

A & G JONES SUPERANNUATION FUND
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

	2011	2010
	\$	\$
Investments		
Plant and Equipment (at written down value)	54,097.90	59,579.81
Real Estate Properties (Australian)	170,000.00	179,120.50
	224,097.90	238,700.31
Other Assets		
Bank SA	71,592.45	35,371.80
Income Tax Refundable (Note 7)	1,967.70	17,612.20
Deferred Tax Asset	912.05	-
	74,472.20	52,984.00
Total Assets	298,570.10	291,684.31
Less:		
Liabilities		
PAYG Payable	-	3,693.00
Sundry Creditors	-	2,178.00
	-	5,871.00
Net Assets Available to Pay Benefits	298,570.10	285,813.31
Represented by:		
Liability for Accrued Benefits (Notes 2, 3, 4)		
Jones, Anthony Graham	193,202.52	184,947.69
Jones, Genevieve Irene	105,367.58	100,865.62
	298,570.10	285,813.31

The accompanying notes form part of these financial statements

**A & G JONES SUPERANNUATION FUND
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
Income		
Employer Contributions - Concessional	-	9,000.00
Interest Received	1,883.71	288.98
Member/Personal Contributions - Non Concessional (Undeducted)	-	1,000.00
Rent Received	31,249.74	31,666.35
	33,133.45	41,955.33
Expenses		
Accountancy Fees	1,430.00	1,353.00
ATO Supervisory Levy	180.00	150.00
Auditor's Remuneration	935.00	825.00
Decrease in Market Value of Investments (Note 5)	9,120.50	-
Depreciation	5,481.91	5,481.91
Rates and Taxes	265.00	-
	17,412.41	7,809.91
Benefits Accrued as a Result of Operations before Income Tax	15,721.04	34,145.42
Income Tax (Note 7)		
Income Tax Expense	2,814.25	4,971.75
Prior Years Under/Over Provision for Income Tax	150.00	-
	2,964.25	4,971.75
Benefits Accrued as a Result of Operations	12,756.79	29,173.67

The accompanying notes form part of these financial statements

**A & G JONES SUPERANNUATION FUND
DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
Income		
Employer Contributions - Concessional		
Jones, Anthony Graham	-	9,000.00
	-	9,000.00
Interest Received		
ATO - Interest	117.12	-
Bank SA	1,766.59	288.98
	1,883.71	288.98
Member/Personal Contributions - Non Concessional (Undeducted)		
Jones, Anthony Graham	-	1,000.00
	-	1,000.00
Rent Received		
Lot 3 Acacia Drive, Kingscote	31,249.74	31,666.35
	31,249.74	31,666.35
Revaluations		
Real Estate Properties (Australian)		
Lot 3 Acacia Drive, Kingscote	(9,120.50)	-
	(9,120.50)	-
	(9,120.50)	-
	24,012.95	41,955.33
Expenses		
Accountancy Fees	1,430.00	1,353.00
ATO Supervisory Levy	180.00	150.00
Auditor's Remuneration	935.00	825.00
Depreciation		
Building Improvements - Lot 3 Acacia Drive, Kingscote	4,810.38	4,810.38
Building Improvements Lot 3 Acacia Drive, Kingscote - 2009 Year	671.53	671.53
	5,481.91	5,481.91
Rates and Taxes	265.00	-
	8,291.91	7,809.91
Benefits Accrued as a Result of Operations before Income Tax	15,721.04	34,145.42

The accompanying notes form part of these financial statements

**A & G JONES SUPERANNUATION FUND
DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
Income Tax (Note 7)		
Income Tax Expense	2,814.25	4,971.75
Prior Years Under/Over Provision for Income Tax	150.00	-
	<hr/> 2,964.25	<hr/> 4,971.75
Benefits Accrued as a Result of Operations	<hr/> 12,756.79	<hr/> 29,173.67

