

**THE LM & SM LEVER SUPER FUND**

**FINANCIAL STATEMENTS**

**AND REPORTS**

**FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015**

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Hfb Super Pty Ltd  
141 Queen Street  
Cleveland QLD 4163

**THE LM & SM LEVER SUPER FUND**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015**

	2015	2014
	\$	\$
<b>Investments</b>		
Managed Investments (Australian)	91,332	-
Other Assets	3,722	-
Real Estate Properties (Australian)	350,000	-
	445,054	-
<b>Other Assets</b>		
NAB Business Cheque A/C 17-978-0405	12,501	13,028
NAB Business Maximiser A/C 17-988-0203	939	179,799
Sundry Debtors	-	257
Deposit - Commercial Property	-	5,000
	13,440	198,084
<b>Total Assets</b>	458,494	198,084
<b>Less:</b>		
<b>Liabilities</b>		
NAB Loan: 084-801 740566704	245,000	-
GST Payable/Refundable	862	-
Income Tax Payable (Note 6)	1,509	4,128
Sundry Creditors	1,680	-
	249,051	4,128
<b>Net Assets Available to Pay Benefits</b>	209,443	193,956
<b>Represented by:</b>		
<b>Liability for Accrued Benefits (Notes 2, 3, 4)</b>		
Lever, Leonard Michael	147,686	143,179
Lever, Sophie May	61,757	50,777
	209,443	193,956

The accompanying notes form part of these financial statements

**THE LM & SM LEVER SUPER FUND  
OPERATING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2015**

	2015	2014
	\$	\$
<b>Income</b>		
Capital Gains/(Losses) - Taxable	-	(49,014)
Employer Contributions	34,415	41,130
Interest Received	2,118	1,629
Other Income	-	131
Rent Received	27,387	10,731
	63,920	4,607
<b>Expenses</b>		
Accountancy Fees	1,319	1,320
Administration Costs	662	236
ATO Supervisory Levy	388	321
Auditor's Remuneration	550	550
Bank Charges	28	442
NAB Loan: 084-801 740566704 Expenses	11,967	-
Decrease in Market Value of Investments (Note 5)	10,875	1,707
Write Off Borrowing Costs	744	-
Investment Expenses	122	-
Interest Paid	-	3,891
Life Insurance Premiums	10,071	6,124
Rental Property Expenses	7,054	3,754
	43,780	18,345
<b>Benefits Accrued as a Result of Operations before Income Tax</b>	20,139	(13,739)
<b>Income Tax (Note 6)</b>		
Income Tax Expense	4,652	5,547
	4,652	5,547
<b>Benefits Accrued as a Result of Operations</b>	15,486	(19,286)

The accompanying notes form part of these financial statements

**THE LM & SM LEVER SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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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 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.

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 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.

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**THE LM & SM LEVER SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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**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.

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. 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

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**THE LM & SM LEVER SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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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:

	2015	2014
	\$	\$
Liability for Accrued Benefits at beginning of period	193,956	213,242
Add:		
Benefits Accrued as a Result of Operations	15,486	(19,286)
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	209,442	193,956
Liability for Accrued Benefits at end of period	209,442	193,956

**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.

	2015	2014
	\$	\$
Vested Benefits	209,442	193,956

**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:

	2015	2014
	\$	\$
Managed Investments (Australian)	(249)	-
Real Estate Properties (Australian)	(10,626)	(1,707)
	(10,875)	(1,707)

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**THE LM & SM LEVER SUPER FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

(10,875)

(1,707)

**6. 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:

	2015	2014
	\$	\$
Benefits accrued as a result of operations before income tax	20,139	(13,739)
Prima facie income tax on accrued benefits	3,021	(2,061)
Add/(Less) Tax Effect of:		
Decrease in Market Value of Investments	1,631	256
Accounting (Profits)/Losses on Sale of Investments	-	7,352
	1,631	7,608
Income Tax Expense	4,652	5,547
Income tax expense comprises:		
Income Tax Payable/(Refundable)	1,509	4,128
Tax Instalments Paid	3,143	1,419
	4,652	5,547

**THE LM & SM LEVER SUPER FUND  
MEMBER'S SUMMARY REPORT AT 30 JUNE 2015**

Member's Details	O/B	Increases				Decreases						C/B	
		Contrib	Tra In	Profit	Ins Pol	Tax	Exp	Ins Pol	Tra Out	Ben Pd	Excess Tax		Refund Con
LEVER, LEONARD MICHAEL Member Mode: Accumulation 13 Needham Court Keils Mountain QLD 4559	143,178	17,208		(3,065)		2,194		7,442					147,685
LEVER, SOPHIE MAY Member Mode: Accumulation 13 Needham Court Keils Mountain QLD 4559	50,777	17,208		(1,140)		2,458		2,630					61,757
	193,956	34,415		(4,205)		4,652		10,071					209,442



**Member's Statement**  
**THE LM & SM LEVER SUPER FUND**

**LEONARD MICHAEL LEVER**  
**13 NEEDHAM COURT**  
**KEILS MOUNTAIN QLD 4559**

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2015 and for the reporting period 1 July 2014 to 30 June 2015.

