



Crypto and NFTs: Compliance Risk for the Unwary

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Introduction

Whilst most investments in an SMSF consist of the traditional variety, conducting a fund audit that includes digital assets, including cryptocurrencies and non-fungible tokens (NFTs), is not uncommon.

As SMSFS have become more familiar with digital assets, there has been a 500% increase in the number of SMSF trustees investing in cryptocurrency over the three years to December 2022.

While still accounting for only 0.18% of total SMSF net assets, there is enough interest and investment in digital assets to concern the ATO and ASIC, who have recently issued warnings to SMSF trustees.

One of the main reasons SMSF trustees invest in risky assets such as digital assets is they think they can outperform the market and get a quick return while the ability to generate a return in an SMSF through more defensive assets such as cash, term deposits, and fixed interest becomes more challenging.

Regardless of the investment outcomes, SMSF trustees will continue investing in high-risk assets no matter what. This paper aims to assist SMSF auditors in identifying and understanding digital assets to ensure fund compliance.

Digital assets – what should you look for in the trust deed and investment strategy?

Digital assets are a collection of technologies that enable digital representations of value to be transferred, stored and traded electronically.

From an SMSF point of view, these include central bank digital currencies such as Swiss e-Krona, stablecoins such as Tether, cryptocurrencies such as Bitcoin, security tokens such as Bankera's BNK token, utility and community tokens such as Golen and NFTs such as Grimes' WarNymph.

While an SMSF can invest in any asset allowable under SIS as long as it is a permitted acquirable asset, it must also be allowed under the Fund's trust deed and in accordance with the investment strategy.

Trust Deed

SMSF trustees are bound by the governing rules of the Fund relating to investments. An SMSF trustee should ensure the governing laws allows them to invest in crypto.

Where not explicitly stated, and the Fund's investment in crypto is material, the governing rules may require a variation. Under these circumstances, the trustees may seek professional advice to ensure that the trust deed continues to meet the members' needs, given the volatile nature of this asset class.

Alternatively, the deed should allow the Fund to invest in "Other Assets", which is also sufficient for audit purposes.

Some trust Deeds have prudent trustee investment considerations under the various state and territory Trustee Acts. SMSF trustees considering an investment in digital assets must review the Trust Deed to see if these provisions exist.

In some states, it may be difficult to comply with these provisions and invest in digital assets due to their high-risk nature.

Investment Strategy

Under S52B of SISA and reg 4.09 of the SISR, the trustee of an SMSF is required to formulate, review regularly and give effect to an investment strategy and meet all the definitional elements such as risk, return, liquidity, diversification and cash flow.

The investment strategy must allow for investment in digital assets as they are high-risk investments due to the volatility of prices. Most digital assets do not generate income, or very little, with the primary return coming from speculative capital growth.

Where the investment strategy uses ranges, the auditor should check to ensure that the total amount invested is not outside the ranges stipulated.

The investment strategy should also mention other risks, such as the secure storage of the hot or cold wallet and private keys where the Fund invests in crypto.

The trustees should also document the asset class' volatility and, where the Fund has invested more than 90% in digital assets, consider how a lack of diversification will meet the member's needs in retirement. To that end, the cash flow of the Fund and the ability to return the digital asset to cash must also be considered.

Risk Management

Under SIS, if a person suffers loss or damage from investing in an asset not covered by the trust deed or investment strategy, they may take action against a person involved in the contravention to recover the amount of the loss or damage.

By way of example, we may see some trustees specifically excluding digital assets in the trust deed due to the risk. If a new trustee invested in crypto, which was not approved under the trust deed and not identified during the audit, it may result in the SMSF auditor facing legal liability if the member suffers loss or damage.

As can be seen in the Ryan Wealth Holdings Pty Ltd v Baumgartner NSW [1502] case and Cam & Bear Pty Ltd v McGoldrick [110] case, SMSF auditors can incur significant risk when members suffer a loss by not bringing these matters to the attention of the trustees.

How to evidence existence of the asset

Cryptocurrency

Cryptocurrency is a digital currency using encryption techniques to generate coins and tokens and verify the transfer of funds. It is 'a

virtual currency that essentially operates as online cash', aiming to reinvent how money works.

Crypto operates through a decentralised peer-to-peer payments network that relies on public-key cryptography to validate transactions. It lives in electronic ledgers that are continuously updated, open to everyone who uses it and those willing to download it.

