

BARBARO SUPERANNUATION FUND
STATEMENT OF FINANCIAL POSITION AS AT 21 FEBRUARY 2011

	2011	2010
	\$	\$
Investments		
Fixed Interest Securities (Australian)	31,210.20	31,210.20
Plant and Equipment (at written down value)	2,465.73	2,555.75
Real Estate Properties (Australian)	1,023,500.00	580,864.70
Shares in Listed Companies (Australian)	7,374.12	5,971.40
Units in Listed Unit Trusts (Australian)	19,084.08	17,427.02
	1,083,634.13	638,029.07
Other Assets		
ANZ Bank	6,704.73	8,458.02
National Bank	11,626.72	11,857.16
Westpac Bank	25,341.66	68,339.05
Sundry Debtors	37,272.56	341.18
Deferred Tax Asset (Note 7)	-	23,903.75
	80,945.67	112,899.16
Total Assets	1,164,579.80	750,928.23
Less:		
Liabilities		
Income Tax Payable (Note 7)	3,028.36	3,122.22
PAYG Payable	-	198.00
Deferred Tax Liability (Note 7)	58,383.82	-
	61,412.18	3,320.22
Net Assets Available to Pay Benefits	1,103,167.62	747,608.01
Represented by:		
Liability for Accrued Benefits (Notes 2, 3, 4)		
Barbaro, Joe	282,525.25	171,847.98
Barbaro, Barbara	390,087.66	237,273.58
Barbaro, Peter John	159,201.78	147,279.06
Barbaro, Barbara	157,176.85	95,603.93
Barbaro, Joe	157,176.08	95,603.46
Current Profit/(Loss) and Benefits Paid not yet allocated to members accounts	(43,000.00)	-
	1,103,167.62	747,608.01

The accompanying notes form part of these financial statements

BARBARO SUPERANNUATION FUND
DETAILED STATEMENT OF FINANCIAL POSITION AS AT 21 FEBRUARY
2011

	2011	2010
	\$	\$
Investments		
Fixed Interest Securities (Australian)		
Angas Securities	31,210.20	31,210.20
	31,210.20	31,210.20
Plant and Equipment (at written down value)		
Hoist	372.13	427.40
Olympic Shed Materials	2,093.60	2,128.35
	2,465.73	2,555.75
Real Estate Properties (Australian)		
19-23 Graham Street	695,000.00	387,113.79
Improvements - Davis Street	-	3,216.71
Port Wakefield Property - Lot 2129	-	30,170.00
Hopkins Street, Wingfield	328,500.00	160,364.20
	1,023,500.00	580,864.70
Shares in Listed Companies (Australian)		
Bendigo Bank Limited	7,374.12	5,971.40
	7,374.12	5,971.40
Units in Listed Unit Trusts (Australian)		
OM-IP Multistrategy Limited	6,145.80	6,020.40
SPDR S & P/ASX 50 Fund	12,938.28	11,406.62
	19,084.08	17,427.02
	1,083,634.13	638,029.07
Other Assets		
ANZ Bank	6,704.73	8,458.02
National Bank	11,626.72	11,857.16
Westpac Bank	25,341.66	68,339.05
Sundry Debtors	37,272.56	341.18
Deferred Tax Asset (Note 7)	-	23,903.75
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	1,103,167.62	747,608.01
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BARBARO SUPERANNUATION FUND
OPERATING STATEMENT
FOR THE YEAR ENDED 21 FEBRUARY 2011