The accompanying notes form part of these financial statements

A & G JONES SUPERANNUATION FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
Cash Flows from Operating Activities		
Contributions		
Member	-	1,000.00
Employer	-	9,000.00
	-	10,000.00
Operating Income		
Interest Received	1,883.71	288.98
Rent Received	31,249.74	31,666.35
	33,133.45	31,955.33
Operating Expenses		
Accountancy Fees	(1,430.00)	-
Auditor's Remuneration	(935.00)	-
Rates and Taxes	(265.00)	-
Tax Paid	7,895.20	(16,999.00)
	5,265.20	(16,999.00)
Net cash provided by (used in) operating activities (Note 8)	38,398.65	24,956.33
Cash Flows from Investing Activities		
Sundry Creditors	(2,178.00)	-
Net cash provided by (used in) investing activities	(2,178.00)	-
Net Increase/(Decrease) in Cash Held	36,220.65	24,956.33
Cash at beginning of reporting period	35,371.80	10,415.47
Cash at end of reporting period (Note 9)	71,592.45	35,371.80

The accompanying notes form part of these financial statements

A & G JONES SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

1. Statement of Significant Accounting Policies

The trustees have prepared the financial statements on the basis that the superannuation fund is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the policies adopted in the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis. The accounting policies that have been adopted in the preparation of this report are as follows:

a. Measurement of Investments

Investments of the fund have been measured at net market values after allowing for costs of realisation. Changes in the net market value of assets are brought to account in the operating statement in the periods in which they occur.

Net market values have been determined as follows:

- i. shares and other securities listed on the Australian Securities Exchange by reference to the relevant market quotations at the end of the reporting period;
- ii. units in managed funds by reference to the unit redemption price at the end of the reporting period;
- iii. fixed interest securities by reference to the redemption price at the end of the reporting period; and
- iv. investments properties at trustees' assessment of their realisable value.

b. Liability for Accrued Benefits

The liability for accrued benefits represents the funds present obligation to pay benefits to members and beneficiaries and has been calculated as the difference between the carrying amount of the assets and the carrying amount of the sundry liabilities and income tax liabilities as at the end of the reporting date.

c. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax liability balances during

A & G JONES SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$

the year as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

2. Liability for Accrued Benefits

Changes in the Liability for Accrued Benefits are as follows:

Liability for Accrued Benefits at beginning of period	285,813.31	256,639.64
Add:		
- Increase in Accrued Benefits	12,756.79	29,173.67
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	298,570.10	285,813.31
Liability for Accrued Benefits at end of period	298,570.10	285,813.31

3. Vested Benefits

Vested benefits are benefits which are not conditional upon continued membership of the fund (or any other factor other than resignation from the fund) and include benefits which members were entitled to receive had they terminated their fund membership as at the reporting date.

Vested Benefits	298,570.10	285,813.31
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A & G JONES SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$

4. Guaranteed Benefits

No guarantees have been given in respect of any part of the liability for accrued benefits.

5. Changes in Net Market Values

Investments and other assets of the fund are valued at the end of the reporting period as described in Note 1 - Summary of Significant Accounting Policies. A detailed schedule of investments is attached to these financial statements. A summary of the change in Net Market Values is as follows:

Real Estate Properties (Australian)	(9,120.50)	-
	(9,120.50)	-

6. Funding Arrangements

The employer and members contributed to the fund a percentage of the gross salaries of the employees who were members of the fund as follows:

Employer
Members

7. Income Tax

Income Tax is payable by the superannuation fund at the rate of 15% on the contributions received and the income of the fund. There has been no change in the Income Tax rate during the year.

The Income Tax payable by the superannuation fund has been calculated as follows:

Benefits accrued as a result of operations before income tax	15,721.04	34,145.42
Prima facie income tax on accrued benefits	2,358.16	5,121.81
Add/(Less) Permanent Differences		
Member/Personal Contributions - Non Concessional (Undeducted)	-	(150.00)
Decrease in Market Value of Investments	1,368.08	-
Other	(911.99)	(.06)
	456.09	(150.06)
Income Tax Expense	2,814.25	4,971.75

A & G JONES SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
Income tax expense comprises:		
Income Tax Payable/(Refundable)	(2,147.70)	(9,800.25)
Movement in Deferred Tax Liability/Deferred Tax Asset	(912.05)	-
Tax Instalments Paid	5,874.00	14,772.00
	2,814.25	4,971.75

