

Principal: Catriona J. Rogers FCA B Comm Dip FC

Suite 10.03, Level 10, 133 Castlereagh St  
Sydney 2000 Australia

All Correspondence to:

P.O. Box A308  
Sydney South, NSW 1235

Telephone: (02) 9267 7655  
International: (61 2) 9267 7655

Facsimile: (61 2) 9266 0243  
International : (61 2) 9266 0243

www.therogersgroup.com.au  
Email: admin@therogersgroup.com.au

No responsibility is taken for the security of any  
correspondence sent via email to this office

Please sign where indicated and return to  
The Rogers Group.

Azzopardi Nominees  
(Malta) Pty Ltd  
as trustee for  
The Azzopardi  
Superannuation Fund

Financial Statements  
for the year ended  
30 June 2019



Tax agent  
64941004

22/04/19

The Trustees  
Azzopardi Superannuation Fund  
Suite 13  
541-549 Darling Street  
**ROZELLE NSW 2039**


20 April 2020

Mrs Catriona Rogers  
The Rogers Group  
PO Box A308  
**SYDNEY SOUTH NSW 1235**

Dear Catriona,

**AZZOPARDI SUPERANNUATION FUND**

I, Joanne Azzopardi, being a member of Azzopardi Superannuation Fund hereby advise that I have reviewed the insurance cover currently in place and consider it appropriate to my current needs.



Joanne Azzopardi

Member

8/3/2021

Dated

23 of 46

The Trustees  
Azzopardi Superannuation Fund  
Suite 13  
541-549 Darling Street  
**ROZELLE NSW 2039**

20 April 2020

Mrs Catriona Rogers  
The Rogers Group  
PO Box A308  
**SYDNEY SOUTH NSW 1235**

Dear Catriona,

**AZZOPARDI SUPERANNUATION FUND**

I, Joanne Azzopardi, being a member of Azzopardi Superannuation Fund hereby confirm that the attached Nomination Form dated the 15<sup>th</sup> of May 2018, in respect of my membership balance, is correct and according to my wishes.



Joanne Azzopardi  
Member

3/8/2021

Dated

240/46

NOTICE TO TRUSTEE BY MEMBER

To the Trustees of THE AZZOPARDI  
SUPERANNUATION FUND

I (member's name) Jeanne Azzopardi  
hereby advise that my Membership Number in the above Fund is \_\_\_\_\_, and

1. **NOMINATION RE TYPE OF BENEFIT PAYMENT:** I hereby notify you that I require that my benefit entitlement, when payable, be applied in the following form and proportions:

TOWARDS THE PAYMENT OF A LUMP SUM: 100 %

TOWARDS THE PAYMENT OF A PENSION: \_\_\_\_\_ %

2. **NOMINATION OF BENEFICIARY:** I hereby notify you that I require that my benefit entitlement, in the event of my death before it is payable, be paid to my beneficiaries as nominated below and in the proportions nominated below:

Name: MARY DORIS AZZOPARDI \_\_\_\_\_ %

Address: 44 Dublin St Smithfield

Relationship: Mother -

Name: to my legal personal 100 %

Address: representative

Relationship: \_\_\_\_\_

3. **NOMINATION OF NEW ADDRESS:** The following is my new address:

\_\_\_\_\_  
\_\_\_\_\_

The above nomination(s) replace any previous nomination(s) I may have given.

Nomination(s) categories left blank have been crossed out.

Date: 15/5/18

SIGNATURE: Jeanne Azzopardi

*Resolution of Trustee to adopt Investment Strategy*

**AZZOPARDI NOMINEES (MALTA) PTY LIMITED**

(A.C.N 168 816 028)

**AS TRUSTEE OF THE AZZOPARDI SUPERANNUATION FUND**

**RESOLUTION OF DIRECTORS OF TRUSTEE MADE ON 20<sup>TH</sup> APRIL, 2020**

AT \_\_\_\_\_.

We, the undersigned being the Directors of Trustee of **The Azzopardi Superannuation Fund** DO HEREBY RESOLVE as follows:

**INVESTMENT STRATEGY OF THE AZZOPARDI SUPERANNUATION FUND**

**BUSINESS:**

It was noted that under the Superannuation Industry (Supervision) Act, the Superannuation Industry (Supervision) Regulations and under the provisions in the deed of the Fund that it is a requirement for the trustee to have an investment strategy for the fund having regard to a number of circumstances.

Regulation 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* states:

The trustee of the entity must formulate, review regularly and give effect to an investment strategy that has regard to the whole of the circumstances of the entity including, but not limited to, the following:

- (a) The risk involved in making, holding and realising, and the likely return from, the entity's investments, having regard to its objectives and expected cash flow requirements;
- (b) The composition of the entity's investments as a whole, including the extent to which they are diverse or involve exposure of the entity to risks from inadequate diversification;
- (c) The liquidity of the entity's investments, having regard to its expected cash flow requirements;
- (d) The ability of the entity to discharge its existing and prospective liabilities;
- (e) Whether the trustees of the fund should hold a contract of insurance that provides insurance cover for one or more members of the fund.

The Trustees need to consider:

- The risk involved in making, holding and realising, and the likely return from, the Fund's investments having regard to its objectives and its expected cash flow requirements;
- The composition of the Fund's investments as a whole including the extent to which the investments are diverse or involve the Fund in being exposed to risk from inadequate diversification;
- The liquidity of the Fund's investments having regard to its expected cash flow requirements;
- The ability of the Fund to discharge its existing and prospective liabilities;



26 of 46  
2020 V.2

- The Fund profile;
- Anticipated future contributions;
- Past investment performance; and
- The current investment portfolio and asset mix, which objectives and strategy are set out in the Investment Policy Statement annexed to this resolution

A new draft strategy was produced. Under the investment strategy the investment objectives are set out and then a strategy is adopted. The essence of this strategy is to seek a long term diversified portfolio mix of a number of asset classes. The Trustee noted that the objective included a minimum rate of return of at least 2% over any increase in the Consumer Price Index over any five year period.

It was noted that regard need to be made to an appropriate level of diversification in the investment in the fund. The investment strategy noted that a single asset strategy may be adopted for the fund provided the investment meets the criteria of the fund and the trustee try to ensure diversification in the portfolio at a later date as contributions are made to the Fund and income is derived.

Under the investment strategy, prior to any investment in fine art, collectible items, antiques and paintings a valuation should be undertaken by an appropriately qualified person.

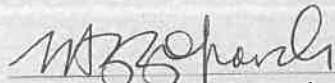
Further under the investment strategy, the trustees must consider investments suggested by members provided that they satisfy the investment objectives of the Fund and are made on an arm's length basis.

