
Financial statements and reports for the year ended
30 June 2021

The Kelly Green & Co Super Fund No.2

Prepared for: Peter Green, Loretta Green and Beverley Kelly

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The Kelly Green & Co Super Fund No.2

Statement of Financial Position

As at 30 June 2021

	Note	2021 \$	2020 \$
Assets			
Investments			
Units in Unlisted Unit Trusts (Australian)	2	343,609	330,292
Total Investments		<u>343,609</u>	<u>330,292</u>
Other Assets			
NAB Business Cheque Account		20,140	8,623
NAB Business Cash Maximiser Account		304,735	8,200
Beneficiary Entitlements		(685)	357,036
Income Tax Refundable		1,649	0
Total Other Assets		<u>325,839</u>	<u>373,859</u>
Total Assets		<u>669,448</u>	<u>704,151</u>
Less:			
Liabilities			
Income Tax Payable		0	18,831
PAYG Payable		0	683
Sundry Creditors		0	5,303
Total Liabilities		<u>0</u>	<u>24,817</u>
Net assets available to pay benefits		<u>669,448</u>	<u>679,334</u>
Represented by:			
Liability for accrued benefits allocated to members' accounts	4, 5		
Green, Peter - Pension (Pension)		298,101	301,460
Green, Peter - Accumulation		0	42,078
Green, Peter - Pension (Account Based Pension 2)		12,868	13,653
Green, Peter - Pension (Account Based Pension 3)		41,609	0
Kelly, Beverley - Pension (Reversionary Pension)		9,444	9,506
Kelly, Beverley - Accumulation		287,307	312,637
Kelly, Beverley - Pension (Account Based Pension 2)		20,119	0
Total Liability for accrued benefits allocated to members' accounts		<u>669,448</u>	<u>679,334</u>

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Operating Statement

For the year ended 30 June 2021

	Note	2021	2020
		\$	\$
Income			
Investment Income			
Trust Distributions	7	4,315	392,617
Investment Gains			
Changes in Market Values	8	13,317	(322,087)
Total Income		<u>17,632</u>	<u>70,530</u>
Expenses			
Accountancy Fees		3,102	3,102
ATO Supervisory Levy		518	0
Bank Charges		120	120
General Expenses		1,094	302
		<u>4,834</u>	<u>3,524</u>
Member Payments			
Pensions Paid		11,460	10,460
Benefits Paid/Transfers Out		11,223	10,627
Total Expenses		<u>27,517</u>	<u>24,611</u>
Benefits accrued as a result of operations before income tax			
		<u>(9,886)</u>	<u>45,919</u>
Income Tax Expense	9	0	21,563
Benefits accrued as a result of operations		<u>(9,886)</u>	<u>24,356</u>

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Notes to the Financial Statements

For the year ended 30 June 2021

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 associated Regulations, the trust deed of the Fund and the needs of members.

The financial statements have been prepared on a cash basis and are based on historical costs, except for investments which have been measured at market value.

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 Trustee(s).

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 to be 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 market value, which refers to the amount that a willing buyer could reasonably be expected to pay to acquire an 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 value has 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 the trustees' assessment of the 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 end of the reporting period. The trustees have determined that the gross values of the Fund's financial liabilities is 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 subject to an insignificant risk of change in value.

c. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. Revenue is recognised at the fair value of the consideration received or receivable.

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Notes to the Financial Statements

For the year ended 30 June 2021

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 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 acquired during the period).

Contributions

Contributions and transfers in are recognised when the control and the benefits from the revenue have been attained and are recorded by the Fund, gross of any taxes, in the period to which they relate.

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. 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 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.

Note 2: Units in Unlisted Unit Trusts (Australian)

	2021 \$	2020 \$
KG Property Investment Trust	343,609	330,292
	343,609	330,292

Note 3: Banks and Term Deposits

	2021 \$	2020 \$
Banks		

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Notes to the Financial Statements

For the year ended 30 June 2021

NAB Business Cash Maximiser Account	304,735	8,200
NAB Business Cheque Account	20,140	8,623
	324,875	16,823

Note 4: Liability for Accrued Benefits

	2021	2020
	\$	\$
Liability for accrued benefits at beginning of year	679,333	654,977
Benefits accrued as a result of operations	(9,886)	24,356
Current year member movements	0	0
	669,447	679,333

Note 5: Vested Benefits

Vested benefits are benefits that 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.

	2021	2020
	\$	\$
Vested Benefits	669,447	679,333

Note 6: Guaranteed Benefits

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

Note 7: Trust Distributions

	2021	2020
	\$	\$
KG Property Investment Trust	4,315	392,617
	4,315	392,617

Note 8: Changes in Market Values

Unrealised Movements in Market Value

	2021	2020
	\$	\$
Units in Unlisted Unit Trusts (Australian)		
KG Property Investment Trust	13,317	(322,087)
	13,317	(322,087)

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Notes to the Financial Statements

For the year ended 30 June 2021

Total Unrealised Movement	13,317	(322,087)
Realised Movements in Market Value	2021	2020
	\$	\$
Total Realised Movement	0	0
Changes in Market Values	13,317	(322,087)
Note 9: Income Tax Expense	2021	2020
The components of tax expense comprise	\$	\$
Current Tax	0	21,563
Income Tax Expense	0	21,563