8. Reconciliation of Net Cash provided by Operating Activities to Benefits Accrued from Operations after Income Tax

Benefits accrued from operations after income tax	12,756.79	29,173.67
Add/(Less) non cash amounts included in benefits accrued from operations		
Accountancy Fees	-	1,353.00
ATO Supervisory Levy	180.00	150.00
Auditor's Remuneration	-	825.00
Decrease in Market Value of Investments	9,120.50	-
Depreciation	5,481.91	5,481.91
Income Tax Expense	2,814.25	4,971.75
Other non cash items	8,045.20	(16,999.00)
	25,641.86	(4,217.34)
Net cash provided by operating activities	38,398.65	24,956.33

9. Reconciliation of Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related item in the Statement of Financial Position or Statement of Net Assets as follows:

Cash	71,592.45	35,371.80
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A & G JONES SUPERANNUATION FUND

TRUSTEES DECLARATION

The trustees have determined that the fund is not a reporting entity and that this special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

In the opinion of the trustees:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2011 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2011 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements;
- (ii) the financial statements and notes to the financial statements have been prepared in accordance with the requirements of the trust deed; and
- (iii) the operation of the superannuation fund has been carried out in accordance with its trust deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations during the year ended 30 June 2011.

Signed in accordance with a resolution of the trustees by:

Anthony Graham Jones
Trustee

Genevieve Irene Jones
Trustee

DATED: / /

**A & G JONES SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

Auditor details

Name	Richard Simon Smith
Postal address	7/108 King William Street Adelaide SA 5000
Business name	
Business Postal address	7/108 King William Street Adelaide SA 5000
Professional organisation	SPAA
Professional membership or registration number	1039

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name	A & G Jones Superannuation Fund
Australian business number or tax file number	864 055 164
Address	Level 1 120 Greenhill Road Unley SA 5061
Year of income being audited	2011

To the trustees

To the trustees of	A & G Jones Superannuation Fund
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A & G JONES SUPERANNUATION FUND SELF-MANAGED SUPERANNUATION FUND INDEPENDENT AUDITOR'S REPORT

PART A - FINANCIAL REPORT

I have audited the special purpose financial report comprising the Statement of Financial Position as at 30 June 2011, and the Operating Statement, statement of changes in equity for the year then ended, a summary of significant accounting policies and other explanatory notes of the SMSF for the year ended 30 June 2011.

Trustee's Responsibility for the financial report

The trustee is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the SMSF's governing rules, comply with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and the Superannuation Industry (Supervision) Regulations 1994 (SISR) and are appropriate to meet the needs of the members. The trustee's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on the audit. I have conducted an independent audit of the financial report in order to express an opinion on it to the trustee. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the trustee's financial reporting requirements under the SMSF's governing rules and regulatory requirements.

I disclaim any assumption of responsibility for any reliance on this report, or on the financial statements to which it relates, to any person other than the members, or for any purpose other than that for which it was prepared.

My audit has been conducted in accordance with Australian Auditing Standards. These standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the trustee's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the trustee's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Auditor's opinion

In my opinion, the financial report: presents fairly, in all material respects, in accordance with the accounting policies described in the notes to the financial statements, the financial position of the fund at 30 June 2011 and the results of its operations for the year then ended.

Emphasis of Matter

The financial report is prepared in accordance with a special purpose framework and accordingly may not be suitable for other purposes. The opinion is not modified in respect of this matter.