After considering the provisions of the tabled investment strategy it was resolved that the investment strategy should be adopted for the Fund, as set out on the attached investment strategy.

**CLOSURE:**

There being no further business the meeting was declared closed.

**CONFIRMED:**

  
Signed on behalf of the Trustee for the Fund

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## THE AZZOPARDI SUPERANNUATION FUND INVESTMENT STRATEGY

### Overview

The aim of this strategy is to provide benefits for Members, as well as death/disablement protection for Members.

### Investment Objectives

The Trustee will at all times act prudently to maximise the rate of return, subject to acceptable risk parameters, and maintenance of appropriate diversification across a broad range of assets.

Having considered the risk profile of the fund, the trustee has adopted the following objectives for the investment of assets of the fund;

- to achieve an investment return (based on market values and net of tax and charges) that exceeds the CPI by at least 3% per annum when measured over a rolling 5 year period.
- to have a probability of zero or negative returns in any 12 Month period of less than one in 10 years;
- to have sufficient liquidity to meet liabilities as and when they fall due.

### Insurance

The Trustees have considered the issue of insurance for all members, based on the signed letters received from Members dated \_\_\_\_\_ which are attached to and form part of this document.

It has been decided that the insurance cover currently in place is appropriate to the needs of members at this time.

### Investment Strategy

The fund will invest in a portfolio of assets according to market conditions and within the ranges specified below:

#### Asset Name with Minimum & Maximum %

##### Australian Equities:

Min - 0 %  
Max - 20%

##### Cash:

Min - 0 %  
Max - 100%

##### Australian Fixed Int:


Min - 0 %  
Max - 95%

##### Direct Property:

Min - 0 %  
Max - 99%

Quality companies and trusts as considered by the Trustees will be selected. Direct investments in property, may form part of the strategy provided there is sufficient basis for the decision.

The trustee will monitor and review the performance of these investments on a regular basis.

  
Azzopardi Nominees (Malta) Pty Limited

20 April 2020

28 of 46

**INVESTMENT OBJECTIVES AND INVESTMENT STRATEGY  
FOR THE AZZOPARDI SUPERANNUATION FUND**

**INVESTMENT POLICY STATEMENT**

The Azzopardi Superannuation Fund ("the Fund") is a regulated Superannuation Fund established on 15<sup>th</sup> April, 2014 to provide benefits for Members as well as death/disablement protection for Members. Membership of the Fund is voluntary, and upon joining, Members are required to provide certain minimum information to the Trustee.

The current intention is to pay benefits upon retirement of the Members. The Trustee shall invest Fund assets having regard to the need to realise the investments at the Members dates of retirement (or such later date as the Members nominate in accordance with the rules of the Trust Deed).

The Fund's member is aged 49 at the time of this Statement, it is not intended that other members will be admitted to the Fund. The current intention is to pay lump sum/ allocated pension benefits upon retirement of the members. The Trustee shall invest Fund assets having regard to the needs of the members.

**INVESTMENT OBJECTIVES**

The aim of the investment strategy of The Azzopardi Superannuation Fund ("the Fund") is to accumulate funds for the payment of superannuation benefits as set out in the trust deed governing the Funds operations.

The Trustee has considered the following investment objectives in formulating the investment strategy for the Fund:

The Trustee will:

- At all times act prudently to pursue the maximum rate of return as possible subject to acceptable risk parameters, and the maintenance of whatever diversification that can be achieved with modest assets
- Ensure that all investments are authorised under the trust deed and are made for the sole purpose of providing benefits to Members
- Establish within the Fund a tolerance to short term fluctuations in income and capital values given the profile of the ages of the Members
- Invest to ensure sufficient liquidity is retained within the Fund to meet benefit payments due, and will adjust its specific objectives where it believes the risk profile of the Fund has changed. The liquidity of the Fund must also be considered in light of the cash flow requirements of the Fund
- Have proper regard to the risks associated with the investments given the Fund's objectives and cash flow requirements
- Have proper regard to the composition of the Fund's investment portfolio, including diversification of the Investments
- Have proper regard to the ability of the Fund to meet its current and prospective liabilities
- Make investments in conjunction with Members of The Fund, provided they are undertaken on an arms length basis
- Consider suggestions from Members for specific investments in relation to the Member, and may make investments in accordance with those suggestions provided that they fall within the investment strategy of the Fund

Having considered the liability profile of the Fund, the Trustee has adopted the following objectives for the assets of the Fund:

- a) To achieve an investment return (net of tax and charges) that exceeds CPI by at least 2% per annum when measured over a rolling 5 year period;
- b) To have a low expectation of negative returns in any 12 month period

The investment objectives of the Fund will be reviewed annually and at such other times as a significant event occurs which affects the Fund

*A 29 of 46*  
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## INVESTMENT STRATEGY

In order to achieve the investment objectives of the Fund, the Trustee wishes to adopt and pursue the strategy set out hereunder. The Trustee reserves the right to implement more than one strategy as it sees fit, and to offer separate strategies to Members. The Trustee also reserves the right to implement separate and different action plans in the acquisition and disposal of assets pursuant to this strategy.

### Diversification:

The Trustee wishes to implement as much diversification as it is able given the assets of the Fund and elects to diversify amongst a number of investments. In considering the degree of diversification appropriate to the Fund, the Trustee has determined to take into account:

- The existing assets of the fund;
- The existing assets of the family of the Members of the fund;
- The existing assets of the Members of the fund in complying superannuation funds; and
- The Funds access to expert investment advice

With regard to the investment objectives the Trustee has adopted an investment strategy of seeking in the long term a diversified portfolio mix of the following asset classes:

- Real property including both direct and indirect investment by the acquisition of units in a property holding unit trust
- Shares, options, and other rights to shares including both direct investment and indirect investment through equity trusts or other pooled investment vehicles
- Cash including fixed interest term deposits, bonds, cash management trusts and appropriate derivative products
- Other assets including fine art, collectable items, antiques and paintings. If these are invested in the Trustee will obtain a valuation from an appropriate qualified valuer prior to the investment being made

Each asset class should be considered on its own merits at the particular time the investment is proposed having regard to always maintaining an appropriate degree of diversification.

A single asset strategy may be adopted for the Fund if the asset which is proposed meets the investment criteria of the Fund. If a single asset strategy is adopted then the Trustee will look to diversify the Fund at a later date when further contributions are made to the Fund and income is derived by the Fund. If a single asset strategy is adopted then the Trustee needs to ensure there is a method of liquidity maintained in the Fund to ensure benefits can be paid to members in accordance with the terms of the Trust Deed.

