

THE NINTH ANNUAL SMSF AUDIT CONFERENCE

A TWO-DAY CONFERENCE ORGANISED BY
TELEVISION EDUCATION NETWORK PTY LTD

THURSDAY 22 AND FRIDAY 23 JULY 2021
NOW ONLINE

LRBAs: Keeping Ahead of the Changes

Auditing the Investment Strategy

The Non-arm's Length Rules – Meeting ATO Expectations

SMSF and Divorce: An Auditor's Perspective

Auditor Reporting Obligations – Meeting and Exceeding Auditing Standards

The Question of Auditor Independence – What Must be Done and How

Super Contributions and the SMSF Auditor's Role

Auditing Pensions – Getting That Check List Right

Auditing the Death of a Member in an SMSF

Using SMSF Audit Software – Overcoming the Main Drawbacks

That's a Wrap! Auditing Essentials for Wrap Accounts

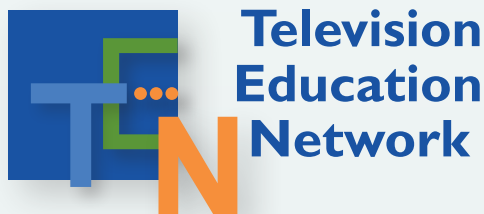
Highlights and Lowlights from the Last 12 Months: A Panel Session

FEEDBACK FROM LAST YEAR'S CONFERENCE:

"As always, TVED's research of the most sought after topics with past participants, and the selection of quality presenters are a strength of this conference and contribute to why it's on my annual #1 must attend CPD event."

"First time being involved with this conference, well run considering the circumstances and the content was all very relevant to the current market conditions. Well done."

"It's an SMSF auditor's health check and planning tool for the imminent new year's audits, and the quality and value is ever present."



The professional development specialists

DAY 1 THURSDAY 22 JULY 2021

MORNING THEME: REFORMS AND DEVELOPMENTS

9.00 - 9.10am

Introduction and welcome

9.10 - 9.55am

Session 1: LRBA's: Keeping Ahead of the Changes

This session looks at recent ATO determinations and their impact on LRBA arrangements, with a focus on the practical implications for auditors. It includes:

- Identifying an 'intermediary' LRBA
- ATO's intermediary LRBA determination - its meaning and effect
- The impact of s71 (8) SIS Act
- Compliance issues with keeping the property in the bare trust's name once LRBA paid out
- Total super balances and outstanding LRBA balances
- SMSFs and related party borrowings - ATO clarifications explained

Speaker: Shelley Banton, Head of Education, ASF Audits, Newcastle, NSW

9.55 - 10.05am Panel Comments and Questions

10.05 - 10.50am

Session 2: Auditing the Investment Strategy

SMSF auditors may understand the importance of the investment strategy but what this means in practice requires a bit more consideration. This session looks at the key issues, including:

- Audit procedures for investment strategies - an overview
- Ensuring the diversification requirement is met
- Considering liquidity needs of fund
- Bringing investment strategy problems to attention of trustees
- Investment strategy compliance breaches - the what, when and how
- ATO guidelines on auditor's role
- How has COVID-19 impacted the investment strategy?
- Understanding what the auditor cannot do

Speaker: Belinda Aisbett, Super Sphere, Melbourne

10.50 - 11.00am Panel Comments and Questions

11.00 - 11.25am Networking Break and Afternoon Tea

11.25am - 12.10pm

Session 3: The Non-arm's Length Rules - Meeting ATO Expectations from an Audit Perspective

The application of the NALI rules to general expenses are likely to have a significant impact on some SMSFs. This session examines how they impact the auditor, including:

- Understanding ATO rulings on NALI and NALE - an overview
- ATO expectations on NALI and NALE
- Making sure we identify NALE
- What is the 'nexus' that triggers the NALI provisions?
- The application of general expenses NALE
- Individual acting as trustee - some important do's and don'ts
- Trustee remuneration and NALI risk
- What are the key considerations from an auditor perspective?
- Case studies

Speaker: Belinda Aisbett

12.10 - 12.20pm Panel Comments and Questions

12.20 - 1.05pm

Session 4: That's a Wrap! Auditing Essentials for Wrap Accounts

Super wraps can often be a compelling alternative to SMSFs. With the growth and evolution of Super wraps continuing, it has never been more important for auditors to understand the key compliance issues. These are explored in this session, including:

- Defining wrap accounts
- What evidence is required for the auditor in respect to wrap accounts?
- Meeting Audit Standards when auditing wrap accounts
- What is the audit process for wrap accounts?
- Auditing wraps on SMSF administration platforms with data feeds
- Reviewing annual tax statements and annual reports for the financial year
- Gaining information from the wrap provider and/or auditor
- When to provide qualified and unqualified audit reports

Speaker: Daniel Prunty, Director, Veritas Audit, Gold Coast

1.05 - 1.15pm Panel Comments and Questions

1.15 - 2.15pm Luncheon

DAY 1 THURSDAY 22 JULY 2021

AFTERNOON THEME: AUDIT RISK MANAGEMENT

2.15 - 3.00pm

Session 5: SMSF and Divorce: An Auditor's Perspective

Breaking up is never easy and nothing is truer of this than in respect of an SMSF. This session looks at some of the main issues from an auditor's perspective, including:

- Splitting the SMSF – an overview from an audit perspective
- Transfer of assets and their tax consequences
- Reviewing governance arrangements whilst members are going through a divorce
- When assets are redeemed and transferred to other funds – what to check
- What happens where there are assets difficult to split?
- Audit checklist when splitting fund assets
- Case studies

Speaker: Stephen Bourke, Director, SuperSplitting, Sydney

3.00 - 3.10pm Panel Comments and Questions

3.10 - 3.55pm

Session 6: Auditor Reporting Obligations - Meeting and Exceeding Auditing Standards

The reporting function is at the heart of the auditor's role. This practical session covers two key areas: reporting to trustees and contraventions to the ATO. It examines:

Reporting to trustees:

- The independent auditor's report - key inclusions from recent ATO updates
- Reporting on contraventions and the management letter to trustees
- Determining the financial position of fund
- Reporting methodologies - the do's and don'ts
- Case studies - problem scenarios and their reporting to trustees

Reporting to ATO:

- The Auditor Contravention Report
- What contraventions do not need reporting
- Reporting of prior year breach
- Separation of assets - regulation 409 A
- Case studies - contravention reporting tips and traps

Speaker: Belinda Aisbett

3.55 - 4.05pm Panel Comments and Questions

4.05 - 4.25pm Networking Break and Afternoon Tea

4.25 - 5.10pm

Session 7: The Question of Auditor Independence - What Must be Done and How

Auditors must be independent from the entity it audits. Sounds simple enough in theory, however recent changes have demonstrated that it is not as clear-cut in practice. This session looks at the key issues, including:

- Meeting the Independence Standards of the Code
- Understanding the APESB Independence Guide and the ATO response
- What this means for firm structure - are 'ethical walls' still permitted?
- What are the evidence requirements for new independence obligations?
- Understanding the hurdles to allow for inhouse audits
- Interaction of accounting standards and independence requirements
- Are there degrees of independence? - will pooling arrangements suffice?
- Case studies

Speaker: Rohan Mansfield, Principal, LDB Accountants & Advisors, Melbourne

5.10 - 5.20pm Panel Comments and Questions

DAY 2 FRIDAY 23 JULY 2021

MORNING THEME: AUDITING THE SMSF LIFECYCLE

9.00 - 9.45am

Session 8: Super Contributions and the SMSF Auditor's Role

Contributions have a wide definition under taxation rulings, so the auditor has a consequentially important function. This session looks at the key areas, including:

- Type and tax status of contributions
- Understanding different types of concessional contributions
- Understanding trust deed requirements in respect to contributions
- Update on recent changes to contribution rules
- Changes to work test and spouse contributions
- Change to bring forward rules on non-concessional contributions
- The auditor's role in relation to contributions
- Practical case studies

Speaker: Shirley Schaefer, Partner, BDO, Adelaide

9.45 - 9.55am Panel Comments and Questions

9.55 - 10.40am

Session 9: Auditing Pensions - Getting That Check List Right

This session provides a practical focus on what must be checked when a fund is in pension phase. It includes:

- What does the ATO want auditors to check - an overview
- Meeting an appropriate condition of release
- Do the financial statements support the pension valuation?
- Properly documenting any commutations
- Calculation of exempt current pension income with respect to pensions
- When the pension commenced, and payments have been paid
- Meeting minimum pension payment requirements
- Case study - some problem scenarios and what to watch

