



# Financial Report

Forza 9-15 David Street Fund  
For the year ended 30 June 2017

Prepared by Cadence Accountants & Advisors



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# Compilation Report

## Forza 9-15 David Street Fund For the year ended 30 June 2017

Compilation report to Forza 9-15 David Street Fund

We have compiled the accompanying special purpose financial statements of Forza 9-15 David Street Fund, which comprise the balance sheet as at 30 June 2017, the income statement, the statement of cash flows a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

### The Responsibility of the Directors

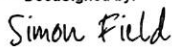
The directors of Forza Capital Pty Ltd are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

### Our Responsibility

On the basis of information provided by the directors we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors of the trustee company provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the members of Forza Capital Pty Ltd ATF Forza 9-15 David Street Fund . We do not accept responsibility to any other person for the contents of the special purpose financial statements.

DocuSigned by:  
  
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Cadence Accountants & Advisors

Level 5, 697 Burke Road

HAWTHORN EAST VIC 3123

Dated: 25 September 2017



# Trading Statement

## Forza 9-15 David Street Fund For the year ended 30 June 2017

	NOTES	2017	2016
<b>Trading Income</b>			
<b>Cost of Good Sold</b>			
Opening Stock		9,801,997	6,845,587
Acoustics Consulting		-	440
Advertising & Marketing		742,602	630,158
Agent Commission		585,417	950,499
Architectural Fees		74,766	277,440
Building Surveyor		-	7,310
Construction Expenditure		1,764,950	179,720
Display Rental and Maintenance		3,672	261,882
Easement Advice		916	-
Electrical Design Fees		13,681	23,212
Electrical Sub-station		170,611	-
Electrical Supply Relocation		213,475	-
Environment Site Assessment		26,193	33,778
Equipment Hire		1,175	857
Feasibility Study		-	20,500
Fire Engineering & Assessment		-	13,250
Geotechnical Engineering		-	24,475
Hoarding		-	21,308
Interest Capitalised - CBA Construction Finance Facility		826,741	-
Interest Capitalised - SI Capital Pty Ltd		25,349	-
Irrigation Design		-	2,450
Landscape Architectural		2,428	-
Land Surveyor		9,683	-
Legal Costs		53,636	45,937
Loading Docks		-	7,500
Parking		6,840	-
Planning & Development Fees		(21,990)	192,338
Postage, Printing & Stationery		7,465	-
Project Management Fees		125,081	-
Quantity Surveyor		11,300	62,500
Sales Suite		-	49,264
Services Engineering		46,932	65,533
Structural Engineering		26,500	63,500
Town Planning		8,655	18,561
Traffic & Transport Consultants		1,500	4,000
Property Revaluation - Directors		6,410,269	-
Closing Stock		(20,939,844)	(9,801,997)
<b>Total Cost of Good Sold</b>		-	-
Gross Profit		-	-

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Trading Statement



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	NOTES	2017	2016
Gross Profit (%)		-	-

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# Trading Income Statement

## Forza 9-15 David Street Fund For the year ended 30 June 2017

	NOTES	2017	2016
<b>Other Income</b>			
Rent Received		-	6,465
Interest Received		24,411	82,823
<b>Total Other Income</b>		<b>24,411</b>	<b>89,288</b>
<b>Total Income</b>			
		<b>24,411</b>	<b>89,288</b>
<b>Expenses</b>			
Accounting Fees		24,667	3,500
Amortisation		1,232	1,232
Bank Charges		311	451
Bookkeeping		12,283	8,800
Borrowing Costs		128,885	30,626
Cleaning		-	2,316
Compliance Fees		1,000	1,000
Council Rates		19,927	20,001
Custodian Fees		15,000	12,000
Depreciation		2,071	1,796
Insurance		2,498	4,099
Land Tax		145,125	67,247
Light & Power		-	491
Parking Fee		-	4,485
Postage, Printing & Stationery		-	5,933
Travelling Expenses		215	4,220
Water Rates		3,510	2,569
<b>Total Expenses</b>		<b>356,726</b>	<b>170,766</b>
<b>Profit / (Loss) Before Distribution</b>			
		<b>(332,314)</b>	<b>(81,479)</b>
<b>Undistributed Income</b>			
		<b>(332,314)</b>	<b>(81,479)</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



