

**Technical Limit
Superannuation Fund**

ABN 82 018 375 815

**Financial Statements
For the year ended 30 June 2017**



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Technical Limit Superannuation Fund
ABN 82 018 375 815

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Technical Limit Superannuation Fund**ABN 82 018 375 815****Operating Statement****For the year ended 30 June 2017**

	Note	2017 \$	2016 \$
Revenue			
Investment revenue	<u>2</u>	(4)	20,109
Other revenue	<u>3</u>	16,200	1,522
Total revenue		<u>16,196</u>	<u>21,631</u>
Expenses			
General administration	<u>5</u>	259	9,439
Total expenses		<u>259</u>	<u>9,439</u>
Benefits Accrued as a Result of Operations Before Income Tax		15,937	12,192
Income tax expense	<u>6</u>	2,389	1,801
Benefits Accrued as a Result of Operations	<u>7</u>	<u>13,548</u>	<u>10,391</u>

The accompanying notes form part of these financial statements.

Technical Limit Superannuation Fund
ABN 82 018 375 815
Statement of Financial Position as at 30 June 2017

	Note	2017 \$	2016 \$
Investments			
Shares in listed companies		10	15
Total Investments		<u>10</u>	<u>15</u>
Other Assets			
Cash at bank		12,139	9,547
ANZ Etrade a/c 3085494		745,839	732,284
Interactive Brokers Cash Account		217,748	216,147
Total other assets		<u>975,726</u>	<u>957,978</u>
Total assets		<u>975,736</u>	<u>957,992</u>
Liabilities			
Income tax payable	<u>6</u>	<u>(7,246)</u>	<u>(11,442)</u>
Total liabilities		<u>(7,246)</u>	<u>(11,442)</u>
Net Assets Available to Pay Benefits		<u><u>982,982</u></u>	<u><u>969,434</u></u>
Represented by:			
Liability for Accrued Members' Benefits			
Allocated to members' accounts		<u>982,982</u>	<u>969,434</u>
	<u>7</u>	<u><u>982,982</u></u>	<u><u>969,434</u></u>

The accompanying notes form part of these financial statements.

Technical Limit Superannuation Fund
ABN 82 018 375 815
Detailed Operating Statement
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Revenue			
Change MV - Shares in listed companies		(4)	20,109
Interest received		16,200	21,445
Total capital gains			(19,922)
Total revenue		<u>16,196</u>	<u>21,631</u>
Expenses			
Accountancy			6,440
Audit fees			1,300
Fees & charges			259
Filing Fees		259	1,440
Total expenses		<u>259</u>	<u>9,439</u>
Benefits Accrued as a Result of Operations Before Income Tax		15,937	12,192
Income tax expense	<u>6</u>	<u>2,389</u>	<u>1,801</u>
Benefits Accrued as a Result of Operations	<u>7</u>	<u><u>13,548</u></u>	<u><u>10,391</u></u>

The accompanying notes form part of these financial statements.

Technical Limit Superannuation Fund
ABN 82 018 375 815
Detailed Statement of Financial Position as at 30 June 2017

	2017 \$	2016 \$
Investments		
Geodynamics Ltd (631)	755	755
Movements in Market Value	(745)	(741)
Total Investments	10	15
Other Assets		
Cash at bank	12,139	9,547
ANZ Etrade a/c 3085494	745,839	732,284
Interactive Brokers Cash Account	217,748	216,147
Total other assets	975,726	957,978
Total assets	975,736	957,992
Liabilities		
Taxation	(7,246)	(11,442)
Total liabilities	(7,246)	(11,442)
Net Assets Available to Pay Benefits	982,982	969,434
Represented by:		
Liability for Accrued Members' Benefits		
Allocated to members' accounts	982,982	969,434
	982,982	969,434

The accompanying notes form part of these financial statements.

Technical Limit Superannuation Fund

ABN 82 018 375 815

Notes to the Financial Statements

For the year ended 30 June 2017

2017

2016

Note 1: Statement of Significant Accounting Policies

These financial statements are a special purpose financial report prepared for distribution to members to satisfy the accountability requirements of the Superannuation Industry (Supervision) Act 1993 and the trust deed. The trustees have determined that the fund is not a reporting entity.

The statements have been prepared in accordance with the requirements of the following accounting standards:

AASB 112: Income Taxes

AASB 1031: Materiality

AASB 110: Events after the Reporting Period

No other Australian Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial statements are prepared on an accruals basis. They are based on historical costs and do not take into account changing money values, or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements:

- **Measurement of Assets**

Investments of the fund have been measured at market values after allowing for costs of realisation. Changes in the market value of assets are brought to account in the income statement in the periods in which they occur.

