

Financial statements and reports for the year ended
30 June 2018

PATERSON SUPER FUND

Operating Statement

Investment Income

Statement of Financial Position

Investment Summary

Notes to the Financial Statements

Members Statement

Trustees Declaration

Compilation Report

Trustee Minute / Resolution

Contributions Summary

Engagement Letter 2018

PATERSON SUPER FUND
Operating Statement
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Income			
Investment Income			
Trust Distributions	10	59,109.77	6,009.19
Dividends Received	9	11,070.00	0.00
Interest Received		11,594.45	2,063.08
Investment Gains			
Changes in Market Values	11	112,309.37	(10,617.73)
Contribution Income			
Employer Contributions		25,619.40	19,321.58
Personal Non Concessional		0.00	890,000.00
Total Income		<u>219,702.99</u>	<u>906,776.12</u>
Expenses			
Accountancy Fees		1,650.00	0.00
ATO Supervisory Levy		518.00	0.00
Auditor's Remuneration		605.00	0.00
ASIC Fees		48.00	0.00
Total Expenses		<u>2,821.00</u>	<u>0.00</u>
Benefits accrued as a result of operations before income tax			
		<u>216,881.99</u>	<u>906,776.12</u>
Income Tax Expense	12	9,994.19	4,786.20
Benefits accrued as a result of operations		<u>206,887.80</u>	<u>901,989.92</u>

PATERSON SUPER FUND
Investment Income Report



As at 30 June 2018

Investment	Total Income	Franked	Unfranked	Interest/ Other	Franking Credits	Foreign Income	Foreign Credits * 1	Assessable Income (Excl. Capital Gains) * 2	TFN Credits	Other Deductions	Distributed Capital Gains	Non-Assessable Payments
Bank Accounts												
Bank Account - CBA #1582	3,808.56			3,808.56	0.00	0.00	0.00	3,808.56			0.00	0.00
	3,808.56			3,808.56	0.00	0.00	0.00	3,808.56			0.00	0.00
Shares in Listed Companies (Australian)												
BLA.AX Blue Sky Alternative Investments Limited	5,750.00	5,750.00	0.00		2,464.29			8,214.29		0.00		
EGI.AX Ellerston Global Investments Limited	2,800.00	2,800.00	0.00		1,200.00			4,000.00		0.00		
FOR.AX Forager Australian Shares Fund	9,581.28	277.34		85.27	450.34	115.46	77.20	1,005.61		0.00	9,082.68	20.53
PGF.AX Pm Capital Global Opportunities Fund Limited	2,520.00	2,520.00	0.00		1,080.00			3,600.00		0.00		
VAS.AX Vanguard Australian Shares Index Etf	3,070.05	3,004.93	401.58	284.27	1,344.37	85.18	2.98	5,123.31	1,314.00	0.00	596.26	11.82
VDGR.AX Vanguard Diversified Growth Index Etf	2,510.75	575.33	125.56	379.93	273.27	721.00	183.61	2,258.70		0.00	325.74	383.19
	26,232.08	14,927.60	527.14	749.47	6,812.27	921.64	263.79	24,201.91	1,314.00	0.00	10,004.68	415.54
Term Deposits												
CBA Term Deposit #5632	7,095.05			7,095.05	0.00	0.00	0.00	7,095.05			0.00	0.00
CBA Term Deposit #5640	690.84			690.84	0.00	0.00	0.00	690.84			0.00	0.00
	7,785.89			7,785.89	0.00	0.00	0.00	7,785.89			0.00	0.00
Units in Listed Unit Trusts (Australian)												
ECL0984AU Ellerston Australian Microcap Fund	14,969.93	560.22	109.60	95.64	714.73	25.07	42.00	1,547.26		0.00	13,080.85	1,098.55
PLUS.AX Vaneck Vectors Australian Corporate Bond PLUS Etf	1,255.40			602.86	0.00	337.53	0.00	940.39	13.00	0.00	0.00	328.01
QUAL.AX Vaneck Vectors Msci World Ex Australia Quality Etf	2,620.81			2,253.85	0.00	1,123.07	175.42	3,552.34	1,103.00	0.00	1,071.92	(725.03)
VAF.AX Vanguard Australian Fixed Interest Index Etf	4,717.43			6,003.15	0.00	692.38	0.00	6,695.53	1,685.00	0.00	0.00	(293.10)
VAN0010AU Vanguard Index Australian Shares Fd	12,840.37	4,728.66	667.75	729.42	2,524.28	142.08	8.91	8,801.10		0.00	7,109.26	(536.83)
	36,403.94	5,288.88	777.35	9,684.92	3,239.01	2,320.13	226.33	21,536.62	2,801.00	0.00	21,262.03	(128.40)
Units in Unlisted Unit Trusts (Australian)												
ETL0490AU L1 Capital Long Short Fund D Class	7,543.75	168.92	86.06	261.93	414.19	893.63	429.97	2,254.70		0.00	6,118.47	14.74

