

# Adair Farming Pty Ltd <G L & L J Leeson S/F A/C>



## Portfolio valuation

As at 30 Jun 2021

Investment Portfolio POA

**Net portfolio value \$2,149,351.27**

| Asset             | Quantity  | Avg unit cost \$ | Actual cost \$ | Unit price \$ | Market value \$ | Portfolio weight % | Gain/loss \$ | Est income (a) \$ | Est yield (b) % |
|-------------------|-----------|------------------|----------------|---------------|-----------------|--------------------|--------------|-------------------|-----------------|
| <b>ASX Listed</b> |           |                  |                |               |                 |                    |              |                   |                 |
| AGL               | 5,000-1   | 18.2748          | 91,374.18      | 8.20          | 41,000.00       | 1.91%              | -50,374.18   | 4,600.00          | 11.22%          |
| AMC               | 4,800-1   | 8.9199           | 42,815.54      | 15.13         | 72,624.00       | 3.38%              | 29,808.46    | 3,018.24          | 4.16%           |
| AZI               | 11,000-1  | 3.7214           | 40,935.39      | 3.72          | 40,920.00       | 1.9%               | -15.39       | 3,091.00          | 7.55%           |
| BHP               | 2,700-1   | 32.234           | 87,031.73      | 48.57         | 131,139.00      | 6.1%               | 44,107.27    | 5,577.96          | 4.25%           |
| BOQ               | 4,500-1   | 9.1293           | 41,081.99      | 9.11          | 40,995.00       | 1.91%              | -86.99       | 1,305.00          | 3.18%           |
| BWP               | 6,000-1   | 3.3767           | 20,260.44      | 4.26          | 25,560.00       | 1.19%              | 5,299.56     | 1,097.40          | 4.29%           |
| CAI               | 15,000-1  | 0.3573           | 5,360.00       | 0.465         | 6,975.00        | 0.32%              | 1,615.00     | -                 | -               |
| CBA               | 1,500-1   | 78.2736          | 117,410.46     | 99.87         | 149,805.00      | 6.97%              | 32,394.54    | 3,720.00          | 2.48%           |
| CKF               | 800-1     | 12.435           | 9,948.00       | 11.47         | 9,176.00        | 0.43%              | -772.00      | 168.00            | 1.83%           |
| CLW               | 11,484-1  | 4.4855           | 51,511.09      | 4.75          | 54,549.00       | 2.54%              | 3,037.91     | 3,330.36          | 6.11%           |
| CPU               | 3,500-1   | 15.0726          | 52,753.98      | 16.90         | 59,150.00       | 2.75%              | 6,396.02     | 1,610.00          | 2.72%           |
| CR9               | 100,000-1 | 0.0523           | 5,232.00       | 0.045         | 4,500.00        | 0.21%              | -732.00      | -                 | -               |
| CSL               | 120-1     | 136.8714         | 16,424.57      | 285.19        | 34,222.80       | 1.59%              | 17,798.23    | 338.24            | 0.99%           |
| LLC               | 4,000-1   | 12.5397          | 50,158.90      | 11.46         | 45,840.00       | 2.13%              | -4,318.90    | 730.25            | 1.59%           |
| MAET              | 4,000-1   | 5.466            | 21,864.00      | 5.59          | 22,360.00       | 1.04%              | 496.00       | -                 | -               |
| MGF               | 15,000-1  | 1.7187           | 25,780.50      | 1.81          | 27,150.00       | 1.26%              | 1,369.50     | -                 | -               |
| MGFO              | 7,500     | -                | -              | 0.028         | 210.00          | 0.01%              | 210.00       | -                 | -               |
| MOG               | 1,300-1   | 84.1667          | 109,416.74     | 156.43        | 203,359.00      | 9.46%              | 93,942.26    | 4,095.00          | 2.01%           |
| NAB               | 3,000-1   | 18.4588          | 55,376.47      | 26.22         | 78,660.00       | 3.66%              | 23,283.53    | 1,800.00          | 2.29%           |
| PAI               | 55,000-1  | 1.1149           | 61,317.15      | 1.23          | 67,650.00       | 3.15%              | 6,332.85     | 3,850.00          | 5.69%           |
| PIC               | 80,000-1  | 1.0724           | 85,789.40      | 1.30          | 104,000.00      | 4.84%              | 18,210.60    | 4,480.00          | 4.31%           |
| PICOA             | 80,000    | -                | -              | 0.011         | 880.00          | 0.04%              | 880.00       | -                 | -               |

