

Trustee Education

From 1 July 2007 new trustees of SMSFs (including changes to existing trustees) are required to complete a declaration stating they are:

1. Aware of their roles and responsibilities as a trustee of an SMSF; and
2. Have kept their trust deed up to date in light of changes to the superannuation laws.

All new SMSF trustees receive a copy of the following ATO publications: "DIY Super – It's your money but not yet" and "Roles and Responsibilities of Trustees".

At Hales Douglass Financial Services we recognise that while the ATO is requesting new trustees to complete a declaration of knowledge, it will only be a matter of time before all trustees will need to make this declaration.

Based on a recent Trustee Questionnaire (2007), trustees should be familiar with the following provisions:

A.	S17A	Definition of a SMSF (who can be trustees, members, basic conditions)
B.	S35	Annual Compliance requirements (financial statements, annual audit and annual APRA return, minutes & letters)
C.	S40	Notice from ATO that the fund is complying
D.	S52	The Covenants to be included in the governing rules (incl. (2)(f) which governs the investment strategy)
E.	S62	The Sole Purpose Test
F.	S65	Lending to members Prohibition
G.	S66	In-House Assets Prohibition
H.	S67	General Borrowing Prohibition (plus new instalment warrants)

For further information, please contact Adam Passwell on 1300 389 839.