PATERSON SUPER FUND
Investment Income Report



As at 30 June 2018

Investment	Total Income	Franked	Unfranked	Interest/ Other	Franking Credits	Foreign Income	Foreign Credits * 1	Assessable Income	TFN Credits	Other Deductions	Distributed Capital Gains	Non-Assessable Payments
								(Excl. Capital Gains) * 2				
	7,543.75	168.92	86.06	261.93	414.19	893.63	429.97	2,254.70		0.00	6,118.47	14.74
	81,774.22	20,385.40	1,390.55	22,290.77	10,465.47	4,135.40	920.09	59,587.68	4,115.00	0.00	37,385.18	301.88

Assessable Income (Excl. Capital Gains) **59,587.68**

Net Capital Gain **29,184.80**

Total Assessable Income 88,772.48

* 1 Includes foreign credits from foreign capital gains.

* 2 Assessable Income in the SMSF Annual Return will be different as capital gains and losses from disposals of assets have not been included.

For a breakdown of Distributed Capital Gains and Non-Assessable Payments refer to Distributions Reconciliation Report.

PATERSON SUPER FUND
Statement of Financial Position

As at 30 June 2018

	Note	2018 \$	2017 \$
Assets			
Investments			
Shares in Listed Companies (Australian)	2	665,469.20	0.00
Units in Listed Unit Trusts (Australian)	3	680,315.32	384,008.18
Units in Unlisted Unit Trusts (Australian)	4	248,586.90	0.00
Total Investments		<u>1,594,371.42</u>	<u>384,008.18</u>
Other Assets			
Distributions Receivable		44,239.93	0.00
Bank Account - CBA #1582		36,148.07	845,086.96
CBA Term Deposit #5632		275,000.00	300,563.84
CBA Term Deposit #5640		0.00	200,399.25
Reinvestment Residual Account		1.80	0.00
Total Other Assets		<u>355,389.80</u>	<u>1,346,050.05</u>
Total Assets		<u>1,949,761.22</u>	<u>1,730,058.23</u>
Less:			
Liabilities			
Income Tax Payable		9,197.19	3,068.31
PAYG Payable		797.00	0.00
Sundry Creditors		5,889.31	0.00
Total Liabilities		<u>15,883.50</u>	<u>3,068.31</u>
Net assets available to pay benefits		<u>1,933,877.72</u>	<u>1,726,989.92</u>
Represented by:			
Liability for accrued benefits allocated to members' accounts	6, 7		
PATERSON, DAVID - Accumulation		1,037,118.50	937,232.47
PATERSON, SUSAN - Accumulation		896,759.22	789,757.45
Total Liability for accrued benefits allocated to members' accounts		<u>1,933,877.72</u>	<u>1,726,989.92</u>