# Adair Farming Pty Ltd <G L & L J Leeson S/F A/C>



## Portfolio valuation

As at 30 Jun 2021

Investment Portfolio POA

Net portfolio value \$2,149,351.27 continued

| Asset                | Quantity      | Avg unit cost \$ | Actual cost \$      | Unit price \$ | Market value \$     | Portfolio weight % | Gain/loss \$      | Est income <sup>(a)</sup> \$ | Est yield <sup>(b)</sup> % |
|----------------------|---------------|------------------|---------------------|---------------|---------------------|--------------------|-------------------|------------------------------|----------------------------|
| <b>ASX Listed</b>    |               |                  |                     |               |                     |                    |                   |                              |                            |
| RHC                  | 700 ↓         | 63.1976          | 44,238.33           | 62.95         | 44,065.00           | 2.05%              | -173.33           | 339.50                       | 0.77%                      |
| RHCPA                | 400 ↓         | 106.0033         | 42,401.34           | 104.69        | 41,876.00           | 1.95%              | -525.34           | 1,397.72                     | 3.34%                      |
| RMD                  | 500 ↓         | 24.054           | 12,027.00           | 32.76         | 16,380.00           | 0.76%              | 4,353.00          | 88.79                        | 0.54%                      |
| SHL                  | 1,800 ↓       | 28.4642          | 51,235.55           | 38.40         | 69,120.00           | 3.22%              | 17,884.45         | 1,566.00                     | 2.27%                      |
| SPK                  | 7,500 ↓       | 3.9848           | 29,886.35           | 4.46          | 33,450.00           | 1.56%              | 3,563.65          | 1,727.16                     | 5.16%                      |
| SUN                  | 8,500 ↓       | 12.5489          | 106,665.56          | 11.11         | 94,435.00           | 4.39%              | -12,230.56        | 3,060.00                     | 3.24%                      |
| SUNPF                | 300 ↓         | 102.8086         | 30,842.58           | 102.49        | 30,747.00           | 1.43%              | -95.58            | 873.57                       | 2.84%                      |
| TAH                  | 3,000 ↓       | 5.3078           | 15,923.25           | 5.18          | 15,540.00           | 0.72%              | -383.25           | 225.00                       | 1.45%                      |
| TCL                  | 3,000 ↓       | 13.9764          | 41,929.09           | 14.23         | 42,690.00           | 1.99%              | 760.91            | 930.00                       | 2.18%                      |
| TLS                  | 20,000 ↓      | 3.3859           | 67,718.35           | 3.76          | 75,200.00           | 3.5%               | 7,481.65          | 3,200.00                     | 4.26%                      |
| TPG                  | 3,500 ↓       | 5.6212           | 19,674.06           | 6.26          | 21,910.00           | 1.02%              | 2,235.94          | 262.50                       | 1.2%                       |
| WBC                  | 6,000 ↓       | 26.5141          | 159,084.41          | 25.81         | 154,860.00          | 7.2%               | -4,224.41         | 5,340.00                     | 3.45%                      |
| WIC                  | 12,000 ↓      | 1.1525           | 13,830.48           | 1.16          | 13,920.00           | 0.65%              | 89.52             | 720.00                       | 5.17%                      |
| WLE                  | 48,000 ↓      | 1.1167           | 53,603.22           | 1.59          | 76,320.00           | 3.55%              | 22,716.78         | 3,240.00                     | 4.25%                      |
| WPL                  | 6,500 ↓       | 33.0207          | 214,634.40          | 22.21         | 144,365.00          | 6.72%              | -70,269.40        | 3,350.32                     | 2.32%                      |
| <b>Totals</b>        |               |                  | <b>1,895,536.50</b> |               | <b>2,095,602.80</b> | <b>97.5%</b>       | <b>200,066.30</b> | <b>69,132.01</b>             | <b>3.3%</b>                |
| <b>Managed Funds</b> |               |                  |                     |               |                     |                    |                   |                              |                            |
| PER0260AU            | 102,585.146 ✓ | 0.9748           | 100,000.00          | 0.9709        | 99,599.92 ✓         | 4.63%              | -400.08           | 2,600.09                     | 2.61%                      |
| <b>Totals</b>        |               |                  | <b>100,000.00</b>   |               | <b>99,599.92</b>    | <b>4.63%</b>       | <b>-400.08</b>    | <b>2,600.09</b>              | <b>2.61%</b>               |
| <b>Options</b>       |               |                  |                     |               |                     |                    |                   |                              |                            |
| AGLP79 Short         | -20 ✓         | 796.257          | -15,925.14 ✓✓       | 991.50        | -19,830.00          | -0.92%             | -3,904.86         | -                            | -                          |
| AMCE19 Short         | -40 ✓         | 74.057           | -2,962.28 ✓✓        | 46.50         | -1,860.00           | -0.09%             | 1,102.28          | -                            | -                          |
| AZ1MT7 Short         | -80 ✓         | 9.207            | -736.56 ✓           | 8.00          | -640.00             | -0.03%             | 96.56             | -                            | -                          |
| BHPPV7 Short         | -20 ✓         | 147.257          | -2,945.14 ✓         | 880.50        | -17,610.00          | -0.82%             | -14,664.86        | -                            | -                          |