# Balance Sheet

## Forza 9-15 David Street Fund As at 30 June 2017

	NOTES	30 JUN 2017	30 JUN 2016
<b>Assets</b>			
<b>Current Assets</b>			
NAB Operating Account		71,072	3,066,821
CBA Overdraft Facility		127	125
Prepaid Borrowing Expenses		513,109	548,710
Stock on Hand		20,939,844	9,801,997
<b>Total Current Assets</b>		<b>21,524,151</b>	<b>13,417,653</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	4,812	5,781
Formation Expenses		148,786	148,786
Capitalised Expenditure		3,697	4,930
Term Deposit		20,000	-
<b>Total Non-Current Assets</b>		<b>177,296</b>	<b>159,496</b>
<b>Total Assets</b>		<b>21,701,447</b>	<b>13,577,149</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
NAB Distribution Account		20	20
GST		(32,281)	(81,634)
Prior Period GST Adjustments		13,666	-
Trade Creditors		26,349	286,718
<b>Total Current Liabilities</b>		<b>7,754</b>	<b>205,104</b>
<b>Non-Current Liabilities</b>			
CBA Construction Finance Facility		826,741	-
Loan - SI Capital Pty Ltd		1,416,952	-
<b>Total Non-Current Liabilities</b>		<b>2,243,693</b>	<b>-</b>
<b>Total Liabilities</b>		<b>2,251,447</b>	<b>205,104</b>
<b>Net Assets</b>		<b>19,450,000</b>	<b>13,372,045</b>
<b>Equity</b>			
Paid Up Equity		13,809,674	13,809,674
Asset Revaluation Reserve		6,410,269	-
Current Year Earnings		(332,314)	(81,479)
Accumulated Profits (Losses) Brought Forward		(437,629)	(356,150)
<b>Total Equity</b>		<b>19,450,000</b>	<b>13,372,045</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



# Notes to the Trust's Financial Statements

## Forza 9-15 David Street Fund For the year ended 30 June 2017

### 1. Statement of Significant Accounting Policies

The directors of the trustee company have prepared the financial statements of the trust on the basis that the trust 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 trust deed, the information needs of stakeholders and for the basis of preparation of the income tax return. The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless stated otherwise. The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The financial statements were authorised for issue by the directors of the trustee company.

#### Income Tax

The income tax expense for the year comprises current income tax expense. The trust does not apply deferred tax.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities are therefore measured at the amounts expected to be paid to / recovered from the relevant taxation authority.

#### Inventories

Inventories are carried at the lower of cost or net realisable value. Cost is based on the first-in, first out method and includes expenditure incurred in acquiring the inventories and bringing them to the existing condition and location.

#### Property, Plant and Equipment

Property, plant and equipment is initially recorded at the cost of acquisition or fair value less, if applicable, any accumulated depreciation and impairment losses. Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired. The plant and equipment is reviewed annually by directors to ensure that the carrying amount is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the utilisation of the assets and the subsequent disposal. The expected net cash flows have been discounted to their present values in estimating recoverable amounts.

Freehold land and buildings are measured at their fair value, based on periodic, but at least triennial, valuations by independent external valuers, less subsequent depreciation for buildings.

Increases in the carrying amount of land and buildings arising on revaluation are credited in equity to a revaluation surplus. Decreases against previous increases of the same asset are charged against fair value reserves in equity. All other decreases are charged to profit or loss.

Any accumulated depreciation at the date of revaluation is offset against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

#### Intangibles

Goodwill is recognised as the excess of the purchase price for a business acquired over the fair value of the net assets at the date of acquisition. Goodwill is assessed for impairment annually and is carried at cost less accumulated impairment losses.

#### Trade and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

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These notes should be read in conjunction with the attached compilation report.





### Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the trust that remain unpaid at 30 June 2017. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

### Goods and Services Tax

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

	2017	2016
<b>2. Property Plant and Equipment</b>		
<b>Furniture &amp; Fixtures</b>		
Furniture & Fixtures at Cost	8,679	7,577
Furniture & Fixtures Accum Dep	(3,867)	(1,796)
<b>Total Furniture &amp; Fixtures</b>	<b>4,812</b>	<b>5,781</b>
<b>Total Property Plant and Equipment</b>	<b>4,812</b>	<b>5,781</b>

These notes should be read in conjunction with the attached compilation report.



# Trustee Declaration

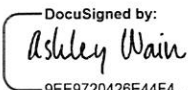
## Forza 9-15 David Street Fund For the year ended 30 June 2017

The directors of Forza Capital Pty Ltd declare that Forza 9-15 David Street Fund is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 of the financial statements.

In accordance with a resolution of the Board of Directors, the directors of the trustee company declare that:

1. The financial statements and notes present fairly Forza 9-15 David Street Fund's financial position as at 30 June 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the directors opinion there are reasonable grounds to believe that Forza 9-15 David Street Fund will be able to pay its debts as and when they become due and payable.

Director: Adam Murchie   
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Director: Ashley Wain   
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Date: 25 September 2017