Refer to compilation report

PATERSON SUPER FUND
Investment Summary Report

As at 30 June 2018

Investment	Units	Market Price	Market Value	Average Cost	Accounting Cost	Unrealised Gain/(Loss)	Gain/(Loss)%	Portfolio Weight%	
Cash/Bank Accounts									
Bank Account - CBA #1582		36,148.070000	36,148.07	36,148.07	36,148.07			1.90 %	
CBA Term Deposit #5632		275,000.000000	275,000.00	275,000.00	275,000.00			14.43 %	
			311,148.07		311,148.07		0.00 %	16.33 %	
Shares in Listed Companies (Australian)									
EGI.AX	Ellerston Global Investments Limited	70,000.00	1.070000	74,900.00	1.04	72,526.58	2,373.42	3.27 %	3.93 %
FOR.AX	Forager Australian Shares Fund	45,000.00	1.920000	86,400.00	2.09	93,846.82	(7,446.82)	(7.94) %	4.53 %
PGF.AX	Pm Capital Global Opportunities Fund Limited	70,000.00	1.330000	93,100.00	1.11	77,947.57	15,152.43	19.44 %	4.89 %
VAS.AX	Vanguard Australian Shares Index Etf	1,300.00	79.760000	103,688.00	73.49	95,534.50	8,153.50	8.53 %	5.44 %
VDGR.AX	Vanguard Diversified Growth Index Etf	5,934.00	51.800000	307,381.20	50.88	301,937.76	5,443.44	1.80 %	16.13 %
			665,469.20		641,793.23	23,675.97	3.69 %	34.92 %	
Units in Listed Unit Trusts (Australian)									
ECL0984AU	Ellerston Australian Microcap Fund	121,049.96	1.367900	165,584.24	1.32	160,056.45	5,527.79	3.45 %	8.69 %
PLUS.AX	Vaneck Vectors Australian Corporate Bond PLUS Etf	2,000.00	17.500000	35,000.00	17.46	34,921.86	78.14	0.22 %	1.84 %
QUAL.AX	Vaneck Vectors Msci World Ex Australia Quality Etf	3,500.00	23.820000	83,370.00	21.88	76,566.77	6,803.23	8.89 %	4.38 %
VAF.AX	Vanguard Australian Fixed Interest Index Etf	4,000.00	48.900000	195,600.00	49.11	196,442.95	(842.95)	(0.43) %	10.26 %
VAN0010AU	Vanguard Index Australian Shares Fd	94,698.62	2.120000	200,761.08	2.06	195,175.44	5,585.64	2.86 %	10.54 %
			680,315.32		663,163.47	17,151.85	2.59 %	35.70 %	
Units in Unlisted Unit Trusts (Australian)									
ETL0490AU	L1 Capital Long Short Fund D Class	124,474.71	1.141300	142,062.99	1.23	152,891.42	(10,828.43)	(7.08) %	7.46 %
ETL0277AU	Partners Group Global Value Fd AUD	53,219.38	2.001600	106,523.91	1.88	100,000.00	6,523.91	6.52 %	5.59 %
			248,586.90		252,891.42	(4,304.52)	(1.70) %	13.05 %	
			1,905,519.49		1,868,996.19	36,523.30	1.95 %	100.00 %	

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 Director(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 2018

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. 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: Shares in Listed Companies (Australian)

	2018 \$	2017 \$
Ellerston Global Investments Limited	74,900.00	0.00
Forager Australian Shares Fund	86,400.00	0.00
Pm Capital Global Opportunities Fund Limited	93,100.00	0.00
Vanguard Australian Shares Index Etf	103,688.00	0.00
Vanguard Diversified Growth Index Etf	307,381.20	0.00
	665,469.20	0.00

Note 3: Units in Listed Unit Trusts (Australian)

	2018 \$	2017 \$
Ellerston Australian Microcap Fund	165,584.24	0.00

Notes to the Financial Statements

For the year ended 30 June 2018

Vaneck Vectors Australian Corporate Bond PLUS Etf	35,000.00	34,600.00
Vaneck Vectors Msci World Ex Australia Quality Etf	83,370.00	73,010.00
Vanguard Australian Fixed Interest Index Etf	195,600.00	98,000.00
Vanguard Index Australian Shares Fd	200,761.08	178,398.18
	680,315.32	384,008.18

Note 4: Units in Unlisted Unit Trusts (Australian)

	2018 \$	2017 \$
Partners Group Global Value Fd AUD	106,523.91	0.00
L1 Capital Long Short Fund D Class	142,062.99	0.00
	248,586.90	0.00

Note 6: Liability for Accrued Benefits

	2018 \$	2017 \$
Liability for accrued benefits at beginning of year	1,726,989.92	0.00
Benefits accrued as a result of operations	206,887.80	901,989.92
Current year member movements	0.00	825,000.00
Liability for accrued benefits at end of year	1,933,877.72	1,726,989.92

Note 7: 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.

