

XWB Superannuation Fund

ABN 27945839490

Financial Statements and Reports for the Year Ended 30 June 2022



Accrual Accounting & Taxation

Suite 2, 115 Currumburra Road

Ashmore QLD 4214

Phone: (07)5564 6884 Fax: (07)5564 6885

Email: admin@accrual.com.au

XWB Superannuation Fund

Reports Index

Compilation Report	1
Trustees Declaration	2
Detailed Operating Statement	3
Detailed Statement of Financial Position	4
Members Summary	5
Members Statement	6
Statement of Taxable Income	8
Investment Summary with Market Movement	9
Investment Summary	10
Investment Strategy	11
Trustee Minute / Resolution	13
Notes to the Financial Statements	14

XWB Superannuation Fund

Compilation Report

We have compiled the accompanying special purpose financial statements of the XWB Superannuation Fund which comprise the statement of financial position as at 30 June 2022 the operating statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1 to the financial statements.

The Responsibility of the Trustee

The Trustee of XWB Superannuation Fund are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the financial reporting framework used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

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

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

Assurance Disclaimer

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

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

Accrual Accounting and Taxation

of

Suite 2, 115 Currumburra Road, Ashmore, Queensland 4214

Signed:

Dated: 21/07/2023

Trustees Declaration

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

The trustees declare that:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2022 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2022 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 2022.

Specifically, the trustees declares that:

- in accordance with s120 of the Superannuation Industry (Supervision) Act 1993, no individual trustee has been or is a disqualified person;
- the fund has satisfactory title to all assets, all assets are unencumbered and free from charge as prescribed by s50 of the Superannuation Industry (Supervision) Act 1993 and reg13.14 of the Superannuation Industry (Supervision) Act 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 and. Where such events have occurred, the effect of such events has been accounts and noted in the fund's financial statements.

Signed in accordance with a resolution of the trustees by:

.....
Pitsun Chern

Trustee

.....
Wenbo Xie

Trustee

Dated this day of2023

XWB Superannuation Fund
Detailed Operating Statement

For the year ended 30 June 2022

	2022	2021
	\$	\$
Income		
Investment Income		
76-78 Industry Dr Tweed Heads South	170,767.71	75,770.65
	<u>170,767.71</u>	<u>75,770.65</u>
Contribution Income		
Personal Contributions - Concessional		
Pitsun Chern	27,500.00	25,000.00
Wenbo Xie	27,500.00	25,000.00
	<u>55,000.00</u>	<u>50,000.00</u>
Investment Gains		
Unrealised Movements in Market Value		
Investment Property		
76-78 Industry Dr Tweed Heads South	500,000.00	0.00
	<u>500,000.00</u>	<u>0.00</u>
Changes in Market Values	<u>500,000.00</u>	<u>0.00</u>
Total Income	<u>725,767.71</u>	<u>125,770.65</u>
Expenses		
Accountancy Fees	1,088.18	5,193.64
ASIC Fees	332.00	674.00
ATO Supervisory Levy	0.00	518.00
Bank Charges	60.62	30.83
Fines	222.00	0.00
Insurance	10,845.45	10,690.91
Legal Fees	0.00	3,525.90
	<u>12,548.25</u>	<u>20,633.28</u>
Council Rates		
Council rates	7,648.07	6,254.76
	<u>7,648.07</u>	<u>6,254.76</u>
Interest on loans (LRBA)		
76-78 Industry Dr Tweed Heads South	32,001.17	37,127.11
	<u>32,001.17</u>	<u>37,127.11</u>
Total Expenses	<u>52,197.49</u>	<u>64,015.15</u>
Benefits accrued as a result of operations before income tax	<u>673,570.22</u>	<u>61,755.50</u>
Income Tax Expense		
Income Tax Expense	26,068.80	9,263.40
Total Income Tax	<u>26,068.80</u>	<u>9,263.40</u>
Benefits accrued as a result of operations	<u>647,501.42</u>	<u>52,492.10</u>

The accompanying notes form part of these financial statements.

