

YATES SUPERANNUATION FUND

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

**Crase Consulting
Group Pty Ltd**

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under Professional
Standards Legislation

YATES SUPERANNUATION FUND

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YATES SUPERANNUATION FUND

OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
REVENUE			
Dividend income		72,499	131,496
Interest income		46,490	61,173
Profit on sale of investments		-	(673)
Trust distributions		137,232	76,219
Changes in net market values - Netwealth		725,781	(542,502)
Changes in net market values	3	94,100	34,425
Total income		<u>1,076,102</u>	<u>(239,862)</u>
EXPENSES			
Accounting		3,168	3,223
Audit fees		418	418
Filing fees		259	259
Investment fees		39,640	46,474
Total expenses		<u>43,485</u>	<u>50,374</u>
BENEFITS ACCRUED AS A RESULT OF OPERATIONS BEFORE INCOME TAX			
		1,032,617	(290,236)
Income tax benefit (expense)	2	17,733	34,281
BENEFITS ACCRUED AS A RESULT OF OPERATIONS			
		<u>1,050,350</u>	<u>(255,955)</u>

YATES SUPERANNUATION FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
CURRENT ASSETS			
Macquarie CMT		6,833	261,838
Netwealth account		70,065	32,025
Macquarie Accelerator		800,079	-
Debtors		49,543	35,652
Term deposit - Westpac		-	500,000
Term deposit - Adelaide Bank		400,000	400,000
Term deposits - Netwealth		1,250,000	1,300,000
Total current assets		<u>2,576,520</u>	<u>2,529,515</u>
NON-CURRENT ASSETS			
Shares in listed companies and trusts - Netwealth (at market values)		3,780,217	2,984,174
Shares in listed companies and trusts (at market values)	4	<u>791,875</u>	<u>694,025</u>
Total non-current assets		<u>4,572,092</u>	<u>3,678,199</u>
Total assets		<u>7,148,612</u>	<u>6,207,714</u>
LIABILITIES			
Provision for income tax	5	<u>(17,733)</u>	<u>(34,281)</u>
Total liabilities		<u>(17,733)</u>	<u>(34,281)</u>
Net assets available to pay benefits		<u>7,166,345</u>	<u>6,241,995</u>
<i>Represented by:</i>			
LIABILITY FOR ACCRUED MEMBERS' BENEFITS			
Allocated to members' accounts	6	<u>7,166,345</u>	<u>6,241,995</u>
		<u>7,166,345</u>	<u>6,241,995</u>

YATES 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 of members.

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 an 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.

YATES 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 relevant taxation authority.

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

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.

YATES SUPERANNUATION FUND

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

	2021	2020
	\$	\$
NOTE 2 INCOME TAX EXPENSE		
Prima facie tax payable on operating result before income tax at 15%	154,893	(43,535)
Adjust for tax effect of:-		
Gross up of imputation credits	3,978	7,430
Profit on sale of investments	-	101
Accounting trust distributions	(20,585)	(11,433)
Taxable trust distributions	2,913	5,024
Non assessable market value movements	(122,982)	76,211
Non deductible expenses	3,369	3,576
Exempt current pension income	(12,777)	(21,784)
Imputation credits	(26,542)	(49,871)
Income tax expense (benefit)	<u>(17,733)</u>	<u>(34,281)</u>

The income tax expense comprises amounts set aside to:

Current tax	<u>(17,733)</u>	<u>(34,281)</u>
Income tax expense (benefit)	<u>(17,733)</u>	<u>(34,281)</u>

NOTE 3 MOVEMENT IN NET MARKET VALUES OF INVESTMENTS

Increase/(Decrease) in value of shares in listed companies and trusts

Harmony Wellington Unit Trust	20,000	-
Harmony Dandenong Unit trust	62,000	22,000
MLC Private Equity Co Investment Fund	12,100	12,425
Total changes in net market value	<u>94,100</u>	<u>34,425</u>

YATES SUPERANNUATION FUND

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

	2021	2020
	\$	\$
NOTE 4 INVESTMENTS		
Shares in listed companies and trusts		
Harmony Wellington Unit Trust	227,000	207,000
Harmony Dandenong Unit trust	318,000	256,000
MLC Private Equity Co Investment Fund	246,875	231,025
Total share investments	<u>791,875</u>	<u>694,025</u>
NOTE 5 PROVISIONS		
Provision for income tax		
Opening balance	(34,281)	(50,496)
Refunds received	34,281	50,496
	-	-
Current year provision	<u>(17,733)</u>	<u>(34,281)</u>
Closing balance	<u>(17,733)</u>	<u>(34,281)</u>
NOTE 6 MEMBERS' FUNDS		
Balance at the beginning of the year	6,241,995	6,584,752
Add: Benefits accrued as a result of operations	1,050,350	(255,955)
	7,292,345	6,328,797
Less: Benefits paid	(126,000)	(86,802)
Benefits accrued at the end of the period	<u>7,166,345</u>	<u>6,241,995</u>

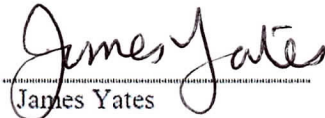
YATES SUPERANNUATION FUND TRUSTEES' DECLARATION

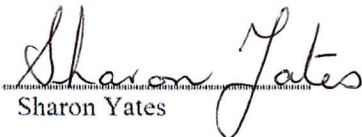
The trustees have determined that the fund is not a reporting entity. The trustees have determined that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to these financial statements.

