



# A D Danieli Audit Pty Ltd

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Audit & Assurance Services

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## **A D Danieli Audit Pty Ltd Standard Terms of Engagement Audit of Self Managed Superannuation Funds Engagement**

This document sets out our Standard Terms of Engagement and the nature and limitations of the services that we provide for the audit of self managed superannuation funds.

Our role for such engagements is pursuant to the provisions of the Superannuation Industry (Supervision) Act 1993 (the SIS Act) and regulations.

### **1. Audit of Accounts**

Our audit will be performed in accordance with Australian Auditing Standards, the SIS Act and Regulations with the objective of expressing an opinion on the financial reports, as presented by the Trustee of the Self Managed Superannuation Fund. The Auditing Standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance that the financial report is free from material misstatements. The annual audit of the accounts and records of the superannuation fund must be carried out during and after the end of each year of income. In accordance with Section 35C we are required to present the Trustee of the fund an audit certificate the day before the due date of the fund's tax return and compliance statement.

We direct the attention of our client to the fact that the responsibility for the preparation of the financial statements, including adequate disclosures, is that of the Trustee of the Fund. This includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, and the safeguarding of the assets of the Fund. These duties are imposed by the Trust Deed, as well as the SIS Act.

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

In forming our opinion on the financial statements, we will perform sufficient tests to obtain reasonable assurance as to whether:-

- (i) The underlying accounting records are reliable and adequate as a basis for the preparation of the financial statements; and
- (ii) The financial position of the fund at balance date and the results for the year then ended are properly disclosed in the financial statements.

Because of the test nature and the inherent limitations of any audit, together with the inherent limitations of any system of internal control, there is an unavoidable risk that even some material misstatement, fraud or irregularity may remain undiscovered.

## **2. Independence**

We confirm that, prior to commencing the audit of the Fund, we will ensure that we currently meet the independence requirements of the Australian professional accounting bodies in relation to the audit of the Fund. In conducting our audit, should become aware that we have contravened the independence requirements, we shall notify the client on a timely basis.

## **3. Compliance Opinion for Superannuation Funds**

As auditor of the Fund we will also ensure compliance with certain aspects of the SIS Act and Regulations. The specific sections and regulations will be stated in our audit report, which is in the form approved by the ATO.

To ensure this is achieved, it will be necessary to examine the operations of the Fund for compliance with the prescribed sections of the SIS Act and Regulations.

Furthermore, where required, we will provide the Trustee with an attestation report on the Trustee's Certification on the Part B Risk Management Statement, in the form approved by the ATO.

## **4. Report on significant matters**

In addition to our report on the financial statements, we will also report to our client concerning any material weakness in the Fund's system of accounting and internal controls, which come to our notice. We are designated specific responsibilities and requirements under sections 129 and 130 of the SIS Act. This will be in the form of a management letter.

## **5. Fees**

Our fees 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.

## **6. Confidentiality and Quality Control**

The conduct of our audit in accordance with Australian Auditing Standards means that information acquired by us in the course of our audit is subject to strict confidentiality requirements. Our audit files may, however, be subject to review as part of the quality control review programs of the Institute of Chartered Accountants in Australia and/or CPA Australia which monitor compliance with professional standards by their members. We advise that our audit files relating to an audit will be made available under this program. Should this occur, we will advise the client. The same strict confidentiality requirements apply under this program as apply to us as the Funds auditor.

**Sam Danieli**  
**Director**  
**A D Danieli Audit Pty Ltd**