

**POLLOCK FAMILY SUPERANNUATION FUND**

**FINANCIAL STATEMENTS**

**AND REPORTS**

**FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018**

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Herron Accountants  
P O Box 504  
North Lakes QLD 4509

**POLLOCK FAMILY SUPERANNUATION FUND**  
**DETAILED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Investments</b>		
Shares in Listed Companies (Australian)		
MFF Capital Investment Limited	22,161.00	16,143.50
Mirrabooka Investments Limited	19,873.72	14,188.50
ANZ Banking Group Limited Capital Note 2	16,099.20	16,216.00
Westpac Banking Corporation - Cap Note 3- Bbsw+3.05% Perp Non-Cum Red T-09-22	26,344.89	-
	84,478.81	46,548.00
Units in Listed Unit Trusts (Australian)		
SPDR S&P/ASX 200 Fund	59,439.75	14,782.56
Vanguard Australian Property Securities Index ETF	17,149.96	16,542.20
	76,589.71	31,324.76
Units in Listed Unit Trusts (Overseas)		
Vanguard US Total Market Shares Index ETF	17,526.00	14,893.88
Vanguard All-World Ex-US Shares Index ETF	27,801.91	14,487.72
	45,327.91	29,381.60
Units in Unlisted Unit Trusts (Australian)		
The Montgomery Fund	24,701.02	24,243.28
	24,701.02	24,243.28
	231,097.45	131,497.64
<b>Other Assets</b>		
Macquarie Cash Management Account	24,328.06	19,974.46
UBank Term Deposit	-	79,193.82
CBA Accelerator Cash Account	83.51	193.53
	24,411.57	99,361.81
Distributions Receivable		
The Montgomery Fund	1,979.21	166.69
Vanguard US Total Market Shares Index ETF	193.64	-
SPDR S&P/ASX 200 Fund	209.88	-
Vanguard All-World Ex-US Shares Index ETF	383.93	-
Vanguard Australian Property Securities Index ETF	112.73	140.21
	2,879.39	306.90
Income Tax Refundable (Note 7)	1,810.53	1,064.89
	1,810.53	1,064.89
	29,101.49	100,733.60
<b>Total Assets</b>	260,198.94	232,231.24

**Represented by:**

**Liability for Accrued Benefits (Notes 2, 3, 4)**

The accompanying notes form part of these financial statements

**POLLOCK FAMILY SUPERANNUATION FUND**  
**DETAILED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018**

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	2018	2017
	\$	\$
Pollock, James Stewart	234,973.33	209,713.39
Pollock, Lisa Maude	25,225.61	22,517.85
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	260,198.94	232,231.24
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	260,198.94	232,231.24
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The accompanying notes form part of these financial statements

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**POLLOCK FAMILY SUPERANNUATION FUND**  
**DETAILED OPERATING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Income</b>		
Capital Gains/(Losses) - Taxable		
Invocare Limited	-	753.52
Panoramic Resources Limited	-	(2,394.48)
Santos Limited	-	(7,395.36)
	-	(9,036.32)
Distributions Received		
SPDR S&P/ASX 200 Fund	2,402.58	-
The Montgomery Fund	2,481.07	538.97
Vanguard All-World Ex-US Shares Index ETF	548.49	-
Vanguard Australian Property Securities Index ETF	1,459.49	603.78
Vanguard US Total Market Shares Index ETF	276.62	-
	7,168.25	1,142.75
Dividends Received		
ANZ Banking Group Limited Capital Note 2	837.40	408.80
Invocare Limited	-	110.01
MFF Capital Investment Limited	296.43	113.24
Mirrabooka Investments Limited	1,157.66	262.76
Westpac Banking Corporation - Cap Note 3- Bbsw+3.05% Perp Non-Cum Red T-09-22	975.67	-
	3,267.16	894.81
Employer Contributions - Concessional		
Pollock, James Stewart	13,380.51	10,543.15
Pollock, Lisa Maude	2,136.56	3,615.60
	15,517.07	14,158.75
Interest Received		
CBA Accelerator Cash Account	32.69	749.52
Macquarie Cash Management Account	257.53	578.73
UBank Term Deposit	1,115.72	2,293.37
	1,405.94	3,621.62
Member/Personal Contributions - Concessional (Taxable)		
Pollock, James Stewart	165.66	-
Pollock, Lisa Maude	165.67	-
	331.33	-
Other Contributions - Non Taxable		
Pollock, Lisa Maude	500.00	472.15