# Adair Farming Pty Ltd <G L & L J Leeson S/F A/C>



## Portfolio valuation

As at 30 Jun 2021

Investment Portfolio POA

Net portfolio value \$2,149,351.27 continued

| Asset                   | Quantity                                    | Avg unit cost \$ | Actual cost \$    | Unit price \$ | Market value \$ | Portfolio weight % | Gain/loss \$  | Est income (a) \$ | Est yield (b) % |              |
|-------------------------|---|------------------|-------------------|---------------|-----------------|--------------------|---------------|-------------------|-----------------|--------------|
| <b>Options</b>          |   |                  |                   |               |                 |                    |               |                   |                 |              |
| BHPU19 Short            | BHP 40.01 CALL OPTION EXPIRING 16-DEC-2021  | -5 ✓             | 765.456           | -3,827.28 ✓   | 760.50          | -3,802.50          | -0.18%        | 24.78             | -               |              |
| BOQ8Q8 Short            | BOQ 10.00 CALL OPTION EXPIRING 17-MAR-2021  | -40 ✓            | 18.057            | -722.28 ✓     | 27.50           | -1,100.00          | -0.05%        | -377.72           | -               |              |
| CPUPW9 Short            | CPU 15.33 CALL OPTION EXPIRING 16-DEC-2021  | -25 ✓            | 31.5768           | -789.42 ✓     | 200.00          | -5,000.00          | -0.23%        | -4,210.58         | -               |              |
| IAG2F7 Short            | IAG 5.26 PUT OPTION EXPIRING 16-SEP-2021    | -30 ✓            | 53.457            | -1,603.71 ✓   | 32.00           | -960.00            | -0.04%        | 643.71            | -               |              |
| LLCMU9 Short            | LLC 14.00 CALL OPTION EXPIRING 17-MAR-2022  | -40 ✓            | 39.057            | -1,562.28 ✓   | 20.50           | -820.00            | -0.04%        | 742.28            | -               |              |
| MOGPT8 Short            | MOG 164.01 CALL OPTION EXPIRING 16-SEP-2021 | -5 ✓             | 178.456           | -892.28 ✓     | 239.50          | -1,197.50          | -0.06%        | -305.22           | -               |              |
| RHC5F9 Short            | RHC 67.00 CALL OPTION EXPIRING 16-DEC-2021  | -7 ✓             | 140.00            | -980.00 ✓     | 177.50          | -1,242.50          | -0.06%        | -262.50           | -               |              |
| SHL38 Short             | SHL 38.50 CALL OPTION EXPIRING 16-DEC-2021  | -17 ✓            | 87.5629           | -1,488.57 ✓   | 187.50          | -3,187.50          | -0.15%        | -1,698.93         | -               |              |
| SUNNU7 Short            | SUN 11.68 PUT OPTION EXPIRING 16-SEP-2021   | -30 ✓            | 220.957           | -6,628.71 ✓   | 104.00          | -3,120.00          | -0.15%        | 3,508.71          | -               |              |
| SUNVO7 Short            | SUN 11.67 CALL OPTION EXPIRING 16-DEC-2021  | -80 ✓            | 37.207            | -2,976.56 ✓   | 25.00           | -2,000.00          | -0.09%        | 976.56            | -               |              |