	2011	2010
	\$	\$
Income		
Capital Gains/(Losses) - Taxable	-	1,546.55
Capital Gains/(Losses) - Non Taxable	-	773.28
Distributions Received	225.43	645.12
Dividends Received	312.86	390.10
Increase in Market Value of Investments (Note 5)	546,712.86	-
Interest Received	306.39	3,110.72
Member/Personal Contributions - Concessional (Taxable)	-	2,804.15
Member/Personal Contributions - Non Concessional (Undeducted)	-	1,000.00
Rent Received	2,145.00	142,961.00
	549,702.54	153,230.92
Expenses		
Accountancy Fees	-	2,805.00
ATO Supervisory Levy	-	150.00
Audit Fees	-	990.00
Bank Charges	7.00	17.40
Decrease in Market Value of Investments (Note 5)	63,964.22	2,040.05
Depreciation	90.02	94.25
Legal Fees	800.00	-
Life Insurance Premiums - Preserved	506.31	361.65
Pensions Paid - Unrestricted Non Preserved - Tax Free	-	7,753.30
Pensions Paid - Unrestricted Non Preserved - Taxable	-	61,246.70
Rates	3,102.81	4,013.35
Security Expenses	385.00	-
	68,855.36	79,471.70
Benefits Accrued as a Result of Operations before Income Tax	480,847.18	73,759.22
Income Tax (Note 7)		
Income Tax Expense	82,287.57	3,984.03
Prior Years Under/Over Provision for Income Tax	-	65.93
	82,287.57	4,049.96
Benefits Accrued as a Result of Operations	398,559.61	69,709.26

The accompanying notes form part of these financial statements

**BARBARO SUPERANNUATION FUND
DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 21 FEBRUARY 2011**

	2011	2010
	\$	\$
Income		
Capital Gains/(Losses) - Taxable		
Macquarie Underlying Managed Fund	-	1,546.55
	-	1,546.55
Capital Gains/(Losses) - Non Taxable		
ANZ Progress Saver Account	-	773.28
	-	773.28
Distributions Received		
SPDR S & P/ASX 50 Fund	225.43	645.12
	225.43	645.12
Dividends Received		
Bendigo Bank Limited	312.86	390.10
	312.86	390.10
Interest Received		
ANZ Bank	20.91	51.99
ANZ Business Online Saver	-	447.34
Angas Securities	-	2,232.05
National Bank	282.87	379.30
Westpac Bank	2.61	0.04
	306.39	3,110.72
Member/Personal Contributions - Concessional (Taxable)		
Barbaro, Peter John	-	2,804.15
	-	2,804.15
Member/Personal Contributions - Non Concessional (Undeducted)		
Barbaro, Peter John	-	1,000.00
	-	1,000.00
Rent Received		
19-23 Graham Street	-	116,000.00
Davis and Hopkins Sts, Wingfield	2,145.00	26,961.00
	2,145.00	142,961.00
Revaluations		
Fixed Interest Securities (Australian)		
Angas Securities	-	2,232.05
	-	2,232.05

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**BARBARO SUPERANNUATION FUND
DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 21 FEBRUARY 2011**

	2011	2010
	\$	\$
Real Estate Properties (Australian)		
19-23 Graham Street	307,886.21	-
Hopkins Street, Wingfield	168,135.80	-
Port Wakefield Property - Lot 2129	(66,805.00)	-
	406,000.30	-
Shares in Listed Companies (Australian)		
Bendigo Bank Limited	1,183.72	873.93
	1,183.72	873.93
Units in Listed Unit Trusts (Australian)		
Macquarie Underlying Managed Fund	-	(2,211.00)
OM-IP Multistrategy Limited	125.40	165.60
SPDR S & P/ASX 50 Fund	1,531.66	(868.58)
	1,657.06	(2,913.98)
Other Investment		
Other Revaluation	73,907.56	(2,232.05)
	73,907.56	(2,232.05)
	482,748.64	(2,040.05)
	488,955.03	151,190.87
Expenses		
Accountancy Fees	-	2,805.00
ATO Supervisory Levy	-	150.00
Audit Fees	-	990.00
Bank Charges	7.00	17.40
Depreciation		
Hoist	55.27	72.60
Olympic Shed Materials	34.75	21.65
	90.02	94.25
Legal Fees	800.00	-
Life Insurance Premiums - Preserved		
Barbaro, Peter John	506.31	361.65
	506.31	361.65
Pensions Paid - Unrestricted Non Preserved - Tax Free		
Barbaro, Barbara	-	750.00
Barbaro, Barbara	-	3,350.00
Barbaro, Joe	-	303.30

