

THE TRUSTEE

The publication that keeps you informed and in control.



Empowering Change

Compliance to Engagement

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WELCOME TO THE LATEST EDITION OF

The Trustee



NEW YEAR, NEW OPPORTUNITIES AHEAD

The new Financial Year has commenced with renewed enthusiasm. Thank you for sticking with us for the past 12 months. We want to thank our team for your continued hard work and effort. It takes a team of highly dedicated professionals to do the things that we do. We are extremely proud of the business that we have built with you our Trustees at the heart of our growth and future.

Code (Tax Agents Act 2009 [TASA])

Changes have been in effect since the 1st of July 2025

This Financial Year marks the start of an interesting phase for our industry.

Changes have been made to the code (Tax Agents Act 2009 [TASA]) that binds all agents of the Australian Tax Office – yes, Supervision Group is the registered tax agent for your SMSF. These changes have been in effect since the 1st of July 2025 and will impose additional requirements on Tax Agents and ultimately you.

We are now required to request ID verification for all new and existing clients (who's circumstances have significantly changed). We also are required to prepare and store notes of all "advice" provided to you and the rationale behind what has been provided. This is not new for the team at Supervision. We will be continuing to note all of details that you provide and put any significant events to you in writing.

You will also see some changes made to our engagement letters. Engagement letters are included in your year end package and engage us as your Tax agent for the next intervening period. These letters are designed to give you all the information you need about your relationship with us. It tells you who we are, what we do, how we do it, what are your responsibilities, what is out of scope and how much it costs. We will continue to use this document as a record of how we conduct our engagement so if you read it and have any questions, please reach out for support.

Supervision is not waiting for more legal requirements to improve our business. Michelle Quinn has recently joined our team as our new practice manager in South Perth. Michelle has come on board to help provide better support to our team, and by extension to you. Michelle has already hit the ground running and will be an integral part of the team moving forward. Great to have you on board Michelle.

To prepare our teams to deliver more, we are also implementing a suite of business improvements which will see greater connection between our teams, referral partners and offices. We are hoping that you will start to see the results shortly.

If you have any friends or family that have an SMSF and live in the Southwest (Busselton), please let them know that Michelle Hallyburton and crew at Self Managed Solutions are now taking on new clients in the Southwest for a short time. Self Managed Solutions is a Supervision owned business providing amazing SMSF and business services in the booming Southwest corner of this great state.

If your family or friends live in Perth, we are also taking new clients in our South Perth office, please pass on my details, I will assist them personally.

We hope this edition provokes some excitement. Before taking action, always speak to your Financial adviser or at least ask me to cast my eyes over it. We can't provide personal financial advice, but I know how to deal with the situation and put you in touch with the right people.

We wish you all the best health and look forward to speaking with you in person or in the next edition.



CHRISTOPHER HOMER
Director



FEATURE ARTICLE

NEW RULES FOR WRITTEN TAX ADVICE: WHAT YOU NEED TO KNOW



TASA Reform 2025: How It Changes the Way You Receive Tax Advice

Starting 1 July 2025, changes to the Tax Agent Services Act (TASA) will require all registered tax agents to provide written advice when offering guidance on tax matters. This is part of a broader update to the Tax Practitioners Board (TPB) Code of Professional Conduct, aimed at improving transparency, accountability, and client protection.

What Is Changing?

Under the new rules, tax agents must:

- Provide written documentation of any tax advice given—whether via email, letter, or formal report.
- Ensure that advice is clear, traceable, and compliant with professional standards.
- Avoid giving verbal-only advice, even for simple queries.

Why This Matters to You

- **Clarity & Accountability:** You'll receive advice you can refer to, helping you understand your obligations and options.
- **Protection:** Written records help protect both you and your accountant in case of audits or disputes.
- **Consistency:** All clients will receive advice in a consistent format, reducing misunderstandings.

What to Expect from Us

At Supervision, we're already preparing for this transition. Here's what you can expect:

- We'll provide written summaries of any advice we give, even for short consultations.
- You may notice a shift in how we handle quick queries—some may now be documented and delivered formally.
- For complex matters, we may introduce advice fees to cover the time and care required to meet the new standards.



