



Attachment to AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **9.1**

Meeting Date: 10 September 2013

Subject: GS 009 *Auditing Self-Managed Superannuation Funds*

Date Prepared: 20 August 2013

Matters for AUASB Consideration

The more significant updates to the GS are outlined below:

1. New definition of approved SMSF auditor (para 12)
2. New registration with ASIC requirements including ASIC powers over Registration (para 4 and 12)
3. SISR provides ASIC with power to set competency standards (para 30)
4. Trustees to regularly review funds investment strategy (para 277, 287, 291) including consideration of whether to hold contract of insurance for fund members (para 277, 287)
5. Empower ATO: fund assets separate from personal assets (para 318-320)
6. Fund assets valued at market value (para 165-170)
7. New rules for investments in collectables and personal use assets (para 302-305). Removed detailed table of example assurance procedures for collectables (the SISR is now very prescriptive and the detailed examples are no longer considered necessary) (page 75)
8. Inclusion of professional obligations of an approved SMSF auditor under subsection 128F of the SISA (para 15)
9. SISA requirement to comply with auditor independence requirements prescribed by APES 110 (para 32, 36)
10. Changed use of “trust deed” to “fund’s governing rules” (as used by ATO in the approved form audit report) (throughout)
11. Changed use of “instalment warrant arrangements” to “limited recourse borrowing arrangements” (throughout)
12. Removed the focus around defined benefit funds (since these are the exception rather than the norm) (pages 49/50, para 338)
13. Shifted the focus away from GS 007 service org reports to IDPS reports (since these are more common) (pages 33/34)
14. Updates to appendices to reflect the above

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Specific queries for the Board:

1. Appendix 3 – discuss whether to retain or remove
2. Appendix 5 – discuss whether to retain or remove

Recommendation

That the draft GS 009 is approved for issuance subject to addressing the specific queries for the Board above, and quality assurance processes being completed and signed off by the Chairman and Executive Director.

Next Steps

- OBPR process to be completed
- Final Technical and editorial QA to be completed
- Issue GS 009 and implement communication plan