



Financial statements and reports
for the year ended 30th June 2013

Davis Superannuation Fund

Prepared for: Laban William Davis and Jennifer Anne Davis

Davis Superannuation Fund
Operating Statement

For the year ended 30 June 2013



	Note	2013 \$	2012 \$
Income			
Investment Income			
Interest Received		1,624	0
Total Income		<u>1,624</u>	<u>0</u>
Expenses			
Accountancy Fees		2,260	0
Auditor's Remuneration		770	0
Bank Charges		5	0
Member Payments			
Life Insurance Premiums		6,143	0
Total Expenses		<u>9,178</u>	<u>0</u>
Benefits Accrued As A Result Of Operations Before Income Tax		<u>(7,554)</u>	<u>0</u>
Tax Expense			
Increase In Benefits As A Result Of Operations		<u>(7,554)</u>	<u>0</u>

The accompanying notes form part of these financial statements.

Davis Superannuation Fund
Statement of Financial Position

As at 30 June 2013



	Note	2013	2012
		\$	\$
Investments			
Loans to Associated Entities (In house loans) - Unitised		3,173	0
Total Investments		3,173	0
Other Assets			
BOQ - WebSavings Account		61,703	0
Total Other Assets		61,703	0
Total Assets		64,876	0
Less:			
Liabilities			
Income Tax Payable		(675)	0
Total Liabilities		(675)	0
Net assets available to pay benefits		65,551	0
Represented by:			
Liability for accrued benefits allocated to members accounts			
Davis, Jennifer Anne - Accumulation (Accumulation)		65,551	0
Total Liability for accrued benefits allocated to members accounts		65,551	0

The accompanying notes form part of these financial statements.

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 30/06/2013 present fairly, in all material respects, the financial position of the superannuation fund at 30/06/2013 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 30/06/2013.

Signed in accordance with a resolution of the trustees by:

.....
Laban William Davis

Trustee

.....
Jennifer Anne Davis

Trustee

DATED: 25/11/2014

Notes to the Financial Statements

For the year ended 30 June 2013



Note 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 accompanying Regulations, the trust deed of the fund 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 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 on 25/11/2014 by the 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 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 market values, which is the amount that a willing buyer of the asset could reasonably be expected to pay to acquire the asset from a willing seller if the following assumptions were 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 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) investment properties at trustees' assessment of their realisable value.

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 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 are subject to an insignificant risk of change in value.

c. Revenue

Revenue is recognised at the market 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.

Notes to the Financial Statements

For the year ended 30 June 2013



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

Distribution revenue is recognised when the distribution is received.

Remeasurement changes in market values

Remeasurement changes in the market values of assets are recognised as income and are 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 the investment was 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: (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. 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 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.

Davis Superannuation Fund

Notes to the Financial Statements

For the year ended 30 June 2013



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.



For the year ended 30th June 2013

Member's Statements

Prepared for: Laban William Davis and Jennifer Anne Davis



Members Statement

Davis, Laban William
 1350 Dayboro Road
 DAYBORO, Queensland, Australia. 4521

Date of Birth : 29/11/1952
 Tax File Number: Provided
 Date Joined Fund: 01/07/2012
 Service Period Start Date:
 Date Left Fund:
 Account Type: Accumulation
 Account Description: Accumulation

Your Balance

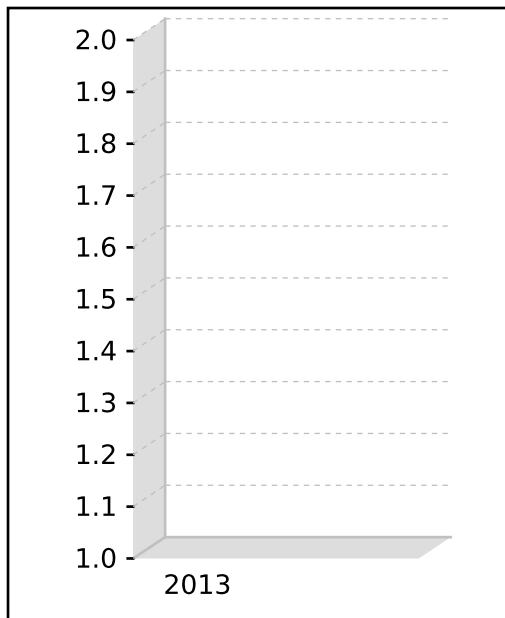
Total Benefits

Preservation Components

Preserved
 Unrestricted Non Preserved
 Restricted Non Preserved

Tax Components

Tax Free
 Taxable



Your Detailed Account Summary

	This Year
Opening balance at 01/07/2012	1,462.00
<u>Increases to Member account during the period</u>	
Employer Contributions	
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	
Income Tax	(258.00)
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Insurance Policy Premiums Paid	1,720.00
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2013	0.00