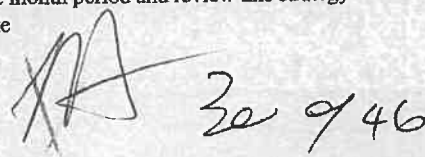
All investments will be made on an arm's length basis and will be acquired, maintained or disposed of on commercial terms at market rates of return.

The Trustee considers that this investment strategy fulfils the principal strategy of the fund which is to maximise returns to members having regard to risk and the investment objective of the Fund.

### Monitoring

To monitor the success of the investments policy in achieving the investment objectives, the Trustee will take the following action:

- a) Compare investment returns against investment objectives on an annual basis;
- b) Compare investment returns against cash rates available over a 12 month period and review this strategy on an annual basis or on such other basis as it believes appropriate

Handwritten signature and date: 30/9/46

The Trustee will measure its success criteria against certain benchmarks and indices. The nominated benchmarks for performance will be as follows:

- a) Australian shares – all ordinaries
- b) Liquid assets – average cash management trusts
- c) Australian fixed trusts – commonwealth all series all maturities and accumulation index
- d) Property trusts – average of composite property accumulation index

#### **ASSET MANAGEMENT STRATEGY**

The Trustee will have regard to the following principles in the implementation of its investments strategy and the actual making of its investments:

##### Unit Trusts

Prior to acquiring or disposing of any units in an unlisted unit trust the Trustee will obtain and consider property and rental valuations of all property held by the unit trust. The Trustee will do so to satisfy itself that the price of the units reflect true market values and constitutes a prudent investment/disposal on an arm's length basis.

The Trustee will also ascertain the intentions of the trustee of the unit trust in relation to borrowing's (if any) and the use of the property as security.

##### Direct Property

Prior to acquiring or disposing of any property to be held directly by the Fund the Trustee will obtain and consider property and rental valuations to satisfy itself that the price of the property reflects true market value and constitutes a prudent investment/disposal in an arm's length basis.

In obtaining a tenant (if any) for any property held by the Fund the Trustee may enter into a lease with an employer sponsor or an associate provided that a written lease agreement is made and the transaction is entered into on an arm's length basis with regular rental reviews.

In determining the proportion of Fund assets to be invested directly in property, the Trustee shall take into account the liability profile and liquidity requirements of the Fund.

##### Shares in Private Companies

The Trustee will also ascertain the intentions of the Directors of the company in relation to borrowing's (if any) and the use of the property as security taking into account the security and dividend return from the shares.

##### Shares in Public Company

Prior to acquiring (or disposing) of any shares in public companies, the Trustee shall consider the portfolio profile of the Fund and the diversification of shareholding across different market sectors (industrial, retail, banking, etc.) with a view to attempting to obtain a reasonable diversification with modest assets.

The Trustee shall also take into account advice in relation to expected capital growth and dividend income.

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Debentures/First Mortgages

Prior to investing in any debentures/first mortgages the Trustee shall consider the period of investment, the security offered, the accessibility of funds, the return, and likely rate movements.

Cash Management

Prior to investing or realising any cash management funds the Trustee shall consider the rate of return and security of such investment against the expected rate of return offered by alternative investments to cash.

Artwork/Antiques/Collectibles

Prior to acquiring any collectibles as an investment of the Fund the Trustee will obtain an independent professional valuation from a qualified valuer and will ensure the asset represents a minor part of Fund assets. It will investigate future saleability of the asset and the likely price movements in future.


Prior to leasing any collectibles held by the Fund to any party the Trustee shall determine the commercial rental rate having regard to advice which the Trustee shall obtain from a qualified source. Any such lease shall only be entered into under a written lease agreement made on an arm's length basis with an obligation for full maintenance insurance.

Prior to disposing of any collectibles held by the Fund, the Trustee will obtain an independent professional valuation from a qualified valuer. The Trustee shall also determine whether the proposed timing of the disposal is in the best interest of Members having regard to the fluctuations in the value of the type of collectible of which the Trustee wishes to dispose.

Members Suggestions

The Trustee may consider and accept suggestions from any Member regarding the investment of Fund assets for the Member, and make investments in accordance with these suggestions.

The Trustee shall only adopt investment suggestions from a Member if the resulting investment meets the Fund investment objectives as reflected through the investment strategy and the Trustee determines that the investment is prudent.

  
32 of 46

## AZZOPARDI SUPERANNUATION FUND TRUSTEES DECLARATION

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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 2019 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2019 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 2019.

Specifically, the trustees declare that:

- in accordance with s 120 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 s 50 of the Superannuation (Supervision) Act 1993 and reg 13.14 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:

Azzopardi Nominees (Malta) Pty Ltd  
Trustee



DATED: 20/04/2020

33 of 46

**MEMORANDUM OF RESOLUTIONS OF  
AZZOPARDI NOMINEES (MALTA) PTY LTD  
ATF AZZOPARDI SUPERANNUATION FUND**

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**ADOPT FINANCIAL  
STATEMENT ATO RESOLUTION**

It was resolved that the financial statements would be prepared as special purpose financial statements as, in the opinion of the trustee(s), the superannuation fund is a non-reporting entity and therefore is not required to comply with all Australian Accounting Standards.

It was further resolved that the financial statements and notes to the financial statements of the superannuation fund in respect of the year ended 30 June 2019 thereon be adopted.

**TRUSTEE'S DECLARATION:**

It was resolved that the trustee's declaration of the superannuation fund be signed.

**ANNUAL RETURN:**

Being satisfied that the fund had complied with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and Regulations during the year ended 30 June 2019, it was resolved that the annual return be approved, signed and lodged with the Australian Taxation Office.

**TRUST DEED**

It was resolved that the advice received from the fund's legal adviser confirming that the fund's trust deed is consistent with all relevant superannuation and trust law.

**INVESTMENT STRATEGY:**

The allocation of the fund's assets and the fund's investment performance over the financial year were reviewed and found to be within acceptable ranges outlined in the investment strategy. After considering the risk, rate of return and liquidity of the investments and the ability of the fund to discharge its existing liabilities, it was resolved that the investment strategy continues to reflect the purposes and circumstances of the fund and its members. Accordingly, no changes in the investment strategy were required.

**INSURANCE COVER:**

The trustee(s) reviewed the current life and total and permanent disability insurance coverage on offer to the members and resolved that the current insurance arrangements were appropriate for the fund.