PART B - COMPLIANCE REPORT

Trustee's responsibility for compliance

**A & G JONES SUPERANNUATION FUND
 SELF-MANAGED SUPERANNUATION FUND
 INDEPENDENT AUDITOR'S REPORT**

Appendix 1- Explanation of listed sections and regulations in compliance report

This appendix is included to assist trustees with the meaning of the legislation and regulations listed above

Section or Regulation	Explanation
S17A	The Fund must meet the definition of an SMSF
S35A	The trustees must keep and maintain accounting records for a minimum of five years
S35B	The trustees must prepare and maintain proper accounting records
S35C(2)	The trustees must provide the auditor with requested documents to complete the audit in a timely manner
S52(2)(d)	The assets of the SMSF must be held separately from any assets held by the trustee personally or by a standard employer sponsor or an associate of the standard employer
S52 (2)(e)	The trustee must not enter into a contract that would prevent / hinder them from exercising the powers of a trustee
S62	The fund must be maintained for the sole purpose of providing benefits to fund members upon their retirement, or upon reaching a prescribed age, or to the dependents in the case of a member's death before retirement
S65	The trustees must not loan monies or provide financial assistance to any member or relative at any time during the financial year
S66	The trustees must not acquire any assets (not listed as an exemption) from any member or related party of the fund
S67	The trustees of the fund must not borrow any money or maintain an existing borrowing (not listed as an exemption)
S69-71E	Outline of the in-house asset rules that trustees must follow. (These relate to transactions of any kind with a related party of the fund)
S73-75	Outline of the manner in which in-house assets must be valued by trustees (arms length market value)

**A & G JONES SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

Appendix 1 (Continued)

S80-85	The trustees must comply with the in-house asset rules
S103	The trustees must keep minutes of all meetings and maintain the minutes for a minimum of 10 years
S104A	Trustees who became a trustee on or after 1 July 2007, must sign and maintain a trustee declaration
S109	All investment transactions must be made and maintained at arms length i.e. purchase, sale price and income from an asset reflects a true market value/ rate of return
S126K	A disqualified person cannot be a trustee, investment manager or custodian of a superannuation fund
Sub Reg 1.06 (9A)	Pension payments must be made at least annually and must be at least the amount calculated under clause 2 of Schedule 7
Reg 4.09	Trustees must have an investment strategy for the fund
Reg 5.03	Investment returns must be allocated to members in a manner that is fair and reasonable
Reg 5.08	Member benefits must be maintained in the fund until transferred or cashed out in a permitted fashion
Reg 6.17	Payments must be made in accordance with Part 6 of the regulations and be permitted by the trust deed
Reg 7.04	Contributions must be accepted in accordance with the applicable rules for the year being audited
Reg 13.12	Trustees must not recognise an assignment of a super interest of a member or beneficiary
Reg 13.13	Trustees must not recognise a charge over or in relation to a member's benefits
Reg 13.14	Trustees must not give a charge over, or in relation to, an asset of the fund

**A & G JONES SUPERANNUATION FUND
STATEMENT OF TAXABLE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	2011
	\$
Benefits Accrued as a Result of Operations before Income Tax	15,721.00
Less:	
Other Non Taxable Items	1.00
	<hr/> 1.00
	<hr/> 15,722.00
Add:	
Decrease in Market Value of Investments	9,120.00
	<hr/> 9,120.00
	<hr/> 24,842.00
Taxable Income	24,842.00
	<hr/>
Tax Payable on Taxable Income	3,726.30
Less:	
Instalments Paid	5,874.00
	<hr/> 5,874.00
	<hr/> (2,147.70)
Income Tax Payable/(Refund)	(2,147.70)
Add:	
Supervisory levy	180.00
Total Amount Due or Refundable	(1,967.70)
	<hr/>

**A & G JONES SUPERANNUATION FUND
DEFERRED TAX RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2011**

Account Code	Account	Revaluation/Tax Deferred Amount	Permanent Difference	Amount
		\$	\$	\$
Revaluations				
772/001	Lot 3 Acacia Drive, Kingscote	(9,120.50)	3,040.16	(6,080.34)
		(9,120.50)	3,040.16	(6,080.34)
		(9,120.50)	3,040.16	(6,080.34)
Deferred Tax Liability/ (Deferred Tax Asset) Summary				
	Opening Balance			-
	Add Increase/(Decrease) in Deferred Tax			
	- Current Year Transactions (\$6,080.34) @ 15%			(912.05)
	- Deferred Tax Adjustments			-
	- Current Year Tax Loss			-
	- Change in Capital Loss carried forward (\$0.00 @ 15%)			-
	Closing Balance at 30 June 2011		\$	(912.05)