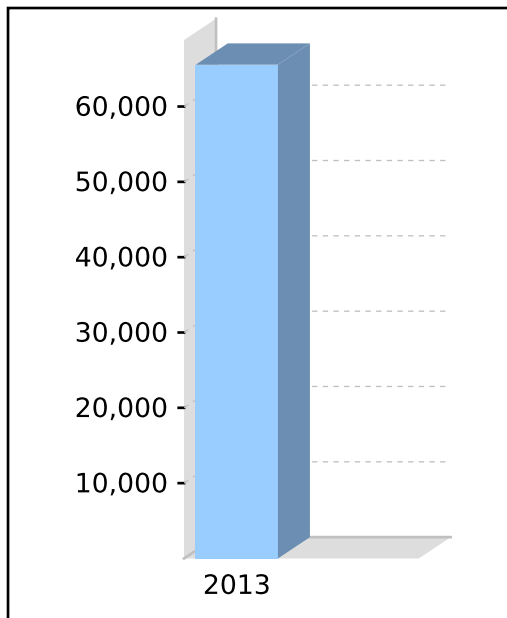
Members Statement

Davis, Jennifer Anne
 1350 Dayboro Road
 DAYBORO, Queensland, Australia. 4521

Date of Birth : 08/11/1954
 Tax File Number: Provided
 Date Joined Fund: 01/07/2012
 Service Period Start Date:
 Date Left Fund:
 Account Type: Accumulation
 Account Description: Accumulation

Your Balance

Total Benefits	65,551.00
<u>Preservation Components</u>	
Preserved	65,551.00
Unrestricted Non Preserved	
Restricted Non Preserved	
<u>Tax Components</u>	
Tax Free	
Taxable	65,551.00



Your Detailed Account Summary

	This Year
Opening balance at 01/07/2012	71,643.00
<u>Increases to Member account during the period</u>	
Employer Contributions	
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	(1,411.00)
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	
Income Tax	258.00
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Insurance Policy Premiums Paid	4,423.00
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2013	65,551.00



For the year ended 30th June 2013

Investment Reports

Prepared for: Laban William Davis and Jennifer Anne Davis

Davis Superannuation Fund
Investment Summary Accounting Report



As at 30 June 2013

Investment	Units	Market Price	Market Value	Average Cost	Accounting Cost	Unrealised Movement		Realised Movement
						Overall	Current Year	
Cash/Bank Accounts								
BOQ - WebSavings Account		61,702.8600	61,702.86	61,702.86	61,702.86			
			61,702.86		61,702.86			
Loans to Associated Entities (In house loans) - Unitised								
Loan to L W Davis	3,173.26	1.0000	3,173.26	1.00	3,173.26	0.00	0.00	0.00
			3,173.26		3,173.26	0.00	0.00	0.00
			64,876.12		64,876.12	0.00	0.00	0.00

Davis Superannuation Fund
Investment Movement Report



As at 30 June 2013

Investment	Opening Balance		Additions		Disposals			Closing Balance		
	Units	Cost	Units	Cost	Units	Cost	Profit/(Loss)	Units	Cost	Market Value
Loans to Associated Entities (In house loans) - Unitised										
Loan to L W Davis			3,173.26	3,173.26				3,173.26	3,173.26	3,173.26
				3,173.26					3,173.26	3,173.26

Davis Superannuation Fund
Projected Investment Disposal Report



As at 30 June 2013

Investment	Units	Cost	Tax Deferred	CGT Cost Base	Market Value	Projected Profit /(Loss)	Taxable Profit/(Loss) Indexation	Taxable Profit/(Loss) Discounted
Cash/Bank Accounts								
BOQ - WebSavings Account		61,702.86	0.00	0.00	61,702.8600	0.00	0.00	0.00
		61,702.86	0.00		61,702.8600	0.00	0.00	0.00
Loans to Associated Entities (In house loans) - Unitised								
Loan to L W Davis	3,173.26	3,173.26	0.00	3,173.26	3,173.2600	0.00	0.00	0.00
		3,173.26	0.00		3,173.2600	0.00	0.00	0.00
		64,876.12		3,173.26	64,876.1200	0.00	0.00	0.00