| TCL67 Short             | TCL 14.89 CALL OPTION EXPIRING 16-DEC-2021  | -30 ✓            | 34.957            | -1,048.71 ✓   | 43.00           | -1,290.00          | -0.06%        | -241.29           | -               |              |
| TLSPN8 Short            | TLS 3.70 CALL OPTION EXPIRING 16-DEC-2021   | -100 ✓           | 7.537             | -753.70 ✓     | 18.00           | -1,800.00          | -0.08%        | -1,046.30         | -               |              |
| WBCL97 Short            | WBC 27.01 CALL OPTION EXPIRING 16-DEC-2021  | -25 ✓            | 42.0768           | -1,051.92 ✓   | 61.50           | -1,537.50          | -0.07%        | -485.58           | -               |              |
| WBCCS7 Short            | WBC 27.51 PUT OPTION EXPIRING 16-DEC-2021   | -10 ✓            | 270.157           | -2,701.57 ✓   | 275.00          | -2,750.00          | -0.13%        | -48.43            | -               |              |
| WBCUW8 Short            | WBC 29.01 CALL OPTION EXPIRING 17-MAR-2022  | -20 ✓            | 48.257            | -965.14 ✓     | 36.50           | -730.00            | -0.03%        | 235.14            | -               |              |
| WPLEV9 Short            | WPL 33.01 PUT OPTION EXPIRING 16-DEC-2021   | -10 ✓            | 1,030.157         | -10,301.57 ✓  | 1,125.50        | -11,255.00         | -0.52%        | -953.43           | -               |              |
| WPLF8 Short             | WPL 34.01 PUT OPTION EXPIRING 16-SEP-2021   | -8 ✓             | 1,141.3575        | -9,130.86 ✓   | 1,226.00        | -9,808.00          | -0.46%        | -677.14           | -               |              |
| WPLXC8 Short            | WPL 27.51 CALL OPTION EXPIRING 16-DEC-2021  | -30 ✓            | 29.5403           | -886.21 ✓     | 21.00           | -630.00            | -0.03%        | 256.21            | -               |              |
| <b>Totals</b>           |   |                  | <b>-70,879.89</b> |               |                 | <b>-92,170.50</b>  | <b>-4.29%</b> | <b>-21,290.61</b> |                 |              |
| <b>Cash</b>             |   |                  |                   |               |                 |                    |               |                   |                 |              |
| +MAQCMA OPTIONS ACCOUNT | MACQUARIE CASH MANAGEMENT - OPTIONS ACCOUNT | 562.06           | 1.00              | 562.06        | 1.00            | 562.06             | 0.03%         | -                 | 0.39            | 0.07%        |
| MAQCMA                  | MACQUARIE CASH MANAGEMENT ACCOUNT           | 36,385.52        | 1.00              | 36,385.52     | 1.00            | 36,385.52          | 1.69%         | -                 | 105.41          | 0.29%        |
| <b>Totals</b>           |   |                  | <b>36,947.58</b>  |               |                 | <b>36,947.58</b>   | <b>1.72%</b>  | <b>-</b>          | <b>105.80</b>   | <b>0.29%</b> |