Our Commitment

We believe these changes will ultimately benefit you by ensuring that all advice is well-considered, documented, and aligned with your best interests. If you have any questions about how this affects your interactions with us, please don't hesitate to reach out.

Get in touch via the desired contact method below:



SCHEDULE A CALL

We'd love to connect! Send us an email to request a convenient time to answer your inquiry.



GATHER INFORMATION

Feel free to leave a message if you need more information so far. We'd be happy to assist!



08 9367 9655



www.supervision.com.au



QUICK FACTS

SUPERANNUATION GUARANTEE RATE = 12% (OF ORDINARY TIME EARNINGS)

- Unused Concessional Contributions from 2020-21 year will expire on the 30th of June 2026.
- If you have under \$500K in Super and made no concessional contributions, your concessional cap this year would be \$167,500.
- Downsizer contributions are \$300,000 per member and available at age 55 & above (regardless of your members balance)
- A 21-year-old Australian starting work today on the average salary of \$89,122 growing at 3% annually with a constant 10% return inside of Superannuation, the person is projected to have \$6,382,488.72 in Super by age 60.
- If the same person above had 5 events where returns were -10%, they would achieve 2,801,326.48 in Super by the age of 60.

Minimum Pension Requirements

Age	% Minimum
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%

- If you are aged 70 and have \$400,000 in Super with a 7% return and take \$50,000 out as a yearly pension it will take 12 years to spend all your Superannuation.
- If you are earned 10% return with the same scenario as above you would extend your Super by another 5 years (87 Years of Age you would have spent your Super).



Follow Us On Social Media





WHY YOU RECEIVE AN ENGAGEMENT LETTER EVERY YEAR — AND WHY IT MATTERS



At Supervision, we send you an Letter of Engagement annually after your SMSF tax return has been completed. This isn't just a formality—it's a vital part of maintaining transparency, trust, and regulatory alignment in your SMSF journey.

What Is an Engagement Letter?

An engagement letter is a formal agreement that outlines:

- The scope of services we'll provide (e.g., ongoing administration, audit facilitation, tax returns)
- Your responsibilities as a trustee
- Our systems and processes
- The fees and costs involved
- What's included, what's excluded, and what's considered out of scope

It's essentially a roadmap for the year ahead, ensuring everyone is on the same page.

Why Do We Send It Annually?

Even if you've been with us for years, circumstances change:

- Regulations evolve
- Your SMSF may grow or shift in complexity
- You might add or remove members
- Fee structures or service packages may be updated

By reissuing the engagement letter each year, we ensure that:

- You're aware of any updates or changes
- You understand your obligations and rights
- We maintain compliance with professional standards and licensing requirements

Why You Should Read It Carefully

This document isn't just for filing away—it's for your protection and clarity. Reading it helps you:

- Understand what services you're paying for
- Know what's expected of you as a trustee
- Avoid surprises when it comes to fees or compliance deadlines
- Recognize what's not included (e.g., personal financial advice, investment strategy analysis)

It also outlines how we handle complaints, what happens if deadlines are missed, and how we manage your data securely.

OUR COMMITMENT TO YOU



We're committed to empowering you to make savvy choices, achieve great results, and live your dreams. The engagement letter is part of that commitment—it's a tool to keep your SMSF running smoothly and confidently.

If you ever have questions about the contents of your engagement letter, please reach out. We're here to help.

Get Started, Live Better!



We're here to help with all your SMSF, tax, and financial queries. Reach out to us today—whether it's a quick question or a detailed discussion, our expert team is ready to assist.

[Schedule A Call](#)[Gather Information](#)

Really Great Site



www.supervision.com.au



SUPPORT IS AVAILABLE

Tax Agents Join

THE FIGHT AGAINST FINANCIAL ABUSE

The Australian Taxation Office (ATO) has recently taken a proactive step by educating Tax Agents on the signs and impacts of financial abuse. The statistics are alarming: 1 in 6 women and 1 in 13 men in Australia experience financial abuse.