Refer to compilation report

XWB Superannuation Fund

Detailed Statement of Financial Position

As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Investments			
Investment Property	2		
76-78 Industry Dr Tweed Heads South		2,800,000.00	2,300,000.00
Total Investments		<u>2,800,000.00</u>	<u>2,300,000.00</u>
Other Assets			
Bank Accounts 1	3		
CBA3832		115,617.73	100,789.34
Income Tax Refundable		0.00	5,731.60
Total Other Assets		<u>115,617.73</u>	<u>106,520.94</u>
Total Assets		<u>2,915,617.73</u>	<u>2,406,520.94</u>
Less:			
Liabilities			
ATO Integrated client		8,530.00	11,785.00
Income Tax Payable		5,341.20	0.00
Limited Recourse Borrowing Arrangements			
Xie and Chern Pty Ltd		348,667.30	489,158.13
Total Liabilities		<u>362,538.50</u>	<u>500,943.13</u>
Net assets available to pay benefits		<u>2,553,079.23</u>	<u>1,905,577.81</u>
Represented By :			
Liability for accrued benefits allocated to members' accounts			
	4, 5		
Xie, Wenbo - Accumulation		1,276,539.61	952,788.90
Chern, Pitsun - Accumulation		1,276,539.62	952,788.91
Total Liability for accrued benefits allocated to members' accounts		<u>2,553,079.23</u>	<u>1,905,577.81</u>

The accompanying notes form part of these financial statements.

Refer to compilation report

XWB Superannuation Fund

Members Summary Report

As at 30 June 2022

Opening Balance	Increases				Decreases					Closing Balance	
	Contributions	Transfers In	Net Earnings	Insurance Proceeds	Pensions Paid	Contributions Tax	Taxes Paid	Benefits Paid/ Transfers Out	Insurance Premiums		Member Expenses
Wenbo Xie (Age: 40)											
Xie - Opening balance											
952,788.90	27,500.00		309,285.11			4,125.00	8,909.40				1,276,539.61
952,788.90	27,500.00		309,285.11			4,125.00	8,909.40				1,276,539.61
Pitsun Chern (Age: 40)											
Chern - Opening Balance											
952,788.91	27,500.00		309,285.11			4,125.00	8,909.40				1,276,539.62
952,788.91	27,500.00		309,285.11			4,125.00	8,909.40				1,276,539.62
1,905,577.81	55,000.00		618,570.22			8,250.00	17,818.80				2,553,079.23

XWB Superannuation Fund Members Statement

Wenbo Xie

Your Details

Date of Birth : Provided
 Age: 40
 Tax File Number: Provided
 Date Joined Fund: 30/06/2015
 Service Period Start Date: 30/06/2015
 Date Left Fund:
 Member Code: Xie
 Account Start Date: 30/06/2015
 Account Phase: Accumulation Phase
 Account Description: Opening balance

Nominated Beneficiaries: N/A
 Nomination Type: N/A
 Vested Benefits: 1,276,539.61
 Total Death Benefit: 1,276,539.61

Your Balance

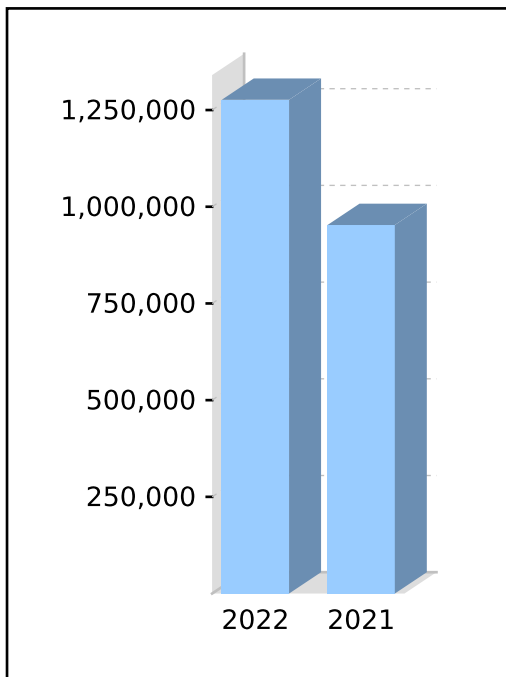
Total Benefits 1,276,539.61

Preservation Components

Preserved 1,276,539.61
 Unrestricted Non Preserved
 Restricted Non Preserved

Tax Components

Tax Free 475,928.89
 Taxable 800,610.72



Your Detailed Account Summary

	This Year	Last Year
Opening balance at 01/07/2021	952,788.90	926,542.85
<u>Increases to Member account during the period</u>		
Employer Contributions		
Personal Contributions (Concessional)	27,500.00	25,000.00
Personal Contributions (Non Concessional)		
Government Co-Contributions		
Other Contributions		
Proceeds of Insurance Policies		
Transfers In		
Net Earnings	309,285.11	5,877.75
Internal Transfer In		
<u>Decreases to Member account during the period</u>		
Pensions Paid		
Contributions Tax	4,125.00	3,750.00
Income Tax	8,909.40	881.70
No TFN Excess Contributions Tax		
Excess Contributions Tax		
Refund Excess Contributions		
Division 293 Tax		
Insurance Policy Premiums Paid		
Management Fees		
Member Expenses		
Benefits Paid/Transfers Out		
Superannuation Surcharge Tax		
Internal Transfer Out		
Closing balance at 30/06/2022	1,276,539.61	952,788.90