# Adair Farming Pty Ltd <G L & L J Leeson S/F A/C>

## Portfolio valuation

As at 30 Jun 2021

Investment Portfolio POA



Net portfolio value \$2,149,351.27 continued

| Asset                        | Quantity | Avg unit cost<br>\$ | Actual cost<br>\$ | Unit price<br>\$ | Market value<br>\$ | Portfolio weight<br>% | Gain/loss<br>\$ | Est income <sup>(a)</sup><br>\$ | Est yield <sup>(b)</sup><br>% |
|------------------------------|----------|---------------------|-------------------|------------------|--------------------|-----------------------|-----------------|---------------------------------|-------------------------------|
| <b>Portfolio totals</b>      |          |                     | 1,961,604.19      |                  | 2,139,979.80       | 99.56%                | 178,375.61      | 71,837.90                       | 3.36%                         |
| Income declared but not paid |          |                     | 9,371.47          |                  | 9,371.47           | 0.44%                 |                 |                                 |                               |
| <b>Net portfolio totals</b>  |          |                     | 1,970,975.66      |                  | 2,149,351.27       | 100%                  | 178,375.61      | 71,837.90                       | 3.34%                         |

(a) Estimated income  
This estimation is based on historical returns and should not be regarded as an accurate indication of future earnings.

(b) Estimated yield percentage  
The estimated yield is the estimated income as a percentage of the market value.

# Adair Farming Pty Ltd <G L & L J Leeson S/F A/C>

## Tax summary

01 Jul 2020 to 30 Jun 2021

Investment Portfolio POA



PORTFOLIO MANAGEMENT

## Assessable income

|                                |   |                   |
|--------------------------------|---|-------------------|
| <b>Australian income</b>       |   |                   |
| Interest                       | Interest                                    | 638.30            |
|                                | Interest exempt from NRWT                   | -                 |
|                                | <b>Total interest</b>                       | <b>638.30</b>     |
| <b>Dividends</b>               | Unfranked                                   | 3,232.00          |
|                                | Unfranked CFI                               | 4,947.90          |
|                                | <b>Total unfranked</b>                      | <b>8,179.90</b>   |
|                                | Franked                                     | 67,151.79         |
|                                | Franking credits                            | 28,763.12         |
|                                | <b>Total dividends</b>                      | <b>104,094.81</b> |
| <b>Trust income</b>            | Franked distributions                       | 105.17            |
|                                | Franking credits                            | 319.65            |
|                                | <b>Gross franked distributions</b>          | <b>424.82</b>     |
|                                | Other trust income (a)                      | 6,666.20          |
|                                | <b>Total trust income</b>                   | <b>7,091.02</b>   |
| <b>Other income</b>            | Gains on disposal of traditional securities | 2.80              |
|                                | <b>Total other income</b>                   | <b>2.80</b>       |
| <b>Total Australian income</b> |   | <b>111,826.93</b> |
| <b>Foreign income</b>          |   |                   |
| <b>Other</b>                   | Other foreign source income                 | 7,412.56          |
|                                | <b>Total other</b>                          | <b>7,412.56</b>   |
| <b>Total foreign income</b>    |   | <b>7,412.56</b>   |
| <b>Net capital gain (b)</b>    |   | -                 |
| <b>Total assessable income</b> |   | <b>119,239.49</b> |

(a) Share of net income from trusts (excluding gross franked distributions, foreign income, capital gains, and non-assessable amounts). For more details, refer to the 'Trust income' section of the 'Income transactions' report.

(b) For more details, refer to the 'Summary of CGT gains/losses' section of the 'Realised CGT' report.

## Deductions

|                                |  |                   |
|--------------------------------|--|-------------------|
| <b>Administration expenses</b> | Accountancy fees                                 | -5,456.00         |
|                                |  | <b>-5,456.00</b>  |
| <b>Investment expenses</b>     | Advice fees                                      | -10,737.26        |
|                                | Portfolio management fees                        | -3,367.69         |
|                                |  | <b>-14,104.95</b> |
| <b>Other deductions</b>        | Losses on disposal of traditional securities (b) | -670.15           |
|                                |  | <b>-670.15</b>    |
| <b>Total deductions</b>        |  | <b>-20,231.10</b> |

(b) Losses on disposal of traditional securities can include both domestic and international losses. Refer to the 'Income report' for details.

