

HUME SUPERANNUATION FUND

FINANCIAL STATEMENTS

AND REPORTS

FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017

McA (Qld) Accountants Pty Ltd
Po Box 163
Hamilton Central QLD 4007

HUME SUPERANNUATION FUND FINANCIAL STATEMENTS INDEX

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HUME SUPERANNUATION FUND
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	2017	2016
	\$	\$
Investments		
Real Estate Properties (Australian)	1,654,074	1,568,807
	1,654,074	1,568,807
Other Assets		
Cash at Bank	4,226	106,076
Formation Expenses	2,860	2,860
Borrowing Expenses	6,688	8,665
	13,774	117,601
Total Assets	1,667,848	1,686,408
Less:		
Liabilities		
Westpac Loan	1,008,580	1,050,000
GST Payable/Refundable	1,957	6,607
Income Tax Payable (Note 7)	5,890	13,537
Sundry Creditors	4,193	2,222
Rental Bonds- 29 Meadow Ave, Coopers Plains	-	19,900
	1,020,620	1,092,266
Net Assets Available to Pay Benefits	647,228	594,142
Represented by:		
Liability for Accrued Benefits (Notes 2, 3, 4)		
Hume, Jeffrey	337,121	311,476
Hume, Catherine	310,107	282,666
	647,228	594,142

The accompanying notes form part of these financial statements

**HUME SUPERANNUATION FUND
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Income		
Employer Contributions - Concessional	58,055	45,513
Interest Received	489	896
Other Income	14,318	-
Rent Received	120,000	107,216
Transfers In - Preserved/Taxable	-	505,095
Transfers In - Preserved/Tax Free	-	12,341
	192,862	671,061
Expenses		
Accountancy Fees	2,472	633
Administration Costs	396	246
ATO Supervisory Levy	259	-
Auditor's Remuneration	275	-
Bank Charges	11,370	6,969
Borrowing Expenses	1,977	1,219
Depreciation	50,103	-
Investment Expenses	-	10,439
Interest Paid	42,621	26,686
Life Insurance Premiums - Preserved	1,755	1,064
Repairs and Maintenance	19,180	16,125
	130,408	63,381
Benefits Accrued as a Result of Operations before Income Tax	62,455	607,679
Income Tax (Note 7)		
Income Tax Expense	9,368	13,537
	9,368	13,537
Benefits Accrued as a Result of Operations	53,086	594,143

The accompanying notes form part of these financial statements

**HUME SUPERANNUATION FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Cash Flows from Operating Activities		
Contributions		
Employer	58,055	45,513
	58,055	45,513
Fund Transfers		
Transfers in	-	517,435
	-	517,435
Operating Income		
Interest Received	489	896
Other Income	14,318	-
Rent Received	120,000	107,216
	134,807	108,112
Operating Expenses		
Accountancy Fees	(2,472)	(633)
Administration Costs	(396)	(246)
ATO Supervisory Levy	(259)	-
Auditor's Remuneration	(275)	-
Bank Charges	(11,370)	(6,969)
Investment Expenses	-	(10,439)
Interest Paid	(42,621)	(26,686)
Life Insurance Premiums - Preserved	(1,755)	(1,064)
Repairs and Maintenance	(19,180)	(16,125)
Tax Paid	(21,665)	6,607
	(99,993)	(55,555)
Net cash provided by (used in) operating activities (Note 8)	92,869	615,505
Cash Flows from Investing Activities		
Formation Expenses	-	(2,860)
Borrowing Expenses	-	(9,884)
Real Estate Properties (Australian)	(135,370)	(1,568,807)
Westpac Loan	(41,420)	1,050,000
Sundry Creditors	1,971	2,222
Rental Bonds- 29 Meadow Ave, Coopers Plains	(19,900)	19,900
Net cash provided by (used in) investing activities	(194,719)	(509,429)

The accompanying notes form part of these financial statements

**HUME SUPERANNUATION FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Net Increase/(Decrease) in Cash Held	(101,850)	106,076
Cash at beginning of reporting period	106,076	0
Cash at end of reporting period (Note 9)	4,226	106,076

The accompanying notes form part of these financial statements

HUME SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. Summary 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 Superannuation Industry (Supervision) Act 1993 and associated Regulations, the trust deed of the fund and the needs of members.

The financial statements have been prepared on a cash basis unless stated otherwise and are based on historical costs, except for investments which have been measured at 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.

The financial statements were authorised for issue by the trustees/ directors of the trustee company

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 to be 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 market values, which refers to the amount that a willing buyer could reasonably be expected to pay to acquire an asset from a willing seller if the following assumptions are made:

- that the buyer and the seller deal with each other at arm's length in relation to the sale;
- that the sale occurred after proper marketing of the asset; and
- that the buyer and the seller acted knowledgeably and prudentially in relation to the sale.

