

THE BOWDEN SUPERANNUATION FUND

FINANCIAL STATEMENTS

AND REPORTS

FOR THE PERIOD 1 JULY 2012 TO 30 JUNE 2013

Anthony Micalizzi
Po Box 344
Albion Bc QLD 4010

THE BOWDEN SUPERANNUATION FUND

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THE BOWDEN SUPERANNUATION FUND
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	2013	2012
	\$	\$
Investments		
Real Estate Properties (Australian)	570,000	470,000
Shares in Listed Companies (Australian)	46,164	49,610
	616,164	519,610
Other Assets		
Cash - CBA Account	31,352	36,872
Dividends Receivable	202	407
Sundry Debtors	8,000	-
Deferred Tax Asset (Note 7)	-	8,685
	39,554	45,964
Total Assets	655,718	565,574
Less:		
Liabilities		
Cash - CMC Markets A/c	-	55
Rent Payable	-	636
GST Payable/Refundable	2,086	3,674
Income Tax Payable (Note 7)	1,596	7,839
Deferred Tax Liability (Note 7)	945	-
	4,627	12,204
Net Assets Available to Pay Benefits	651,091	553,370
Represented by:		
Liability for Accrued Benefits (Notes 2, 3, 4)		
Bowden, Bradley	351,607	298,643
Bowden, Susan	299,484	254,727
	651,091	553,370

The accompanying notes form part of these financial statements

THE BOWDEN SUPERANNUATION FUND
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
Income		
Capital Gains/(Losses) - Taxable	-	16,747
Dividends Received	884	1,132
Employer Contributions - Concessional	531	2,276
Increase in Market Value of Investments (Note 5)	92,936	-
Member/Personal Contributions - Non Concessional (Undeducted)	636	-
Other Contributions - Non Taxable	383	-
Other Income	360	-
Rent Received	36,000	36,000
	131,730	56,155
Expenses		
Accountancy Fees	2,795	725
ATO Supervisory Levy	200	180
Auditor's Remuneration	275	275
Bank Charges	260	120
Body Corporate Fees	3,885	6,731
Decrease in Market Value of Investments (Note 5)	-	82,241
Depreciation	7,478	8,566
Investment Expenses	-	220
Filing Fees	-	42
Fines	440	-
Life Insurance Premiums - Preserved	-	3,833
Rates	5,624	4,290
Water	1,304	423
	22,261	107,646
Benefits Accrued as a Result of Operations before Income Tax	109,470	(51,492)
Income Tax (Note 7)		
Income Tax Expense	12,023	(5,586)
Prior Years Under/Over Provision for Income Tax	(274)	(869)
	11,749	(6,455)
Benefits Accrued as a Result of Operations	97,721	(45,037)

The accompanying notes form part of these financial statements

THE BOWDEN SUPERANNUATION FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
Cash Flows from Operating Activities		
Contributions		
Employer	531	2,276
Member	383	-
	914	2,276
Operating Income		
Dividends Received	647	686
Other Income	360	-
Rent Received	36,000	36,000
	37,007	36,686
Operating Expenses		
Accountancy Fees	(2,795)	(1,000)
Auditor's Remuneration	(275)	-
Bank Charges	(260)	(120)
Body Corporate Fees	(3,885)	(6,731)
Investment Expenses	-	(220)
Interest Paid	(109)	-
Filing Fees	-	(42)
Life Insurance Premiums - Preserved	-	(3,833)
Rates	(5,624)	(4,290)
Water	(1,304)	(423)
Tax Paid	(10,482)	270
	(24,734)	(16,389)
Net cash provided by (used in) operating activities (Note 8)	13,187	22,573
Cash Flows from Investing Activities		
Proceeds from Disposal of Investments	-	143,333
Dividends Receivable	407	-
Sundry Debtors	(8,000)	-
Shares in Listed Companies (Australian)	(11,060)	(115,561)
Rent Payable	-	(545)
Sundry Creditors	-	(17,000)
Net cash provided by (used in) investing activities	(18,653)	10,227
Net Increase/(Decrease) in Cash Held	(5,466)	32,800
Cash at beginning of reporting period	36,817	4,018
Cash at end of reporting period (Note 9)	31,351	36,818

The accompanying notes form part of these financial statements

THE BOWDEN SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

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 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.