**ALLOCATION OF INCOME:**

It was resolved that the income of the fund would be allocated to the members based on their average daily balance (an alternative allocation basis may be percentage of opening balance).

**INVESTMENT ACQUISITIONS:**

It was resolved to ratify the investment acquisitions throughout the financial year ended 30 June 2019.

**INVESTMENT DISPOSALS:**

It was resolved to ratify the investment disposals throughout the financial year ended 30 June 2019.

**AUDITORS**

It was resolved that

~~Crane Lawrence~~

of

~~Po Box 1061~~

~~Crows Nest NSW 1585~~

Andrew Ryan

12 Yarrara Road

Pennant Hills NSW 2120

act as auditors of the Fund for the next financial year.

34 of 46



**TAX AGENTS**

It was resolved that  
Catriona Jane Rogers  
act as tax agents of the Fund for the next financial year.

**TRUSTEE STATUS:**

Each of the trustee(s) confirmed that they are qualified to act as trustee(s) of the fund and that they are not disqualified persons as defined by s 120 of the SISA.

**CONTRIBUTIONS RECEIVED:**

It was resolved that the contributions during the year be allocated to members on the basis of the schedule provided by the principal Fund employer.

**ACCEPTANCE OF ROLLOVERS**

The trustee has ensured that any roll-over made to the Fund, meets the requirements of the Fund's deed and does not breach the superannuation laws in relation to:

1. making roll-over between Funds; and,
2. breaching the Fund or the member investment strategy.

The trustee has reviewed the roll-over and received advice that the roll-over is in accordance with the Trust Deed and the rules of the Fund and the superannuation laws. As such the trustee has resolved to accept the roll-over on behalf of the member.

**PAYMENT OF BENEFITS**

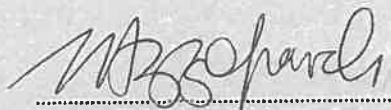
The trustee has ensured that any payment of benefits made from the Fund, meets the requirements of the Fund's deed and does not breach the superannuation laws in relation to:

1. making payments to members; and,
2. breaching the Fund or the member investment strategy.

The trustee has reviewed the payment of the benefit and received advice that the transfer is in accordance with the Deed and the superannuation laws. As such the trustee has resolved to allow the payment of the benefits on behalf of the member.

**CLOSURE:**

Signed as a true record –

  
.....  
Azzopardi Nominees (Malta) Pty Ltd

20/04/2020

35 of 46

**AZZOPARDI SUPERANNUATION FUND  
SCHEDULE OF PURCHASES AND SALES OF FUND ASSETS  
FOR THE REPORTING PERIOD ENDED 30 JUNE 2019**

Details

No of Units

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*36 of 46*

29 January 2021

**Azzopardi Nominees (Malta) Pty Limited ATF  
The Azzopardi Superannuation Fund,  
Suite 11, Browne Street,  
Campbelltown NSW 2560**

Dear Sir / Madam,

**RE: APPOINTMENT AS AUDITOR**

You have requested I act as auditor of **The Azzopardi Superannuation Fund** as of, and for the year ended 30 June, 2019. I am pleased to confirm my acceptance of the appointment and would now like to set out my understanding of the terms of this engagement.

### **Audit of the Financial Report**

In accordance with Section 35C of the Superannuation Industry (Supervision) Act 1993 ("SIS"), the financial report of a regulated superannuation fund must be audited by an approved auditor. The auditor must give the trustee a report on the special purpose financial report in the approved form within the prescribed time after the year of income to which the financial report relates.

My responsibilities include obtaining reasonable assurance that the financial report, taken as a whole, is free from material misstatement, whether caused by fraud or error. Notwithstanding this responsibility, due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with the Australian Auditing Standards.

The work undertaken by me to form an opinion is permeated by judgement, in particular regarding the nature, timing and extent of the audit procedures for gathering of audit evidence and the drawing of conclusions based on the audit evidence gathered. In addition, there are inherent limitations in any audit, and these include the use of testing, the inherent limitations of any internal control structure, the possibility of collusion to commit fraud, and the fact that most audit evidence is persuasive rather than conclusive. As a result, my audit can only provide reasonable - not absolute - assurance that the financial report is free from material misstatement.

I am required to establish whether various pre-conditions for the financial report aspect of my audit are present.



I direct your attention to the fact that each trustee is responsible for the maintenance of adequate accounting records and internal controls, the safeguarding of superannuation fund assets, the selection of accounting policies and the preparation of the special purpose financial reports. The financial report must be prepared using an acceptable financial reporting framework. I note each trustee is responsible for providing access to all information that is relevant to the preparation of the financial report, and any additional information that may be required as part of the financial audit. In particular, I note each trustee is responsible for the implementation and operation of accounting and internal control systems that are designed to prevent and detect fraud and error. Your signature below evidences your understanding and acknowledgement of these responsibilities, and confirms these pre-conditions have been met by each fund trustee.

The audit of the financial report does not relieve the trustee of their individual responsibilities.

My audit will be conducted in accordance with Australian Auditing Standards. The objective of the audit is to obtain reasonable assurance about whether the special purpose financial report, as a whole is, free from material misstatement, whether due to fraud or error and to issue an audit report on the financial report.

My responsibilities include ensuring I comply with all relevant ethical requirements. I must ensure I plan and perform my audit with professional scepticism, whilst recognising that circumstances may exist that can cause the financial report to be materially misstated. Whilst undertaking the audit, I am also required to exercise professional judgment in planning and performing my work.

My audit will be planned and conducted primarily to enable me to express my professional opinion as to whether the financial report complies with Australian Accounting Standards and other reporting requirements as adopted by the trustee, but also, so as to have reasonable expectation of detecting material misstatements arising as a result of irregularities which would have a material effect on the financial report. Unless otherwise agreed to, I assume no responsibility to design audit procedures to identify matters that may be appropriate to report to you.

I am required to communicate the planned scope and timing of my audit, and I note the scope of my audit will be sufficient to perform my duties as the auditor of the fund. The timing of the audit will be dictated by the provision of relevant documentation to commence the audit. I am also required to communicate the significant risks identified. Generally speaking, the auditing standards require a presumption that revenue recognition, and the possibility of the trustee overriding internal controls as significant risks. Another example of a significant risk is where the fund enters into a limited recourse borrowing arrangement, where the financier is a related party of the fund. Should any other significant risks be identified as part of my audit, I will communicate these to you.

My audit work involves examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report in order to form an opinion as to whether, in all material respects, the financial report is fairly stated in accordance with the accounting policies described in the notes thereto.