Market value has 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;
- iv. unlisted investments are stated at trustees' assessment based on estimated market value at balance date or where necessary, an external valuer's opinion; and
- v. investment properties at the trustees' assessment of market value or where necessary a qualified independent valuer's opinion at the end of reporting period.

Financial liabilities, such as trade creditors and other payables, are measured at the gross value of the outstanding balance at the end of the reporting period. The trustees have determined that the gross value of the fund's financial liabilities is equivalent to their market values. 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 subject to an insignificant risk of change in value.

HUME SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

c. Revenue

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

Interest revenue

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised upon receipt.

Dividend revenue

Dividend revenue is recognised when the dividend has been paid or, in the case of dividend reinvestment schemes, when the dividend is credited to the benefit of the fund.

Rental revenue

Rental revenue arising from operating leases on investment properties is recognised upon receipt.

Distribution revenue

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

Remeasurement changes in market values

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

d. Liability for Accrued Benefits

The liability for accrued benefits represents the fund's 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 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 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: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to

HUME SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

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. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or other payables in the statement of financial position.

g. Critical Accounting Estimates and Judgements

The preparation of financial statements requires the trustees to make judgements, 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:

	2017	2016
	\$	\$
Liability for Accrued Benefits at beginning of period	594,143	-
Add:		
Benefits Accrued as a Result of Operations	53,086	594,143
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	647,229	594,143
Liability for Accrued Benefits at end of period	647,229	594,143

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.

	2017	2016
	\$	\$
Vested Benefits	647,229	594,143

4. Guaranteed Benefits

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

5. Changes in Market Values

HUME SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

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:

	2017	2016
	\$	\$
Change in Market Value	-	-

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:

	2017	2016
	\$	\$
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:

	2017	2016
	\$	\$
Benefits accrued as a result of operations before income tax	62,455	607,679
Prima facie income tax on accrued benefits	9,368	91,152
Add/(Less) Tax Effect of:		
Transfers In - Preserved/Taxable	-	(75,764)
Transfers In - Preserved/Tax Free	-	(1,851)
	-	(77,615)
Income Tax Expense	9,368	13,537

Income tax expense comprises:

Income Tax Payable/(Refundable)	5,890	13,537
Tax Instalments Paid	3,478	-
	9,368	13,537

HUME SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

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

	2017	2016
	\$	\$
Benefits accrued from operations after income tax	53,086	594,143
Add/(Less) non cash amounts included in benefits accrued from operations		
Borrowing Expenses	1,977	1,219
Depreciation	50,103	-
Income Tax Expense	9,368	13,537
Other non cash items	(21,665)	6,607
	<u>39,783</u>	<u>21,362</u>
Net cash provided by operating activities	<u>92,870</u>	<u>615,505</u>

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:

	2017	2016
	\$	\$
Cash	<u>4,226</u>	<u>106,076</u>

HUME SUPERANNUATION FUND
TRUSTEE: WRECKERNET PTY LTD
ACN: 156 434 703
TRUSTEES DECLARATION

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

The directors of the trustee company declare that:

- i. the financial statements and notes to the financial statements for the year ended 30 June 2017 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2017 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 2017.

Signed in accordance with a resolution of the directors of the trustee company by:

Jeffrey Hume
Wreckernet Pty Ltd
Director

Catherine Hume
Wreckernet Pty Ltd
Director

DATED: 13/10/2017

Member's Statement
HUME SUPERANNUATION FUND

JEFFREY HUME
26 ANDREW AVE
TARRAGINDI QLD 4121

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2017 and for the reporting period 1 July 2016 to 30 June 2017.

Your Details		Your Balance	
Date of Birth	7 April 1972	Total Benefits	\$337,122
Tax File Number	Provided	Comprising:	
Date Joined Fund	17 March 2015	- Preserved	\$337,122
Service Period Start Date		- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	\$10,597
Current Salary		- Taxable Component	\$326,525
Vested Amount	\$337,122		
Insured Death Benefit	\$1,155,000		
Total Death Benefit	\$1,492,122		
Disability Benefit	\$1,155,000		
Nominated Beneficiaries			

Your Detailed Account	Preserved	Restricted Non Preserved	Unrestricted Non Preserved	Total
Opening Balance at 1 July 2016	311,477			311,477
<u>Add: Increases to Member's Account</u>				
<u>During the Period</u>				
Concessional Contributions	28,716			28,716
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period	3,210			3,210
Transfers in and transfers from reserves				
	31,926			31,926
	343,402			343,402
<u>Less: Decreases to Member's Account</u>				
<u>During the Period</u>				
Benefits/Pensions Paid				
Contributions Tax	4,307			4,307
Income Tax	218			218
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid	1,755			1,755
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
	6,280			6,280
Member's Account Balance at 30/06/2017	337,122			337,122

