Super Clarity

SMSF Crypto Info Sheet: Nov 2025

When SMSFs hold cryptocurrency, audits often uncover a cluster of recurring issues. Here is a practical guide to staying compliant, organised, and audit-ready.

1. Ownership & Separation of Assets

- Ensure the fund's wallet or exchange account is in the SMSF's name, not personal names.
- Provide evidence that links the public wallet addresses to the SMSF.
- Do not mix personal, business, or SMSF assets in the same wallet.

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2. Market Valuations (30 June)

- Use verifiable 30 June closing prices from a reputable source.
- Convert all values to AUD on the correct date.
- Keep valuation reports from the exchange or price index.

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3. Transaction Records & Audit Trail

- Provide full end-of-year transaction history reports from all exchanges.
- Blockchain explorer links for external wallet transactions.
- Evidence of buy/sell orders, swaps, fees and gas charges.
- Avoid screenshots alone and include source-generated reports.

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4. Investment Strategy & Risk

- SMSF investment strategy specifically allows crypto or digital assets.
- Regular review undertaken annually includes:
    - Risk and return
    - Cash flow and custody considerations
    - Diversification and liquidity
    - Insurance (if any)
- Strategy updates documented and approved by trustees
- Trustees should engage in trading consistent with the stated strategy.

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5. Sole Purpose Test Compliance

- No personal use of crypto or payments to related parties.
- No buying or selling crypto from a related party.
- Ensure cryptocurrencies are held purely for retirement benefits.

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6. Record-Keeping for CGT & Tax

- Ensure the cost base is recorded for each asset.
- Keep records for all disposals, swaps and chain splits.
- Maintain records for at least 5 years after the relevant CGT event.

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7. Access & Control Risks

- Have a documented process for managing the private keys.
- Ensure multiple trustees know how to access the assets.
- Have documented backup and recovery arrangements in place.

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8. Exchange & Custody Documentation

- Provide the Exchange EOFY reports for balances and transactions.
- Document platform registration details showing SMSF ownership.
- If using a cold wallet, provide details of setup, custody and backup.

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9. Auditor Red Flags to Avoid

- Missing or incomplete documentation.
- Significant transfers to unknown wallets.
- Irreconcilable balances between exchange, wallet and blockchain.
- Personal activity or unexplained losses.

Expert Advice.
SMSF Confidence.

Super Clarity is a specialist SMSF risk management firm designed for accountants, auditors and advisers seeking expert guidance.

Ready to simplify SMSF compliance?

Contact Shelley for tailored support, technical education and independent insights

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