



Board Meeting Summary Paper

Subject: GS 009 *Financial and Compliance Audits of Self Managed Superannuation Funds*
Date: 15 July 2008

AUASB AGENDA ITEM NO. 7
Meeting Date: 21-22 July
2008

Action Required

For Information Purposes Only

Agenda Item Objectives

1. To consider key issues raised from the out-of-session review of GS 009.
2. To consider proposed amendments to GS 009 as a resulting from review comments received.

Background

The first read draft of GS 009 *Financial and Compliance Audits of Self Managed Superannuation Funds* was considered by the Board in February 2008, significant redrafting was then undertaken in consultation with the Project Advisory Group and a project update was considered at the June meeting. It was noted at the June meeting that finalisation and issue of the GS 009 was subject to the approval and issue of ASAE 3100 and issue by the ATO's revised Auditor/actuary Contravention Report and approved form auditor's report, as GS 009 must anchor to and harmonise with these documents.

Matters to Consider

Since the June Board meeting significant additional redrafting has been undertaken and the Project Advisory Group have again met and commented on the draft GS 009. On 23 June the ATO issued *Instructions for SMSF auditors and actuaries - Completing the Auditor/actuary contravention report* and the revised *Auditor/actuary contravention report (ACR)* on their website. GS 009 is consistent with the reporting requirements of the ACR.

The ATO consulted the AUASB on revising the approved form auditor's report and our recommendations were submitted to the ATO on 17 June 2008, as requested. The revised auditor's report has not yet been issued on the ATO's website, however GS 009 reflects the draft report along with our suggested amendments. Issue of GS 009 would need to await issue of this approved form auditor's report.

This document contains preliminary views and/or staff recommendations to be considered at a meeting of the AUASB, and does not necessarily reflect the final decisions of the AUASB. No responsibility is taken for the results of actions or omissions to act on the basis of reliance on any information contained in this document (including any attachments), or for any errors or omissions in it.

The ATO Compliance Checklist *Auditing a Self Managed Super Fund*, which is referred to in GS 009 was withdrawn from the ATO website earlier in the year in order to be revised, however it has not yet been reissued. GS 009 references this document but does not include any content from the checklist, therefore, although it would be preferable for this document to be issued prior to the finalisation of GS 009 it is not imperative.

ASAE 3100 *Compliance Engagements* was issued by the AUASB on 24 June 2008 and is operative for periods commencing 1 October 2008, however early adoption is permitted. Consequently GS 009 can now anchor to ASAE 3100.

A clean version of GS 009 was circulated to the Board on 26 June for out-of-session review to enable detailed review prior to the Board meeting and to identify any issues which require discussion at the Board meeting. GS 009 has been amended to address many of the Board's comments received out of session, as well as review comments from the PAG members and an external reviewer. However, due to the volume of comments received and due to the receipt of comments up to 16 July, GS 009 does not yet reflect all of the comments received and will require further amendment. An amended GS 009 is attached marked-up for changes since 26 June. Issues raised as a result of the out-of-session review are listed in staff attachment 1.

Staff Recommendations

1. Agree approach with respect to addressing the issues noted in the staff attachment.
2. Consider amendments to enable out-of-session approval.

Material Presented

Agenda Item 7	Board Meeting Summary Paper
Agenda Item 7.1	Board Meeting Summary Paper Staff Attachment
Agenda Item 7.2	GS 009 <i>Financial and Compliance Audits of Self Managed Superannuation Funds</i> (Clean version) [Electronic copy only]
Agenda Item 7.3	GS 009 <i>Financial and Compliance Audits of Self Managed Superannuation Funds</i> (Marked Up Version)

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