## Tax offsets, credits and NCM1

|                                  |                              |                  |
|----------------------------------|------------------------------|------------------|
| <b>Franking credits</b>          |                              |                  |
| <b>Dividends</b>                 | Franking credits             | 28,763.12        |
|                                  | Less franking credits denied | -                |
|                                  |                              | <b>28,763.12</b> |
| <b>Trust income</b>              | Franking credits             | 319.65           |
|                                  | Less franking credits denied | -                |
|                                  |                              | <b>319.65</b>    |
| <b>Total franking credits</b>    |                              | <b>29,082.77</b> |
| <b>Total NZ franking credits</b> |                              | <b>169.55</b>    |
| <b>Foreign tax (a)</b>           |                              |                  |
| <b>Dividends</b>                 |                              | <b>163.78</b>    |
| <b>Trust income</b>              | NTAP foreign tax (b)         | 0.96             |
|                                  | Other                        | 25.63            |
|                                  |                              | <b>26.59</b>     |
| <b>Total foreign tax</b>         |                              | <b>190.37</b>    |

# Adair Farming Pty Ltd <G L & L J Leeson S/F A/C>

## Tax summary

01 Jul 2020 to 30 Jun 2021

Investment Portfolio POA



## Tax offsets, credits and NCMl continued

| NCMl (e)                                    |        |
|---|--------|
| NPP - Non-concessional MIT income           | 112.23 |
| NPP - Excluded from NCMl                    | 0.10   |
| Capital gains - Non-concessional MIT income | -      |
| Capital gains - Excluded from NCMl          | -      |

(a) Foreign tax withheld from or paid in respect of foreign-source income that was derived during the income year. While foreign tax withheld or paid may be taken into account when calculating any entitlement to a foreign income tax offset (FITO), it does not necessarily equate to the FITO entitlement.

(b) Foreign tax withheld from or paid in respect of foreign capital gains. For more details, refer to the 'Trust capital gains' sub-section of the income report.

(c) NCMl amounts reported are based on information made available and provided by managed investment trusts.

# Contents

---

|  |           |                               |    |
|--|-----------|-------------------------------|----|
| Portfolio valuation                                  | 3         | Cash                          | 88 |
| Tax summary  | 7         | Griffin Tax Report Disclaimer | 90 |
| Assessable income                                    | 7         | Important notices             | 92 |
| Deductions   | 7         |                               |    |
| Tax offsets, credits and NCM1                        | 7         |                               |    |
| <b>Taxation income</b>                               | <b>9</b>  |                               |    |
| Income transactions                                  | 9         |                               |    |
| Non-CGT gains/losses                                 | 16        |                               |    |
| Income transactions - additional information         | 16        |                               |    |
| Income transactions - Unfranked CFI income component | 19        |                               |    |
| Non assessable amounts                               | 21        |                               |    |
| Foreign income                                       | 23        |                               |    |
| Income accrued in previous period                    | 24        |                               |    |
| Income summary                                       | 26        |                               |    |
| <b>Realised CGT</b>                                  | <b>27</b> |                               |    |
| Disposals of CGT assets                              | 27        |                               |    |
| Tax free and deferred amounts                        | 39        |                               |    |
| Trust CGT distributions                              | 40        |                               |    |
| Summary of CGT gains/losses                          | 41        |                               |    |
| <b>Expenses</b>                                      | <b>42</b> |                               |    |
| <b>Cash transactions</b>                             | <b>44</b> |                               |    |
| MACQUARIE CASH MANAGEMENT ACCOUNT                    | 44        |                               |    |
| APPLICATION MONEY                                    | 50        |                               |    |
| EUROZ HARTLEYS EQUITY ACCOUNT                        | 50        |                               |    |
| EUROZ HARTLEYS OPTION ACCOUNT                        | 51        |                               |    |
| MACQUARIE CASH MANAGEMENT - OPTIONS ACCOUNT          | 52        |                               |    |
| <b>Transaction history</b>                           | <b>56</b> |                               |    |
| Transactions   | 56        |                               |    |
| Summary of transactions                              | 78        |                               |    |
| <b>Investment movements</b>                          | <b>79</b> |                               |    |
| Investments  | 79        |                               |    |