The type of evidence required to confirm the existence of cryptocurrency will depend on how and where it is held.

Where the wallet is held custodially through an exchange or broker, these are often held overseas and not audited. The documents from these types of holdings are less reliable and can affect the audit report.

Where the wallet is held directly, a wallet address will correspond to each cryptocurrency holding, similar to a holder identification number (HIN).

Refer to Appendix 1 for a breakdown of what is required to evidence the existence of cryptocurrency.

NFTs

An NFT is a smart contract that lives on the Ethereum blockchain, stored differently from Ethereum (the coin), because it contains additional information required to prove digital ownership. While other blockchain platforms have also implemented their version of NFTs, Ethereum NFTs are the most common.

NFTs prove that an SMSF has ownership of a digital asset represented by a file such as a JPG, GIF or MP3. As the NFT is a smart contract, it contains the file's location but does not contain the file itself.

It gives the Fund a digital certificate of ownership that is traceable on the blockchain and comes with the right to sell the asset. It can be anything from a digital image of a pet rock that went for US 46,000 to a video by Beeple, a US digital artist, sold for US 6.6 million.

The ownership of the underlying digital asset is what the Fund has paid for, not the NFT itself.

An NFT is minted using a standard code called ERC721 to create the NFT deed or contract. As SMSF auditors are not programming experts, they cannot know what the NFT contains, whether it is secure, or if any vulnerabilities exist.

A similar situation exists when a fund purchases property overseas, and the documents are in a different language. The trustee must engage a qualified and certified interpreter who can provide a version the SMSF auditor can read.

One solution is that SMSF trustees could provide an independent NFT audit report to confirm the NFT's contents and ensure security and functionality.

Tangible v Intangible NFTs

There is a significant difference between tangible NFTs, such as digital artwork and intangible NFTs, such as virtual land created, sold or purchased within the metaverse.

While a tangible NFT can meet the SIS rules, intangible NFTs are unlikely to be a complying SMSF investment.

Given that the entire point of the metaverse is to provide a monetised gaming experience for the user, this type of investment would not pass the sole purpose test.

The reason is that this type of investment is not for the sole purpose of maximising the benefits of members in their retirement as outlined under s62 SIS but to provide a present-day benefit for members or their relatives.

What if there is insufficient ownership evidence?

Proof of Ownership where an Exchange only Allows an Individual's Name

According to r4.09A SIS, all assets must be kept separate from any personal money and assets held by the trustee.

The Fund will comply with r4.09A SIS, where the exchange account and wallet are held in the name of the SMSF trustee as trustee for the Fund. Difficulties arise where the wallet is held with the exchange because this type of wallet is held custodially.

The problem starts when reports and statements from the exchange show that the wallet is held personally in the trustees' name, even though it could be held custodially. SMSF auditors may have no discretion but to qualify their audit reports on r4.09A SISR where the trustees cannot provide further documentation.

Additionally, the trustee must use the Fund's bank account to buy and sell crypto to ensure regulatory compliance. Where a trustee pays for the crypto personally but registers it in the Fund's name will result in a breach of r4.09A and potentially r7.04 of the SISR.

The ATO has emphasised the critical nature of correct evidence for fund ownership in determining whether there is a breach, which may be difficult for SMSF auditors to confirm.

Are Declarations of Trust Acceptable?

When SMSFs started investing in crypto, some trustees had difficulty registering the crypto assets in the correct name. The reason was the crypto industry (at that time) was not set up to accept investments from SMSFs.

Since then, the industry has pivoted, and SMSFs should be able to hold crypto assets in their own name without breaching r4.09A SIS. Exchange accounts that continue not being held in the Fund's name should be transferred to the correct name.

The ATO has said that unavoidable restrictions (such as state law) may prevent SMSFs from holding assets using the Fund's name.

When this happens, ownership by the Fund must be clearly established by executing a caveat or creating an instrument or declaration of trust to enable the Fund to assert its ownership.

Where possible, documents such as sale agreements should be executed in the name of the trustees' as trustees for the fund'.

However, they specifically reference that crypto, in particular, must be held and managed separately from the personal or business investments of trustees and members.

To this end, the SMSF must have clear ownership of the cryptocurrency and provide evidence that the Fund uses the wallet exclusively. Otherwise, the Fund will be in breach of r4.09A SISR.