As the auditor of your fund I note I am not responsible for investment decisions. You should not consider the receipt of an unmodified audit report a validation of investment choices made as the trustee of the fund. Even though I may be required to bring to your attention investment decisions I consider to be unusual, of high risk, or to be out of the ordinary for a self-managed superannuation fund, investment decisions, and the resultant outcomes, are the responsibility of the trustee. Your signature below acknowledges each trustee is responsible for investment decisions and outcomes.

As part of my audit, I will request from the trustees written confirmation regarding representations made to me in connection with the audit.

I am required by the Australian Auditing Standards to include an Emphasis of Matter paragraph in my audit report, and I note the anticipated wording will be:

*I draw attention to note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist Azzopardi Superannuation Fund meet the requirements of the SMSF's governing rules, the Superannuation Industry (Supervision) Act 1993 (SISA) and the SISR. As a result, the financial report may not be suitable for other purposes, and should not be distributed to parties other than the trustee. My opinion is not modified in respect of this matter.*

I am also required to draw attention to the fact that the financial report in the prior period was audited by a different auditor. Depending on how this is to be addressed, my audit report may include a qualified opinion on opening balances or an Other Matter paragraph. I note I am required to include the name of the previous auditor, whether their audit opinion was modified (and their reasons), and the date of their audit report.

### **Audit Communications**

If my audit report requires an additional Emphasis of Matter paragraph, or an Other Matter paragraph, I am obligated to communicate with you regarding the inclusion of such an additional paragraph, along with the anticipated wording.

Notwithstanding the ATO publish the required wording of the audit report that I am required to use, there may be circumstances in which my report may differ from its expected form and content. An audit opinion may be modified, typically as a qualified opinion, or an adverse opinion may be issued. In extreme cases a disclaimer of opinion may be appropriate. Again, I am obligated to communicate with you regarding any modification to my opinion, along with the anticipated wording.

I am required to inform you of certain uncorrected misstatements identified during the audit, and I must obtain representations from you acknowledging the uncorrected misstatements have been brought to your attention, and that you have considered the effects of these misstatements to be either material or immaterial individually and in aggregate to the financial report.

At the completion of the audit I will prepare an audit management letter to advise you of any matters encountered during the course of the audit that I believe should be brought to your attention. I am required to communicate my views on the accounting policies adopted in the preparation of the financial report, including an explanation as to why I believe an alternative accounting policy may be more appropriate. Further to this I am required to communicate my views on any accounting estimates and financial report disclosures. I am also required to communicate to you any significant difficulties, if any, encountered during the audit.

Please note you should not assume that matters reported to you, or that a report that there are no matters to be communicated, indicates that there are no additional matters that you should be aware of in meeting your responsibilities.

### **Audit of SIS Compliance**

I acknowledge that I am a member of a practice that applies ASQC 1, and that I have the assurance skills and techniques developed through intensive training and practical application, and that I have sufficient competence in the audit of self-managed superannuation funds to accept responsibility for the assurance opinion that will be issued.

I acknowledge that during the compliance engagement I will apply professional scepticism, exercise my professional judgment, and apply assurance skills and techniques in the planning and performing of the compliance engagement.

I am required to form an opinion in respect of compliance with certain aspects of the SISA and the Regulations thereto - being the Superannuation Industry (Supervision) Regulations 1994 ("SISR"), referred to as the Listed Provisions below. I direct your attention to the fact that each trustee is responsible for ensuring compliance with SISA and SISR. I note each trustee is responsible for providing access to all information that is relevant to the compliance engagement, and any additional information that may be required as part of the compliance engagement.

I note this is a direct engagement, and the compliance aspect of my audit is considered to be a reasonable assurance engagement, that is, I am required to plan the compliance engagement to reduce the engagement risk to an acceptably low level. The compliance aspect of the assurance report is intended to be used by the trustee of the fund, and the legislative provisions requiring audit are determined by the Australian Taxation Office ("ATO") (the "Listed Provisions"). The assurance report, applicable to the year ended 30 June, 2020 must refer to the following SISA sections and SISR regulations:

Sections: 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K; and

Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA.

The above Listed Provisions (also known as the applicable criteria) define the scope of the compliance engagement, and are the only compliance requirements being covered by this compliance engagement.

I am also required to establish whether various pre-conditions for the compliance aspect of my audit are present.

The trustee is responsible for complying with the Listed Provisions, including the identification of risks that might threaten fund compliance. The trustee is responsible for designing and maintaining internal controls to mitigate these risks, including the risk of fraud in the hope that these risks do not prevent the fund's ability to comply with the Listed Provisions.

Your signature below evidences your understanding and acknowledgement of these responsibilities, and confirms the pre-conditions have been met by each trustee.

#### **Audit Communication - Significant Matters**

Under Section 129 of the SISA I am required to report to you in writing, if during the course of, or in connection with my audit, I become aware of certain contraventions of the SISA or SISR which I believe has occurred, are occurring or may occur. There are instances where I will be obligated to report the contravention(s) to the ATO. I am also required under section 130 of the SISA to report to you and the ATO if I believe the fund may be about to become, or may be in an unsatisfactory financial position.

There may also be instances where I am obligated to report to the ATO under section 130BA of the SISA.

#### **Audit Communication - Other Matters**

At the completion of the compliance audit I will incorporate into my audit management letter details of any non-compliance (unless considered clearly trivial) with laws and regulations not already communicated above under significant matters.

#### **Privacy and Quality Control**

The conduct of my audit in accordance with Australian Auditing Standards means that information acquired by me in the course of my audit is subject to strict confidentiality requirements. I am also subject to the Privacy Act 1988 in the handling of personal information. I will not use any personal information obtained during the audit for any purpose other than for the purpose of conducting the audit.

I will keep secure personal information obtained during the audit to ensure it is not misused, lost, or improperly accessed, modified or disclosed. After completing the audit, I will return to you any documents containing personal information that I obtain from you during the

course of the audit, except for copies or extracts as required to be retained by auditing standards.

Information will not be disclosed by me to other parties except as required or allowed for by law or professional standards, or with your authority. My audit files may be subject to review as part of the quality control review program of The Chartered Accountants Australia New Zealand ("CAANZ") which monitors compliance with professional standards by its members.

My audit files may also be subject to review by the ATO or as part of any review required by the Australian Securities and Investments Commission ("ASIC"). I advise you that by signing this letter you acknowledge that, if requested, my audit files relating to your audit will be made available under any of these review programs. Should this occur I will advise you. The same strict confidentiality requirements apply under the CAANZ, ATO and ASIC reviews that apply to myself as your auditor.