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%	(1,483)	6,888
Less:		
Tax effect of:		
Increase in MV of Investments	1,998	0
Exempt Pension Income	0	18,841
Accounting Trust Distributions	647	58,893
Add:		
Tax effect of:		
Decrease in MV of Investments	0	48,313
SMSF Non-Deductible Expenses	0	245
Pension Payments	1,719	1,569
Benefit Payments	1,683	1,594
Net Capital Gains	0	36,410
Taxable Trust Distributions	647	4,278
Tax Losses	78	0
Rounding	1	0
Income Tax on Taxable Income or Loss	0	21,563

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Notes to the Financial Statements

For the year ended 30 June 2021

Less credits:

Current Tax or Refund	0	21,563
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The Kelly Green & Co Super Fund No.2

Trustees Declaration

The trustees have determined that the Fund is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The trustees declare that:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2021 present fairly, in all material respects, the financial position of the Superannuation Fund at 30 June 2021 and the results of its operations for the year ended on that date 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 2021.

Specifically, the trustees declare that:

- in accordance with s120 of the Superannuation Industry (Supervision) Act 1993, no individual trustee has been or is a disqualified person;
- the Fund has satisfactory title to all assets, all assets are unencumbered and free from charge as prescribed by s50 of the Superannuation Industry (Supervision) Act 1993 and reg13.14 of the Superannuation Industry (Supervision) Regulations 1994; and
- to the knowledge of the trustees, there have been no events or transactions subsequent to the balance date which could have a material impact on the Fund. Where such events have occurred, the effect of such events has been accounted and noted in the Fund's financial statements.

Signed in accordance with a resolution of the trustees by:

.....
Peter Green

Trustee

.....
Loretta Green

Trustee

.....
Beverley Kelly

Trustee

11 February 2022

The Kelly Green & Co Super Fund No.2

Statement of Taxable Income

For the year ended 30 June 2021

	2021
	\$
Benefits accrued as a result of operations	(9,886.00)
Less	
Increase in MV of investments	13,317.00
Accounting Trust Distributions	4,315.00
	<u>17,632.00</u>
Add	
Pension Payments	11,460.00
Taxable Trust Distributions	4,315.00
Benefits Paid/Transfers Out	11,223.00
	<u>26,998.00</u>
Taxable Income or Loss	<u>(520.00)</u>
Income Tax on Taxable Income or Loss	0.00
CURRENT TAX OR REFUND	<u>0.00</u>
Supervisory Levy	259.00
Income Tax Instalments Paid	(1,649.00)
AMOUNT DUE OR REFUNDABLE	<u>(1,390.00)</u>

* Distribution tax components review process has not been completed for the financial year.

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Investment Summary Report

As at 30 June 2021

Investment	Units	Market Price	Market Value	Average Cost	Accounting Cost	Unrealised Gain/(Loss)	Gain/(Loss)%	Portfolio Weight%
Cash/Bank Accounts								
NAB Business Cash Maximiser Account		304,734.610000	304,734.61	304,734.61	304,734.61			45.59 %
NAB Business Cheque Account		20,139.930000	20,139.93	20,139.93	20,139.93			3.01 %
			324,874.54		324,874.54		0.00 %	48.60 %
Units in Unlisted Unit Trusts (Australian)								
KGPROP.AX KG Property Investment Trust	385,553.00	0.891210	343,608.69	1.48	569,542.75	(225,934.06)	(39.67) %	51.40 %
			343,608.69		569,542.75	(225,934.06)	(39.67) %	51.40 %
			668,483.23		894,417.29	(225,934.06)	(25.26) %	100.00 %

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Investment Income Report

As at 30 June 2021

Investment	Total Income	Franked	Unfranked	Interest/ Other	Franking Credits	Foreign Income	Foreign Credits * 1	Assessable Income (Excl. Capital Gains) * 2	TFN Credits	Other Deductions	Distributed Capital Gains	Non-Assessable Payments
Cash at Bank												
NAB Business Cash Maximiser Account	0.08			0.08				0.08				
	0.08	0.00	0.00	0.08	0.00	0.00	0.00	0.08	0.00	0.00	0.00	0.00
Units in Unlisted Unit Trusts (Australian)												
KGPROP.AX KG Property Investment Trust	4,314.70			4,314.70				4,314.70				
	4,314.70	0.00	0.00	4,314.70	0.00	0.00	0.00	4,314.70	0.00	0.00	0.00	0.00
	4,314.78	0.00	0.00	4,314.78	0.00	0.00	0.00	4,314.78	0.00	0.00	0.00	0.00

Assessable Income (Excl. Capital Gains) **4,314.78**

Net Capital Gain **0.00**

Total Assessable Income 4,314.78

*1 Includes foreign credits from foreign capital gains.

*2 Assessable Income in the SMSF Annual Return will be different as capital gains and losses from disposals of assets have not been included.

For a breakdown of Distributed Capital Gains and Non-Assessable Payments refer to Distributions Reconciliation Report. Includes foreign credits from foreign capital gains.