Tax Agents, including Supervision, have now been enlisted to help reduce these numbers. This article marks our first communication on this important topic—an effort to raise awareness and encourage open conversation.

What Is Financial Abuse?

While there is no universally agreed-upon definition, financial abuse generally involves a pattern of controlling, exploitative, or disruptive behaviours aimed at limiting another person's financial independence.

Common examples include:

- Unknown or coerced directorships
- Falsified income tax returns or amendments
- Inappropriate early access to superannuation
- Unauthorised access to myGov accounts

Red Flags That May Indicate Financial Abuse

- **Controlling Access**
Restricting access to money, bank accounts, business income, or tax information.
- **Hiding Money**
Keeping finances secret or concealing income and assets.
- **Shifting Debts**
Transferring debts into the victim's name or forcing them to take out loans.
- **Making Decisions**
Financial decisions being made on your behalf, limiting your control over money.
- **Inaccessible or Unclear Information**
Complex business structures or financial arrangements that obscure access to funds.



ATO's Role and Limitations

The ATO has limited capacity to support victims of financial abuse, particularly when personal debts have been incurred as a result. However, perpetrators may be held accountable through the Family Court, which can transfer tax debts between spouses.

Some individuals may underreport income or fail to lodge tax returns to avoid child support obligations. In such cases, the ATO shares data with Services Australia to strengthen enforcement of child support responsibilities.

1800 RESPECT, the 24-hour national helpline

Support Is Available

If this article has raised concerns for you or someone you know, please contact 1800 RESPECT, the 24-hour national helpline.

You are also welcome to reach out to **Supervision for guidance and support.**

JUST THE FACTS WITH SHISH

Hi Everyone,

We're dedicated to make your SMSF compliance and tax return requirements a minor part of your SMSF experience.

Our team is focused on providing the best experience for you at the highest possible standard, so that you can get on with creating an awesome investment strategy.



Hi, its Shish back again. My role is reviewing your SMSF returns each year, examining financial statements and compliance issues for all clients. Hopefully you enjoy my insights.

WHAT SMSF AUDITORS EVALUATE FOR UNLISTED ASSET VALUATIONS

Market Value Requirement

Auditors must confirm that all SMSF assets are valued at market value as defined by Superannuation Regulations.

This applies to:

- Financial statements
- Annual returns
- Retirement phase income streams
- In-house asset tests

Using cost price or net tangible assets (NTA) alone is generally not sufficient unless supported by market-based evidence

Acceptable Valuation Methods

Auditors assess whether the valuation method is appropriate and supported by documentation. Common methods include:

- Recent share sales or equity raisings
- Independent valuations by qualified professionals
- Company financial statements showing fair value of assets
- Valuation by CFO or directors, with detailed explanation
- Asset-by-asset valuation (especially for property or complex holdings)

Supporting Documentation

Auditors expect comprehensive records such as:

- Signed financial statements
- Dividend statements
- ASIC company extracts (to verify shareholding and officeholders)
- Bank statements for large cash or loan accounts
- Title searches for property holdings



Related Party Considerations

If the unlisted company is related to the SMSF (e.g., trustees or members have control or influence), auditors require:

- Evidence of arm's-length transactions
- Lease agreements and rental assessments (if assets are leased to related parties)
- Independent rental valuations (no older than 5 years)

Annual Review

Valuations must be updated annually.

Auditors check:

- Whether the valuation method remains appropriate
- If any material changes in the company's financial position have occurred
- That assumptions and data used are clearly documented

Risk of Qualified Audit

If valuation evidence is insufficient or unreliable, auditors may issue a qualified audit report, which can trigger:

- ATO scrutiny
- Potential compliance issues
- Risk to the fund's status

Best Practices for Trustees

To avoid audit issues:

- Maintain clear and complete records
- Use independent valuations for complex or high-value assets
- Document your valuation process and assumptions
- Seek professional advice when needed



DIVISION 296 TAX: NOT YET LAW

You may have heard about the proposed Division 296 tax, which would apply an additional 15% tax on earnings from superannuation balances exceeding \$3 million. While this measure is expected to commence from 1 July 2025, it's important to note that it is not yet law.