## Fees

Fees are based on a standard rate in relation to audits undertaken during the financial year ending 30 June 2020 as follows:

- Audit fees for funds up to \$2 million (or \$1.6 million for single member fund) - \$250 (new fund commencement & limited transactions) to \$600 maximum.
- Audit fee for funds over the above ceilings may exceed \$600 if there are additional complexities or excessive trading.
- The physical review or inspection of collectibles (as defined by the ATO) and bullion, if deemed necessary - \$100, plus travel costs.
- Issue of a contravention report - \$00.
- Review of amended Financial statements - \$50 per hour as per the rates set out below.

Fees, as a comparison, are charged at the following hourly rates:

Principal	\$50
Administrative / Secretarial	\$20

More complex accounts, depending on the size and number of transactions and the investments that the fund has made, may require more work to verify transactions and balances, and subsequent cost. Examples of this include; cryptocurrency, precious metals, collectibles and personal use assets, unlisted unit trusts and companies, especially where real property is held in these entities.

Any variation on fees will be discussed with you or your accountant prior to work being commenced.

This letter will be effective for future years unless I advise you of its amendment or replacement, or if the engagement is terminated. Notwithstanding your (or my) right to terminate this engagement, there may be instances where I am still required to report on significant matters, as noted above, after the date of termination. You acknowledge that any

time spent undertaking such obligations are to be paid for by the fund, along with any direct or incidental costs in connection with these obligations, including by not limited to specific legal advice, the cost of any consultations with other professionals, and any other associated costs and direct out-of-pocket expenses.

An invoice will be issued on the completion of the audit and sent to your accountant for ease of administration; however, payment will remain the responsibility of the Trustees. It is policy that my fees be collected within 14 days from the date the invoice was issued, and I trust that this arrangement is acceptable to you.

Prior to my accepting this appointment as auditor, I am obligated to contact your previous auditor. I may also need to request documentation, that may be contained in the audit file of your previous auditor. Your signature below permits me to do this, and permits the previous auditor to provide that information. Should you not wish me to contact your previous auditor, please contact me to discuss.

Please also note that this engagement is limited liability engagement. Liability is limited by a scheme approved under Professional Standards Legislation.

Please sign and return this letter to indicate that it is in accordance with your understanding of the arrangements for my audit.

Yours faithfully,



**Andrew Ryan CA**

I understand and agree with the terms of this engagement:

\_\_\_\_\_

**Joanne Mary Azzopardi**

Director

Date:

5 March 2021

**Private and Confidential**

The Trustee, Azzopardi Nominees (Malta) Pty Limited,  
**Azzopardi Superannuation Fund,**  
Suite 13, 547-549 Darling Street,  
Rozelle NSW 2039

Dear Joanne,

**RE: AUDIT MANAGEMENT LETTER**

I wish to advise that the audit of the **Azzopardi Superannuation Fund** for the year ended 30 June, 2019 has recently been completed.

Auditors are encouraged by the Australian Taxation Office to issue management letters at the completion of each audit as a means of advising the trustee of any matters noted during the course of the audit.

My audit work involves examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report in order to form an opinion as to whether, in all material respects, the financial report is fairly stated in accordance with the accounting policies described in the notes thereto. Further, my audit work involves examination, again on a test basis, of evidence supporting compliance with certain requirements of the Superannuation Industry (Supervision) Act 1993 and the Superannuation Industry (Supervision) Regulations 1994 ("SIS").

Whilst there are no matters to report, I would like to bring the following to your attention:

**1. Residential Real Property compliance activities Trustees need to consider on an annual basis**

**a) Valuation Requirements**

The ATO requires under Regulation 8.02B of the SIS that properties be revalued every year at the assets 'market value' when preparing the assets and financial statements - and this needs to be recognised in the Statement of Financial Position (or Balance Sheet). It is the trustee's role to provide 'objective and supportable evidence' of the assets value. A 'Qualified Independent Valuers' (QIV) valuation and /or report is not required each and every year (however, once every 3 years is regarded as good practice). Other years the trustee's may provide a valuation, again, based on 'objective supportable evidence', such as independent appraisals from real estate agents conducting a kerb side visit or inspection,

recent comparable sales results, council rates and land tax notices if consistent with other evidence on the valuation (the details of which have subsequently been further explained recently, to which I am now drawing your attention. In your particular circumstances, I would like to draw to your attention value of the property in the fund, represents as the percentage of total assets of the fund, approximately 99%.

Whilst you have previously complied with the ATO's valuation guidelines in Tax Ruling 2010/1, having the property independently valued every 3 years by a Qualified Independent Valuer, the ATO on 15 October 2020, released new information for both auditors and trustees in relation to the valuing of real property.

It states that "*a single item of evidence listed below, will NOT be sufficient on its own unless the property has been recently sold. We (the ATO) suggest a variety of sources of evidence to support compliance with regulation 8.02B which may include:*

- *Independent appraisals from a real estate agent (kerb side)*
- *Contract of sale if the purchase is recent and no events have occurred to the property that could materially impact its value since the purchase*
- *Recent comparable sales results*
- *Rates notice (if consistent with other evidence on valuation)*
- *Net income yield of commercial properties (not sufficient evidence on their own and only appropriate where tenants are unrelated)"*

Please take the above matters into consideration when valuing the residential real property in the future, and consider all of the following circumstances:

- The value of the property as a percentage to the fund's total assets, where it is a significant proportion the SMSF's total assets,
- Knowledge of the market (what are similar properties advertised for and/or selling for in the local area, and obtain written evidence of this {from print-media advertising, materials and photos from real estate agents / snapshots from electronic online media and other electronic real estate media sources},
- The net income yield is regarded as commercial or arm's length, with evidence of rental / lease agreements, and where possible real estate agents providing, gross or net yields in the local area, justifying rent received and value.
- A direct valuation from a Qualified Independent Valuer (NB, this would absolutely satisfy the ATO).
- Finally, please maintain and include these documents in the Fund's papers each year to present to the accountant and auditor for review.

I advise that I have not encountered any other matters during the course of the audit that I believe should be brought to your attention.

Should you wish to discuss the above, please do not hesitate to contact the undersigned.

Yours faithfully,

**Andrew Ryan SMSF Audits**



**Andrew Ryan CA**



# SELF-MANAGED SUPERANNUATION FUND INDEPENDENT AUDITOR'S REPORT

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## Approved SMSF auditor details

Name: Andrew Edward Ryan

Business name: Andrew Ryan SMSF Audits

Business postal address: 12 Yarrara Road, Pennant Hills NSW 2120

SMSF auditor number (SAN): 100301120

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## Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name: Azzopardi Superannuation Fund

Australian business number (ABN) or tax file number (TFN): 43 514 812 668

Address: Suite 13, 547-549 Darling Street, Rozelle NSW 2039

Year of income being audited: 30 June 2019

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To the SMSF trustee of the **Azzopardi Superannuation Fund**.