22 Oct 2021

ADAIR FARMING PTY LTD  
G L & L J LEESON S/F A/C  
PO BOX 570  
JURIEN BAY WA 6516

Annual Tax Reports for the financial year ended 30 June 2021

We are pleased to provide your Tax Reports for your Griffin Portfolio account 1599169.  
Included are the following reports for the period 1 July 2020 to 30 June 2021:

- Portfolio Valuation
- Tax Summary
- Taxation Income
- Realised CGT
- Expenses
- Cash Transactions
- Transaction History
- Investment Movements.

Please contact David Smyth & James Gatti if you have any questions regarding these reports.

Kind Regards

Griffin Portfolio Management

Level 6, Westralia Square  
141 St George Terrace  
Perth WA 6000

GPO Box 2777  
Perth WA 6001

T: +61 8 9386 2833  
F: +61 8 9306 2600  
eurozhartleys.com

Euroz Hartley Limited  
Participant of the ASX Group and Group  
Authorised to provide Financial Services  
ACN 104 155 057 AFSL 250052





# Important notices

---

## General notices

### **This report is NOT intended to be advice**

Euroz Hartleys Limited ABN 33104 195 057 AFSL 230052 (Euroz Hartleys) believes that the information contained in this document is accurate as at the time and date of issue of this document. However, Euroz Hartleys provides no warranty of accuracy, completeness or reliability in relation to any information contained in this document and, to the maximum extent permitted by all applicable laws, no responsibility for any loss or damage whatsoever (including any consequential or indirect loss or damage) arising or resulting in any way from any representation, whether expressed or implied, act or omission in relation to, or reliance on, the contents of this document (including responsibility to any person by reason of negligence) is accepted by Euroz Hartleys and/or its officers, agents or employees.

## Taxation

### **CGT for Exchange Traded Options (ETOs)**

When the writer grants an option, the premium received represents a capital gain pursuant to CGT event D2 (except if the writer is the company granting the options over its own shares or debentures or by the trustee of a unit trust over its own units or debentures). Also, there is no discount on capital gain pursuant to CGT event D2 (applicable to any entity). Should the option subsequently be exercised, the capital gain that the grantor would otherwise have made from writing the option under CGT Event D2 mentioned above is disregarded. The premium however, will be recognised when calculating the subsequent disposal of the underlying shares CGT Event A1 either as:

- A reduction in the cost base of the underlying asset in the case of a put option or
- Part of the capital proceeds in the case of a call option upon disposal of the shares by the grantor.

Accordingly, an amended assessment from the Australian Taxation Office may need to be requested for the prior year to reduce the CGT event D2 capital gain that arose in the prior year. In relation to the options, the unrealised CGT report covers possible CGT consequences that may eventuate if the options are traded on an active market or the options are closed out.

### **Company Options and Rights on Pre CGT Assets**

Holders of rights or options issued in respect of pre-CGT securities, who take up their entitlement to purchase the underlying security, should ensure that in addition to the consideration paid for this security, the cost base of the underlying security also includes the market value of the right or option at the exercise date. The automated system for rights and options will only include the consideration paid to acquire the security in its cost base.

### **Corporate Shareholders and Share Buybacks**

Corporate shareholders i.e. companies who make a CGT loss as a result of a share buyback may have that loss denied or reduced as a result of section 159GZZZQ of the Income Tax Assessment Act 1936. The automated system for input of share buybacks does not take into account this provision. Shareholders to whom this provision applies should obtain their own taxation advice.