Market values have been determined as follows:

- (i) shares and other securities listed on the Australian Stock Exchange by reference to the relevant market quotations at the reporting date;
- (ii) mortgage loans by reference to the outstanding principal of the loans;
- (iii) units in managed funds by reference to the unit redemption price at the reporting date;
- (iv) insurance policies by reference to the surrender value of the policy; and
- (v) property, plant and equipment at trustees' assessment of their realisable value.

- **Liability for Accrued Benefits**

The liability for accrued benefits is the fund's present obligation to pay benefits to members and beneficiaries and has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the sundry liabilities and income tax liabilities as at reporting date.

- **Income Tax Expense**

The accompanying notes form part of these financial statements.

Technical Limit Superannuation Fund

ABN 82 018 375 815

Notes to the Financial Statements

For the year ended 30 June 2017

2017 2016

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation, and the anticipation that the superannuation fund will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

- Superannuation Contributions Surcharge

The superannuation fund is recognising the superannuation contributions surcharge as an expense at the time of the receipt of an assessment from the Australian Taxation Office. The cost of the surcharge is charged to the relevant member's account.

Note 2: Investment Revenue

Changes in NMV - Investments	(4)	20,109
	(4)	20,109

Note 3: Other Revenue

Interest received	16,200	21,445
Total capital gains		(19,922)
	16,200	1,522

Note 4: Movement in Market Values

a) Investments

Unrealised investments held at reporting date:

Change MV - Shares in listed companies	(4)	20,109
	(4)	20,109
Investments realised:		
	(4)	20,109

The accompanying notes form part of these financial statements.

Technical Limit Superannuation Fund

ABN 82 018 375 815

Notes to the Financial Statements

For the year ended 30 June 2017

	2017	2016
Note 5: General Administration Expenses		
Accountancy		6,440
Audit fees		1,300
Fees & charges		259
Filing Fees	259	1,440
	259	9,439
	259	9,439

Note 6: Income Tax Expense

The prima facie tax payable on benefits accrued as a result of operations before income tax is reconciled to the income provided in the accounts as follows:

Income tax expense	2,389	1,801
The income tax expense comprises amounts set aside as:		
Income tax expense		

Note 7: Liability for Accrued Benefits

Changes in the liability for accrued benefits

Liability for accrued benefits at the beginning of the period	969,434	959,043
Add:		
Benefits accrued as a result of operations	13,548	10,391
Benefits accrued at the end of the financial period	982,982	969,434
	982,982	969,434

The accompanying notes form part of these financial statements.

Technical Limit Superannuation Fund
ABN 82 018 375 815
Member's Information Statement
For the year ended 30 June 2017

	2017	2016
	\$	\$
David Frederick Bond		
Opening balance - Members fund	761,883	753,717
Allocated earnings	12,526	9,582
Income tax expense - earnings	(1,878)	(1,415)
Balance as at 30 June 2017	<u>772,532</u>	<u>761,883</u>
Withdrawal benefits at the beginning of the year	761,883	753,717
Withdrawal benefits at 30 June 2017	772,532	761,883

Withdrawal Benefit

Your withdrawal benefit is the amount you are entitled to on resignation or retirement and represent the sum of:

- member contributions
- superannuation guarantee contributions
- award contributions
- other employer contributions made on your behalf and earnings (after income tax) associated with the above contributions.

The preserved portion of your withdrawal benefit is the amount which cannot be paid out until you permanently retire from the workforce on or after age 55. The preservation age is to be increased from 55 to 60, on a phased in basis, by 2025.

Contact Details

If you require further information on your withdrawal benefit please contact David Bond or write to The Trustee, Technical Limit Superannuation Fund.

Technical Limit Superannuation Fund
ABN 82 018 375 815
Member's Information Statement
For the year ended 30 June 2017

	2017 \$	2016 \$
Melonie Jane Bond		
Opening balance - Members fund	207,550	205,326
Allocated earnings	3,411	2,610
Income tax expense - earnings	(511)	(386)
Balance as at 30 June 2017	210,450	207,550
Withdrawal benefits at the beginning of the year	207,550	205,326
Withdrawal benefits at 30 June 2017	210,450	207,550

Withdrawal Benefit

Your withdrawal benefit is the amount you are entitled to on resignation or retirement and represent the sum of:

- member contributions
 - superannuation guarantee contributions
 - award contributions
 - other employer contributions made on your behalf
- and earnings (after income tax) associated with the above contributions.