XWB Superannuation Fund Members Statement

Pitsun Chern

Your Details

Date of Birth : Provided
 Age: 40
 Tax File Number: Provided
 Date Joined Fund: 30/06/2015
 Service Period Start Date: 30/06/2015
 Date Left Fund:
 Member Code: Chem
 Account Start Date: 30/06/2015
 Account Phase: Accumulation Phase
 Account Description: Opening Balance

Nominated Beneficiaries: N/A
 Nomination Type: N/A
 Vested Benefits: 1,276,539.62
 Total Death Benefit: 1,276,539.62

Your Balance

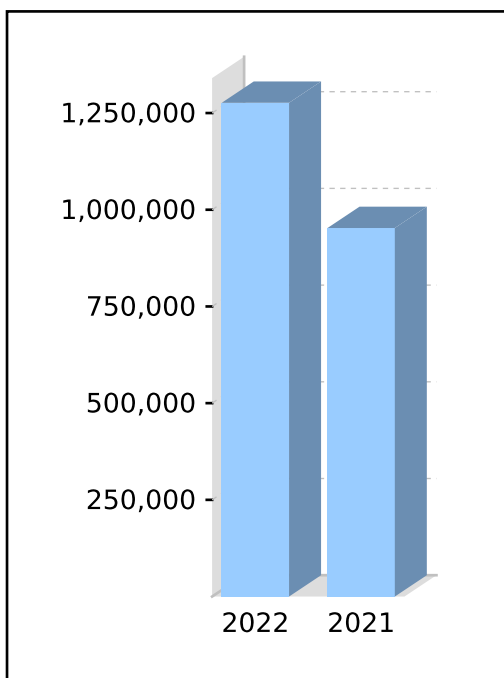
Total Benefits 1,276,539.62

Preservation Components

Preserved 1,276,539.62
 Unrestricted Non Preserved
 Restricted Non Preserved

Tax Components

Tax Free 475,928.89
 Taxable 800,610.73



Your Detailed Account Summary

	This Year	Last Year
Opening balance at 01/07/2021	952,788.91	926,542.86
<u>Increases to Member account during the period</u>		
Employer Contributions		
Personal Contributions (Concessional)	27,500.00	25,000.00
Personal Contributions (Non Concessional)		
Government Co-Contributions		
Other Contributions		
Proceeds of Insurance Policies		
Transfers In		
Net Earnings	309,285.11	5,877.75
Internal Transfer In		
<u>Decreases to Member account during the period</u>		
Pensions Paid		
Contributions Tax	4,125.00	3,750.00
Income Tax	8,909.40	881.70
No TFN Excess Contributions Tax		
Excess Contributions Tax		
Refund Excess Contributions		
Division 293 Tax		
Insurance Policy Premiums Paid		
Management Fees		
Member Expenses		
Benefits Paid/Transfers Out		
Superannuation Surcharge Tax		
Internal Transfer Out		
Closing balance at 30/06/2022	1,276,539.62	952,788.91

XWB Superannuation Fund
Statement of Taxable Income

For the year ended 30 June 2022

	2022
	\$
Benefits accrued as a result of operations	673,570.22
Less	
Increase in MV of investments	500,000.00
	<u>500,000.00</u>
Add	
SMSF non deductible expenses	222.00
	<u>222.00</u>
SMSF Annual Return Rounding	(0.22)
	<u>(0.22)</u>
Taxable Income or Loss	<u>173,792.00</u>
Income Tax on Taxable Income or Loss	26,068.80
 CURRENT TAX OR REFUND	 <u>26,068.80</u>
Supervisory Levy	259.00
Income Tax Instalments Paid	(14,996.00)
	<u>(14,996.00)</u>
AMOUNT DUE OR REFUNDABLE	<u>11,331.80</u>