	2018 \$	2017 \$
Vested Benefits	1,933,877.72	1,726,989.92

Note 8: Guaranteed Benefits

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

Notes to the Financial Statements

For the year ended 30 June 2018

Note 9: Dividends

	2018 \$	2017 \$
Blue Sky Alternative Investments Limited	5,750.00	0.00
Ellerston Global Investments Limited	2,800.00	0.00
Pm Capital Global Opportunities Fund Limited	2,520.00	0.00
	11,070.00	0.00

Note 10: Trust Distributions

	2018 \$	2017 \$
Vaneck Vectors Australian Corporate Bond PLUS Etf	1,255.40	0.00
Ellerston Australian Microcap Fund	14,969.93	0.00
Vanguard Diversified Growth Index Etf	2,510.75	0.00
Vanguard Index Australian Shares Fd	12,840.37	6,009.19
Vaneck Vectors Msci World Ex Australia Quality Etf	2,620.81	0.00
Vanguard Australian Shares Index Etf	3,070.05	0.00
Vanguard Australian Fixed Interest Index Etf	4,717.43	0.00
L1 Capital Long Short Fund D Class	7,543.75	0.00
Forager Australian Shares Fund	9,581.28	0.00
	59,109.77	6,009.19

Note 11: Unrealised Movements in Market Value

	2018 \$	2017 \$
Other Revaluations		
Other Revaluations	0.00	(10,617.73)
	0.00	(10,617.73)

Shares in Listed Companies (Australian)

Blue Sky Alternative Investments Limited	0.01	0.00
Ellerston Global Investments Limited	2,373.42	0.00
Forager Australian Shares Fund	(7,446.82)	0.00
Pm Capital Global Opportunities Fund Limited	15,152.43	0.00
Vanguard Australian Shares Index Etf	8,153.50	0.00
Vanguard Diversified Growth Index Etf	5,443.44	0.00

Notes to the Financial Statements

For the year ended 30 June 2018

	23,675.98	0.00
Units in Listed Unit Trusts (Australian)		
Ellerston Australian Microcap Fund	5,527.79	0.00
Vaneck Vectors Australian Corporate Bond PLUS Etf	400.00	0.00
Vaneck Vectors Msci World Ex Australia Quality Etf	10,360.00	0.00
Vanguard Australian Fixed Interest Index Etf	3.03	0.00
Vanguard Index Australian Shares Fd	18,249.98	0.00
	34,540.80	0.00
Units in Unlisted Unit Trusts (Australian)		
L1 Capital Long Short Fund D Class	(10,828.43)	0.00
Partners Group Global Value Fd AUD	6,523.91	0.00
	(4,304.52)	0.00
Total Unrealised Movement	53,912.26	(10,617.73)
Realised Movements in Market Value		
	2018	2017
	\$	\$
Shares in Listed Companies (Australian)		
Blue Sky Alternative Investments Limited	58,397.12	0.00
	58,397.12	0.00
Total Realised Movement	58,397.12	0.00
Changes in Market Values	112,309.38	(10,617.73)
Note 12: Income Tax Expense		
The components of tax expense comprise	2018	2017
	\$	\$
Current Tax	9,994.19	4,786.20
Income Tax Expense	9,994.19	4,786.20

Notes to the Financial Statements

For the year ended 30 June 2018

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%	32,532.30	0.00
Less:		
Tax effect of:		
Increase in MV of Investments	8,086.84	0.00
Realised Accounting Capital Gains	8,759.57	0.00
Accounting Trust Distributions	8,866.47	0.00
Add:		
Tax effect of:		
Franking Credits	1,569.82	0.00
Foreign Credits	138.01	0.00
Net Capital Gains	13,137.30	0.00
Taxable Trust Distributions	3,210.34	0.00
Distributed Foreign Income	620.31	0.00
Rounding	(0.45)	0.00
Income Tax on Taxable Income or Loss	25,494.75	0.00
Less credits:		
Franking Credits	10,465.47	0.00
Foreign Credits	920.09	0.00
TFN Credits	4,115.00	0.00
Current Tax or Refund	<u>9,994.19</u>	<u>0.00</u>

Members Statement

DAVID LESLIE PATERSON
4 / 455 Adelaide Street, Brisbane
Queensland, 4000, Australia

Your Details

Date of Birth : 16/12/1965
Age: 52
Tax File Number: Provided
Date Joined Fund: 16/02/2017
Service Period Start Date: 04/01/1993
Date Left Fund:
Member Code: PATDAV00001A
Account Start Date 16/02/2017
Account Phase: Accumulation Phase
Account Description: Accumulation