Insufficient Ownership Evidence and Effect on Audit Reporting

One of the difficulties in identifying the owner of a digital asset is the blockchain, which ensures the pseudo-anonymity of all parties.

To this end, sufficient appropriate audit evidence is required outside the blockchain to confirm the Fund's ownership of its crypto holding.

The SMSF auditor must therefore evaluate the design and implementation of controls relevant to the audit and then perform substantive procedures.

How the digital asset is held will determine the requirements for the holding evidence, testing purchases and sales and the effect on audit reporting.

Where the digital asset is not material, there may be no impact on the audit report or management letter.

Where the digital asset is material, there are many examples of conditions or an event that may result in a risk of material misstatements, such as:

1. The crypto exchange does not have adequate internal controls, as there is no audit report in relation to the platform
2. There is a crypto wallet that has not been accounted for
3. The trustees lose the private key and can no longer access the crypto
4. The Fund provides an incorrect private key as its own

5. The Fund enters into a related party transaction that cannot be identified
6. Events or conditions make it difficult to determine the value at which crypto should be recorded for financial reporting purposes

Where the SMSF auditor cannot obtain sufficient appropriate audit evidence, a Part A qualification is required as the auditor cannot confirm that the holding is not materially misstated.

Managing losses in a downturned market and valuation issues

Managing Losses in a Downturned Market

The ATO considers digital assets a capital gains tax (CGT) asset typically acquired to make a financial profit for holding or disposing of them.

Where there is a downturn in the market, digital assets are taxed as CGT assets and rewards for staking crypto are ordinary income for tax purposes.

The decision to sell will depend on the trustee's risk management framework and their belief in the future profitability of a rebounding crypto economy.

A taxing event also arises when crypto is exchanged for fiat money or another crypto asset.

Very few, if any, SMSFs would be in the business of mining cryptocurrencies, which means they cannot claim a deduction for the computers and other equipment purchased to generate income in a market downturn.

Valuation Issues

The value of any digital asset is mainly attributable to demand and supply.

Other factors include the underlying technology the digital asset is based on, brand awareness,

production cost, the number of crypto exchanges, social media hype, the number of active wallets and regulations.

With bitcoin (BTC) the most popular cryptocurrency, the SMSF industry has witnessed volatility over the last two years.

The price volatility has been spectacular, with many winners and losers. The price of BTC peaked at AUD 87,843 on November 12 2021, and is currently worth AUD 46,693, a decrease of 46.9% as of July 4 2023.

Market Value of Digital Assets

A requirement under r8.02B SISR is to value all fund assets at market value. While the value of digital assets, particularly cryptocurrencies, can change constantly, the ATO will accept the June 30 closing value published on a cryptocurrency exchange website that reports on historical cryptocurrency values.

The value will be the fair market value where a reputable digital currency exchange publishes its rates publicly. When a member commences a pension or moves into retirement, the valuation should be based on objective and supportable data.

Given that a pension can commence at any time, it is essential that the selected exchange also reports daily wherever possible.

Alternatively, given the volatile nature of digital assets, the market value may not be correct at that time.

While the value of an NFT at acquisition is the cost, the value immediately afterwards is unclear regardless of when the NFT is purchased. Unlike crypto, no NFT price checkers are available online to confirm their value.

Determining the market value on June 30 will be next to impossible, especially given the high-risk nature of NFTs due to their price volatility, liquidity issues, lack of authentication, being traded in an unregulated market and multiple scams.

SMSF auditors cannot meet their professional obligations under r8.02B where acceptable

appropriate audit evidence is lacking. Where the value is material, it will result in a Part A qualification of the audit report and a breach of r8.02B SIS.

Volatility and movement following balance date

ASA 560 requires SMSF auditors to apply audit procedures designed to obtain sufficient appropriate audit evidence. This helps to identify all events up to the audit report date that may need adjustment or disclosure in the financial statement.

While the price of crypto is very volatile, any material change to a digital asset's value would be non-adjustable on the financial statements because the value is publicly available as of June 30.

Under these circumstances, any subsequent change material to the value is fundamentally important and should be disclosed in the accounts.

The auditor may include an emphasis of matter paragraph in the audit report referring to information in the financial report about any uncertainty due to the discovery of a subsequent event.

Another example of a subsequent event would be the Australian Government regulating the digital asset market, which could have a material effect on the price.