Reference: HUME0007 / 501

Availability of Other Fund Information

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

Trustee's Disclaimer

This statement has been prepared by the Trustee for the member whose name appears at the top of this statement. Every effort has been made by the Trustee to ensure the accuracy and completeness of this Statement. The Trustee does not accept any liability for any error, omission or misprint. All amounts shown in relation to benefits do not take into account any amounts which may be withheld to satisfy the requirements imposed by the Income Tax Assessment Act 1936.

Signed by all the trustees of the fund

Jeffrey Hume
Director

Catherine Hume
Director

Statement Date: 13 October 2017

Member's Statement
HUME SUPERANNUATION FUND

CATHERINE HUME
26 ANDREW AVE
TARRAGINDI QLD 4121

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2017 and for the reporting period 1 July 2016 to 30 June 2017.

Your Details		Your Balance	
Date of Birth	20 May 1973	Total Benefits	\$310,107
Tax File Number	Provided	Comprising:	
Date Joined Fund	17 March 2015	- Preserved	\$310,107
Service Period Start Date		- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	\$1,744
Current Salary		- Taxable Component	\$308,363
Vested Amount	\$310,107		
Insured Death Benefit			
Total Death Benefit	\$310,107		
Disability Benefit			
Nominated Beneficiaries			

Your Detailed Account	Preserved	Restricted Non Preserved	Unrestricted Non Preserved	Total
Opening Balance at 1 July 2016	282,666			282,666
<u>Add: Increases to Member's Account</u>				
<u>During the Period</u>				
Concessional Contributions	29,339			29,339
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period	2,945			2,945
Transfers in and transfers from reserves				
	<u>32,284</u>			<u>32,284</u>
	314,950			314,950
<u>Less: Decreases to Member's Account</u>				
<u>During the Period</u>				
Benefits/Pensions Paid				
Contributions Tax	4,401			4,401
Income Tax	442			442
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
	<u>4,843</u>			<u>4,843</u>
Member's Account Balance at 30/06/2017	310,107			310,107

Reference: HUME0007 / 502

Availability of Other Fund Information

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

Trustee's Disclaimer

This statement has been prepared by the Trustee for the member whose name appears at the top of this statement. Every effort has been made by the Trustee to ensure the accuracy and completeness of this Statement. The Trustee does not accept any liability for any error, omission or misprint. All amounts shown in relation to benefits do not take into account any amounts which may be withheld to satisfy the requirements imposed by the Income Tax Assessment Act 1936.

Signed by all the trustees of the fund

Jeffrey Hume
Director

Catherine Hume
Director

Statement Date: 13 October 2017

Hume Superannuation Fund
Member Contribution Caps Report
CATHERINE HUME at 30/06/2017

	2017	2016	2015	2014
Age	44	43	42	41
Concessional Cap	30,000.00	30,000.00	30,000.00	25,000.00
YTD Concessional Contributions	29,339.13	21,887.24	0.00	0.00
Excess Concessional Contributions	0.00	0.00	0.00	0.00
Amount of Concessional Cap remaining	660.87	8,112.76	30,000.00	25,000.00
Non-Concessional Cap	180,000.00	180,000.00	180,000.00	150,000.00
YTD Non-Concessional Contributions including Excess Concessional Contributions	0.00	0.00	0.00	0.00
Excess Non-Concessional Contributions	0.00	0.00	0.00	0.00
Amount of Non-Concessional Cap remaining	180,000.00	180,000.00	180,000.00	150,000.00

Hume Superannuation Fund
Member Contribution Caps Report
JEFFREY HUME at 30/06/2017

	2017	2016	2015	2014
Age	45	44	43	42
Concessional Cap	30,000.00	30,000.00	30,000.00	25,000.00
YTD Concessional Contributions	28,716.06	23,625.64	0.00	0.00
Excess Concessional Contributions	0.00	0.00	0.00	0.00
Amount of Concessional Cap remaining	1,283.94	6,374.36	30,000.00	25,000.00
Non-Concessional Cap	180,000.00	180,000.00	180,000.00	150,000.00
YTD Non-Concessional Contributions including Excess Concessional Contributions	0.00	0.00	0.00	0.00
Excess Non-Concessional Contributions	0.00	0.00	0.00	0.00
Amount of Non-Concessional Cap remaining	180,000.00	180,000.00	180,000.00	150,000.00