

accountantsGPS – Digital SMSF Check-Up Report

The SMSF Check-Up Report is an Australian first for the SMSF industry.



The purpose of the report is to provide an analysis of any Self-Managed Super Fund*, and in so doing:

- Communicates key financial and management insights on the 'health' of the fund to the Trustees and Members.
- Acts as an important quality check and compliance tool for the accountant and auditor.
- Supports the accountant to present the funds analysis and engage with the client in the knowledge that they are not required to be licensed.
- Completes a high level 'gap analyses by identifying any potential opportunities and issues with the fund.
- Provides the accountant the opportunity to deliver tailored guidance where possible, relating to any specific superannuation matters within their regulatory parameters.

* The SMSF Check-Up Report is an exclusive service to BGL client firms.

It is **important to note** that while the report provides detailed feedback on the health of the fund, the information contained is **factual in nature** and nothing should be read to constitute financial advice, nor should the information be acted upon without professional advice.

The report will identify various areas where further work is needed to ensure the fund is maximising it's potential in terms of **creating wealth** for the Members and achieving its overall regulatory requirements.



What does the SMSF Check-Up report contain?

The report covers the following:

- A comparison between the fund's investment strategy and actual asset allocation.
- A performance review to 'benchmark' the returns of the fund against other funds / Industry.
- An analysis of cash levels within the fund.
- Reviews certain documentation: i.e., death nomination and trust structures.
- Projections for each of the members as they head towards retirement.
- An overview of contributions, including capacity and forecasting – potential strategies.
- Analysis of funds property investments.

Whilst the report does not engage with members individually, it does include reference to several important topics, such as Estate Planning & Personal Insurance, to initiate discussion with members by their respective accountant.

SMSF Check-Up Report Insights

The Digital SMSF Check-Up Report is a First for the SMSF industry and delivers a significant degree of value and insights, to both the accountant and the funds trustee & members

The report has been prepared in a user-friendly report format, saving what would normally be at least hours or days, to create a similar analysis - even if it could be possible to undertake manually, depending upon the complexity of the fund.

The time to generate a single Report is less than 5 minutes to; choose a fund, load the information, and answer a couple of questions*.

The calculation engine and the algorithm will then 'do the heavy lifting' to complete the following:

- Provide a high level one page health check to identify any shortfalls in the fund covering compliance, performance, review dates and more.
- Depending on the fund structure – reviews up to hundreds, potentially thousands, of individual assets, categorise them and determine their overall weighting in the fund.
 - Determined if any assets are outside of an acceptable range (compliance issue)
- Depending on the fund structure - reviews up to hundreds, potentially thousands, of individual assets and determine their individual performance. This factors in change in value and income, while accounting for purchases and sell down assets e.g. 100 shares of BHP @ \$1 a share à 120 shares of BHP @ \$1.20 a share = will isolate the performance of the initial holding, factoring in there were 20 new shares.
 - Will also highlight top and worst performers in each asset class
- Review all assets, categorise them, and then assesses asset class performance more broadly
- Analyse performance and provide an 'apples for apples' comparison against both SMSF's and APRA funds of similar size, including APRA funds with a similar asset mix.
 - Reviews performance during the last 12 months, as well as however many years the fund has been in SimpleFund360 and then measures it against a corresponding timeframe, asset allocation and size according to aggregate ATO data.

