

Dear Treasury,

I believe it would be counterproductive to introduce 3 year yearly audit for some SMSFs.

If this policy is passed it will either result in many SMSF auditors going out of business due to most of their audits being done once every three years, or auditors will need to become excessively focused on reporting minor contraventions that results in funds never have three consecutive years of clear audit reports.

If the coalition was truly concerned and interested in making the audit system for SMSFs better it should legislate for a specific set of audit tests and standards that only apply to SMSFs. Currently the cost of audits is higher because the auditing standards for an SMSF are effectively those same standards that apply to large publicly listed companies.

By having a set of audit standards and tests specifically tailored to SMSFs should result in a reduction in audit fees and the integrity of the superannuation system will in fact be enhanced, rather than weakened as would happen if the budget policy is adopted.

Regards



Max Newnham
CA - Financial Planning Specialist
TaxBiz Australia
Tax, Business, Superannuation and Retirement Planning Specialists.

www.taxbiz.com.au

Unit 16, 653 - 657 Mountain Hwy Bayswater
Enter from View Rd
Ph: 03 9721 0000
Fx: 03 9720 6114
Founder www.smsfsurvivalcentre.com.au

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