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;
- 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 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 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 fair value of the consideration received or receivable.

THE BOWDEN SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

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 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 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.

THE BOWDEN SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

f. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount GST incurred is not recoverable from the Australia Tax 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.

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:

	2013	2012
	\$	\$
Liability for Accrued Benefits at beginning of period	553,370	598,407
Add:		
Benefits Accrued as a Result of Operations	97,721	(45,037)
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	<hr/>	<hr/>
Liability for Accrued Benefits at end of period	<u>651,090</u>	<u>553,370</u>

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.

	2013	2012
	\$	\$
Vested Benefits	<u>651,090</u>	<u>553,370</u>

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

THE BOWDEN SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

schedule of investments is attached to these financial statements. A summary of the change in Market Values is as follows:

	2013	2012
	\$	\$
Real Estate Properties (Australian)	100,000	-
Shares in Listed Companies (Australian)	(14,542)	(90,807)
	85,458	(90,807)

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:

	2013	2012
	\$	\$
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:

	2013	2012
	\$	\$
Benefits accrued as a result of operations before income tax	109,470	(51,492)
Prima facie income tax on accrued benefits	16,420	(7,724)
Add/(Less) Tax Effect of:		
Increase in Market Value of Investments	(13,940)	-
Member/Personal Contributions - Non Concessional (Undeducted)	(95)	-
Other Contributions - Non Taxable	(57)	-
Decrease in Market Value of Investments	-	12,336
Fines	66	-
Accounting (Profits)/Losses on Sale of Investments	-	(2,512)
Taxable Capital Gains	-	2,512
Movement in Deferred Tax Liability/Deferred Tax Asset	9,630	(10,198)
Other	-	-
	(4,398)	2,138
Income Tax Expense	12,023	(5,586)

THE BOWDEN SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Income tax expense comprises:

Income Tax Payable/(Refundable)	1,596	3,346
Imputed Credits	234	225
Movement in Deferred Tax Liability/Deferred Tax Asset	9,630	(10,198)
Tax Instalments Paid	563	1,041
	12,023	(5,586)

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

	2013	2012
	\$	\$
Benefits accrued from operations after income tax	97,721	(45,037)
Add/(Less) non cash amounts included in benefits accrued from operations		
Capital Gains/(Losses) - Taxable	-	(16,747)
Dividends Received	(238)	(445)
Increase in Market Value of Investments	(92,936)	-
Member/Personal Contributions - Non Concessional (Undeducted)	(636)	-
Accountancy Fees	-	(275)
ATO Supervisory Levy	200	180
Auditor's Remuneration	-	275
Decrease in Market Value of Investments	-	82,241
Depreciation	7,478	8,566
Interest Paid	(109)	-
Fines	440	-
Income Tax Expense	12,023	(5,586)
Prior Years Under/Over Provision for Income Tax	(274)	(869)
Other non cash items	(10,482)	270
	(84,533)	67,609
Net cash provided by operating activities	13,187	22,573

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:

	2013	2012
	\$	\$
Cash	31,352	36,817

THE BOWDEN SUPERANNUATION FUND
TRUSTEE: BOWDEN SUPERANNUATION PTY LTD
ACN: 098 627 439
TRUSTEES DECLARATION

The directors of the trustee company 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 directors of the trustee company:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2013 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 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 June 2013.

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

Bradley Bowden
Bowden Superannuation Pty Ltd
Director

Susan Bowden
Bowden Superannuation Pty Ltd
Director

DATED: 15/04/2014