

**MARK BATES SUPERANNUATION FUND**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2021**

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# MARK BATES SUPERANNUATION FUND

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# MARK BATES SUPERANNUATION FUND

## OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
<b>REVENUE</b>			
Member deducted contributions		13,891	14,130
Member non - deducted contributions		5,880	7,753
Rent received		69,685	20,327
Trust distributions		10,969	9,830
Interest income		32	47
Profit / (loss) on sale of investments		(4,622)	(10,419)
Profit / (loss) on sale of property		49,197	-
Changes in net market values		149,736	(58,460)
<b>Total income</b>		<u>294,768</u>	<u>(16,792)</u>
<b>EXPENSES</b>			
Accounting fees		4,176	4,224
Audit fees		380	418
Bank charges		1,474	172
Filing fees		465	-
Formation costs written-off		869	869
Management fees		2,283	5,043
Property costs			
Advertising		1,727	-
Agents fees		409	-
Borrowing costs		1,352	-
Cleaning		527	-
ESL		956	3
Interest paid		26,764	5,842
Legal fees		1,000	-
Rates & taxes		1,462	15
Repairs & maintenance		4,567	3
Stata levies		141	-
Water rates		1,514	-
Supervisory levy		259	259
<b>Total expenses</b>		<u>50,325</u>	<u>16,848</u>
<b>BENEFITS ACCRUED AS A RESULT OF OPERATIONS BEFORE INCOME TAX</b>		244,443	(33,640)
Income tax expense	2	<u>(5,592)</u>	<u>(4,074)</u>
<b>BENEFITS ACCRUED AS A RESULT OF OPERATIONS</b>		<u>238,851</u>	<u>(37,714)</u>

# MARK BATES SUPERANNUATION FUND

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
CBA Bank		257,577	3,897
Bank - Norths		53,954	3,155
Sundry debtors		2,180	5,150
Prepayments		3,450	4,802
Formation costs		724	1,593
<b>Total current assets</b>		<u>317,885</u>	<u>18,597</u>
<b>NON CURRENT ASSETS</b>			
Property 24 Blakiston Court Paralowie (at valuation 2020)		-	225,000
Property - Unit 6 6-12 Stanbel Rd Salisbury Plain (at cost)		-	511,581
Property - Unit 6 6-12 Stanbel Rd Salisbury Plain (at valuation 2021)		650,000	-
Units in unlisted trusts per Norths report (at market value)		122,774	155,190
<b>Total non-current assets</b>		<u>772,774</u>	<u>891,771</u>
<b>Total assets</b>		<u>1,090,659</u>	<u>910,368</u>
<b>CURRENT LIABILITIES</b>			
GST payable		1,835	(50,216)
Provision for income tax	3	5,592	4,074
<b>Total current liabilities</b>		<u>7,427</u>	<u>(46,142)</u>
<b>NON CURRENT LIABILITIES</b>			
Loan - La Trobe Financial		318,446	325,062
Loan - Homeloans		-	105,513
<b>Total non current liabilities</b>		<u>318,446</u>	<u>430,575</u>
<b>Total liabilities</b>		<u>325,873</u>	<u>384,433</u>
<b>NET ASSETS AVAILABLE TO PAY BENEFITS</b>		<u>764,786</u>	<u>525,935</u>
<i>Represented by:</i>			
<b>LIABILITY FOR ACCRUED MEMBERS' BENEFITS</b>			
Allocated to members' accounts	4	764,786	525,935
<b>LIABILITY FOR ACCRUED MEMBERS' BENEFITS</b>		<u>764,786</u>	<u>525,935</u>

# **MARK BATES SUPERANNUATION FUND**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

### **NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The trustees have prepared the financial statements on the basis that the fund is a non reporting entity because there are no users dependent on general purpose financial reports. The financial report is therefore a special purpose financial report in order to meet the needs

The financial report has been prepared in accordance with the significant accounting policies disclosed below, which the trustees have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the prior period unless stated

The financial statements are prepared on an accruals basis.

The accounting policies that have been adopted in preparation of the report are as follows:

**(a) Measurement of investments**

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

Net market values have been determined as follows:

- (i) Shares and other securities listed on the Australian Stock Exchange by reference to the relevant market quotation at the reporting date;
- (ii) Mortgage loans by reference to the outstanding principal of the loans;
- (iii) Units in managed funds by reference to the unit redemption price at the reporting date;
- (iv) Insurance policies by reference to the surrender value of the policy;
- (v) Investment properties, plant and equipment at trustees' assessment of their realisable value.

**(b) Liability for accrued benefits**

The liability for accrued benefits is the superannuation 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 sundry liabilities and income tax liabilities as at the reporting date.

## **MARK BATES SUPERANNUATION FUND**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

#### **NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued**

**(c) Income tax**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantively enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the

Deferred income tax expense reflects movements in deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit and loss. Any deferred income tax arising from market revaluations of investments are not recognised until a decision to sell the investment is made.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

## MARK BATES SUPERANNUATION FUND

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>NOTE 2 INCOME TAX EXPENSE</b>		
Prima facie tax payable on operating result before income tax at 15%	36,666	(5,046)
Adjust for tax effect of:-		
Non assessable contributions	(882)	(1,163)
Trust distributions - taxable	866	906
Capital gains - taxable	121	1,674
Accounting loss / (profit) on sale of investments	(6,686)	1,563
Non-assessable change in market value	(22,460)	8,769
Trust distributions - accounting	(1,645)	(1,482)
Tax credits	(388)	(1,147)
<b>Income tax expense</b>	<u>5,592</u>	<u>4,074</u>
<i>The income tax expense comprises amounts set aside to:</i>		
Current year	5,592	4,074
<b>Income tax expense</b>	<u>5,592</u>	<u>4,074</u>
<b>NOTE 3 PROVISIONS</b>		
Provision for income tax		
Opening balance	4,074	9
Income tax paid	(4,074)	(9)
	<u>-</u>	<u>-</u>
Current year provision	5,592	4,074
Closing balance	<u>5,592</u>	<u>4,074</u>
<b>NOTE 4 MEMBERS' FUNDS</b>		
Balance at the beginning of the year	525,935	563,649
Add: Benefits accrued as a result of operations	238,851	(37,714)
Benefits accrued at the end of the period	<u>764,786</u>	<u>525,935</u>