The accompanying notes form part of these financial statements

**POLLOCK FAMILY SUPERANNUATION FUND**  
**DETAILED OPERATING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
	500.00	472.15
Transfers In - Preserved/Taxable		
Pollock, James Stewart	4,956.14	-
	4,956.14	-
Revaluations		
Shares in Listed Companies (Australian)		
ANZ Banking Group Limited Capital Note 2	(116.80)	735.00
Invocare Limited	-	(932.54)
MFF Capital Investment Limited	6,017.50	1,174.65
Mirrabooka Investments Limited	(327.79)	(806.76)
Panoramic Resources Limited	-	6,709.46
Santos Limited	-	6,804.92
Westpac Banking Corporation - Cap Note 3- Bbsw+3.05% Perp Non-Cum Red T-09-22	(452.21)	-
	5,120.70	13,684.73
Units in Listed Unit Trusts (Australian)		
SPDR S&P/ASX 200 Fund	3,901.98	(277.25)
Vanguard Australian Property Securities Index ETF	607.76	1,021.89
	4,509.74	744.64
Units in Listed Unit Trusts (Overseas)		
Vanguard All-World Ex-US Shares Index ETF	1,247.09	(503.93)
Vanguard US Total Market Shares Index ETF	2,632.12	(308.53)
	3,879.21	(812.46)
Units in Unlisted Unit Trusts (Australian)		
The Montgomery Fund	12.64	(953.57)
	12.64	(953.57)
	13,522.29	12,663.34
	46,668.18	23,917.10
<b>Expenses</b>		
Accountancy Fees	1,650.00	1,430.00
ATO Supervisory Levy	259.00	259.00
Auditor's Remuneration	330.00	330.00
Bank Charges	5.00	5.00
Investment Expenses		
Investment Expenses	3,000.00	3,000.00

The accompanying notes form part of these financial statements

**POLLOCK FAMILY SUPERANNUATION FUND  
 DETAILED OPERATING STATEMENT  
 FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
	3,000.00	3,000.00
Life Insurance Premiums - Preserved		
Pollock, James Stewart	9,357.96	8,886.90
Pollock, Lisa Maude	1,918.79	1,595.30
	11,276.75	10,482.20
Non Deductible Life Insurance Premiums - Preserved		
Pollock, James Stewart	937.97	769.48
	937.97	769.48
	17,458.72	16,275.68
<b>Benefits Accrued as a Result of Operations before Income Tax</b>	29,209.46	7,641.42
<b>Income Tax (Note 7)</b>		
Income Tax Expense	1,237.05	628.80
Prior Years Under/Over Provision for Income Tax	4.71	-
	1,241.76	628.80
<b>Benefits Accrued as a Result of Operations</b>	27,967.70	7,012.62

The accompanying notes form part of these financial statements

**POLLOCK FAMILY SUPERANNUATION FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Cash Flows from Operating Activities</b>		
<b>Contributions</b>		
Employer	15,517.07	14,158.75
Member	831.33	472.15
	16,348.40	14,630.90
<b>Fund Transfers</b>		
Transfers in	4,956.14	-
	4,956.14	-
<b>Operating Income</b>		
Distributions Received	7,168.25	1,142.75
Dividends Received	3,267.16	894.81
Interest Received	1,405.94	3,621.62
	11,841.35	5,659.18
<b>Operating Expenses</b>		
Accountancy Fees	(1,650.00)	(1,430.00)
ATO Supervisory Levy	(259.00)	(259.00)
Auditor's Remuneration	(330.00)	(330.00)
Bank Charges	(5.00)	(5.00)
Investment Expenses	(3,000.00)	(3,000.00)
Life Insurance Premiums - Preserved	(11,276.75)	(10,482.20)
Non Deductible Life Insurance Premiums - Preserved	(937.97)	(769.48)
Tax Paid	(1,987.40)	(948.47)
	(19,446.12)	(17,224.15)
<b>Net cash provided by (used in) operating activities (Note 8)</b>	13,699.77	3,065.93
<b>Cash Flows from Investing Activities</b>		
Distributions Receivable	(2,572.49)	(306.90)
Shares in Listed Companies (Australian)	(32,810.11)	(45,445.11)
Units in Listed Unit Trusts (Australian)	(40,755.21)	(30,580.12)
Units in Listed Unit Trusts (Overseas)	(12,067.10)	(30,194.06)
Units in Unlisted Unit Trusts (Australian)	(445.10)	(25,196.85)
Proceeds from Disposal of Investments	-	17,476.36
Sundry Creditors	-	(1,540.00)
<b>Net cash provided by (used in) investing activities</b>	(88,650.01)	(115,786.68)

The accompanying notes form part of these financial statements

**POLLOCK FAMILY SUPERANNUATION FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2018**

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	2018	2017
	\$	\$
<b>Net Increase/(Decrease) in Cash Held</b>	<u>(74,950.24)</u>	<u>(112,720.75)</u>
Cash at beginning of reporting period	99,361.81	212,082.56
<b>Cash at end of reporting period (Note 9)</b>	<u><b>24,411.57</b></u>	<u><b>99,361.81</b></u>

The accompanying notes form part of these financial statements

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**POLLOCK FAMILY SUPERANNUATION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**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. investment properties at the trustees' assessment of their realizable value.

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.

**c. Revenue**

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

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**POLLOCK FAMILY SUPERANNUATION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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Interest revenue

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised as it accrues.

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 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 net 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. 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.

