

Solingen Pty Ltd atf Fortune Unit Trust

ABN:77 792 332 359

**Financial statements
For the year ended 30 June 2022**

Solingen Pty Ltd atf Fortune Unit Trust

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Balance sheet

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	3	448,825.48	195,647.56
Trade and other receivables	4	11,475.80	-
Other current assets	7	-	9,974.94
Total current assets		460,301.28	205,622.50
Non-current assets			
Property, plant and equipment	5	5,715,760.34	2,803,159.69
Intangibles	6	-	6,296,018.74
Total non-current assets		5,715,760.34	9,099,178.43
Total assets		6,176,061.62	9,304,800.93
Current liabilities			
Trade and other payables	8	6,974,310.99	7,265,990.02
Unpaid trust distributions	12	65,750.05	38,222.81
Other current liabilities	10	12,262.70	10,499.92
Total current liabilities		7,052,323.74	7,314,712.75
Non-current liabilities			
Borrowings	9	2,695,000.00	2,695,000.00
Total non-current liabilities		2,695,000.00	2,695,000.00
Total liabilities		9,747,323.74	10,009,712.75
Net liabilities		(3,571,262.12)	(704,911.82)
Equity			
Issued units		1,154,167.18	1,154,167.18
Revaluation Reserve		3,605,412.14	-
Retained earnings		(8,330,841.44)	(1,859,079.00)
Total equity		(3,571,262.12)	(704,911.82)

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of Herron Accountants.

Solingen Pty Ltd atf Fortune Unit Trust

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Income statement

For the year ended 30 June 2022

	2022	2021
	\$	\$
Income		
Commercial Rent Received	232,342.47	288,158.09
Other Revenue	5,000.00	-
Other Revenue - Rent	57,403.99	37,190.96
	<hr/> 294,746.46	<hr/> 325,349.05
Expenses		
Accountancy Fees	4,891.08	11,518.86
Bank Charges	2,146.15	1,220.85
Borrowing Costs	967.48	1,380.00
Consultancy Fees	4,440.00	1,814.40
Depreciation - Capital Allowances	1,446.15	69.56
Depreciation - Capital Works	35,856.00	35,856.00
Fees & Permits	-	273.00
Filing Fees	276.00	-
Fines & Penalties	83.00	-
Insurance	12,032.91	11,415.84
Interest Paid	94,773.40	94,230.93
Land Tax	27,750.00	71,803.68
Property Agents fees	9,000.00	11,310.00
Rates & Taxes	22,336.35	22,145.07
Repairs & Maintenance	6,825.58	19,028.27
Subscriptions	4,483.05	-
Sundry Rental Expenses	1,689.26	5,058.74
	<hr/> 228,996.41	<hr/> 287,125.20
Net profit	<hr/> 65,750.05	<hr/> 38,223.85

The accompanying notes form part of these financial statements.

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Solingen Pty Ltd atf Fortune Unit Trust

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Appropriation statement **For the year ended 30 June 2022**

	2022	2021
	\$	\$
Net profit	65,750.05	38,223.85
Retained earnings (accumulated losses) at the beginning of the financial year	(8,330,841.44)	(1,859,079.00)
Total available for distribution (loss)	(8,265,091.39)	(1,820,855.15)
Distribution to Beneficiaries	65,750.05	38,223.85
Retained earnings (accumulated losses) at the end of the financial year	(8,330,841.44)	(1,859,079.00)
Unitholders distribution:		
Olbertz Superannuation Fund	65,750.05	38,223.85
	65,750.05	38,223.85

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of Herron Accountants.

Solingen Pty Ltd atf Fortune Unit Trust

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Notes to the financial statements

For the year ended 30 June 2022

The financial statements cover Solingen Pty Ltd atf Fortune Unit Trust and have been prepared in accordance with the trust deed to meet the needs of stakeholders and to assist in the preparation of the tax return.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of preparation

Solingen Pty Ltd atf Fortune Unit Trust is non-reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies presented below and do not comply with any Australian Accounting Standards unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of significant accounting policies

Revenue and other income

Other revenue

Other revenue is recognised on an accruals basis when the unit trust is entitled to it.

Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Solingen Pty Ltd atf Fortune Unit Trust

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Notes to the financial statements

For the year ended 30 June 2022

Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a diminishing value basis over the assets useful life to the trust, commencing when the asset is ready for use.

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

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Notes to the financial statements

For the year ended 30 June 2022

Specific revenue streams

Sale of goods - retail

Revenue from sales made to retail customers is recognised at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the time of purchase and there is no financing element to these sales.

Sales made via retail outlets provide customers with a right of return within 14 days of the date of purchase for changes of mind refunds as well as providing a refund where goods are deemed to be faulty. The unit trust does not provide service type warranties.

At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for the unit trust's expected level of change of mind returns, as well as a corresponding asset representing the unit trust's right to the returned goods and a resulting adjustment to cost of sales.

The unit trust applies the same policy for refunds provided to retail customers for faulty goods as it applies to refunds provided to wholesale customers.

Sale of goods - wholesale

Revenue from sales made to wholesale customers is recognised when control of the goods has transferred, being the point in time when the goods have been shipped to the wholesaler and they have full discretion over the subsequent distribution of the goods and the price at which the goods are sold. Based on the terms of the contract, at the time the goods are shipped, the wholesaler is deemed to have accepted the products and therefore assumes any related inventory risk (e.g. obsolescence or other loss).

Goods are often sold to wholesale customers with volume discounts based on minimum sales quantities over a 12 month period. Revenue from these sales is measured at the price specified in the contract, net of any estimated volume discounts. The unit trust uses its cumulative knowledge and experience in estimating expected volume discounts and applies the expected value method. Revenue is only recognised where it is highly probable that a significant reversal of revenue will not occur. Where the unit trust is unable to estimate volume rebates with certainty, the unit trust recognises a liability for any volume rebates it expects to be paid.

The unit trust's sales are accompanied by an obligation that the unit trust will provide a refund where the goods are deemed to be faulty. Based on history, the level of refunds for faulty products has been minimal and therefore there is no provision at 30 June 2022.

The unit trust's payment terms are 30 days from the invoice date and accordingly, there is no financing element to the unit trust's sales.

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Notes to the financial statements

For the year ended 30 June 2022

Provision of training services

Revenue from the provision of training services is recognised over the period in which the services are rendered. Contracts for training services are either fixed price contracts or contracts charged at hourly rates.

For fixed price contracts, the contracts include an enforceable right for the unit trust to receive payment for work performed to date based on the percentage of time spent including recovery of cost to prepare the training material given the tailored nature of the courses and therefore the criteria for recognition of revenue over time is met.

The unit trust recognises revenue based on actual services provided to the end of the reporting period as a proportion of the total services to be provided under the contract. The unit trust's performance is measured based on actual time incurred in providing courses when compared to the total committed time in accordance with the terms of the contract as this is deemed to provide the most faithful depiction of the provision of the services. If required, estimates of progress towards completion are revised if circumstances change and any changes are reflected in the profit or loss in the period in which the change occurs. The nature of the unit trust's contracts are such that they include only one deliverable and the unit trust's have therefore determined that there is only one performance obligation to be satisfied over time.

The terms of the unit trust's fixed-price contracts either require that the customer pay the fixed amount in instalments over the contract duration or in some cases the unit trust requires payment in full upfront.

Where payment is required upfront, a contract liability is recognised on receipt of the payment and recognised as revenue as the services are provided.

Where payment is required in instalments, at the end of the reporting period, if the services rendered by the unit trust exceed the payments received, the unit trust recognises a contract asset. If the payments received exceed the services rendered, the unit trust recognises a contract liability.