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:


James Yates


Sharon Yates

Dated 1 December 2021

YATES SUPERANNUATION FUND

MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
James Yates - Accumulation account		
Date of birth	1 January 1948	
Balance at beginning of the year	1,968,173	2,053,500
Allocated earnings	329,415	(90,612)
Income tax benefit (expense) on earnings	2,656	5,285
Balance at end of year	<u>2,300,244</u>	<u>1,968,173</u>
The above balance at the end of the year comprises:		
Withdrawal benefit which is restricted non-preserved	<u>2,300,244</u>	<u>1,968,173</u>
	<u>2,300,244</u>	<u>1,968,173</u>
Tax free component	1,504,386	1,504,386
Taxable component	795,858	463,787
	<u>2,300,244</u>	<u>1,968,173</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.

YATES SUPERANNUATION FUND

MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
James Yates - Pension account		
Date of birth	1 January 1948	
Balance at beginning of the year	1,630,079	1,736,955
Allocated earnings	266,581	(76,617)
Income tax expense on earnings	6,852	13,165
Pension paid	(63,000)	(43,424)
Balance at end of year	<u>1,840,512</u>	<u>1,630,079</u>
The above balance at the end of the year comprises:		
Withdrawal benefit which is unrestricted non-preserved	<u>1,840,512</u>	<u>1,630,079</u>
	<u>1,840,512</u>	<u>1,630,079</u>
Tax free component	1,589,753	1,407,991
Taxable component	<u>250,759</u>	<u>222,088</u>
	<u>1,840,512</u>	<u>1,630,079</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.

YATES SUPERANNUATION FUND

MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
Sharon Yates - Accumulation account		
Date of birth	26 October 1949	
Balance at beginning of the year	1,015,230	1,059,241
Allocated earnings	169,917	(46,737)
Income tax benefit (expense) on earnings	1,370	2,726
Balance at end of year	<u>1,186,517</u>	<u>1,015,230</u>
The above balance at the end of the year comprises:		
Withdrawal benefit which is unrestricted non-preserved	<u>1,186,517</u>	<u>1,015,230</u>
	<u>1,186,517</u>	<u>1,015,230</u>
Tax free component	783,299	783,299
Taxable component	403,218	231,931
	<u>1,186,517</u>	<u>1,015,230</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.

YATES SUPERANNUATION FUND

MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
Sharon Yates - Pension account		
Date of birth	26 October 1949	
Balance at beginning of the year	1,628,513	1,735,056
Allocated earnings	266,704	(76,271)
Income tax expense on earnings	6,855	13,106
Pension paid	(63,000)	(43,378)
Balance at end of year	<u>1,839,072</u>	<u>1,628,513</u>
The above balance at the end of the year comprises:		
Withdrawal benefit which is unrestricted non-preserved	<u>1,839,072</u>	<u>1,628,513</u>
	<u>1,839,072</u>	<u>1,628,513</u>
Tax free component	1,603,454	1,419,871
Taxable component	<u>235,618</u>	<u>208,642</u>
	<u>1,839,072</u>	<u>1,628,513</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.

YATES SUPERANNUATION FUND

INVESTMENT POLICY STATEMENT

1 Membership profile

The fund has the following number of members	2
The members are	spouses
The members are aged	71 to 73

It is not intended that other members will be admitted to the Fund. The current intention is for each of the members to continue to receive pension benefits from the fund until they exhaust their benefits.

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 as required to fund pension payments to the members, as the Trustee decides.

3 Future contributions

The members do not intend to contribute further amounts to the Fund. 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.

YATES 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

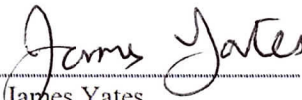
The trustees have determined that it remains appropriate for the Fund not to hold insurance policies for the members.

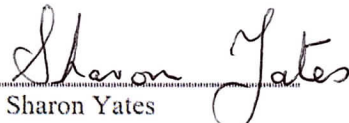
8 Liquidity

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.


James Yates


Sharon Yates

Dated

1 December 2021

YATES SUPERANNUATION FUND

AUDIT REPORT

SELF MANAGED SUPERANNUATION FUND

Name of auditor

Business name

Address of auditor

SMSF auditor number

Name of SMSF Yates Superannuation Fund

ABN of SMSF 30 193 352 176

Address of SMSF 31 Lomond Circuit, Mawson Lakes SA 5095

Year of income being audited 2021