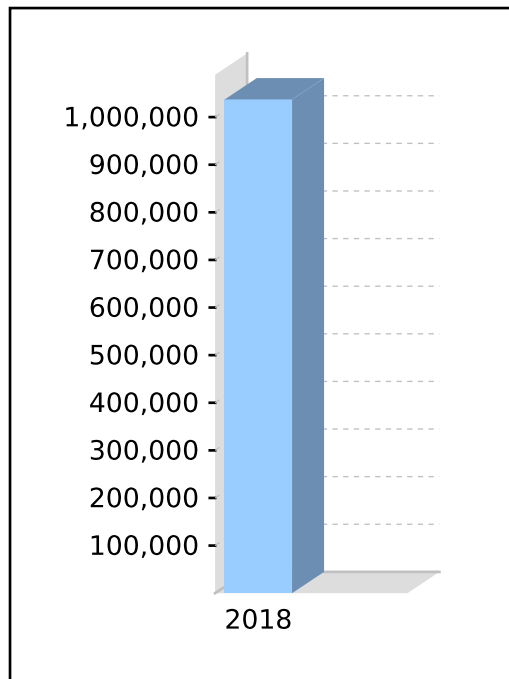
Nominated Beneficiaries N/A
Vested Benefits 1,037,118.50
Total Death Benefit 1,037,118.50

Your Balance

Total Benefits 1,037,118.50

Preservation Components
Preserved 1,037,118.50
Unrestricted Non Preserved
Restricted Non Preserved

Tax Components
Tax Free 438,557.94
Taxable 598,560.56



Your Detailed Account Summary

	This Year
Opening balance at 01/07/2017	937,232.47
<u>Increases to Member account during the period</u>	
Employer Contributions	
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	111,569.40
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	
Income Tax	11,683.37
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 30/06/2018	1,037,118.50

Members Statement

SUSAN MARY PATERSON
4 / 455 Adelaide Street, Brisbane
Queensland, 4000, Australia

Your Details

Date of Birth : 20/09/1964
Age: 53
Tax File Number: Provided
Date Joined Fund: 16/02/2017
Service Period Start Date: 01/01/2008
Date Left Fund:
Member Code: PATSUS00001A
Account Start Date 16/02/2017
Account Phase: Accumulation Phase
Account Description: Accumulation

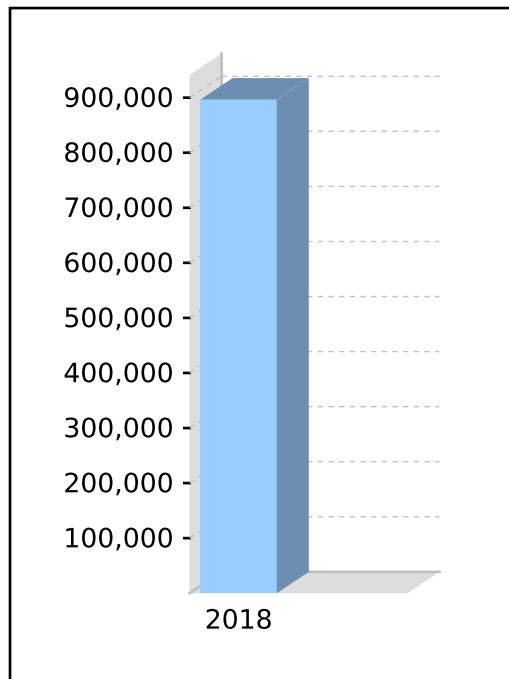
Nominated Beneficiaries N/A
Vested Benefits 896,759.22
Total Death Benefit 896,759.22

Your Balance

Total Benefits 896,759.22

Preservation Components
Preserved 896,759.22
Unrestricted Non Preserved
Restricted Non Preserved

Tax Components
Tax Free 465,944.46
Taxable 430,814.76



Your Detailed Account Summary

	This Year
Opening balance at 01/07/2017	789,757.45
<u>Increases to Member account during the period</u>	
Employer Contributions	25,619.40
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	95,193.75
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	3,842.85
Income Tax	9,968.53
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 30/06/2018	896,759.22

Trustees Declaration

The directors of the trustee company 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 directors of the trustee company declare that:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2018 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2018 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 2018.