## MARK BATES SUPERANNUATION FUND

### TRUSTEES' DECLARATION

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

In the opinion of the trustees:

- (i) The financial statements and notes to the financial statements for the year ended 30 June 2021 present fairly the financial position of the Superannuation Fund at 30 June 2021 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements; and
- (ii) The financial statements and notes to the financial statements have been prepared in accordance with the requirements of the Trust Deed; and
- (iii) The operation of the Superannuation Fund has been carried out in accordance with its Trust Deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 during the year ended 30 June 2021.

Signed in accordance with a resolution of the trustees by:



Mark Bates

Dated 17 November 2021



## MARK BATES SUPERANNUATION FUND

### MEMBER'S STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>Mark Bates</b>		
<i>Date of birth</i>	<i>15 December 1961</i>	
Balance at beginning of the year	525,935	563,649
Member contributions	19,771	21,882
Allocated earnings	224,672	(55,522)
Income tax benefit (expense) on earnings	(5,592)	(4,074)
<i>Balance at end of year</i>	<u>764,786</u>	<u>525,935</u>
 <i>The above balance at the end of the year comprises:</i>		
Withdrawal benefit which must be preserved	760,452	521,601
Withdrawal benefit which is unrestricted non-preserved	4,334	4,334
	<u>764,786</u>	<u>525,935</u>
Tax free component	93,678	87,798
Taxable component	671,108	438,137
	<u>764,786</u>	<u>525,935</u>

#### **Withdrawal Benefit**

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

- member contributions
- superannuation guarantee contributions
- award contributions
- other employer contributions made on your behalf

and earnings (after income tax) associated with the above contributions.

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

# MARK BATES SUPERANNUATION FUND

## INVESTMENT POLICY STATEMENT

### 1 Membership profile

The fund has the following number of members	1
The members is aged	59

It is not intended that other members will be admitted to the Fund. The current intention is for each of the members to receive a retirement benefit at age 60 or later when they intend retiring from the workforce.

### 2 Benefit design

The benefits provided by the aforementioned superannuation fund ("*the Fund*") principally consist of accumulation benefits. These are based on accumulated net contributions and interest on them.

The Trustee invests Fund assets with regard to the need to realise the investments when the members plan to retire for the purpose of paying benefits by lump sum or allocated pension, as the Trustee decides.

### 3 Future contributions

The members intend to contribute to the Fund as much as their annual earnings permit after taking into account amounts set aside for living expenses and other business activities. Consequently, members will be relying predominantly on investment returns of the Fund to produce benefits for their retirement.

### 4 Investment risk

Members bear the investment risk and rewards. Returns for the Fund's investments are added to members' accounts.

### 5 Investment objectives

The Fund's overall investments objective is to maximise investment return over the medium term to long term, while controlling the investment risk by investing across the range of asset classes. Specifically the Trustee intends:

- to achieve investment returns which exceed the rate of inflation (as measured by the change in the level of Average Weekly Earnings) by at least 2% per annum over periods of 5 years or more;
- to achieve an investments return (net of tax and charges) that exceeds cash rates where measured on a rolling 5 year basis.

Investment performance is monitored regularly.

## **MARK BATES SUPERANNUATION FUND**

### **INVESTMENT POLICY STATEMENT continued**

#### **6 Fund policy**

- The Trustee will seek to maximise returns by following a growth oriented approach to investments, which means that investment in shares and/or property and/or trusts will be an integral part of the Fund's strategy. An occasional negative return may not be avoidable in order to secure the longer term benefits provided by such growth investments.
  
- The Trustee may retain the services of at least one professional portfolio manager who will have full responsibility for the investment of the assets. Any manager appointed will be expected to display the skills and expertise of a professional fully discretionary portfolio manager with investments objectives compatible with those of the Fund and to meet the requirements for investment managers under the Superannuation Industry (Supervision) Act 1993.

#### **7 Insurance**

The trustees have determined that it remains appropriate for the Fund not to hold insurance policies for the members.

#### **8 Liquidity**

The trustees are of the belief the fund has sufficient liquid investments having regard to its expected cash flow requirements.

#### **9 Ability to discharge liabilities**

The trustees are of the belief the fund is capable of discharging its existing and prospective liabilities as and when they fall due.

#### **10 Limited recourse borrowing arrangement**

The trustees have considered the current limited recourse borrowing arrangement and consider that it is in the best interests of the fund for the arrangement to continue.

The trustees are of the opinion the limited recourse borrowing arrangement complies with the requirements under the Superannuation Industry (Supervision) Act 1993.

**MARK BATES SUPERANNUATION FUND**

**AUDIT REPORT**

**SELF MANAGED SUPERANNUATION FUND**

**Name of auditor**

**Business name**

**Address of auditor**

**SMSF auditor number**

**Name of SMSF** Mark Bates Superannuation Fund

**ABN of SMSF** 47 668 470 254

**Address of SMSF** 4 Blakiston Court, Paralowie SA

**Year of income being audited** 2021