Speaker: Shirley Schaefer

10.40 - 10.50am Panel Comments and Questions

10.50 - 11.10am Networking Break and Morning Tea

11.10 - 11.55am

Session 10: Auditing the Death of a Member in an SMSF

When a member dies there are several compliance matters that must be considered. This session looks at the key areas for auditors on the death of a member, including:

- Reviewing compliance with regulations on cashing of members benefit on death
- A review of fund administration - who has control of fund?
- When the auditor should question who benefits have gone to
- Have trustees observed a valid binding death benefit nomination?
- Checking whether a death benefit has been cashed
- Reviewing tax considerations in respect to death benefits
- Checklist on relevant documentation required for audit purposes

Speaker: Shirley Schaefer

11.55am - 12.05pm Panel Comments and Questions

12.05 - 1.05pm Lunch

DAY 2 FRIDAY 23 JULY 2021

AFTERNOON THEME: CONTEMPORARY CHALLENGES FOR AUDITORS

1.05 - 1.50pm

Session 11: Using SMSF Audit Software - Overcoming the Main Drawbacks

Advances in technology have not removed the need for traditional auditor skill sets. This session looks at how auditors must address potential risk in the automated audit process. It includes:

- Audit standards and technology - overview of main risks
- SIS legislation and use of audit software - where it may go very wrong
- Some problem areas to overcome:
 - related unit trusts
 - unlisted companies
- What skill sets are needed when using audit software
- When to ignore system generated 'green' flags
- Where electronic programs not fulfilling audit requirements
- Problems when manual programs are adapted electronically
- Case study - the offshore audit and maintaining integrity of service

Speaker: Santa Dutta, Associate Director, Evolv, Sydney

1.50 - 2.00pm Panel Comments and Questions

2.00 - 2.45pm

Session 12: Highlights and Lowlights from the Last 12 Months: A Panel Session

A panel of our speakers will discuss the key changes and challenges from the last 12 months. Delegates can submit questions prior to the conference for discussion by the panel. Possible panel topics include:

- Work test and when it applies
- Minimum pension changes
- Indexation of Transfer Balance Cap
- ATO and COVID relief
- Auditor obligations on exempt income
- TBAR changes
- The ATO penalty regime
- Use of ATO voluntary disclosure service

2.45 - 2.55pm Panel Comments and Questions

2.55pm Conference Close

GENERAL INFORMATION

Conference Registration Fee

The registration fee includes attendance at the 2-day conference, conference papers, refreshment breaks and lunch on both conference days. The registration fee does not include any travel or accommodation. Delegates are advised to make their own travel arrangements.

Conference Materials

TEN does not provide printed copies of conference materials at its events. Access to the papers and Powerpoints will be available online to all delegates in the lead-up to the conference (as they become available). The materials will be available in .pdf format for easy download or viewing on your local computer or portable device. Free WIFI is available in the conference room.

CPD/Training Hours

Accountants can claim 11 CPD/training hours for attendance at this conference.

CONFERENCE TERMS & CONDITIONS

1. In these terms,
 - a. "TEN" means Television Education Network Pty Ltd
 - b. "you" means the person who has registered to attend or the person or persons who attend(s) the conference (if different from the person registered)
 - c. "Plan" means the COVID-Safe Plan for the conference described below.
 - d. "conference" means the live face to face or live or recorded online educational event or which you have registered (by whatever name called and includes conferences, masterclasses, webinars and webinar series).
 - e. "live conference" means a conference other than a recorded conference.
 - f. "recorded conference" means a recording of a presentation or a series of presentations which you can view at a time of your choosing
 - g. "online" in relation to a conference means a conference you attend by viewing the conference over the Internet
 - h. "face to face" in relation to a conference means a conference held in an external venue where you view the conference in the conference room.

GENERAL – ALL CONFERENCES

2. TEN may change the program for a live conference as described in the brochure you have downloaded or in the TEN website without notice to you in any manner and at any time.
3. The information and opinions of presenters at the conference are not necessarily those of TEN and are in the nature of general information and not professional advice and you rely on these at their own risk. TEN is not responsible for the accuracy of the information or the correctness of the opinions offered by presenters at the conference.
4. TEN is not responsible for any financial or other losses incurred by you or for injury or damage to persons or property which occur at or in connection with the conference.