The preserved portion of your withdrawal benefit is the amount which cannot be paid out until you permanently retire from the workforce on or after age 55. The preservation age is to be increased from 55 to 60, on a phased in basis, by 2025.

Contact Details

If you require further information on your withdrawal benefit please contact David Bond or write to The Trustee, Technical Limit Superannuation Fund.

Technical Limit Superannuation Fund

ABN 82 018 375 815

Member's Information Statement

For the year ended 30 June 2017

	2017	2016
	\$	\$
Amounts Allocatable to Members		
Yet to be allocated at the beginning of the year		
Benefits accrued as a result of operations as per the operating statement	13,548	10,391
Amount allocatable to members	13,548	10,391
Allocation to members		
David Frederick Bond	10,648	8,166
Melonie Jane Bond	2,900	2,225
Total allocation	13,548	10,391
Yet to be allocated	13,548	10,391
Members Balances		
David Frederick Bond	772,532	761,883
Melonie Jane Bond	210,450	207,550
Allocated to members accounts	982,982	969,434
Yet to be allocated		
Liability for accrued members benefits	982,982	969,434

The accompanying notes form part of these financial statements.

30/04/2019

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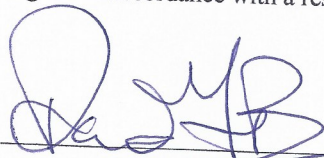
Technical Limit Superannuation Fund
ABN 82 018 375 815
Trustee's Declaration

The directors of Technical Limit Performance Pty Ltd have determined that the fund is not a reporting entity and that the special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

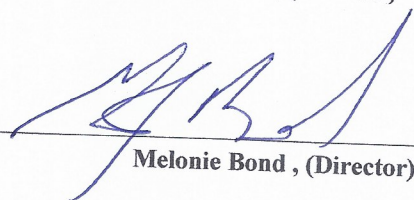
In the opinion of the directors of the trustee company:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2017 present fairly, in all material respects, the financial position of the Superannuation Fund at 30 June 2017 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; and
- (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 2017.

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



David Bond, (Director)



Melonie Bond, (Director)

Midland

Date 10/5/19

Technical Limit Superannuation Fund
ABN 82 018 375 815
Compilation Report to Technical Limit Superannuation Fund

We have compiled the accompanying special purpose financial statements of Technical Limit Superannuation Fund, which comprise the balance sheet as at 30 June 2017, the profit and loss statement for the year then ended, a summary of significant accounting policies, notes to the financial statements and trustee's declaration. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1 to the financial statements.

The Responsibility of the Directors of the Trustee Company

The directors of the trustee company of Technical Limit Superannuation Fund 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 financial reporting framework used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors of the trustee company, we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework as described in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110: Code of Ethics for Professional Accountants.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the directors of the trustee company who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, these special purpose financial statements may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial statements.

15 Sayer Street Midland

30 April, 2019

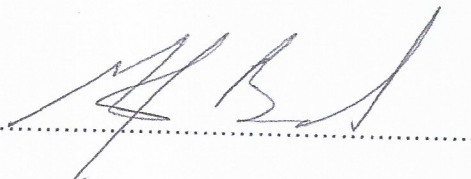
David Bond

Signed by the Trustee(s)

A handwritten signature in black ink, appearing to be 'David Bond', written over a dotted line.

Melonie Bond

Signed by the Trustee(s)

A handwritten signature in black ink, appearing to be 'Melonie Bond', written over a dotted line.

Investment Strategy of the Technical Limit Superannuation Fund

Date: 30 June 2018

1. DICTIONARY

For the purposes of this Investment Strategy these words mean:

"**Relevant Requirements**" means the SIS Legislation and other legislation as applicable from time to time; and

"**SIS Legislation**" includes:

- i. the Superannuation Industry (Supervision) Act 1993 (Cth) ("**SIS Act**");
- ii. legislation that the Trustee is of the view is of a superannuation nature and is applicable to the fund;
- iii. any regulations ("**SIS Regulations**") made under the above; and
- iv. all other requirements whether legislative or administrative including:
 - A. Any administrative guidelines issued by the Responsible Authority; or
 - B. Statements by government advising changes and any proposed changes to the SIS Legislation.

2. OBJECTIVE

This investment strategy of Technical Limit Superannuation Fund ("**Fund**") (as amended from time to time) is created in compliance with the SIS Act.

3. THE FUND

- i. The Fund complies with current laws and regulations and the rules in the Fund's trust deed ("**Trust Deed**"). It has the following investment objectives:
 - A. *Risk and Rate of Return*
 - I. It is recognised that timing (when you get into the investment) and time in the investment (how long you are in the investment) affects returns. Different investments have different returns and volatility.
 - II. The trustee of the Fund ("**Trustee**") has a strong emphasis on preserving the Fund's capital. However, many sound investments are not capital guaranteed.