The auditor's risk management strategy when auditing digital assets – a practical checklist

The problem with applying a risk management framework when auditing digital investments is the lack of guidance from the Regulators, the Auditing and Assurance Standards Board and Professional Bodies.

The ATO released QC 54800 in March 2018, which addressed the regulatory issues of digital assets such as investment strategy, related party transactions, and valuations primarily aimed at SMSF trustees and members.

In January 2022, ASIC warned SMSF trustees to invest in cryptocurrencies carefully and consider the risks before using their SMSF to invest.

The Auditing and Assurance Standards Board (AUASB) updated Guidance Statement GS009 Auditing Self-Managed Superannuation Funds in June 2020, which did not mention digital assets or crypto.

Since then, the AUASB has created a dedicated technology page on its website that considers the impact of technology and cyber security risks in auditing a financial report. The page also links to the Chartered Professional Accountants Canada (CPA Canada) website, which contains several articles on auditing crypto assets.

Since no consistent auditing standards apply to digital assets, SMSF auditors should use a high-risk management strategy when reviewing these assets. The following issues may be taken into consideration when formulating such a strategy.

Correct Classification of Crypto Assets

SMSF auditors should be very wary about the classification of crypto on a fund's financial statements. Given crypto volatility, an incorrect classification may result in issues not only for SMSF trustees but also for SMSF practitioners.

Crypto has been incorrectly classified as foreign currency, foreign assets, unlisted units, unlisted unit trusts and listed shares. As a result, SMSF trustees can have their investment decision-making impaired as they think they have less volatile assets in the Fund.

The problem of asset misclassification is one of the cornerstones of the *Cam & Bear Pty Ltd vs McGoldrick* [110] case, where the NSW Court of Appeal found that the SMSF auditor engaged in negligent, misleading, and deceptive conduct.

The auditor signed off on the Fund's financials and failed to qualify the audit report because high-risk unsecured loans were reported as cash.

The court determined that the auditor, Mr McGoldrick, should have made proper enquiries about the financial condition of the company holding the monies, alerting him to the risks associated with the investment, which he should have communicated to the trustee.

Custodially Held Crypto Assets

As an unregulated market, crypto exchanges can be susceptible to error and hacking with little possibility of preventing technical glitches or human error.

An exchange holding the SMSF wallet custodially is subject to lower security levels, exposing the Fund to an additional layer of risk.

Using exchange platforms to store crypto comes with high financial risk. Price volatility triggers a rise in redemptions resulting in the exchange experiencing liquidity pressures. Many exchanges reinvest deposits to crypto lending platforms, meaning they cannot redeem their client's assets when the price slumps.

When market capitalisation falls due to sharp plunges in cryptocurrency prices, trading platforms face severe liquidity problems and can freeze withdrawals and transfers due to extreme market conditions.

SMSF auditors may see this as another reason to qualify Part A of their audit reports because they cannot confirm there are no material misstatements in the Fund's financial reports.

Recovering Loss or Damage

Under s55(3) SIS, if a person suffers loss or damage from investing in an asset not covered by the trust deed or investment strategy, they may take action against a person involved in the contravention to recover the amount of the loss or damage.

By way of example, an SMSF advisor assisting a client in investing in crypto where the governing rules do not authorise such investments may face legal liability where the member suffers loss or damage.

As seen in the Ryan Wealth Holdings Pty Ltd v Baumgartner NSW [1502] case and Cam & Bear Pty Ltd v McGoldrick [110] case, SMSF auditors are also at significant risk.

Again, scrutiny of the investment strategy and trust deed is critical. SMSF auditors should bring all matters to the trustees' attention in their management letters when members suffer a loss. Failure to do so may result in a potential professional indemnity claim from the members or their beneficiaries.

Wallet Security

One of the biggest headaches will be when an SMSF trustee dies. Typically, the private key and password to access the wallet are known and stored by the user who set it up.

Documenting and sharing this information is critical; otherwise, in the event of death, the crypto is lost forever because access to a wallet has stopped.

It is difficult to think of another asset (unless it is in a tax haven) that is not recoverable when an SMSF trustee dies. To this extent, ensuring that the wallet details are documented and stored securely should be considered crypto insurance.

Where the crypto is a material asset, the Fund should document that precautions have been put in place to securely pass on the wallet details to other trustees or beneficiaries in the event of death.

Where no such documentation exists, the SMSF auditor may consider qualifying Part A of the audit report as fund assets are at risk.