## Part A: Financial report

### Approved SMSF auditor's Opinion

I have audited the special purpose financial report of the **Azzopardi Superannuation Fund** comprising the statement of financial position as at 30 June 2019, and the operating statement, statement of changes in equity for the year then ended, a summary of significant accounting policies and other explanatory notes' of the name of superannuation fund) for the year ended 30 June 2019.

In my opinion, the financial report, presents fairly, in all material respects, in accordance with the accounting policies described in the notes to the financial statements, the financial position of the fund at 30 June 2019 and the results of its operations for the year then ended.

### Basis for Opinion

My audit has been conducted in accordance with Australian Auditing Standards<sup>1</sup>. My responsibilities under those standards are further described in the *Approved SMSF Auditor's Responsibilities for the Audit of the Financial Report* section of this report. I am independent of the self-managed superannuation fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) as required by the Superannuation Industry.

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<sup>1</sup>The Australian Auditing Standards issued by the Auditing and Assurance Standards Board.

(Supervision) Regulations 1994 (SISR). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Emphasis of Matter – Basis of accounting**

Without modifying my opinion, I draw attention to note [1] of the financial report, which describes the basis of accounting. The financial report has been prepared to assist **Azzopardi Superannuation Fund** meet the requirements of the SMSF's governing rules, the *Superannuation Industry (Supervision) Act 1993* (SISA) and the SISR. As a result, the financial report may not be suitable for other purposes.

### **Responsibilities of SMSF trustees for the financial report**

Each SMSF trustee (individual trustee or director of corporate trustee) is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the SMSF's governing rules, the SISA and the SISR. Each trustee is also responsible for such internal controls as they determine are necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustees are responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees intend to wind-up the fund. The going concern basis of accounting is appropriate when it is reasonably foreseeable that the fund will be able to meet its liabilities as they fall due.

The trustees are responsible for overseeing the fund's financial reporting process.

### **Approved SMSF auditor's responsibilities for the audit of the financial report**

My responsibility is to express an opinion on the financial report based on my audit. I have conducted an independent audit of the financial report in order to express an opinion on it to the trustees.

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of trustees taken on the basis of this financial report.

I have complied with the competency standards set by Australian Securities & Investments Commission (ASIC). My audit has been conducted in accordance with Australian Auditing Standards. These standards require that I comply with relevant ethical requirements relating to audit engagements, and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

## **Part B: Compliance report**

### **Approved SMSF Auditor's Opinion**

I have performed a reasonable assurance engagement on the **Azzopardi Superannuation Fund** to provide an opinion in relation to its compliance, in all material respects, with the applicable provisions of the SISA and the SISR as listed below in the *Approved SMSF auditor's Responsibility* section of this report.

In my opinion, each trustee of **Azzopardi Superannuation Fund** has complied, in all material respects, with the applicable provisions of the SISA and the SISR specified below, for the year ended 30 June 2019.

### **Basis for Opinion**

I have conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3100 *Compliance Engagements* issued by the Auditing and Assurance Standards Board.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Independence and quality control**

I have complied with the independence requirements in accordance with the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) as required by the SISR.

I/My firm apply/applies Australian Standard on Quality Control 1 ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

I have complied with the competency standards set by ASIC.

### **SMSF trustees' responsibility for compliance**

Each SMSF trustee is responsible for complying with the requirements of the SISA and the SISR and for identifying, designing and implementing internal controls as they determine necessary to meet compliance requirements and monitor ongoing compliance.

### **Approved SMSF auditor's responsibility for the compliance report**

My responsibility is to express an opinion on the trustees' compliance with the applicable requirements of the SISA and the SISR, based on the compliance engagement. My procedures included testing that the fund has an investment strategy that complies with the SISA and that the trustees make investments in line with that strategy, however, no opinion is made on its appropriateness to the fund members.

My reasonable assurance engagement has been conducted in accordance with applicable Standards on Assurance Engagements issued by the Auditing and Assurance Standards Board, to provide reasonable assurance that the trustees of the fund have complied, in all material respects, with the relevant requirements of the following provisions (to the extent applicable) of the SISA and the SISR.

Sections: 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67,67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K

Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA

An assurance engagement to report on the fund's compliance with the applicable requirements of the SISA and the SISR involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the compliance requirements. The procedures selected depend on my judgement, including the identification and assessment of risks of material non-compliance.

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the SISA and the SISR for the year ended 30 June 2019.

These tests have not been performed continuously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the SISA and the SISR apart from those specified.

### **Inherent limitations**

Due to the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with the listed provisions may occur and not be detected. A reasonable assurance engagement does not provide assurance on whether compliance with the listed provisions will continue in the future.

**Andrew Edward Ryan**

SMSF Auditor Name



Signed

5 March 2021

Date audit completed

**AZZOPARDI SUPERANNUATION FUND**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Investments</b>		
Mortgage Loans (Australian)	(483,522)	(483,522)
Plant and Equipment (at written down value)	2,669	4,418
Real Estate Properties (Australian)	681,000	670,000
	200,147	190,896
 <b>Other Assets</b>		
St George Complete Freedom	2,422	2,735
Rent Receivable	379	652
	2,801	3,387
 <b>Total Assets</b>	202,948	194,283
<b>Represented by:</b>		
<b>Liability for Accrued Benefits (Notes 2, 3, 4)</b>		
Azzopardi, Joanne	202,948	194,283
	202,948	194,283

*RA*

37 of 46

The accompanying notes form part of these financial statements

**AZZOPARDI SUPERANNUATION FUND  
INVESTMENT SUMMARY REPORT AT 30 JUNE 2019**

Investment	Units	Ave Cost	Mkt Price	Cost	Market	Unrealised Gain/(Loss)	Percent Gain/(Loss)	Percent Total
<b>Cash/Bank Accounts</b>								
St George Complete Freedom		2,422.00	2,422.00	2,422	2,422			0.35%
				2,422				0.35%
<b>Plant and Equipment (at written down value)</b>								
18 Bryan St Darling Heights	4	1,050.50	430.00	4,202	1,720	(2,482)	(59.07%)	0.25%
279 Alderley St Centenary Heights	1	439.00	155.00	439	155	(284)	(64.69%)	0.02%
Borrowing Expenses	1	6,399.00	794.00	6,399	794	(5,605)	(87.59%)	0.12%
				11,040	2,669	(8,371)	(75.82%)	0.39%
<b>Real Estate Properties (Australian)</b>								
18 Bryan St Darling Heights	1	349,675.00	343,000.00	349,675	343,000	(6,675)	(1.91%)	49.99%
279 Alderley St Centenary Heights	1	350,438.00	338,000.00	350,438	338,000	(12,438)	(3.55%)	49.26%
				700,113	681,000	(19,113)	(2.73%)	99.26%
				713,575	686,091	(27,484)	(3.85%)	100.00%