Specifically, the directors of the trustee company declare 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 directors of the trustee company, there have been no events or transactions subsequent to the balance date which could have a material impact on the fund. Where such events have occurred, the effect of such events has been accounted and noted in the fund's financial statements.

Signed in accordance with a resolution of the directors of the trustee company by:

.....
DAVID PATERSON
FRICK PARK SUPER PTY LTD
Director

.....
SUSAN PATERSON
FRICK PARK SUPER PTY LTD
Director

30 June 2018

PATERSON SUPER FUND
Compilation Report

We have compiled the accompanying special purpose financial statements of the PATERSON SUPER FUND which comprise the statement of financial position as at 30/06/2018 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 PATERSON SUPER 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.

Cleave Accounting Pty Ltd

of

Suite 1 270 Robinson Road East, Geebung, Queensland 4034

Signed:

Dated: 30/04/2019

Minutes of a meeting of the Director(s)

held on 30 June 2018 at 4 / 455 ADELAIDE STREET, BRISBANE, Queensland 4000

- PRESENT:** DAVID PATERSON and SUSAN PATERSON
- MINUTES:** The Chair reported that the minutes of the previous meeting had been signed as a true record.
- FINANCIAL STATEMENTS OF SUPERANNUATION FUND:** It was resolved that the financial statements would be prepared as special purpose financial statements as, in the opinion of the trustee(s), the superannuation fund is a non-reporting entity and therefore is not required to comply with all Australian Accounting Standards.
- The Chair tabled the financial statements and notes to the financial statements of the superannuation fund in respect of the year ended 30 June 2018 and it was resolved that such statements be and are hereby adopted as tabled.
- TRUSTEE'S DECLARATION:** It was resolved that the trustee's declaration of the superannuation fund be signed.
- 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 2018, it was resolved that the annual return be approved, signed and lodged with the Australian Taxation Office.
- TRUST DEED:** The Chair tabled advice received from the fund's legal adviser confirming that the fund's trust deed is consistent with all relevant superannuation and trust law.
- INVESTMENT STRATEGY:** The allocation of the fund's assets and the fund's investment performance over this financial year were reviewed and found to be within the acceptable ranges outlined in the investment strategy. After considering the risk, rate of return and liquidity of the investments and the ability of the fund to discharge its existing liabilities, it was resolved that the investment strategy continues to reflect the purposes and circumstances of the fund and its members. Accordingly, no changes in the investment strategy were required.
- INSURANCE COVER:** The trustee(s) reviewed the current life and total and permanent disability insurance coverage on offer to the members and resolved that the current insurance arrangements were appropriate for the fund.
- ALLOCATION OF INCOME:** It was resolved that the income of the fund would be allocated to the members based on their average daily balance (an alternative allocation basis may be percentage of opening balance).
- INVESTMENT ACQUISITIONS:** It was resolved to ratify the investment acquisitions throughout the financial year ended 30 June 2018.
- INVESTMENT DISPOSALS:** It was resolved to ratify the investment disposals throughout the financial year ended 30 June 2018.
- AUDITORS:** It was resolved that
Super Audits Pty Ltd
of
PO Box 3376, Rundle Mall, South Australia 5000
act as auditors of the Fund for the next financial year.
- TAX AGENTS:** It was resolved that

Minutes of a meeting of the Director(s)

held on 30 June 2018 at 4 / 455 ADELAIDE STREET, BRISBANE, Queensland 4000

Cleave Accounting Pty Ltd

act as tax agents of the Fund for the next financial year.

TRUSTEE STATUS:

Each of the trustee(s) confirmed that they are qualified to act as trustee(s) of the fund and that they are not disqualified persons as defined by s 120 of the SISA.

CONTRIBUTIONS RECEIVED:

It was resolved that the contributions during the year be allocated to members on the basis of the schedule provided by the principal Fund employer.

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 –

.....

DAVID PATERSON

Chairperson

Contributions Summary Report

For The Period 01 July 2017 - 30 June 2018

DAVID PATERSON

Date of Birth: 16/12/1965
 Age: 52 (at year end)
 Member Code: PATDAV00001A
 Total Super Balance *1 as at 30/06/2017: 937,232.47

Contributions Summary	2018	2017
Non-Concessional Contribution		
Personal - Non-Concessional	0.00	425,000.00
	0.00	425,000.00
Total Contributions	0.00	425,000.00

I, DAVID PATERSON, confirm that the amounts reported above are the total contributions deposited to the fund with respect of my member balance for the period 01/07/2017 to 30/06/2018.