### **Foreign Income Tax Offsets on Foreign Listed Securities**

For dividends paid to Australian residents on foreign listed securities, foreign income tax offsets will be calculated based on the tax treaty between Australia and the security's country of domicile. For countries that do not have a current tax treaty with Australia, the default rate will be applied. A foreign income tax offset is only calculated and reported on dividends where the gross dividend rate has been received from the data provider. If the dividend rate is received net or free of tax rate, no foreign income tax offset will be applied. Clients should also seek their own taxation advice where required.

### **Section 115-45, CGT Discounting**

Users should be aware of the existence of section 115-45 which potentially denies the CGT discount concession upon the sale of shares in a company or interest in a trust where the taxpayer would not have been allowed CGT discounting on the majority of the CGT assets by cost and value in the company or trust had a CGT event happened to those assets. Clients to whom this situation applies should also seek their own taxation advice.

### **Superannuation Funds - Assets held at 30/06/1988**

Assets held by superannuation funds at 30 June 1988 including those acquired before 19 September 1985 are subject to special transitional measures that mean the assets are deemed to have been acquired on 30 June 1988. For these assets, the capital gain or loss that is realised upon disposal may be impacted by the market value of the asset at 30 June 1988. The automated system for calculating capital gains tax will only take into account the cost of the asset, not the market value as at 30 June 1988. To override the cost base with the market value, the cost base for the parcels can be edited in the Transaction screen. Holders to whom these transitional measures apply should obtain their own taxation advice.

## Information about your Tax Report

---

Please note that if you have held exchange traded options, we have included, where applicable, up to eight properties at the start of the financial year. If the position is exercised in the following tax year, it is possible that your tax position may change. We recommend that you refer to your accountant to determine if any adjustments will be necessary to your tax position.

### Changes to Costs Bases for Managed Funds/Trusts

If you hold an investment in a managed fund/trust (including property trusts, retail/wholesale investment funds, listed and unlisted unit trusts) it is possible that the cost base of your asset may have changed for this financial year just ended. As part of the maintenance of your account we may have taken into account price at income distributions of these funds and in some cases these components will affect the cost bases and income from your investments. For new accounts we are dependent upon the client supplying the distribution information at the time of the account opening on provision of the signed asset schedule. For accounts open for the financial year, we are reliant on receiving this tax information from the company/fund manager as part of the year end tax reporting.

Following the financial year end, the fund managers prepare a tax statement summarising the income distributed during the period and breakdown of all the individual income components. Part of this process involves adjusting some of the cash distributions received earlier in the tax year being currently reported and redefining them to the prior tax year to ensure the correct tax treatment of this income. Similarly, the converse arrangement is adjusting some of the cash distributions already received.

A further aspect involves entering the different components for the income already received in prior tax years where relevant. The historical figures are generally adjusted for tax deferred, tax free, tax free discounted capital gains and building allowance component income where advised by the managed fund or trust. Adjusting the figures incorporates the prior year distribution information that has already been reported to you either via the fund manager or from your previous portfolio administrator's tax reports (where applicable). As a result of the adjustments the asset 'cost base' as reported on the portfolio valuation may be affected. Other items such as 'tax free' income will only affect the portfolio reporting in the event that a capital loss is made on disposal of the asset.

Euroz Hartleys is dependent on the company/fund manager for this information and while all care has been taken in preparing your Tax Report, Euroz Hartleys accepts no responsibility for errors, omissions and delays in information provided to us or any subsequent amendments to this information. If you have any queries regarding these adjustments please contact your adviser.

### Items of note for Accountants

#### Adjustments to Income Received – Managed Funds/Trusts

Cash distributions received during the year for managed fund/trust and unit trusts are initially processed as unranked amounts when received. When the final tax statement is received, the original income entries are updated (but will still show as a cash entry in the cash transfer file) and on the income transfer file) to reflect the relevant income components (e.g. franked, tax deferred, tax free, building allowance, discount capital gains, non discount capital gains, and tax free discounted capital gains) and will be reported within the income reports.

#### Capital Gains Methodology

For the financial year ended 30 June 2021 Griffin Portfolio has calculated capital gains using a debit method methodology of minor – order gains unless notified otherwise by your adviser.