



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

Fund Name: Prosperity Super Fund

Prepared for: Derek Aaron Whitaker and Christie Lea Whitaker

Operating Statement

For the year ended 30 June 2013



	Note	2013	2012
		\$	\$
Income			
Investment Income			
Interest Received		0.00	894.72
Investment Gains			
Contribution Income			
Employer Contributions		7,232.78	5,731.37
Other Income			
Total Income		7,232.78	6,626.09
Expenses			
Accountancy Fees		1,210.00	1,155.00
ATO Supervisory Levy		200.00	180.00
Auditor's Remuneration		715.00	605.00
Bank Charges		0.00	30.50
Filing fees		43.00	42.00
Postage, Printing and Stationery		5.10	0.00
Member Payments			
Life Insurance Premiums		1,803.10	4,585.19
Income Protection Premiums		1,449.15	0.00
Total and Permanent Disability Premiums		1,652.06	0.00
Investment Losses			
Total Expenses		7,077.41	6,597.69
Benefits Accrued As A Result Of Operations Before Income Tax		155.37	28.40
Tax Expense			
Income Tax Expense		23.31	4.20
Increase In Benefits As A Result Of Operations		132.06	24.20

The accompanying notes form part of these financial statements.

Balance Sheet

As at 30 June 2013



	Note	2013 \$	2012 \$
Investments			
Units in Unlisted Unit Trusts (Australian)	4	80,000.00	80,000.00
Other Assets			
Bankwest Business Bonus 802-3		4,203.11	4,327.94
Total Assets		84,203.11	84,327.94
Less:			
Liabilities			
Income Tax Payable		23.31	(527.80)
PAYG Payable		(542.00)	266.00
Total Liabilities		(518.69)	(261.80)
Net assets available to pay benefits		84,721.80	84,589.74
Represented by:			
Liability for accrued benefits allocated to members accounts			
	6, 7		
Whitaker, Derek Aaron		70,035.21	69,145.55
Whitaker, Christie Lea		14,686.59	15,444.19
Total Liability for accrued benefits allocated to members accounts		84,721.80	84,589.74

The accompanying notes form part of these financial statements.

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 08/07/2014 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 arms 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 funds 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

Notes to the Financial Statements

For the year ended 30 June 2013



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

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.

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.

Note 4: Units In Unlisted Unit Trusts

	2013	2012
	\$	\$
The Gold Acres Unit Trust	80,000.00	80,000.00
	80,000.00	80,000.00

Note 6: Liability for Accrued Benefits

	2013	2012
	\$	\$
Liability for accrued benefits at beginning of year	84,589.74	84,565.54
Benefits accrued as a result of operations	155.37	28.40
Current year member movements	(23.31)	(4.20)
Liability for accrued benefits at end of year	84,721.80	84,589.74

Note 7: Vested Benefits

Vested benefits are benefits which are not conditional upon continued membership of the fund (or any factor other than resignation from the plan) and include benefits which members were entitled to receive had they terminated their fund membership as at the end of the reporting period.

	2013	2012
	\$	\$
Vested Benefits	84,721.80	84,589.74

Note 8: Guaranteed Benefits

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

Note 12: Unrealised Movements in Market Value

2013	2012
\$	\$

Realised Movements in Market Value

Notes to the Financial Statements

For the year ended 30 June 2013



	2013	2012
	\$	\$
Note 13: Income Tax Expense		
	2013	2012
	\$	\$
The components of tax expense comprise		
Current Tax	23.31	0.00
The prima facie tax on benefits accrued before income tax is reconciled to the income tax as follows		
Prima facie tax payable on benefits		
accrued before income tax at 15%	23.31	0.00
Less:		
Tax effect of:		
Add:		
Tax effect of:		
Less:		
Tax effect of:		
Income Tax Expense	23.31	0.00

Prosperity Super Fund

Trustees Declaration



The trustees have determined that the fund is not a reporting entity and that this special purpose financial statement has been 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:

.....
Derek Aaron Whitaker

Trustee

.....
Christie Lea Whitaker

Trustee

DATED: 08/07/2014

Prosperity Super Fund
Self-Managed Superannuation Fund
Independent Auditors Report



Auditor details

Name	Rex Atkins
Postal address	P.O. Box 445 , Subiaco, WESTERN_AUSTRALIA 6904
Business name	
Business Postal address	
SMSF auditor number (SAN)	
Professional organization	ICAA
Professional membership or registration number	82687

**Self-managed
superannuation fund
details**

Self-managed superannuation fund (SMSF) name	Prosperity Super Fund
Australian business number (ABN) or tax file number (TFN)	31244001907
Address	P.O. Box 445, Subiaco, Western Australia, 6904
Year of income being audited	2013

To the SMSF trustees

To the SMSF trustees of	Prosperity Super 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 Prosperity Super Fund for the year ended 30/06/2013.

SMSF trustees 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 auditors 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 trustees 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 trustees 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 auditors 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 Prosperity Super 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.

Sections: 17A, 35A, 35B, 35C(2), 52(2)(d), 52(2)(e), 62, 65, 66, 67, 67A, 67B, 69-71E, 73-75, 80-85, 103, 104A, 109, 126K

Regulations: 1.06(9A), 4.09, 5.03, 5.08, 6.17, 7.04, 13.12, 13.13, 13.14, 13.18AA

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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.

These tests have not been performed continuously 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 auditors conclusion

In my opinion, each trustee of Prosperity Super 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:.....

Rex Atkins

Date: 08/07/2014

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.

Section or Regulation	Explanation
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: fund members upon their retirement fund members upon reaching a prescribed age the dependents of a fund member in the case of the members 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 members spouse) or cashed in a permitted fashion
Reg 6.17	Payments of member benefits must be made in accordance with Part 6 or Part7A 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 members benefits
Reg 13.14	Trustees must not give a charge over, or in relation to, an asset of the 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								
Bankwest Business Bonus 802-3		4,203.1100	4,203.11	4,203.11	4,203.11			
			4,203.11		4,203.11			
Units in Unlisted Unit Trusts (Australian)								
The Gold Acres Unit Trust	80,000.00	1.0000	80,000.00	1.00	80,000.00	0.00	0.00	0.00
			80,000.00		80,000.00	0.00	0.00	0.00
			84,203.11		84,203.11	0.00	0.00	0.00



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
Units in Unlisted Unit Trusts (Australian)										
The Gold Acres Unit Trust	80,000.00	80,000.00						80,000.00	80,000.00	80,000.00
		80,000.00							80,000.00	80,000.00

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								
Bankwest Business Bonus 802-3		4,203.11	0.00	0.00	4,203.1100	0.00	0.00	0.00
		4,203.11			4,203.1100	0.00	0.00	0.00
Units in Unlisted Unit Trusts (Australian)								
The Gold Acres Unit Trust	80,000.00	80,000.00	0.00	80,000.00	80,000.0000	0.00	0.00	0.00
		80,000.00			80,000.0000	0.00	0.00	0.00
		84,203.11		80,000.0	84,203.1100	0.00	0.00	0.00