Charge over the Assets of the Fund

A crypto exchange may allow users to hedge their crypto against standard currencies or other cryptos.

When an SMSF traditionally invests in derivatives, a separate Derivative Risk Statement is required under r13.15(1A) to 13.15(1G) SIS because a charge has been given over fund assets.

The available exemptions apply to approved bodies in respect of certain derivatives listed in Schedule 4 of SISR and do not include crypto exchanges.

If a fund trades in derivative products using crypto assets, the Fund will be in breach of r13.14 SIS. The reason is that the trustee allows a charge over fund assets (the wallet) to undertake hedging activities or make margin deposits to the exchange in BTC to eliminate counterparty risk.

SMSF auditors and advisors must be aware that crypto exchanges are quickly developing sophisticated unregulated financial instruments, which will result in compliance breaches for the unwary.

Initial Coin Offerings

New cryptos are promoted and sold daily through initial coin offerings (ICOs). An ICO merely raises capital by offering new crypto to the market.

Under a capital-raising banner, promoters sell "tokens" to investors who pay with legal tender or other cryptos such as BTC or Ethereum. They are not the same as an initial public offering (IPO) because they are not regulated, do not provide investors with an ownership stake in the company and are prone to scams and securities law violations.

The most common scam is the "pump and dump", where the scammer talks up the value of an ICO to generate interest and then "dumps" the coins for a profit. Typically, only 33% of all ICOs are completed during a year.

SMSF auditors should be aware that the risk of an SMSF investing in a successful ICO is limited. There is also the potential that a lack of corresponding documentation may represent illegal early access by the members.

Refer to Appendix 1 for a crypto SMSF compliance flow chart.

When to qualify the audit report

Where an SMSF trustee decides to invest in BTC to trade and not just to hold the asset, the main risk is when the identification of the other party may result in compliance breaches:

- Are Fund assets kept separate from the trustee's personal assets?
- Is it a related party transaction?
- Can contributions be accepted?
- Has the Fund lent money or provided financial assistance to a member or relative?
- The member receives crypto in their personal account
- Has the Fund borrowed money?
- Has there been a charge given over the assets of the Fund?

As crypto assets are complicated, they should be reviewed in light of the SIS legislation, especially when SMSF trustees chase easy returns without understanding how they work.

The compliance issues not previously addressed are discussed below.

Acquisition From a Related Party

Section 66 of the SISA prohibits an SMSF trustee from acquiring an asset from a related party of the Fund.

The exemption in S66(2)(a) for listed securities acquired at market value does not include cryptocurrency, as it does not meet the definition of a listed security.

While 'acquiring an asset' does not include accepting money, the ATO does not consider crypto to be money or fiat currency.

As a result, the Fund cannot accept crypto via a contribution or from a related party transfer, as this breaches the acquisition of asset rules from a member or related party.

Lending money or Providing Financial Assistance

Under s65 SIS, an SMSF cannot lend money or provide financial assistance to members or relatives. Any crypto transfer to a member or relative not at market value would result in a breach of s65 and a potential breach of s109 SIS and r8.02B SISR.

Member Receives Crypto Personally

A member receiving commissions, fee rebates, stakeholder rewards or other income in their personal account will represent a breach of s109 SIS.

Fund Borrows Money

Where the fund deposits crypto with a lender as collateral to borrow fiat money and buy more crypto is a breach of s67 SIS.

Pensions or Benefit Payments

Where a trustee or member satisfies a condition of release, the SMSF can make an in-specie lump sum payment by transferring cryptocurrency. However, pension payments must be made in cash.

Refer to Appendix 1 for a full crypto SIS compliance checklist.

Practical case studies

Case Study 1 – Lost Private Key

The Rennie SMSF Fund has invested \$80,000 in Ethereum. The sole director of the corporate trustee, Rennie, has lost the private key to his crypto assets.

What evidence does Rennie require to claim a capital loss?

- the date the Fund acquired the private key
- the date the Fund lost the private key
- the digital wallet address for the private key
- the cost of acquiring the crypto assets in the digital wallet
- the value of the crypto assets in the digital wallet at the time the private key was lost
- that the transactions in the digital wallet were in the trustee's control (and linked to the Fund's identity)
- the hardware storing the digital wallet is in the Fund's possession
- the exchange account belongs to the Fund, with all transactions linked to the Fund

Case Study 2 – Staking

The Anastasia Super Fund owns 50,000 A-Type Coins, staked to the A-Type Exchange as a premium staker.