For hourly rate contracts, the unit trust recognises revenue only to the extent that they have a right to invoice. Hourly rate contracts are invoiced quarterly, and consideration is payable when invoiced. Revenue is recognised as each hour is worked.

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Notes to the financial statements

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
3 Cash and cash equivalents			
Cash on Hand		10.00	10.00
NAB account #1589		448,815.48	195,637.56
		448,825.48	195,647.56
4 Trade and other receivables			
Current			
Trade Receivables		11,475.80	-
		11,475.80	-
5 Property, plant and equipment			
Buildings			
Narangba		616,148.05	605,545.01
Geebung		5,000,000.00	1,430,443.86
D'Aguilar		-	717,796.83
Plant & Equipment - Geebung		56,329.29	8,325.44
Narangba Lot 500		43,283.00	41,048.55
		5,715,760.34	2,803,159.69
		5,715,760.34	2,803,159.69
6 Intangible assets			
Patents & Trademarks		-	6,295,051.26
Prepaid Borrowing Expenses		-	967.48
		-	6,296,018.74
7 Other assets			
Current			
Prepayments		-	9,974.94

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

Solingen Pty Ltd atf Fortune Unit Trust

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Notes to the financial statements

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
		-	9,974.94
8 Trade and other payables			
Current			
Sundry Creditors		-	273.00
Trade Creditors		1,366.04	80.87
Associated loans	11	6,965,262.31	7,259,023.12
Provision for GST		7,682.64	6,613.03
		6,974,310.99	7,265,990.02
9 Borrowings			
Non-current			
Loans - NAB		2,695,000.00	2,695,000.00
		2,695,000.00	2,695,000.00
10 Other liabilities			
Current			
Accrued Charges		12,262.70	10,499.92
		12,262.70	10,499.92
11 Associated loans			
Loan - Wolfgang Olbertz		6,963,882.91	7,238,882.91
Loan - Olbertz Family Trust		1,379.40	20,140.21
		6,965,262.31	7,259,023.12
12 Unpaid trust distributions			
Olbertz Superannuation Fund			
Balance at Beginning of Year		38,222.81	191,423.96

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

Solingen Pty Ltd atf Fortune Unit Trust

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Notes to the financial statements

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Share of Profit		65,750.05	38,223.85
Drawings		(38,222.81)	(191,425.00)
		<hr/>	<hr/>
		65,750.05	38,222.81
		<hr/>	<hr/>
		65,750.05	38,222.81

Solingen Pty Ltd atf Fortune Unit Trust

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Trustee's declaration

The directors of the trustee company have determined that the unit trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The director of the trustee company declare that:

1. The financial statements and notes present fairly the unit trust's financial position as at 30 June 2022 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements;
2. In the trustee's opinion there are reasonable grounds to believe that the unit trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the trustee.

Director _____
Wolfgang Olbertz

Director _____
Kay Olbertz

Director _____
Dirk Olbertz

Director _____
Ralph Olbertz

Dated

Solingen Pty Ltd atf Fortune Unit Trust

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Compilation report

I have compiled the accompanying special purpose financial statements of Solingen Pty Ltd atf Fortune Unit Trust which comprise the balance sheet as at 30 June 2022, and the income statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance and financial position of the trust that satisfies the information needs of the director of the trustee company and of the unit holders.

The responsibility of the trustee

The director of the trustee company 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 the financial statements were prepared.

My responsibility

On the basis of information provided by the director of the trustee company, I have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in the notes to the financial statements and APES 315: Compilation of Financial Information.

I have applied my expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in the notes to the financial statements. I 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, I am not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, I do not express an audit opinion or a conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the trustee of the trustee company who are responsible for the reliability, accuracy and completeness of the information used to compile them. I do not accept responsibility for the contents of the special purpose financial statements.

Firm Herron Accountants

Address Unit 1, 48 Flinders Pde
 NORTH LAKES, QLD, 4509

Date

Signed

Mark Herron