



FIRST YEAR AUDITS	✓
Prior year financial statements & audit report (signed)	
Copy of Trust Deed	
Copies of member documentation, application forms, etc.	
Copies of trustee documentation, appointment, and consent	
Copies of minutes from trustee meetings	
Copies of Contracts & Agreements (for assets/investments)	

TRUST DEED (IF AMENDED)	<b>√</b>
Copies of application forms & consent to act as trustee (for any <u>new</u> members/trustees appointed during the year)	
ATO Trustee Declaration (NAT 71089) dated within 21 days of appointment	
Copy of notification to ATO (NAT 3036)	



Bank statements/data feeds for all accounts from 1 July to latest available

Bank Statement for 30 June (to confirm balance)

Bank confirmation may be requested when:

- There is a large dormant bank balance
- Transactions cannot be verified against other documentation.

Term Deposit Statements at 30 June (or the whole year if you have them)

- If the bank does not produce a statement at 30 June, we will require the post year end renewal notice (to confirm existence at year end)
- If this is not available, a bank confirmation may be required
- · A bank confirmation may also be required if more than 90 per cent of the fund is held in Term Deposits

IF THE FUND HOLDS COMMERCIAL OR RESIDENTIAL PROPERTY	$\checkmark$
Rental / Lease Agreement	
Most recent trustee valuation of the property, including documentation to support the trustee/s assessment of value	
Independent valuation	
Recent sales	
• Appraisals	
Market information on yields	
Property-related expenses/invoices	
External property management statements	
Settlement Statement (for purchase or sale)	

Any special circumstances regarding tenant/rent this year?

Is the tenant related to the SMSF or trustees?

**OTHER CONSIDERATIONS** 

Who is the tenant?

IF THE FUND HOLDS MORTGAGE LOANS, DEBENTURES, OR INTEREST SECURITIES	<b>√</b>
Income / Interest Statements	
Documentation to support loan balance (e.g. mortgage/loan agreement or annual statements)	
Documentation to support movement in loan balances, debentures, or interest securities	
Documentation of security sought by SMSF in relation to loan or debenture	

## **OTHER CONSIDERATIONS**

What is the relationship between the SMSF & borrower?

Is the agreement on an <u>arms-length</u> basis?

- Term of loan
- Interest rate payable
- Security taken

Is the loan to a <u>related party</u>?

Is it an In-house Asset?

Is the loan's value to a related party less than five per cent of the SMSF assets?

IF THE FUND HOLDS LISTED SHARES OR MANAGED FUNDS	✓
Dividend Statements	
Distribution Statements	
Chess or Holding Statements	
Contract Notes (buy and sell)	
Annual Tax Summary (for managed trusts)	
Broker Transaction Statements and Portfolio Statements	
Trust Transaction and Year End Statements	
Documentation to support shares/units held at year end and any movements (share/holding certificates)	
If the Super Fund uses a Portfolio/ Wrap Service a copy of the Part B Controls Report (audit report) attached to the provider documentation	



## **OTHER CONSIDERATIONS**

Where is the asset held?

If the asset is leased, who is it leased to?

LIMITED RECOURSE BORROWING ARRANGEMENTS	✓
Loan Agreement (with bank or other), providing confirmation of:	
Term of loan	
Interest rate payable	
Security taken	
Loan Bank Statements 1 July - 30 June	
Deed of Trust (bare/custodial trust)	
Mortgage documentation/registration	

## **OTHER CONSIDERATIONS**

If the lender is non-bank, is the lender a related party?

If the lender is related, have the trustees considered whether the arrangement is 'arm's length'

- Is the term commercial?
- Is the loan to value ratio (LVR) commercial?
- Is the interest rate commercial?
- Is security taken?
- · Are repayments made regularly?



**Dividend or Distribution Statements** 

Financial Statements of the private entity (if available)

· Audit report required if entity subject to independent audit

Income Tax Return of private entity (if available)

Details of underlying assets

• E.g. address of the property to enable a search to be conducted

Valuation documentation

- · Independent valuation
- · Details/documents to support recent sale of units/shares

First year audit by current auditor, need documentation to support any in-house asset exemptions:

- Investee entity financial statements as at 30 June 1999
- Investee entity financial statements as to 30 June 2009
- · Documentation to support the exemption
- · Details of share/unit acquisitions Including documentation showing that shares/units were acquired at market value

