

## POWELL ACCOUNTING

### SMSF CHECKLIST

#### 1st YEAR ENGAGEMENT

- Copy of the latest trust deed.
- Prior year financial statements (including member statements and investment summary)
- Prior year signed audit report and management letter.
- Any relevant correspondence from the ATO
- If a corporate trustee- signed constitution for the corporate trustee.
- Written consent to act as trustees.
- Member applications
- Copies of Binding Death Benefit Notifications
- Investment Strategy

#### ALL ENGAGEMENTS

#### ADMINISTRATION

- Copy of amended (If amended since previous year)
  - Trust deed
  - Investment strategy
  - Corporate trustee constitution
- Copy of signed minutes
- Signed Trustee Declaration
- Signed engagement letter from the auditor to the trustee/s
- Signed representation letter (Example available if required)
- Signed requests for payment of benefits and or lump sums.
- For new trustees- written consent to act as trustees
- Copies of new or amended binding death benefit nominations.

- If new members have been admitted- copies of appropriate forms
- Client Bank Authority (if not previously provided)
- New Member application form

#### FINANCIAL STATEMENTS

- Current Year's Financial Statements (if possible, unmarked so that a "clean" copy can be attached to the audit report)
- Current year's member statements
- Current year's member balance summary.
- Copy of corporate trustees financial statements (if applicable)

#### CONTRIBUTIONS

- If applicable, for members over 65, proof of satisfying work test requirements.
  - Pay slips
  - Letter from employer
  - Signed declaration from member
- If applicable, document supporting any splitting arrangements.
- For member concessional contributions, a notice of intention to claim the deduction as per ITAA Sect 290.170
- Co-contribution advice from ATO
- In-specie- Off Market Transfers, CGT relief etc.

#### TRANSFERS/ROLLOVERS

- Outward or inward rollover statements if applicable.

## ASSETS

### PROPERTY

- Purchase/sale contracts if purchased or disposed of during the year.
- Copy of certificate of title if available.
- If the funds ownership (or separation of the asset from the assets of the members or trustees) cannot be identified from the title, documents confirming the fund's ownership, e.g. acknowledgement of trust.
- Copy of appropriate insurance policies.
- External Valuation or method and basis of trustees valuation- see <http://www.ato.gov.au/Super/Self-managed-super-funds/In-detail/Reporting-and-record-keeping/Valuation-guidelines-for-self-managed-super-funds/?default=&page=8>
- Lease agreements and rental statements
- If managed by a property agent-annual rental summary
- For commercial real property leased to related party- evidence supporting that the rent is at market rates.
- If the property is subject to a limited recourse borrowing arrangement
  - Copy of the bare trust agreement/deed
  - Copy of the loan agreement
  - Copy of any legal opinion that may have been obtained regarding compliance with the SIS Act

Note: this information is not required if it has been previously provided.

### SHARES AND UNITS IN WIDELY HELD TRUSTS.

- Copies of holding or Broker statements confirming the fund's ownership.
- Copies of trade confirmations or brokers statement for trades conducted during the year
- Portfolio valuation with calculation of market value at 30<sup>th</sup> June.
- Dividend and/or distribution statements (annual tax statement).
- Broker's dividend distribution statement.
- Revaluation and capital gains work papers.

## CLOSELY HELD TRUSTS AND OTHER RELATED PARTY INVESTMENTS

- Share or unit certificates
- Details of properties
- Financial Statements
- Dividend and or distributions
- Market Valuation
- Details of any loans

## CASH AND CASH EQUIVALENTS

- Reconciliations
- Statements- please note, copies of the actual statements provided by the relevant institution are required, internet generated transaction summaries are not sufficient.
- Bank Confirmation client authority

## MANAGED INVESTMENTS

- Acquisition and withdrawal confirmation notices.
- Annual Statement from fund managers confirming ownership, value and distributions.

## COLLECTIBLES AND PERSONAL USE ITEMS (CPUI)

Please Note- These assets require classification into two groups

Those acquired before 1<sup>st</sup> July 2011:

- Details of method utilised to value the CPUI
- Details of Insurance policies covering CPUI
- Means of providing proof of the fund's ownership.
- Copies of any lease agreements.

Those acquired after 1<sup>st</sup> July 2011:

- Location of collectible and evidence to prove that they are not being stored or displayed in the private residence of any related party.
- Details of lease agreement and evidence to prove that they are not being leased to any related party
- Confirmation (representation letter will suffice), that a written record of the reasons for the decision on where to store the CPUI is retained for a minimum of 10 years.
- Insurance policies indicating that the CPUI (excluding membership of a sporting or social club) are insured in the name of the fund.
- When ownership has been transferred to a related party, independent valuation conducted by a qualified valuer.

#### LOANS

- Signed loan agreements
- Details regarding the borrowers relationship to the SMSF
- Mortgage documents, securities etc.
- If a related party, evidence to confirm normal (arm's length) terms

#### RELATED PARTY INVESTMENTS

- Share or unit certificates
- Financial statements for each company or trust
- Dividend or distribution statements
- If the trust or company holds property, details required as listed above for property investments.

#### OTHER INVESTMENTS

- Independent valuation or method utilised to determine market value
- Proof of ownership
- Lease agreements and details of the lessees relationship with the fund
- If a related party evidence that any terms are at "arm's length"
- Insurance policies

## EXPENSES

- Copies of invoices/statements
- Copies of life insurance policies confirming Super Fund has ownership, life insured, cover and premiums.

## TAXATION

- Copy of annual return
- Tax calculation/reconciliation
- Copies of BAS- where applicable
- Actuarial certificate
- Copies of Tax Agent Portal