389 46

**AZZOPARDI SUPERANNUATION FUND  
OPERATING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Income</b>		
Increase in Market Value of Investments (Note 5)	11,000	-
Member/Personal Contributions - Non Concessional (Undeducted)	17,731	22,385
Rent Received	33,960	32,299
	<u>62,691</u>	<u>54,684</u>
<b>Expenses</b>		
Administration Costs	1,663	1,381
Auditor's Remuneration	3,300	3,135
Decrease in Market Value of Investments (Note 5)	-	16,000
Depreciation	1,749	1,866
Investment Expenses	47,314	49,529
	<u>54,026</u>	<u>71,911</u>
<b>Benefits Accrued as a Result of Operations before Income Tax</b>	8,665	(17,227)
<b>Income Tax (Note 7)</b>		
Income Tax Expense	-	-
<b>Benefits Accrued as a Result of Operations</b>	<u>8,665</u>	<u>(17,227)</u>



The accompanying notes form part of these financial statements

39 of 46



**AZZOPARDI SUPERANNUATION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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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 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 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 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 values, 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 are 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. investment properties at the trustees' assessment of their realizable value.


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 value 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.

 60946

**AZZOPARDI SUPERANNUATION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**Interest revenue**

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised as it accrues.

**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 trusts are recognised as at the date the unit value is quoted ex-distributions and, if not received at the end of the reporting period, are reflected in the statement of financial position as a receivable at net 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. 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 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:

  
41 of 46

**AZZOPARDI SUPERANNUATION FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
Liability for Accrued Benefits at beginning of period	194,283	211,510
Add:		
Benefits Accrued as a Result of Operations	8,665	(17,227)
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	202,949	194,283
Liability for Accrued Benefits at end of period	202,949	194,283

**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.

	2019	2018
	\$	\$
Vested Benefits	202,949	194,283

**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:

	2019	2018
	\$	\$
Mortgage Loans (Australian)	(25,776)	(25,776)
Real Estate Properties (Australian)	11,000	(16,000)
	(14,776)	(41,776)

**6. Funding Arrangements**

The employer and members contributed to the fund a percentage of the gross salaries of the employees who were members of the fund as follows:

	2019	2018
	\$	\$
Employer		


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**AZZOPARDI SUPERANNUATION FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**Members**

**7. 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:

	2019	2018
	\$	\$
Benefits accrued as a result of operations before income tax	8,665	(17,227)
Prima facie income tax on accrued benefits	1,300	(2,584)
Add/(Less) Tax Effect of:		
Increase in Market Value of Investments	(1,650)	-
Member/Personal Contributions - Non Concessional (Undeducted)	(2,660)	(3,358)
Decrease in Market Value of Investments	-	2,400
Other	3,010	3,542
	(1,300)	2,584
Income Tax Expense	-	-

**8. Reconciliation of Net Cash provided by Operating Activities to Benefits Accrued from Operations after Income Tax**

	2019	2018
	\$	\$
Benefits accrued from operations after income tax	8,665	(17,227)
Add/(Less) non cash amounts included in benefits accrued from operations		
Increase in Market Value of Investments	(11,000)	-
Member/Personal Contributions - Non Concessional (Undeducted)	(1,490)	(4,637)
Rent Received	(9,315)	(6,681)
Decrease in Market Value of Investments	-	16,000
Depreciation	1,749	1,866
Investment Expenses	36,264	36,442
	16,208	42,990
Net cash provided by operating activities	24,873	25,763

**9. Reconciliation of Cash**

For the purpose of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related item in the Statement of

*MAX*  
*43/46*

**AZZOPARDI SUPERANNUATION FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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Financial Position or Statement of Net Assets as follows:

	2019	2018
	\$	\$
Cash	<u>2,422</u>	<u>2,735</u>

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44 of 46

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**Member's Statement**  
**AZZOPARDI SUPERANNUATION FUND**

**MS JOANNE AZZOPARDI**  
**SUITE 13, 541-549 DARLING STREET**  
**ROZELLE NSW 2039**

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2019 and for the reporting period 1 July 2018 to 30 June 2019.

<b>Your Details</b>		<b>Your Balance</b>	
Date of Birth	30 July 1971	<b>Total Benefits</b>	<b>\$202,949</b>
Tax File Number	Provided	Comprising:	
Date Joined Fund	28 March 2014	- Preserved	\$197,344
Service Period Start Date		- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	\$5,605
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	\$72,352
Current Salary		- Taxable Component	\$130,597
Vested Amount	\$202,949		
Insured Death Benefit			
Total Death Benefit	\$202,949		
Disability Benefit			
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 2018	188,679		5,605	194,283
Add: Increases to Member's Account During the Period				
Concessional Contributions				
Non-Concessional Contributions	17,731			17,731
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period	(9,066)			(9,066)
Transfers in and transfers from reserves				
	8,665			8,665
	197,344		5,605	202,949
Less: Decreases to Member's Account During the Period				
Benefits/Pensions Paid				
Contributions Tax				
Income Tax				
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
<b>Member's Account Balance at 30/06/2019</b>	<b>197,344</b>		<b>5,605</b>	<b>202,949</b>

Reference: AZZO30 / 501

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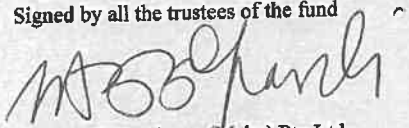
**Availability of Other Fund Information**

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

**Trustee's Disclaimer**

This statement has been prepared by the Trustee for the member whose name appears at the top of this statement. Every effort has been made by the Trustee to ensure the accuracy and completeness of this Statement. The Trustee does not accept any liability for any error, omission or misprint. All amounts shown in relation to benefits do not take into account any amounts which may be withheld to satisfy the requirements imposed by the Income Tax Assessment Act 1936.

Signed by all the trustees of the fund



Azzopardi Nominees (Malta) Pty Ltd  
Trustee

Statement Date: 20 April 2020

46 of 46