XWB Superannuation Fund

Investment Summary with Market Movement

As at 30 June 2022

Investment	Units	Market Price	Market Value	Average Cost	Accounting Cost	Unrealised		Realised Movement	
						Overall	Current Year		
Cash/Bank Accounts									
CBA3832		115,617.730000	115,617.73	115,617.73	115,617.73				
			115,617.73		115,617.73				
Investment Property									
001	76-78 Industry Dr Tweed Heads South	1.00	0.000000	0.00	1,728,115.97	1,728,115.97	(1,728,115.97)	500,000.00	0.00
				0.00	1,728,115.97	1,728,115.97	(1,728,115.97)	500,000.00	0.00
				115,617.73	1,843,733.70	1,843,733.70	(1,728,115.97)	500,000.00	0.00

XWB Superannuation Fund Investment Summary Report

As at 30 June 2022

Investment	Units	Market Price	Market Value	Average Cost	Accounting Cost	Unrealised Gain/(Loss)	Gain/(Loss)%	Portfolio Weight%	
Cash/Bank Accounts									
CBA3832		115,617.730000	115,617.73	115,617.73	115,617.73			(49.61) %	
			115,617.73		115,617.73			(49.61) %	
Investment Property									
001	76-78 Industry Dr Tweed Heads South	1.00	0.000000	0.00	1,728,115.97	1,728,115.97	(1,728,115.97)	(100.00) %	0.00 %
			0.00		1,728,115.97	(1,728,115.97)	(100.00) %	0.00 %	
Limited Recourse Borrowing Arrangements									
	Xie and Chern Pty Ltd		(348,667.300000)	(348,667.30)	(831,990.00)	(831,990.00)			
			(348,667.30)		(831,990.00)			149.61 %	
			(233,049.57)		1,011,743.70	(1,728,115.97)	(170.81) %	100.00 %	

XWB Superannuation Fund

Projected Investment Strategy

Overview

The aim of this strategy is to provide the Members with an income on retirement.

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 and the member's needs and circumstances, 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 five years; and
- have sufficient liquidity to meet liabilities as and when they fall due.

Investment Strategy

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

Asset Allocation

The targeted asset allocation will be in the following ranges:

<u>Asset Class</u>	<u>Target Range</u>	<u>Benchmark</u>
Australian Shares	0 - 0 %	0 %
International Shares	0 - 0 %	0 %
Cash	5 - 10 %	10 %
Australian Fixed Interest	0 - 0 %	0 %
International Fixed Interest	0 - 0 %	0 %
Mortgages	0 - 0 %	0 %
Direct Property	80 - 90 %	90 %
Listed Property	0 - 0 %	0 %
Other	0 - 0 %	0 %

Quality companies and trusts as supported by research and fundamental analysis will be selected. Direct investments in property, artwork and lease equipment may form part of the strategy provided there is sufficient basis for the decision.

Insurance

The Trustees have considered and consulted Professional Advice where necessary to ensure that all fund members have the correct type and level of insurance. Insurance may be held within or outside the SMSF.

Review and Monitoring

The trustees will monitor and review the fund's investment activities on a regular basis and to communicate with the members should they feel that any change in strategy is necessary in order to achieve the fund's objective.

Date: 01/07/2018

.....
Pitsun Chern

XWB Superannuation Fund
Projected Investment Strategy

.....
Wenbo Xie

Minutes of a meeting of the Trustee(s)

held on 21 July 2023 at

- PRESENT:** Pitsun Chern and Wenbo Xie
- MINUTES:** The Chair reported that the minutes of the previous meeting had been signed as a true record.
- 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 2022, it was resolved that the annual return be approved, signed and lodged with the Australian Taxation Office.
- CLOSURE:** All resolutions for this meeting were made in accordance with the SISA and Regulations.
- There being no further business the meeting then closed.
- Signed as a true record –
-
Pitsun Chern
Chairperson

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1: Summary of Significant Accounting Policies

The trustees have prepared the financial statements on the basis that the superannuation fund is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations, the trust deed of the fund and the needs of members.

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

The following significant accounting policies, which are consistent with the policies applied in the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

The financial statements were authorised for issue by the Trustee(s).

a. Measurement of Investments

The fund initially recognises:

- (i) an investment when it controls the future economic benefits expected to flow from the asset. For financial assets, the trade date is considered to be the date on which control of the future economic benefits attributable to the asset passes to the fund; and
- (ii) a financial liability on the date it becomes a party to the contractual provisions of the instrument.