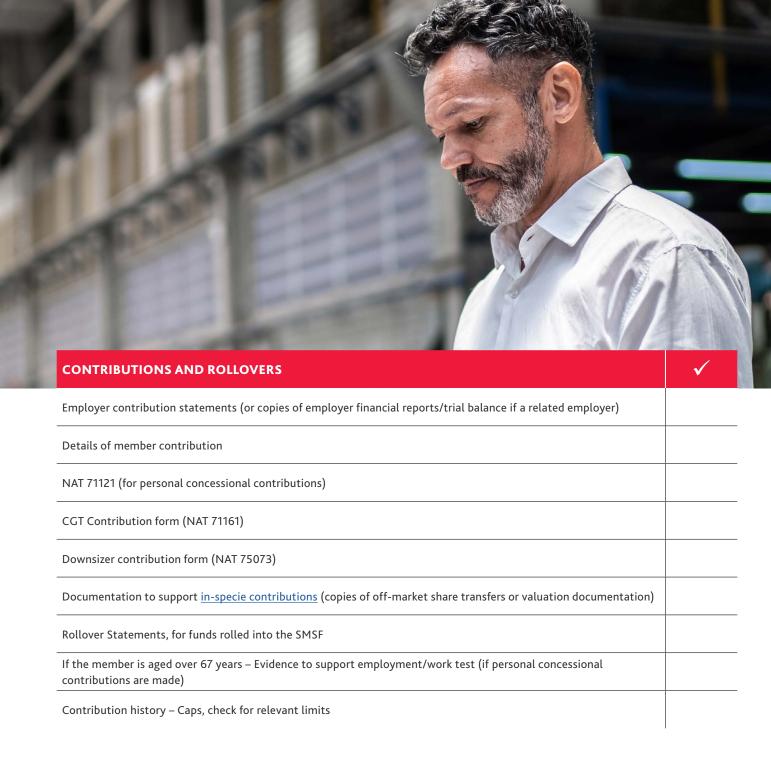
## **OTHER CONSIDERATIONS**

Who are the other shareholders/unit holders? Are they related?

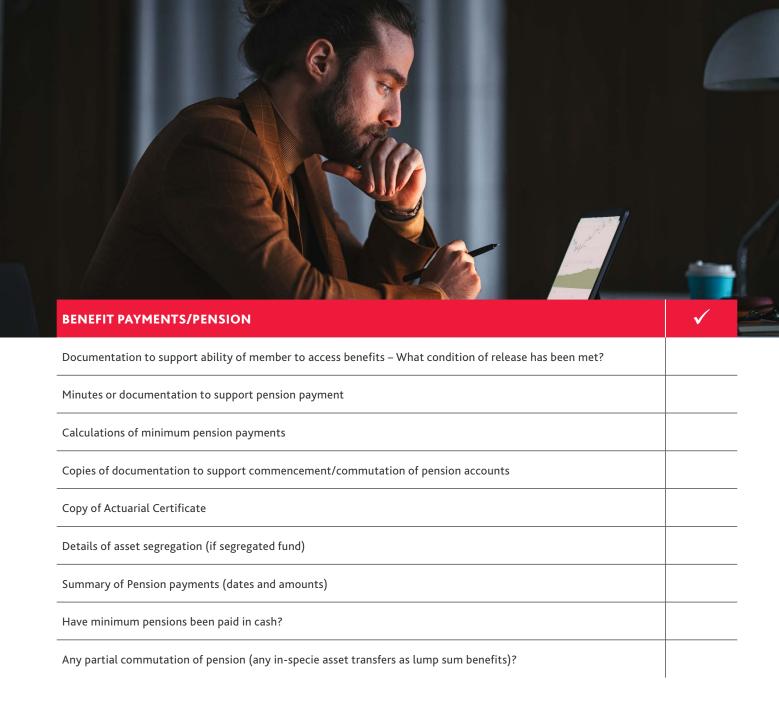
Should shareholders/unit holders be grouped as 'related' to determine control?

If the investee entity is 'controlled' by the SMSF & related parties, are there any in-house asset exemptions that apply? Is the term commercial?

- Units/shares acquired prior to 11 August 1999
- Units/shares acquired between 11 August 1999 and 30 June 2009
- Is the value of the investment less than five per cent of the SMSF assets



EXPENSES	$\checkmark$
Invoices for accounting/audit fees	
Invoices from financial advisors	
Insurance premium notices & copy of insurance policy	
Excess Contribution Assessments or Div 293 Tax Notice (ATO) and accompanying ATO release authorities	
Invoices for legal fees	
Invoices to support any other expenses	
Tax portal print outs of tax & integrated client accounts	



BENEFIT PAYMENTS/PENSION PAYMENTS - SPECIAL CIRCUMSTANCES	<b>√</b>
Death Benefit payments	
Copies of Binding or Non-binding nominations	
Copies of trustee minutes identifying beneficiaries and reasons for decision	
Payment summaries	
Divorce/Separation payments/splits	
Copy of financial agreement	
Death Benefits – What changes have been made to trusteeship to meet definition of SMSF?	
Divorce/Separation – What changes have been made to trusteeship to meet definition of SMSF?	
Are changes made within relevant time frames?	
Has the ATO been notified?	

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