DAVID PATERSON

*1 Total Super Balance is per individual across funds within a firm.

Contributions Summary Report

For The Period 01 July 2017 - 30 June 2018

SUSAN PATERSON

Date of Birth: 20/09/1964
 Age: 53 (at year end)
 Member Code: PATSUS00001A
 Total Super Balance *1 as at 30/06/2017: 789,757.45

Contributions Summary	2018	2017
Concessional Contribution		
Employer	25,619.40	19,321.58
	<u>25,619.40</u>	<u>19,321.58</u>
Non-Concessional Contribution		
Personal - Non-Concessional	0.00	465,000.00
	<u>0.00</u>	<u>465,000.00</u>
Total Contributions	<u>25,619.40</u>	<u>484,321.58</u>

I, SUSAN PATERSON, confirm that the amounts reported above are the total contributions deposited to the fund with respect of my member balance for the period 01/07/2017 to 30/06/2018.

 SUSAN PATERSON

*1 Total Super Balance is per individual across funds within a firm.

30/04/2019

To the trustee of the
PATERSON SUPER FUND
4 / 455 ADELAIDE STREET,
BRISBANE
Queensland, 4000

Dear Trustee,

The Objective and Scope of the Audit

You have requested that we audit the PATERSON SUPER FUND (the Fund):

1. financial report, which comprises the statement of financial position, as at 30/06/2018 and the operating statement for the year then ended and the notes to the financial statements; and
2. compliance during the same period with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and SIS Regulations (SISR) specified in the approved form auditor's report as issued by the ATO, which are sections 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104, 104A, 105, 109 and 126K of the SISA and regulations 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14 and 13.18AA of the SISR.

We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter. Our audit will be conducted pursuant to the SISA with the objective of our expressing an opinion on the financial report and the fund's compliance with the specified requirements of the SISA and SISR.

The Responsibilities of the Auditor

We will conduct our financial audit in accordance with Australian Auditing Standards and our compliance engagement in accordance with applicable Standards on Assurance Engagements, issued by the Auditing and Assurance Standards Board (AUASB). These standards require that we comply with relevant ethical requirements relating to audit and assurance engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that you have complied, in all material respects, with the specified requirements of the SISA and SISR.

The annual audit of the financial reports and records of the Fund must be carried out during and after the end of each year of income. In accordance with section 35C of the SISA, we are required to provide to the trustees of the Fund an auditor's report in the approved form within the prescribed time as set out in the SISR, 28 days after the trustees have provided all documents relevant to the preparation of the auditor's report.

Financial Audit

A financial audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. A financial audit also includes evaluating the appropriateness of the financial reporting framework, accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report. Due to the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material misstatements may remain undiscovered.

In making our risk assessments, we consider internal controls relevant to the fund's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal controls. However, we expect to provide you with a separate letter concerning any significant deficiencies in the fund's system of accounting and internal controls that come to our attention during the audit of the financial report. This will be in the form of a letter to the Trustee.

Compliance Engagement

A compliance engagement involves performing audit procedures to obtain audit evidence about the fund's compliance with the provisions of the SISA and SISR specified in the ATO's approved form auditor's report.

Our compliance engagement with respect to investments includes determining whether the investments are made for the sole purpose of funding members' retirement, death or disability benefits and whether you have an investment strategy for the fund, which has been reviewed regularly and gives due consideration to risk, return, liquidity, diversification and the insurance needs of members/managers. Our procedures will include testing whether the investments are made for the allowable purposes in accordance with the investment strategy, but not for the purpose of assessing the appropriateness of those investments to the members.

The Responsibilities of the Trustees

We take this opportunity to remind you that it is the responsibility of the trustees to ensure that the fund, at all times, complies with the SISA and SISR as well as any other legislation relevant to the fund. The trustees are also responsible for the preparation and fair presentation of the financial report.