COVID SAFE PLAN – FACE TO FACE CONFERENCES

5. If the conference is held face to face, TEN will conduct the conference in accordance with a COVID Safe Plan. You agree to comply with that Plan at the conference. If you fail to comply with the Plan, you agree to leave the conference immediately at the request of a TEN staff member or venue staff member. If you leave under these circumstances, you will not be entitled to a refund of any part of the registration fee. TEN will not be responsible for any travel or accommodation costs or fees incurred by you in relation to the conference or as a result of you leaving the conference early.

CONVERSION OF FACE TO FACE CONFERENCES TO LIVE ONLINE CONFERENCES

6. If the conference is being held face to face, TEN reserves the right to convert the conference on no less than 24 hours' notice to an online conference or to cancel the conference or to postpone the conference to a later date if TEN determines that it is unable to hold the conference face to face on the date/s advertised for any one or more of the following reasons:
 - a. State or national border closures
 - b. Restrictions on movement of persons imposed on persons by any responsible authority in Australia
 - c. The inability or refusal of one or more presenters or TEN team members to attend the conference to present
 - d. In its opinion, it is unsafe to hold the conference face to face for any reason.
7. If TEN converts the conference from face to face to online or postpones the conference or cancels the conference, TEN will not be responsible for any loss or damage you suffer as a result including any travel costs relating to the conference.
8. If TEN converts the conference from face to face to online or postpones the conference and as a result you are not able to attend you will be entitled to a full refund of registration fee paid or a credit equal to that fee to use for a future purchase of a TEN product.

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10. You are entitled to use those materials for private study and research only.
11. The copyright in the live stream and in any recording of a conference offered online is the property of TEN.
12. You are entitled to watch a conference for private study and research only.

CONFERENCE CANCELLATION BY TEN – ALL CONFERENCES

13. TEN reserves the right to cancel a conference for any reason.
14. If TEN cancels the conference, you will be entitled either to a refund of the registration fee you have paid or to a credit equal to that fee which you can use to purchase another TEN product within 12 months of the first day of the cancelled conference.

CANCELLATION BY YOU – ALL CONFERENCES

15. Refunds for registration cancellation by you:
 - a. If actually received by TEN within 10 days of the first day on which the conference is to be held, 85% of the registration fee you have paid
 - b. Otherwise, no refund.

GOVERNING LAW – ALL CONFERENCES

16. The agreement between TEN and you is governed by the laws in force in the State of Victoria and the courts and tribunals of that State have sole jurisdiction to determine disputes arising in relation to it.

REGISTRATION FORM TAX INVOICE*

Registration is simple; complete the form below and fax or post your registration to us or register online.
 Television Education Network Pty Ltd, (ABN 19 052 319 365)
 GPO Box 61, Melbourne, Victoria 3001
 Fax (03) 9670 0588 Phone (03) 8601 7729 Enquiries Jenna Pickrell
 Register online: <http://www.tved.net.au> – go to CONFERENCES

Please register me for the **Ninth Annual SMSF Audit Conference** – a 2-day conference to be held online on Thursday 22 & Friday 23 July 2021 [conf code: GSAJUL21]

[] **Discount Registration – \$2013** (\$1830 + \$183 GST)

The papers from this conference will be available in electronic format approximately 1 week after the conference has been held. You can pre-order the papers now online via our website at www.tved.net.au. The papers are **\$198** (\$180 + \$18 GST) (Code: PGSAJUL21).

Multiple registration discount? If you would like to send 3 or more people from your company to this conference the following discounts apply:

- 3 registrations – **5% discount** off each registration
- 4 registrations – **10% discount** off each registration
- 5 or more registrations – **15% discount** off each registration

To access this discount simply use the multiple registration option on our website. You can complete all of the registrations in one action and the discount will automatically be applied, or simply call our Event Manager, Jenna Pickrell, on (03) 8601 7729 or email: jenna@tved.net.au

One-day only? We do accept bookings for attending one day only (either day 1 or day 2). To organise a one-day booking, please contact Jenna Pickrell (details above).

Personal Details

Mr/Mrs/Miss/Ms First Name

Middle Init.....Last Name

Preferred Name for nametag *[if different from above]*

Position

Firm Name

Email

Postal Address

Phone Mobile

Payment

I enclose cheque for \$..... payable to **Television Education Network Pty Ltd**

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* Note: This form will be a Tax Invoice for GST when you make a payment.