The Fund receives additional A-Type Coins as payment from A-Type Exchange for participating.

How does the Fund account for the staking rewards?

The monetary value of the additional coins is included in the Fund's ordinary assessable income at the time of receipt. The cost base is the market value when the Fund receives them.

Case Study 3 – Airdrops

The Merry Superannuation Fund has received an initial allocation airdrop of 1000 B-Type Coins as a marketing tool to build their use and popularity. The money value of the airdrop is ordinary income at the time it is received.

If there has been no trading in the coins before the airdrop, is there any ordinary income or capital gain made when the fund received them?

Where the coins are issued for free, they have a zero-cost base (\$0) because they have not been traded, nor is there a capital gain.

When they are sold at a later date for \$5,000, the total capital gain is \$5,000 in the income year in which they are sold.

If the fund held the B-Type Coins for more than 12 months, it is also eligible to reduce the total capital gain using the CGT discount.

Case Study 4 – Missing Crypto

The Tomorrow Super Fund has a cold wallet containing multiple cryptocurrencies listed at \$648,351 on the fund's June 30 financial statements. The fund has traded through the year, and the wallet's transactions show only \$615,239, which does not reconcile with the exchange reports.

Where is the missing crypto?

The fund has most likely traded additional crypto on a separate wallet, and the details have not been provided during the audit. Send the trustee a query asking them to explain the shortfall. Does the fund have a different wallet containing crypto not provided at the audit?

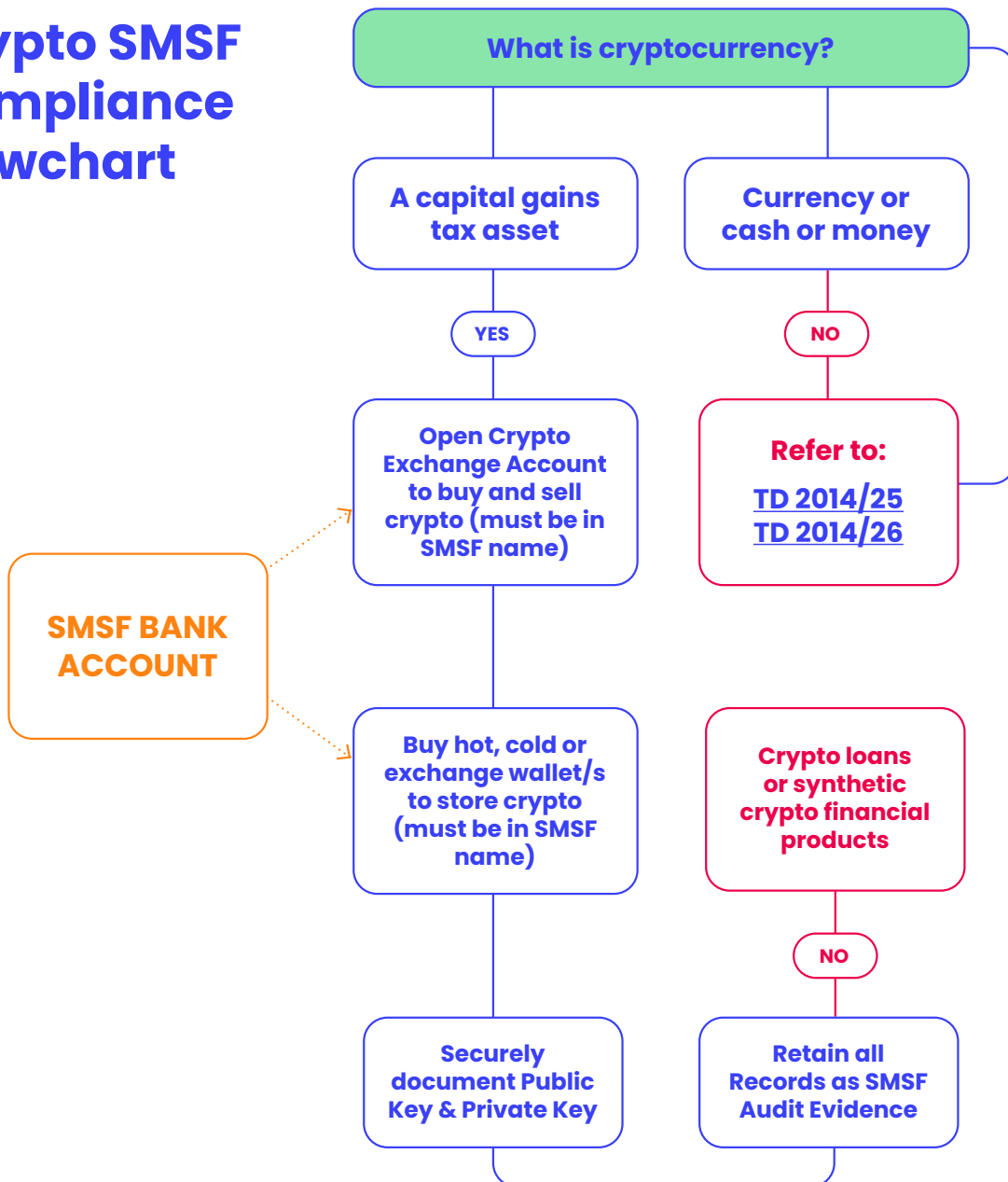
Appendix 1 – SMSF Compliance and Cryptocurrency Factsheet, ASF Audits, April 2021