For the year ended 30th June 2013

Trustee resolution

Memorandum of Resolutions of

Laban William Davis and Jennifer Anne Davis

ATF Davis Superannuation Fund

TRUSTEE'S DECLARATION: It was resolved that the trustee's declaration of the superannuation fund be signed.

ANNUAL RETURN: Being satisfied that the fund had complied with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and Regulations during the year ended 30/06/2013, it was resolved that the annual return be approved, signed and lodged with the Australian Taxation Office.

TRUST DEED: The Chair tabled advice received from the fund's legal adviser confirming that the fund's trust deed is consistent with all relevant superannuation and trust law.

INVESTMENT STRATEGY: The allocation of the fund's assets and the fund's investment performance over the financial year were reviewed and found to be within acceptable ranges outlined in the investment strategy. After considering the risk, rate of return and liquidity of the investments and the ability of the fund to discharge its existing liabilities, it was resolved that the investment strategy continues to reflect the purposes and circumstances of the fund and its members. Accordingly, no changes in the investment strategy were required.

INSURANCE COVER: The trustee(s) reviewed the current life and total and permanent disability insurance coverage on offer to the members and resolved that the current insurance arrangements were appropriate for the fund.

ALLOCATION OF INCOME: It was resolved that the income of the fund would be allocated to the members based on their average daily balance (an alternative allocation basis may be percentage of opening balance).

INVESTMENT ACQUISITIONS: It was resolved to ratify the investment acquisitions throughout the financial year ended 30/06/2013.

INVESTMENT DISPOSALS: It was resolved to ratify the investment disposals throughout the financial year ended 30/06/2013.

AUDITORS

It was resolved that

MM Accounting Solutions

Of

PO Box 316 , MORLEY, Western Australia 6943

act as auditors of the Fund for the next financial year.

TAX AGENTS

It was resolved that

Wealth Safe Accounting Pty Ltd

act as tax agents of the Fund for the next financial year.

TRUSTEE STATUS: Each of the trustee(s) confirmed that they are qualified to act as trustee(s) of the fund and that they are not disqualified persons as defined by s 120 of the SISA.

CONTRIBUTIONS RECEIVED:

It was resolved that the contributions during the year be allocated to members on the basis of the schedule provided by the principal Fund employer.

ACCEPTANCE OF ROLLOVERS

The trustee has ensured that any roll-over made to the Fund, meets the requirements of the Fund's deed and does not breach the superannuation laws in relation to:

- 1. making roll-over between Funds; and,
- 2. breaching the Fund or the member investment strategy.

The trustee has reviewed the roll-over and received advice that the roll-over is in accordance with the Trust Deed and the rules of the Fund and the superannuation laws. As such the trustee has resolved to accept the roll-over on behalf of the member.

PAYMENT OF BENEFITS

The trustee has ensured that any payment of benefits made from the Fund, meets the requirements of the Fund's deed and does not breach the superannuation laws in relation to:

- 1. making payments to members; and,
- 2. breaching the Fund or the member investment strategy.

The trustee has reviewed the payment of the benefit and received advice that the transfer is in accordance with the Deed and the superannuation laws. As such the trustee has resolved to allow the payment of the benefits on behalf of the member.

CLOSURE:

Signed as a true record –

..... 01/10/2014
 Laban William Davis

..... 01/10/2014
 Jennifer Anne Davis



For the year ended 30th June 2013

Audit report

Prepared for: Laban William Davis and Jennifer Anne Davis

Davis Superannuation Fund
Self-Managed Superannuation Fund

Independent Auditor's Report

Auditor details

Name	Michael Bellesini
Postal address	PO Box 316 , MORLEY, Western Australia 6943
Business name	MM Accounting Solutions
Business Postal address	PO Box 316 , MORLEY, Western Australia 6943
SMSF auditor number (SAN)	100030117
Professional organization	CPA
Professional membership or registration number	

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name	Davis Superannuation Fund
Australian business number (ABN) or tax file number (TFN)	57660597282
Address	1350 Dayboro Road, DAYBORO, Queensland, 4521
Year of income being audited	2013

To the SMSF trustees

To the SMSF trustees of	Davis Superannuation Fund
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PART A - FINANCIAL REPORT

I have audited the special purpose financial report comprising the Statement of Financial Position as at 30/06/2013, the Operating Statement for the year then ended, a summary of significant accounting policies and other explanatory notes of the Davis Superannuation Fund for the year ended 30/06/2013.