- III. Security of capital has to be tempered with the need to achieve the desired rate of return. Therefore, assets that show volatility may be of benefit to the Fund.
- IV. The Trustee is ever vigilant to balance these two objectives: protecting the capital and growing the value of the Fund by obtaining an acceptable rate of return.

B. Reserving accounts

- I. Prudential management requires that a strategy be put in place so that the Trustee has the ability to pay its liabilities and obligations, whether contingent or actual, as and when they fall due. Such liabilities and expenses may either be payments to members or expenses incurred by the Fund.
- II. From time to time the Trustee may, in accordance with the Trust Deed, put in place reserve accounts for any classes, including:
 - 1. investment (it can also hold undistributed investment income and income above the Fund's required return);
 - 2. contributions (such as an unallocated contribution made by an employer on behalf of a group of employees); and
 - 3. miscellaneous (these include pre 12 May 2004 forgone and forfeited benefits, plus expenses and other legal provisions).
- ii. The Trustee may also create a separate and additional investment strategy for each type of Fund reserve. These may be for any lawful purpose including smoothing returns, advisory fees, accounting fees, taxes, surcharge liabilities, life and disability insurance premiums, death and disability payments and any purposes set out in Australian Tax Offices' Superannuation Contributions Ruling 1999/1.
- iii. The Trustee notes that under section 55(6) of the SIS Act it can defend against any loss or damage suffered by a member if it can show that the reserves were managed in accordance with section 52(2)(g) of the SIS Act.

4. REQUIRED RATE OF RETURN

1-3% above the average rate of inflation is what the Trustee seeks as an overall investment return for the Fund in the 3-5 year term (medium term). An investment can be for capital growth only, income only or a combination of both.

5. TRUSTEE'S OBLIGATIONS

- iv. The Trustee ensures that the Fund meets the legislated standard minimums to continue to obtain concessional taxation status on the Fund's income.
- v. It is also incumbent on the Trustee to consider the tax consequences of all investments. Tax-advantaged products may reduce the Fund's taxation burden. Tax is one of the Trustee's relevant concerns.
- vi. The Trustee acknowledges that members' benefits are a liability of the Fund and accordingly the Trustee must consider the level of benefits required to be paid to the members of the Fund when making investment decisions. However, while no terminations or benefits are expected to be paid out in the short to medium term, the Trustee is at liberty to examine investments that are medium term. However, when the member is in pension phase the time horizon may be far shorter.

6. INVESTMENTS, METHODS AND STRUCTURES

- i. Subject to ensuring compliance with SIS Act and the Fund's Trust Deed, the Trustee may invest all or part of the money and other assets of the Fund in any manner in which they could if they were personally entitled as beneficial owners of those assets, under any circumstances and any terms, and in or through any business structure or any arrangement (including companies, joint ventures, partnerships and trusts - including unit, hybrid, family, discretionary) including but not necessarily limited to (depending on the rules of the Trust Deed:
 - A. in insurance;
 - B. in Trustee investments;
 - C. in the purchase, improvement or mortgage of real property;
 - D. on deposit with any bank or building society (and the power to open and close such accounts) or any other company partnership or person with or without security;
 - E. in shares, stocks, options, debentures, bonds, unsecured notes or other securities;
 - F. in units or sub-units of any unit trust including units in a pooled superannuation trust;
 - G. in common funds, artworks, motor vehicles (including trucks) and live stock;
 - H. in bills of exchange or other negotiable instruments;
 - I. in options, hedging contracts, futures contracts, instalment warrants, derivatives and similar securities and other financial instruments;

- J. investing in any asset using an instalment warrant;
 - K. investing in precious metals, such as gold and silver; and
 - L. in other investments, which the Trustee considers on a case-by-case basis, such as investments in agribusiness.
- ii. The Trustee may dispose of, vary, transpose, replace or encumber investments or mix investments with investments of other people or trustees as if they were personally entitled to them as beneficial owners.
 - iii. The Trustee may invest in a manner which is consistent with the Relevant Requirements.
 - iv. The Trustee may borrow money in a manner consistent with the Relevant Requirements.
 - v. The Trustee may only lend money to Members if it is consistent with the Relevant Requirements.