- Analyse costs of the fund, and identify those that are non-optional (e.g., admin costs, ASIC fees) and perform an 'apples for apples' comparison against both SMSF's and APRA funds of similar size.
- Determine if the funds cash position is 1. Outside of target range; and 2. Above national average for SMSF's .
- Identify where the following review dates are too old:
 - BDBN (incl lapsing vs. non-lapsing with a reference to the 2022 High Court case that made commentary around this)
 - investment strategy
 - performance
 - trust deeds
 - property value
- Identify compliance risks such as corporate trustee with more members than directors, or the lack of a genuine personalised investment strategy.
- Contributions – identify:
 - eligibility of any members for recontribution strategy
 - capacity of each member for catch up concessional contributions
 - capacity of each member for concessional contributions
 - general information on downsizer contributions
 - projections of each member, accounting for their asset allocation, tax position, if they were to maximise their concessional contributions.
- Retirement modelling – determines the projected growth of each members fund balance, by either retirement age (if known) or 75 (if retirement age unknown) – again, incorporating current contributions, tax modelling, asset allocation, and then modelling how long that balance will last.
- Provides an 'apples for apples' comparison of both rental yield and growth performance of any properties within the fund. Importantly, the analysis also provides a liquidity warning if LVR is over 70% which is the generally accepted upper limit for LRBA's, explaining how a fall in value could trigger a negative even if the house price was too low.

***The reason that a few questions will need to be manually completed is because BGL's SuperFund360 may not have had all of the necessary information input to complete the report via digital means.**

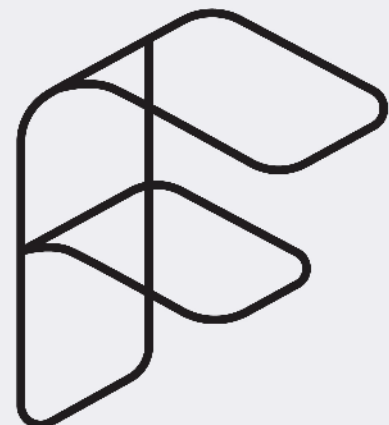
About Fiduciary

Fiduciary is a Melbourne-based Fintech that has developed a unique digital platform that enables the delivery of affordable, fully client-led personal advice, designed to support the millions of working Australians with a solution to meet their unserved advice needs. - without the need to engage a financial adviser.

Its solution bridges the advice affordability gap.

The platform also works alongside the mainstream advisory industry to help advisers support and nurture clients, they cannot afford to service for a multitude of reasons - but want to continue to engage with over time.

Fiduciary owns both accountantsGPS and moneyGPS.



How accountantsGPS Delivers Value to the Accounting Profession

accountantsGPS was established to provide relevant services to the accounting profession, commencing with the development of the **SMSF Digital Check-Up Report**.

accountantsGPS also offers a comprehensive program of client related digital advice and other related financial services, including **SMSF Advice**, to be made available to an accountant's wider client base via **moneyGPS** – without the need for the accountant to become licensed.

How moneyGPS Advice Delivers Affordable Financial Advice

Fiduciary's moneyGPS **digital advice platform** was designed to bridge the advice **affordability gap** existing in Australia. Fiduciary's CEO, George Haramis said that technology now exists that can solve the problem of delivering compliant and affordable advice to everyone who needs it via digital means.

About us

George Haramis - Co-founder & CEO

George has **35 years financial services experience** in senior executive roles managing some of the country's largest and **most successful financial advisory business**.

Organisations that George has been involved with include: Perpetual Private Clients, Head of Advice & Investments at ANZ Private Bank, Managing Director of RetireInvest – Australia's only Franchised Advice business, Principal of Mercer Global Consulting and managed Sealcorps advice business Securitor, as well as helping to establish the Asgard Corporate division.

During his career, he has developed an extensive range of financial service offerings designed for the accounting profession, which proved to be invaluable when he established his own company and partnered with 35 accounting practices that eventually became licensed to his AFSL for SMSF Advice purposes.

Drew Fenton - Co-founder, and Non-Executive Director

Drew has **over 35 years financial services experience**. After working for global insurance companies. He started Fenton Green Insurance Broker who provide services to the Australian financial services sector.

Drew is a CPA and has had **over 40 years' experience** in providing risk management and insurance services to the Australian accounting profession, in addition to advising the 3 main accounting bodies CPA Australia, CAANZ & IPA.

In the last 20 years, his own business Fenton Green - has been the preferred insurance broker to CPA Australia. Fenton Green currently looks after 3,000 CPA accounting firms as well as another 500 (ICA & IPA) firms.

Drew is also a **founding director** of Myworkpapers an international software company servicing the accounting sector.