SMSF trustee's responsibility for the financial report

Each SMSF trustee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the SMSF's governing rules, the Superannuation Industry (Supervision) Act 1993 (SISA) and the Superannuation Industry (Supervision) Regulations 1994 (SISR), and for such internal control as each trustee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Approved SMSF 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. I have complied with the auditor independence requirements prescribed by the SISR and the competency standards set by ASIC.

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 as to 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 judgment, 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 controls 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustee, 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.

Approved SMSF 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 30/06/2013 and the results of its operations for the year then ended.

Basis of accounting

Without modifying our opinion, I draw attention to note 1 of the financial reports, which describes the basis of accounting. The financial report has been prepared to assist Davis Superannuation Fund meet the requirements of the SMSF's governing rules, the Superannuation Industry (Supervision) Act 1993 (SISA) and the Superannuation Industry (Supervision) Regulations 1994 (SISR). As a result, the financial report may not be suitable for another purpose.

PART B - COMPLIANCE REPORT

SMSF trustee's responsibility for compliance

Each SMSF trustee is responsible for complying with the requirements of the SISA and the SISR.

Approved SMSF auditor's responsibility

My responsibility is to express a conclusion on the trustee's compliance, based on the compliance engagement. I have complied with the auditor independence requirements prescribed by the SISR and the competency standards set by ASIC. My audit has been conducted in accordance with applicable Standards on Assurance Engagement, to provide reasonable assurance that the trustee of the fund has complied, in all material respects, with the relevant requirements of the following provisions (to the extent applicable) of the SISA and the SISR.

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the SISA and the SISR for the year ended 30/06/2013.

Section or Regulation	Explanation
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Th
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ously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the SISA and the SISR apart from those specified. My procedures with respect to section 62 included testing that the fund trust deed establishes the fund solely for the provision of retirement benefits for fund members or their dependents in the case of the member's death before retirement; a review of investments to ensure the fund is not providing financial assistance to members, unless allowed under the legislation; and that no preserved benefits have been paid before a condition of release has been met.

My procedures with respect to regulation 4.09 included testing that the fund trustee has an investment strategy, that the trustee has given consideration to risk, return, liquidity and diversification, the insurance needs of fund members, and that the fund's investments are made in line with that investment strategy. No opinion is made on the investment strategy or its appropriateness to the fund members.

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

Approved SMSF auditor's conclusion

In my opinion, each trustee of Davis Superannuation Fund has complied, in all material respects, with the requirements of the SISA of the SISR specified above, for the year ended 30/06/2013.

Signature of approved SMSF auditor:

Michael Bellesini

Date: 25/11/2014

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

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

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 the necessary documents to complete the audit in a timely and professional manner; and within 14 days of a written request from the auditor
S52(2)(d) or Reg 4.09A	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 sponsor
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 any or all of the following: <ul style="list-style-type: none"> • fund members upon their retirement • fund members upon reaching a prescribed age • the dependents of a fund member in the case of the 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)
S67A-67B	Limited-recourse borrowing arrangements
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)
S80-85	The trustees must comply with the in-house asset rules
S103	The trustees must keep minutes of all meetings and retain the minutes for a minimum of 10 years
S104A	Trustees who became a trustee on or after 1 July 2007 must sign and retain a trustee declaration
S109	All investment transactions must be made and maintained at arms- length – that is, 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 formulate, regularly review and give effect to 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, rolled over, allotted (to the member's spouse) or cashed in a permitted fashion
Reg 6.17	Payments of member benefits must be made in accordance with Part 6 or Part 7A of the regulations and be permitted by the trust deed
Reg 7.04	Contributions can only be accepted in accordance with the applicable rules for the year being audited
Reg 8.02B	When preparing accounts and statements required by subsection 35B(1) of the Act, an asset must be valued at its market value
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