SMSF Compliance & Cryptocurrency

Cryptocurrency is a high risk and volatile investment fast gaining popularity in SMSFs. There are regulatory considerations for SMSF trustees, members and SMSF auditors that will depend on the nature of each SMSFs circumstances.

Further reading: [Why Cryptocurrency is SMSF Kryptonite](#)

Crypto SMSF Compliance Flowchart



Crypto SIS Compliance Checklist

SIS Section or Regulation	Requirements	Compliance Breach
S52	Trustee not to invest in anything that hinders the trustee's powers	The trustee invests in crypto where the investment is not allowed by the trust deed
R4.09	The investment strategy must be formulated and given effect to the whole of the circumstances of the Fund	Crypto assets are excluded from the investment strategy; does not explain how crypto meets the member's retirement needs and objectives
R4.09A	Money and other assets to be kept separate from trustee's personal assets	Crypto wallet(s) or exchange platform account held in of the trustee's personal name OR The member pays for the crypto personally but registers it in the Fund's name
S66	Acquisition of assets from a related party prohibited	The trustee buys crypto from a related party. The exemptions in s66 allow a fund to only acquire listed shares or business real property from a related party
R13.14	Charge over the assets of the Fund	The trustee gives a charge over fund assets or deposits an additional amount with the crypto exchange to trade in crypto derivatives
R6.17	Restriction on payment	Pension payments are paid in crypto and not cash.
S109	Investments to be made and maintained on arm's length basis	The member receives commissions, fee rebate, stakeholder rewards or other in their personal account
S65	Lending to members or relatives	The Fund transfers crypto to a member or relative
S67	Borrowing is prohibited	The fund deposits crypto with a lender as collateral to borrow fiat money and buy more crypto

Crypto SMSF Audit Evidence Matrix

Audit Evidence	Exchange/Custodial Wallets		Cold & Hot Wallets
Verification for each Account	<i>Non-Negotiable</i> Full year transaction history	<i>Negotiable</i> Holding statement OR Signed Trustee Declaration	<ul style="list-style-type: none"> • Wallet Address ID • Full Year transaction history • Signed Declaration must confirm each wallet is used and owned wholly and exclusively by Fund
Signed Declaration of Contents	ONLY if holding statement not provided and should include: <ul style="list-style-type: none"> • Types of crypto held • Market value in \$AUD • Exchange/s where held • Confirmation holding is held by the Fund 		Signed annually: <ul style="list-style-type: none"> • Confirmation of 30 June balance for each crypto • Confirmation of quantity & value held as at 30 June • For cold wallet must state storage location of device is secure
Buy & Sell of Crypto/ Cash or crypto/ crypto	<ul style="list-style-type: none"> • Purchase/sales receipts or transactions listing • Confirm price via Crypto Price Website – convert to \$AUD if necessary • Verify transactions through Exchange Explorer website/s 		<ul style="list-style-type: none"> • Confirm receipt amount to bank statement • Transaction ID required to confirm wallet contents • Confirm price via Crypto Price Website – convert to \$AUD if necessary
Signed Declaration Confirming Buys & Sells	No		Signed declaration confirming the crypto was not purchased from a related party



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