Investments of the fund have been measured at market value, which refers to the amount that a willing buyer could reasonably be expected to pay to acquire the asset from a willing seller if the following assumptions were made:

- that the buyer and the seller deal with each other at arm's length in relation to the sale;
- that the sale occurred after proper marketing of the asset; and
- that the buyer and the seller acted knowledgeably and prudentially in relation to the sale.

Market value has been determined as follows:

- (i) shares and other securities listed on the Australian Securities Exchange by reference to the relevant market quotations at the end of the reporting period;
- (ii) units in managed funds by reference to the unit redemption price at the end of the reporting period;
- (iii) fixed-interest securities by reference to the redemption price at the end of the reporting period;
- (iv) unlisted investments are stated at trustees' assessment based on estimated market value at balance date or where necessary, an external valuer's opinion; and
- (v) investment properties at the trustees' assessment of the market value or where necessary a qualified independent valuer's opinion at the end of reporting period.

Financial liabilities, such as trade creditors and other payables, are measured at the gross value of the outstanding balance at the end of the reporting period. The trustees have determined that the gross values of the fund's financial liabilities is equivalent to their market values. Any remeasurement changes in the gross values of non-current financial liabilities (including liabilities for members' accrued benefits) are recognised in the operating statement in the periods in which they occur.

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at call, deposits with banks and short-term, highly liquid investments that are readily convertible to cash and subject to an insignificant risk of change in value.

c. Revenue

Revenue is recognised at the fair value of the consideration received or receivable.

Interest revenue

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised upon receipt.

Notes to the Financial Statements

For the year ended 30 June 2022

Dividend revenue

Dividend revenue is recognised when the dividend has been paid or, in the case of dividend reinvestment schemes, when the dividend is credited to the benefit of the fund.

Rental revenue

Rental revenue arising from operating leases on investment properties is recognised upon receipt.

Distribution revenue

Distributions from unit trusts and managed funds are recognised as at the date the unit value is quoted ex-distribution and if not received at the end of the reporting period, are reflected in the statement of financial position as a receivable at market value.

Remeasurement changes in market values

Remeasurement changes in the market values of assets are recognised as income and determined as the difference between the market value at year-end or consideration received (if sold during the year) and the market value as at the prior year-end or cost (if acquired during the period).

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.

Note 2: Investment Property

	2022	2021
	\$	\$
76-78 Industry Dr Tweed Heads South	2,800,000.00	2,300,000.00
	<hr/>	<hr/>
	2,800,000.00	2,300,000.00
	<hr/>	<hr/>

Note 4: Liability for Accrued Benefits

XWB Superannuation Fund

Notes to the Financial Statements

For the year ended 30 June 2022

	2022 \$	2021 \$
Liability for accrued benefits at beginning of year	1,905,577.81	1,853,085.71
Benefits accrued as a result of operations	647,501.42	52,492.10
Current year member movements	0.00	0.00
Liability for accrued benefits at end of year	2,553,079.23	1,905,577.81

Note 5: Vested Benefits

Vested benefits are benefits that are not conditional upon continued membership of the fund (or any factor other than resignation from the plan) and include benefits which members were entitled to receive had they terminated their fund membership as at the end of the reporting period.

	2022 \$	2021 \$
Vested Benefits	2,553,079.23	1,905,577.81

Note 6: Guaranteed Benefits

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

Note 7: Changes in Market Values Unrealised Movements in Market Value

	2022 \$	2021 \$
Investment Property		
76-78 Industry Dr Tweed Heads South	500,000.00	0.00
	500,000.00	0.00
Total Unrealised Movement	500,000.00	0.00
Realised Movements in Market Value		
Total Realised Movement	0.00	0.00
Changes in Market Values	500,000.00	0.00

XWB Superannuation Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Note 8: Income Tax Expense

	2022 \$	2021 \$
The components of tax expense comprise		
Current Tax	26,068.80	9,263.40
Income Tax Expense	<u>26,068.80</u>	<u>9,263.40</u>

The prima facie tax on benefits accrued before income tax is reconciled to the income tax as follows:

Prima facie tax payable on benefits accrued before income tax at 15%	101,035.53	9,263.33
Less:		
Tax effect of:		
Increase in MV of Investments	75,000.00	0.00
Add:		
Tax effect of:		
SMSF Non-Deductible Expenses	33.30	0.00
Rounding	(0.03)	0.07
Income Tax on Taxable Income or Loss	<u>26,068.80</u>	<u>9,263.40</u>
Less credits:		
Current Tax or Refund	<u>26,068.80</u>	<u>9,263.40</u>