Our auditor's report will explain that the trustees are responsible for the preparation and the fair presentation of the financial report and for determining that the accounting policies used are consistent with the financial reporting requirements of the SMSF's governing rules, comply with the requirements of SISA and SISR and are appropriate to meet the needs of the members. This responsibility includes:

- Establishing and maintaining controls relevant to the preparation of a financial report that is free from misstatement, whether due to fraud or error. The system of accounting and internal control should be adequate in ensuring that all transactions are recorded and that the recorded transactions are valid, accurate, authorised, properly classified and promptly recorded, so as to facilitate the preparation of reliable financial information. This responsibility to maintain adequate internal controls also extends to the Fund's compliance with SIS including any Circulars and Guidelines issued by a relevant regulator to the extent applicable. The internal controls should be sufficient to prevent and/or detect material non-compliance with such legislative requirements.
- Selecting and applying appropriate accounting policies.
- Making accounting estimates that are reasonable in the circumstances; and
- Making available to us all the books of the Funds, including any registers and general documents, minutes and other relevant papers of all Trustee meetings and giving us any information, explanations and assistance we require for the purposes of our audit. Section 35C(2) of SIS requires that Trustees must give to the auditor any document that the auditor requests in writing within 14 days of the request.

As part of our audit process, we will request from the trustees written confirmation concerning representations made to us in connection with the audit.

Our audit report is prepared for the members of the Fund and we disclaim any assumption of responsibility for any reliance on our report, or on the financial report to which it relates, to any person other than the members of the fund, or for any purpose other than that for which it was prepared.

Our audit report should not be used in determining the amount to pay member's benefits. The Trustee should calculate the amount of the benefit payment based on the market value (if applicable) of Fund assets at the date of payment provided this is consistent with the Fund's trust deed, SISA, SISR, or any agreement reached with the member.

Independence

We confirm that, to the best of our knowledge and belief, the engagement team meets the current independence requirements of the SISA and SISR including *APES 110 Code of Ethics for Professional Accountants* in relation to the audit of the Fund. In conducting our financial audit and compliance engagement, should we become aware that we have contravened the independence requirements, we shall notify you on a timely basis.

Report on Matters Identified

Under section 129 of the SISA, we are required to report to you in writing, if during the course of, or in connection with, our audit, we become aware of any contravention of the SISA or SISR which we believe has occurred, is occurring or may occur. Furthermore, you should be aware that we are also required to notify the Australian Taxation Office (ATO) of certain contraventions of the SISA and SISR that we become aware of during the audit, which meet the tests stipulated by the ATO, irrespective of the materiality of the contravention or action taken by the trustees to rectify the matter. Finally, under section 130, we are required to report to you and the ATO if we believe the financial position of the Fund may be, or may be about to become unsatisfactory.

You should not assume that any matters reported to you, or that a report that there are no matters to be communicated, indicates that there are no additional matters, or matters that you should be aware of in meeting your responsibilities. The completed audit report may be provided to you as a signed hard copy or a signed electronic version.

Compliance Program

The conduct of our engagement in accordance with Australian Auditing Standards and applicable Standards on Assurance Engagements means that information acquired by us in the course of our engagement is subject to strict confidentiality requirements. Information will not be disclosed by us to other parties except as required or allowed for by law or professional standards, or with your express consent. Our audit files may, however, be subject to review as part of the compliance program of a professional accounting body or the ATO. We advise you that by signing this letter you acknowledge that, if requested, our audit files relating to this audit will be made available under these programs. Should this occur, we will advise you. The same strict confidentiality requirements apply under these programs as apply to us as your auditor.

Limitation of Liability

As a practitioner/firm participating in a scheme approved under the Professional Services Legislation, our liability may be limited under the scheme.

Fees

We look forward to full co-operation with you/your administrator and we trust that you will make available to us whatever records, documentation and other information are requested in connection with our audit.

Our fees, which will be billed as work progresses, are based on the time required by staff members assigned to the engagement plus out-of-pocket expenses. Individual hourly rates vary according to the degree of responsibility involved and the experience and skills required. Our annual audit fee will be revised and agreed upon each year with the Trustee. Any additional services required, that are outside the scope of this engagement, will be billed on a time basis.

If we are required to respond to requests for information from regulators in relation to our engagement as auditor, the Fund will reimburse us at standard billing rates for our professional time and expenses, including reasonable legal fees, incurred in responding to such requests.

We would appreciate if you could sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements for our financial audit and compliance engagement of the Fund.

Yours sincerely

Super Audits Pty Ltd

Acknowledged on behalf of the Trustee of the PATERSON SUPER FUND by:

(Signed)
(dated) / /