maintained for Accumulation Fund members (the sum of member financed benefits plus member's mandated employer financed benefits) (R.5.04, R.5.08)?			
2 Have minimum benefits been maintained for Defined Benefit Fund members (either: the sum of member financed benefits plus member's mandated employer financed benefits OR member benefits as per benefit certificate under SGC regulations) (R.5.04, R.5.08)?			
3 Are employer contributions, roll-overs and transferred benefits treated as minimum benefits unless the trustee has proof that they should not be treated this way?			
ACCOUNTS			
1 For a fund that is a reporting entity, have the accounts been prepared in AAS25 format including a statement of financial position and an operating statement (S.35B)?			
2 For a fund that is a non reporting entity, have the accounts been prepared that include a statement of financial position and an operating statement (S.35B)?			
3* Has the Trustee made arrangements for accounts to be audited, by appointing an approved auditor each year (S.35C)?			
4 Has the Trustee provided the auditor any document requested by the auditor relevant to preparing the audit report within 14 days of any such request (S.35C(2))?			
5* Has the auditor given an audit opinion at least one day prior to the due date for lodgment of the income tax and regulatory return of the fund (R.8.03)?			
LODGMET OF ATO/TAX RETURN			
1* Has the Trustee lodged or caused to be lodged with the ATO within the prescribed period a return in the approved format including all such information required by the form (S.35D)?			
2* Has the Fund's supervisory levy and tax liability been paid?			
3* Have Trustees kept records in relation to income received by the fund?			
4* Have Trustees kept records in relation to deductions claimed for administrative and operating expenses?			
5* Have Trustees kept records in relation to sales/purchases of assets for Capital Gains Tax purposes?			
6* Have Trustees kept records of the tax file numbers of members?			
7* Have Trustees kept records in relation to deductions claimed for provision of death and disability benefits of members?			
AUDITOR RESPONSIBILITIES			
1 If you, as auditor of the fund, have formed an opinion that it is likely that a breach of the SIS Act may have occurred, may be occurring or may occur, have you notified the Trustee of the breach in writing (S.129)?			a
2 If you, as auditor of the fund, believe the financial position of the fund is unsatisfactory, have you notified the Trustee in writing (S.130)?			a
3 If you as auditor of the fund, notified the Trustee in writing of any matters relating to the fund, did the notice set out the problem, what the Trustee is required to do and the time frame in which a reply from the Trustee is required?			a

