

# KENWAY SUPERANNUATION FUND

## Statement of Financial Position

As at 30 June 2017

	Note	2017 \$	2016 \$
<b>Assets</b>			
<b>Investments</b>			
Plant and Equipment (at written down value) - Unitised	2	2,072.36	2,438.07
Real Estate Properties (Australian - Non Residential)	3	98,600.00	98,600.00
Shares in Listed Companies (Australian)	4	146,328.79	117,882.74
Units in Listed Unit Trusts (Australian)	5	9,487.28	5,119.55
Units in Unlisted Unit Trusts (Australian)	6	12,700.00	11,800.00
<b>Total Investments</b>		<u>269,188.43</u>	<u>235,840.36</u>
<b>Other Assets</b>			
Sundry Debtors		2,021.14	0.00
Reinvestment Residual Account		40.41	0.00
Distributions Receivable		367.54	139.12
CBA Direct Investment A/c		45,013.48	29,522.59
CBA Term Deposit A/c		16,494.17	16,265.30
<b>Total Other Assets</b>		<u>63,936.74</u>	<u>45,927.01</u>
<b>Total Assets</b>		<u>333,125.17</u>	<u>281,767.37</u>
Less:			
<b>Liabilities</b>			
GST Payable		364.08	173.36
Income Tax Payable		1,401.06	780.48
Sundry Creditors		1,937.34	1,453.43
ATO Integrated A/c		(284.00)	(105.00)
<b>Total Liabilities</b>		<u>3,418.48</u>	<u>2,302.27</u>
<b>Net assets available to pay benefits</b>		<u>329,706.69</u>	<u>279,465.10</u>
Represented by:			
<b>Liability for accrued benefits allocated to members' accounts</b>	7, 8		
Kenway, Paul - Accumulation		194,985.38	173,961.56
Kenway, Michelle - Accumulation		134,721.31	105,503.54
<b>Total Liability for accrued benefits allocated to members' accounts</b>		<u>329,706.69</u>	<u>279,465.10</u>

# KENWAY SUPERANNUATION FUND

## Operating Statement

For the year ended 30 June 2017

	Note	2017 \$	2016 \$
<b>Income</b>			
<b>Investment Income</b>			
Trust Distributions	11	1,332.40	941.24
Dividends Received	10	3,289.52	2,782.67
Interest Received		422.71	893.04
Other Investment Income		0.00	273.05
Property Income	12	10,310.00	10,820.31
<b>Investment Gains</b>			
Changes in Market Values	13	13,629.10	(51,932.72)
<b>Contribution Income</b>			
Employer Contributions		9,879.96	9,879.96
Personal Concessional		25,000.00	25,000.00
<b>Total Income</b>		<u>63,863.69</u>	<u>(1,342.45)</u>
<b>Expenses</b>			
Accountancy Fees		0.00	2,665.00
ATO Supervisory Levy		259.00	259.00
Auditor's Remuneration		0.00	1,320.00
Bank Charges		0.60	3.30
Depreciation		365.71	430.25
Fines		180.00	2,780.00
Property Expenses - Council Rates		826.65	791.40
Property Expenses - Insurance Premium		323.85	273.99
Property Expenses - Repairs Maintenance		1,406.92	0.00
Property Expenses - Strata Levy Fees		2,082.33	2,541.36
<b>Member Payments</b>			
Life Insurance Premiums		2,972.98	2,480.14
<b>Total Expenses</b>		<u>8,418.04</u>	<u>13,544.44</u>
<b>Benefits accrued as a result of operations before income tax</b>		<u>55,445.65</u>	<u>(14,886.89)</u>
Income Tax Expense	14	5,204.06	5,040.48
<b>Benefits accrued as a result of operations</b>		<u>50,241.59</u>	<u>(19,927.37)</u>

# **Notes to the Financial Statements**

For the year ended 30 June 2017

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## **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 2017

**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: Plant and Equipment (at written down value) - Unitised**

	2017 \$	2016 \$
6/32 Middle Street	2,072.36	2,438.07
	2,072.36	2,438.07

**Note 3: Real Estate Properties (Australian - Non Residential)**

	2017 \$	2016 \$
6/32 Middle Street, Cleveland (34% Fund, 66% Paul Kenway)	98,600.00	98,600.00

**KENWAY SUPERANNUATION FUND****Notes to the Financial Statements**

For the year ended 30 June 2017

	98,600.00	98,600.00
<b>Note 4: Shares in Listed Companies (Australian)</b>		
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Anatara Lifesciences Ltd	2,400.00	3,024.00
Australia And New Zealand Banking Group Limited	5,341.92	4,245.12
Aurizon Holdings Limited	11,663.36	10,488.32
Bellamy's Australia Limited	5,742.21	8,484.51
Bega Cheese Limited	5,253.57	4,567.62
BHP Billiton Limited	17,506.56	14,024.80
Blackmores Limited	6,996.32	9,591.47
Cochlear Limited	12,280.55	9,578.75
CSL Limited	42,513.24	29,054.62
Origin Energy Limited	1,749.30	1,466.25
Ramsay Health Care Limited	14,867.20	9,257.04
South32 Limited	0.00	517.44
Westpac Banking Corporation	20,014.56	13,582.80
	146,328.79	117,882.74
<b>Note 5: Units in Listed Unit Trusts (Australian)</b>		
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Aveo Group	4,489.70	5,119.55
Stockland	4,997.58	0.00
	9,487.28	5,119.55
<b>Note 6: Units in Unlisted Unit Trusts (Australian)</b>		
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Cromwell Ipswich City Heart Trust	12,700.00	11,800.00
	12,700.00	11,800.00
<b>Note 7: Liability for Accrued Benefits</b>		