The legislation is still pending final passage through Parliament. Until it becomes law, the details—including how it will be calculated and enforced—remain subject to change.

We will continue to monitor developments closely and keep you informed.

In the meantime, if you have questions about how this may affect your superannuation strategy, please don't hesitate to contact us.

EDITORIAL

EMPOWERING CHANGE THROUGH ADVICE



Compliance to Engagement

Your evolving needs are guiding the Supervision Group toward deeper engagement in advisory services. While our primary role remains compliance—and always will—engagement represents a meaningful shift.

Compliance is mandatory. Engagement is a choice.

We are currently navigating a transition where more of you are voluntarily engaging with us, seeking our expertise beyond traditional accounting. Engagement stems from a desire or need for change—whether driven internally or imposed by external circumstances. Either way, only through active participation in a process of change can meaningful results be achieved. With luck, those results will align with your goals. But even if they don't, the journey will open up new, positive options that can improve your life.

GUIDANCE THROUGH CHANGE



True financial progress comes from active engagement, disciplined strategy, and trusted guidance—there are no shortcuts to lasting results.

Great strategies must be implemented properly, followed up consistently, enforced with accountability, and measured for success.

There are no shortcuts that match the long-term effectiveness of this disciplined approach. This principle applies not only to your finances but to all areas of life. Be cautious of bypassing the process.

Shortcuts may work occasionally, but nothing compares to the satisfaction of doing the hard work, learning, and achieving results—especially in the face of distractions designed to pull you off course.

For Our Business Clients

Initiating change often begins with understanding your numbers and how they drive performance. Some clients have already built successful businesses and are in strong financial positions. Their next step may be planning an exit or reducing their business's reliance on them.

For Our SMSF Clients

We help clients identify tax-saving opportunities through concessional contributions, which tie into transition-to-retirement strategies and long-term financial freedom. When additional expertise is needed beyond our scope, we collaborate with qualified professionals to ensure you receive the best support.

The Role of Financial Advisers

If you're fortunate enough to have a financial adviser, they are ideally positioned to guide you through life's financial ups and downs—balancing today's demands with tomorrow's goals. It's not easy, but that's where true value lies.

Navigating the Noise

Social media and traditional media offer a flood of information about investments and financial strategies. While this can improve financial literacy, success requires more than just knowledge.



THE TEAM BEHIND SUPERVISION GROUP

SUPERVISION SMSF

Perth Office

Michelle Quinn
Practice Manager

Pina Reid
Client Services Manager

Shishpal Rana
SMSF Manager

Leanne Wise
Client Services Manager

Taylor Reid
Client Services

Christopher Homer
Director of SMSF

Clinton Reid
Managing Director Supervision Group

Clarke Philippines Office

Ronnel Valencia
Senior Accountant

Calvin Quiron
Senior Accountant

Danica Dizon
Senior Accountant

Cyril Tullao
Senior Accountant

Hanna Vergara
Accountant

BUSINESS SERVICES

Perth Office

Grant Carslake
Senior Accountant

Sarah Bell
Senior Bookkeeper

Clarke Philippines Office

Joy Sanchez
Senior Bookkeeper

Sheila Enerio
Bookkeeper

Reach out anytime

Get in touch via the desired contact method below:



SCHEDULE A CALL

We'd love to connect! Send us an email to request a convenient time to answer your inquiry.



GATHER INFORMATION

Feel free to leave a message if you need more information so far. We'd be happy to assist!

Contact Us :



Phone Number
08 9367 9655 or 08 9388 6999



New Enquiries:
info@supervision.com.au



Office Address
**South Perth Office
Level 2, 76 Mill Point Road, South
Perth, WA, 6151**

Postal Address
**PO Box 879, South Perth,
WA, 6951**

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