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**BARBARO SUPERANNUATION FUND
 DETAILED OPERATING STATEMENT
 FOR THE YEAR ENDED 21 FEBRUARY 2011**

	2011	2010
	\$	\$
Barbaro, Joe	-	3,350.00
	-	7,753.30
Pensions Paid - Unrestricted Non Preserved - Taxable		
Barbaro, Barbara	-	9,250.00
Barbaro, Barbara	-	21,650.00
Barbaro, Joe	-	8,696.70
Barbaro, Joe	-	21,650.00
	-	61,246.70
Rates	3,102.81	4,013.35
Security Expenses	385.00	-
	4,891.14	77,431.65
Benefits Accrued as a Result of Operations before Income Tax	484,063.89	73,759.22
Income Tax (Note 7)		
Income Tax Expense	82,287.57	3,984.03
Prior Years Under/Over Provision for Income Tax	-	65.93
	82,287.57	4,049.96
Benefits Accrued as a Result of Operations	401,776.32	69,709.26

The accompanying notes form part of these financial statements

BARBARO SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 21 FEBRUARY 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 requirements of the Trust Deed and the needs of members.

The financial statements have also been prepared on an accruals basis and are based on historical costs, except for investments and financial liabilities, which have been measured at new market values.

The following significant accounting policies, which are consistent with the policies applied in the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

a. Measurement of Investments

The Fund initially recognises:

- i. an investment when it controls the future economic benefits expected to flow from the asset. For financial assets, the trade date is considered the date on which control of the future economic benefits attributable to the asset passes to the Fund; and
- ii. a financial liability on the date it becomes a party to the contractual provisions of the instrument.

Investments of the Fund have been measured at their net market values, which is the amount that could be expected to be received from disposal of the investment in an orderly market after deducting costs expected to be incurred in realising the proceeds from disposal.

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.

Remeasurement changes in the net market values of investments are recognised in the operating statement in the periods in which they occur.

Current assets, such as interest and distributions receivables, which are expected to be recovered within twelve months after the reporting period, are carried at the fair value of amounts due to be received.

BARBARO SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 21 FEBRUARY 2011

2011	2010
\$	\$

Financial liabilities, such as trade creditors and other payables, are measured at the gross value of the outstanding balance at the reporting date. The trustees have determined that the gross values of the Fund's financial liabilities are equivalent to their net market value. Any remeasurement changes in the gross values of non-current financial liabilities (including liabilities for members' accrued benefits) are recognised in the operating statement in the periods in which they occur.

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at call, deposits with banks and short-term, highly liquid investments that are readily convertible to cash and are subject to an insignificant risk of change in value.

c. Revenue

Revenue is recognised at the fair value of the consideration received or receivable.

Interest revenue

Interest revenue is recognised when interest is physically received into an appropriate account, or credited against the value of an investment. Interest accrued, but not paid, does not form part of interest revenue, and is not recorded at year end.

Interest revenue includes the amortisation of any discount or premium, transactions costs and any other differences between the initial carrying amount of the interest-bearing instrument to which it relates and the amount of the interest-bearing instrument at maturity calculated on an effective interest basis.

Dividend revenue

Revenue from dividends is recognised on the physical receipt of the dividend into an appropriate account. Where a dividend is not physically received, but received, for example, as a reduction in a loan balance, or as a part of a dividend reinvestment plan, this will be recognised as revenue at the time the loan is reduced or the DRP account is credited.

Distribution revenue

Distributions from trusts are recognised as at the date the unit value is quoted ex-distributions and if not received at the end of the reporting period, are reflected in the statement of financial position as a receivable at new market value.

Remeasurement changes in net market values

Remeasurement changes in the net market values of assets are recognised as income and are determined as the difference between the net market value at year-end or cost (if the investment was acquired during the period).

d. 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 other payables and

BARBARO SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 21 FEBRUARY 2011

2011	2010
\$	\$

income tax liabilities as at the end of the reporting period.

e. Income Tax

The income tax expense (income) 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. 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 the year as well as unused tax losses.