**f. 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:

	2018	2017
	\$	\$
Liability for Accrued Benefits at beginning of period	232,231.24	225,218.62

Add:

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**POLLOCK FAMILY SUPERANNUATION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

Benefits Accrued as a Result of Operations	27,967.70	7,012.62
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	260,198.94	232,231.24

**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.

	2018	2017
	\$	\$
Vested Benefits	260,198.94	232,231.24

**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:

	2018	2017
	\$	\$
Shares in Listed Companies (Australian)	5,120.70	13,684.73
Units in Listed Unit Trusts (Australian)	4,509.74	744.64
Units in Listed Unit Trusts (Overseas)	3,879.21	(812.46)
Units in Unlisted Unit Trusts (Australian)	12.64	(953.57)
	13,522.29	12,663.34

**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:

	2018	2017
	\$	\$
Employer		
Members		

**POLLOCK FAMILY SUPERANNUATION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**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:

	2018	2017
	\$	\$
Benefits accrued as a result of operations before income tax	29,209.46	7,641.42
Prima facie income tax on accrued benefits	4,381.42	1,146.21
Add/(Less) Tax Effect of:		
Distributions Received	(62.74)	(18.09)
Increase in Market Value of Investments	(2,028.34)	(1,899.50)
Other Contributions - Non Taxable	(75.00)	(70.82)
Transfers In - Preserved/Taxable	(743.42)	-
Non Deductible Life Insurance Premiums - Preserved	140.70	115.42
Distributed Capital Gains	(375.53)	-
Accounting (Profits)/Losses on Sale of Investments	-	1,355.45
Other	(.04)	.13
	(3,144.37)	(517.41)
Income Tax Expense	1,237.05	628.80

Income tax expense comprises:

Income Tax Payable/(Refundable)	(1,810.53)	(1,064.89)
Imputed Credits	1,748.37	430.57
Foreign Credits	281.21	33.12
TFN Credits	860.00	126.00
Tax Instalments Paid	158.00	1,104.00
	1,237.05	628.80

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

	2018	2017
	\$	\$
Benefits accrued from operations after income tax	27,967.70	7,012.62
Add/(Less) non cash amounts included in benefits accrued from operations		
Capital Gains/(Losses) - Taxable	-	9,036.32
Increase in Market Value of Investments	(13,522.29)	(12,663.34)

**POLLOCK FAMILY SUPERANNUATION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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Income Tax Expense	1,237.05	628.80
Other non cash items	(1,982.69)	(948.47)
	<u>(14,267.93)</u>	<u>(3,946.69)</u>
Net cash provided by operating activities	<u>13,699.77</u>	<u>3,065.93</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:

	2018	2017
	\$	\$
Cash	<u>24,411.57</u>	<u>99,361.81</u>

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# POLLOCK FAMILY SUPERANNUATION FUND

## TRUSTEES DECLARATION

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The trustees 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 trustees declare that:

- i. the financial statements and notes to the financial statements for the year ended 30 June 2018 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2018 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 2018.

Specifically, the trustees declare that:

- in accordance with s 120 of the *Superannuation Industry (Supervision) Act 1993*, no individual trustee has been or is a disqualified person;
- the fund has satisfactory title to all assets, all assets are unencumbered and free from charge as prescribed by s 50 of the *Superannuation (Supervision) Act 1993* and reg 13.14 of the *Superannuation Industry (Supervision) Regulations 1994*; and
- to the knowledge of the trustees, there have been no events or transactions subsequent to the balance date which could have a material impact on the fund. Where such events have occurred, the effect of such events has been accounted and noted in the fund's financial statements

Signed in accordance with a resolution of the trustees by:

James Stewart Pollock  
Trustee

Lisa Maude Pollock  
Trustee

DATED:    /    /

**POLLOCK FAMILY SUPERANNUATION FUND**  
**COMPILATION REPORT TO THE MEMBER(S) OF POLLOCK FAMILY SUPERANNUATION FUND**

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We have compiled the accompanying special purpose financial statements of Pollock Family Superannuation Fund as at 30 June 2018 (“the Schedule”) based on information you have provided.

*The Responsibility of the Trustee(s)*

The Trustee(s) of the Pollock Family Superannuation Fund is solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

This Schedule and the reliability, accuracy and completeness of the information used to compile it are your responsibility.

*Our Responsibility*

On the basis of information provided by the Trustee(s) we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements and APES 315 Compilation of Financial Information.

We have applied our professional expertise in accounting and financial reporting to assist management in the preparation and presentation of these financial statements on the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants.

*Assurance Disclaimer*

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information you provided to us to compile the Schedule. Accordingly, we do not express an audit opinion or a review conclusion on whether the Schedule is prepared in accordance with the Financial Reporting Framework described in Note 1 to the financial statements.

As stated in Note 1, the Schedule is prepared and presented on the basis prescribed by the financial reporting framework, for the purpose of Pollock Family Superannuation Fund’s compliance with the Superannuation Industry (Supervision) Act 1993. Accordingly, the Schedule is for use only in connection with that purpose and may not be suitable for any other purpose.

Our compilation report is intended solely for the use of Pollock Family Superannuation Fund and the approved regulator, and should not be distributed to parties other than Pollock Family Superannuation Fund or the approved regulator without our prior written consent.

Mark Herron  
of  
Herron Accountants  
Unit 1  
48 Flinders Parade  
North Lakes QLD 4509

Dated:     /     /