

# Self Managed Superannuation Fund (SMSF) Auditor Registration

On 23 June 2012, the federal government released details about the new registration process for SMSF auditors.

## Overview

- Registration will commence from 31 January 2013. SMSF Auditors will be required to be registered from 1 July 2013 in order to conduct SMSF audits after that date.
- The registration regime applies to all SMSF auditors subject to transitional requirements for existing auditors.

## Registration for SMSF Auditors

### Criteria for registration as a new SMSF auditor

Subject to transitional arrangements, SMSF auditors will have to meet the following criteria to become registered:

- Hold a tertiary accounting qualification that includes an audit component or have successfully completed study in audit as part of a professional accounting body program
- Meet a fit and proper test
- Hold adequate and appropriate professional indemnity insurance
- Have 300 hours of SMSF audit experience in the three years prior to registration
- Pass a competency exam

Detailed guidance on the above criterion, how to apply for registration as an approved SMSF auditor, the types of registers of SMSF auditors maintained by ASIC and the transitional arrangements for the registration of existing approved auditors of SMSFs can be found in ASIC's *Regulatory Guide 243 Registration of self-managed superannuation fund auditors* ([RG 243](#)).

### Transitional Arrangements for existing SMSF auditors

Transitional arrangements will be available for existing SMSF auditors to become registered. Those auditors who have signed-off on 20 or more SMSF audits in the 12 month period prior to applying for registration will not be required to sit a competency test. Auditors who have signed off on less than 20 audits will still be required to sit a competency test.

Another feature of the transitional arrangements is that any auditor who has signed off on at least one SMSF audit in the prior 12 months will not be required to meet the 300 hours experience component.

An approved auditor who is a registered company auditor (RCA) before 1 July 2013 will not be required to meet the practical experience requirement or sit a competency exam in applying for registration as an approved SMSF auditor.

### Cost of registration

Costs associated with registration are as follows:

- \$100 for initial registration
- \$50 for renewal of registration
- \$100 to sit the competency test

### Ongoing requirements

From 1 July 2013 all registered SMSF auditors must comply with the ongoing requirements detailed in ASIC's *Competency standards for approved SMSF auditors* ([CO 12/1687](#)). These competency standards have been based on the '[Competency requirements for auditors of self-managed superannuation funds](#)' issued in February 2008 by the Joint Accounting Bodies (CPA Australia Ltd, The Institute of Chartered Accountants in Australia & the Institute of Public Accountants).

In addition to the competency standards set by ASIC, registered SMSF auditors will also be required to adhere to standards and auditor independence requirements applicable to their duties as approved SMSF auditors including *APES 110 - Code of Ethics for professional accountants*. This requirement will apply to all SMSF auditors, regardless of their membership of a professional accounting body.

Consistent with obligations for members of the three professional accounting bodies, SMSF auditors will also be required to undertake 120 hours of Continuing Professional Development (CPD) training every three years. The total 120 hours of CPD must include 30 hours of development on superannuation and at least 8 hours of development on auditing of SMSFs.

### More Information

For legislative references in relation to the new regime refer to:

- [Superannuation Industry \(Supervision\) Amendment Regulation 2012 \(No. 6\)](#)
- [Superannuation Auditor Registration Imposition Regulation 2012](#)