<b>Your Details</b>		<b>Your Balance</b>	
Date of Birth	1 December 1958	<b>Total Benefits</b>	<b>\$147,685</b>
Tax File Number	Provided	Comprising:	
Date Joined Fund	16 August 2010	- Preserved	\$147,685
Service Period Start Date	1 November 1999	- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	
Current Salary		- Taxable Component	\$147,685
Vested Amount	\$147,685		
Insured Death Benefit	\$300,000		
Total Death Benefit	\$447,685		
Disability Benefit	\$300,000		
Nominated Beneficiaries			

<b>Your Detailed Account</b>	<b>Preserved</b>	<b>Restricted Non Preserved</b>	<b>Unrestricted Non Preserved</b>	<b>Total</b>
Opening Balance at 1 July 2014	143,178			143,178
<u>Add: Increases to Member's Account During the Period</u>				
Concessional Contributions	17,208			17,208
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period	(3,065)			(3,065)
Transfers in and transfers from reserves				
	14,143			14,143
	157,321			157,321
<u>Less: Decreases to Member's Account During the Period</u>				
Benefits/Pensions Paid				
Contributions Tax	2,581			2,581
Income Tax	(387)			(387)
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid	7,442			7,442
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
	9,636			9,636
<b>Member's Account Balance at 30/06/2015</b>	<b>147,685</b>			<b>147,685</b>

Reference: LEVL / 501

**Member's Statement**  
**THE LM & SM LEVER SUPER FUND**

**SOPHIE MAY LEVER**  
**13 NEEDHAM COURT**  
**KEILS MOUNTAIN QLD 4559**

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2015 and for the reporting period 1 July 2014 to 30 June 2015.

<b>Your Details</b>		<b>Your Balance</b>	
Date of Birth	17 September 1969	<b>Total Benefits</b>	<b>\$61,757</b>
Tax File Number	Provided	Comprising:	
Date Joined Fund	16 August 2010	- Preserved	\$61,757
Service Period Start Date	14 December 1987	- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	
Current Salary		- Taxable Component	\$61,757
Vested Amount	\$61,757		
Insured Death Benefit	\$1,039,213		
Total Death Benefit	\$1,100,970		
Disability Benefit	\$1,039,213		
Nominated Beneficiaries			

<b>Your Detailed Account</b>	<b>Preserved</b>	<b>Restricted Non Preserved</b>	<b>Unrestricted Non Preserved</b>	<b>Total</b>
Opening Balance at 1 July 2014	50,777			50,777
<u>Add: Increases to Member's Account During the Period</u>				
Concessional Contributions	17,208			17,208
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period	(1,140)			(1,140)
Transfers in and transfers from reserves				
	16,068			16,068
	66,845			66,845
<u>Less: Decreases to Member's Account During the Period</u>				
Benefits/Pensions Paid				
Contributions Tax	2,581			2,581
Income Tax	(123)			(123)
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid	2,630			2,630
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
	5,088			5,088
<b>Member's Account Balance at 30/06/2015</b>	<b>61,757</b>			<b>61,757</b>

Reference: LEVL / 502

**THE LM & SM LEVER SUPER FUND**  
**INVESTMENT SUMMARY REPORT AT 30 JUNE 2015**

Investment	Units	Ave Cost	Mkt Price	Cost	Market	Unrealised Gain/(Loss)	Percent Gain/(Loss)	Percent Total
<b>Cash/Bank Accounts</b>								
NAB Business Cheque A/C 17-978-0405		12,501.00	12,501.00	12,501	12,501			2.73%
NAB Business Maximiser A/C 17-988-0203		939.00	939.00	939	939			0.20%
				13,440	13,440			2.93%
<b>Managed Investments (Australian)</b>								
North Investment - Wrap Account	1	91,581.00	91,332.00	91,581	91,332	(249)	(0.27%)	19.92%
				91,581	91,332	(249)	(0.27%)	19.92%
<b>Other Assets</b>								
Borrowing Costs	1	3,722.00	3,722.00	3,722	3,722			0.81%
				3,722	3,722			0.81%
<b>Real Estate Properties (Australian)</b>								
9-175 Ocean Drive, Twin Waters	1	360,626.00	350,000.00	360,626	350,000	(10,626)	(2.95%)	76.34%
				360,626	350,000	(10,626)	(2.95%)	76.34%
				469,369	458,494	(10,875)	(2.32%)	100.00%

**THE LM & SM LEVER SUPER FUND**  
**INVESTMENT INCOME REPORT AT 30 JUNE 2015**

Investment	Add						Less					Taxable Income (incl Cap Gains)	Indexed Capital Gains	Discounted Capital Gains*	Other Capital Gains*	Taxable Capital Gains
	Total Income	Franked Amount	Unfranked Amount	Franking Credits	Foreign Credits	TFN Credits	Tax Free	Tax Exempt	Tax Deferred	Expenses	Capital Gains Disc.*					
<b>Cash/Bank Accounts</b>																
NAB Business Maximiser A/C 17-988-0203	2,118												2,118			
	2,118												2,118			
<b>Real Estate Properties (Australian)</b>																
9-175 Ocean Drive, Twin Waters	30,126											2,739	27,387			
	30,126											2,739	27,387			
	32,244											2,739	29,505			

\* Includes Foreign Capital Gains