Refer to compilation report

**KENWAY SUPERANNUATION FUND****Notes to the Financial Statements**

For the year ended 30 June 2017

	<b>2017</b> \$	<b>2016</b> \$
Liability for accrued benefits at beginning of year	279,465.10	299,392.47
Benefits accrued as a result of operations	50,241.59	(19,927.37)
Current year member movements	0.00	0.00
Liability for accrued benefits at end of year	329,706.69	279,465.10

**Note 8: 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.

	<b>2017</b> \$	<b>2016</b> \$
Vested Benefits	329,706.69	279,465.10

**Note 9: Guaranteed Benefits**

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

**Note 10: Dividends**

	<b>2017</b> \$	<b>2016</b> \$
Aurizon Holdings Limited	585.35	445.35
Australia And New Zealand Banking Group Limited	0.00	167.20
BHP Billiton Limited	539.18	455.62
Bega Cheese Limited	80.70	36.32
Bellamy's Australia Limited	64.82	15.46
Blackmores Limited	248.20	80.00
CSL Limited	487.67	444.09
Cochlear Limited	197.50	165.90
Origin Energy Limited	0.00	85.50
Ramsay Health Care Limited	199.94	60.63
South32 Limited	4.44	0.00
Westpac Banking Corporation	881.72	826.60
	3,289.52	2,782.67

*Refer to compilation report*

**KENWAY SUPERANNUATION FUND****Notes to the Financial Statements**

For the year ended 30 June 2017

**Note 11: Trust Distributions**

	<b>2017</b> \$	<b>2016</b> \$
Stockland	287.05	0.00
Aveo Group	145.35	66.20
Cromwell Ipswich City Heart Trust	900.00	875.04
	1,332.40	941.24

**Note 12: Rental Income**

	<b>2017</b> \$	<b>2016</b> \$
6/32 Middle Street, Cleveland (34% Fund, 66% Paul Kenway)	10,310.00	10,820.31
	10,310.00	10,820.31

**Note 13: Unrealised Movements in Market Value****Shares in Listed Companies (Australian)**

	<b>2017</b> \$	<b>2016</b> \$
Anatara Lifesciences Ltd	(624.00)	(22.59)
Aurizon Holdings Limited	1,175.04	(674.56)
Australia And New Zealand Banking Group Limited	1,096.80	(812.19)
BHP Billiton Limited	3,481.76	(4,536.94)
Bega Cheese Limited	685.95	(555.00)
Bellamy's Australia Limited	(2,742.30)	(1,575.10)
Blackmores Limited	(2,595.15)	(3,536.67)
CSL Limited	8,491.45	6,658.89
Cochlear Limited	2,701.80	3,246.90
Origin Energy Limited	283.05	(1,515.99)
Ramsay Health Care Limited	645.75	1,248.63
South32 Limited	706.64	(447.21)
Westpac Banking Corporation	571.32	(1,261.20)
	13,878.11	(3,783.03)

*Refer to compilation report*

# KENWAY SUPERANNUATION FUND

## Notes to the Financial Statements

For the year ended 30 June 2017

### Shares in Unlisted Private Companies (Australian)

Super Invest Pty Ltd	0.00	(50,000.00)
	0.00	(50,000.00)

### Units in Listed Unit Trusts (Australian)

Aveo Group	(629.85)	50.31
Stockland	(172.33)	0.00
	(802.18)	50.31

### Units in Unlisted Unit Trusts (Australian)

Cromwell Ipswich City Heart Trust	900.00	1,800.00
	900.00	1,800.00

### Total Unrealised Movement

13,975.93	(51,932.72)
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### Realised Movements in Market Value

2017	2016
\$	\$

### Shares in Listed Companies (Australian)

South32 Limited	(346.83)	0.00
	(346.83)	0.00

### Total Realised Movement

(346.83)	0.00
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### Total Market Movement

13,629.10	(51,932.72)
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### Note 14: Income Tax Expense

The components of tax expense comprise	2017	2016
	\$	\$
Current Tax	5,204.06	5,040.48
Income Tax Expense	5,204.06	5,040.48

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%	8,316.85	(2,233.03)
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**KENWAY SUPERANNUATION FUND****Notes to the Financial Statements**

For the year ended 30 June 2017

Less:

Tax effect of:

Increase in MV of Investments	2,096.39	0.00
Realised Accounting Capital Gains	(52.02)	0.00
Accounting Trust Distributions	199.86	141.19

Add:

Tax effect of:

Other Non-Deductible Expenses	27.00	417.00
Decrease in MV of Investments	0.00	7,789.91
Franking Credits	168.54	133.11
Foreign Credits	0.01	0.00
TFN Credits	0.00	15.45
Taxable Trust Distributions	58.09	112.88
Distributed Foreign Income	1.65	0.00
Rounding	(0.16)	(0.23)

Income Tax on Taxable Income or Loss

6,327.75

6,093.90

Less credits:

Franking Credits	1,123.62	887.42
Foreign Credits	0.07	0.00
TFN Credits	0.00	166.00

Current Tax or Refund

5,204.06

5,040.48