7. **BORROWING**

- i. To seek higher returns, the Trustee may borrow money, for any reason, including limited recourse borrowing as provided for under sections 67A and 67B of the SIS Act ("**Borrowed Moneys**") and applying the Borrowed Moneys for any permitted purpose including the purchasing, refinancing and repairs and maintenance of an Acquirable Asset (including through a trust, bare trust, warrant, limited recourse borrowing arrangement or beneficially).
- ii. Where the purchase has been made otherwise than beneficially, then the power to acquire the legal ownership of such asset (or replacement asset) at any time and the right to provide any lender with a loan on any conditions including a limited recourse loan (including a loan limited to rights relating to the original asset or the replacement asset).

8. **INSURANCE**

The Trustee cannot accept the transfer of an existing insurance policy from a member, or a relative of a member but may arrange cover for members within the Fund. Arranging insurance cover is an important part of the Fund's investment strategy to provide benefits for members and their families.

The Trustee has considered whether insurance, such as life insurance, income protection insurance and disability cover or other permissible cover should be held for one or more members. Arranging insurance cover will depend on the age, applicable premium and extent of cover appropriate and is subject to the availability of insurance in respect of a member. Whilst the Trustee can generally claim a tax deduction for the insurance premium, excluding trauma cover, the Trustee also takes into account the restricted tax deductibility of premiums for an 'own occupation' definition for disability cover.

9. DIVERSITY OF THE MEMBER'S FUND

- i. Holding a number of investments is the essence of diversity. This may have the effect of reducing volatility. However, diversification is only one factor to be considered in this strategy.
- ii. The Trustee may, in writing, change the spread of investments (even on a daily basis). However, the Fund's current investment spread is:

Asset Allocation (%) of Technical Limit Superannuation Fund	Range (%) e.g. 0 - 100%
Cash	85- 90 %
Australian Fixed Interest	0 – %
International Fixed Interest	0 – %
Australian Equities (Current Benchmark: S&P ASX 200)	0 – 5%
International Equities (Current Benchmark: MSCI World Ex \$A)	0 – %
Diversified Property (other than residential)	0 – %
Residential, commercial or retail property (direct, listed or unlisted)	0 – %
Hedge funds	0 – %
Antiques and art works	0 – %
Precious metals, such as gold and silver	0 – %
Loans, loan facilities and securities	0 – %
Other investments (considered on a case by case basis) such as agribusiness	0 – %
Others:	0 – 5 %

- iii. Where no range has been inserted above the Trustee considers that no specific percentage range for each of the asset classes should be adopted but that each asset class should be considered on its own investment merits having regard to an appropriate degree of diversification.

10. PAYING DEBTS

The Trustee is obliged to pay its tax obligations, expenses incurred and required benefits to members. It will do so within 31 days. The Trustee ensures that it holds sufficient cash (or readily realisable assets) to meet such obligations. Moneys must also be kept in reserve to meet the risk and reward objectives of the Fund.

Minutes of the meeting of the trustees of the Technical Limit Superannuation Fund held at Jane Brook on 30 June 2017.

Present: David Bond
Melonie Bond

Minutes: The Chairman reported that the minutes of the previous meeting had been signed as a true record.

INVESTMENT STRATEGY FOR SUPERANNUATION FUND

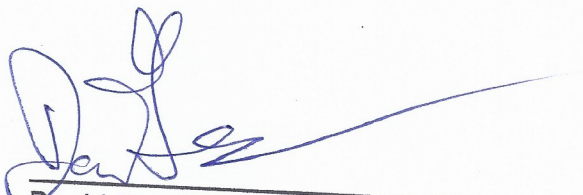
IT WAS RESOLVED that the trustees of the Technical Limit Superannuation Fund hereby formulate an investment strategy for the fund to take account of:

1. Risks and return on investments.
2. Diversity of investments to spread risk (if appropriate).
3. Benefit payments as they fall due.


The strategy is to be documented and reviewed regularly, with objectives and policies adhered to.

There being no further business the meeting then closed.

Signed as a true record by the trustees



David Bond



Melonie Bond

Minutes of the meeting of the trustees of the Technical Limit Superannuation Fund held at Jane Brook on 30 June 2018.

Present: David Bond
Melonie Bond

Minutes: The Chairman reported that the minutes of the previous meeting had been signed as a true record.

INVESTMENT STRATEGY FOR SUPERANNUATION FUND

IT WAS RESOLVED that the trustees of the Technical Limit Superannuation Fund hereby formulate an investment strategy for the fund to take account of:

1. Risks and return on investments.
2. Diversity of investments to spread risk (if appropriate).
3. Benefit payments as they fall due.

The strategy is to be documented and reviewed regularly, with objectives and policies adhered to.

There being no further business the meeting then closed.

Signed as a true record by the trustees

David Bond

Melonie Bond