Except for business combinations, no deferred income tax is 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 and their measurement also reflects the manner in which the trustees expect 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) a legally enforceable right of set-off exists; and
- (b) 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.

f. Critical Accounting Estimates and Judgments

The preparation of financial statements requires the trustees to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

2. Liability for Accrued Benefits

Changes in the Liability for Accrued Benefits are as follows:

BARBARO SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 21 FEBRUARY 2011

	2011	2010
	\$	\$
Liability for Accrued Benefits at beginning of period	747,608.01	677,897.92
Add:		
- Increase in Accrued Benefits	398,559.61	69,709.26
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	1.65
- Unused Foreign Credits	-	(.82)
	1,146,167.62	747,608.01
Liability for Accrued Benefits at end of period	1,146,167.62	747,608.01

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	1,146,167.62	747,608.01
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4. Guaranteed Benefits

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

5. Changes in 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 Market Values is as follows:

Fixed Interest Securities (Australian)	-	2,232.05
Real Estate Properties (Australian)	406,000.30	-
Shares in Listed Companies (Australian)	1,183.72	873.93
Units in Listed Unit Trusts (Australian)	1,657.06	(2,913.98)
	408,841.08	192.00

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:

BARBARO SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 21 FEBRUARY 2011

	2011	2010
	\$	\$
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	480,847.18	73,759.22
Prima facie income tax on accrued benefits	72,127.08	11,063.88
Add/(Less) Permanent Differences		
Distributions Received	-	(21.25)
Increase in Market Value of Investments	(82,006.93)	-
Member/Personal Contributions - Non Concessional (Undeducted)	-	(150.00)
Accountancy Fees	-	360.44
ATO Supervisory Levy	-	19.28
Audit Fees	-	127.21
Bank Charges	.90	2.23
Decrease in Market Value of Investments	9,594.63	306.01
Depreciation	11.57	-
Legal Fees	102.80	-
Pensions Paid - Unrestricted Non Preserved - Tax Free	-	1,163.00
Pensions Paid - Unrestricted Non Preserved - Taxable	-	9,187.00
Rates	398.70	515.70
Security Expenses	49.47	-
Exempt Pension Income	-	(18,247.80)
Accounting (Profits)/Losses on Sale of Investments	-	(347.97)
Taxable Capital Gains	-	232.05
Movement in Deferred Tax Liability/Deferred Tax Asset	82,287.57	(192.42)
Other	(278.22)	(33.33)
	10,160.49	(7,079.85)
Income Tax Expense	82,287.57	3,984.03

Income tax expense comprises:

BARBARO SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 21 FEBRUARY 2011

	2011	2010
	\$	\$
Income Tax Payable/(Refundable)	(93.86)	3,122.22
Imputed Credits	93.86	254.40
Foreign Credits	-	1.83
Movement in Deferred Tax Liability/Deferred Tax Asset	82,287.57	(192.42)
Tax Instalments Paid	-	798.00
	82,287.57	3,984.03

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

Benefits accrued from operations after income tax	398,559.61	69,709.26
Add/(Less) non cash amounts included in benefits accrued from operations		
Capital Gains/(Losses) - Taxable	-	(3,093.10)
Capital Gains/(Losses) - Non Taxable	-	(1,546.56)
Distributions Received	-	(341.18)
Dividends Received	(219.00)	(273.07)
Increase in Market Value of Investments	(546,712.86)	-
Interest Received	-	(2,232.05)
ATO Supervisory Levy	-	150.00
Bank Charges	-	44.63
Decrease in Market Value of Investments	63,964.22	2,040.05
Depreciation	90.02	94.25
Income Tax Expense	82,287.57	3,984.03
Prior Years Under/Over Provision for Income Tax	-	65.93
Other non cash items	(291.86)	(30,805.48)
	(400,881.91)	(31,912.55)
Net cash provided by operating activities	(2,322.30)	37,796.71

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	43,673.11	88,654.23
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