
Financial statements and reports for the year ended
30 June 2022

Freedom to Choose Superannuation Fund

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Freedom to Choose Superannuation Fund

Statement of Financial Position

As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Investments			
Real Estate Properties (Australian - Non Residential)	2	500,000	460,000
Total Investments		<u>500,000</u>	<u>460,000</u>
Other Assets			
Sundry Debtors		2,790	6,038
Cash at Bank		26,162	27,174
Income Tax Refundable		2,357	2,499
Total Other Assets		<u>31,309</u>	<u>35,711</u>
Total Assets		<u>531,309</u>	<u>495,711</u>
Less:			
Liabilities			
GST Payable		1,945	1,337
PAYG Payable		0	624
Sundry Creditors		0	5,837
GST Adjustment		0	30
Rental Bond		2,970	2,970
Limited Recourse Borrowing Arrangements		216,530	237,280
Total Liabilities		<u>221,445</u>	<u>248,078</u>
Net assets available to pay benefits		<u>309,864</u>	<u>247,633</u>
Represented by:			
Liability for accrued benefits allocated to members' accounts	4, 5		
Jones, Benjamin John - Accumulation		120,616	95,796
Jones, Tanya - Accumulation		189,248	151,837
Total Liability for accrued benefits allocated to members' accounts		<u>309,864</u>	<u>247,633</u>

Freedom to Choose Superannuation Fund

Operating Statement

For the year ended 30 June 2022

	Note	2022	2021
		\$	\$
Income			
Investment Income			
Interest Received		3	35
Property Income	7	53,414	44,736
Investment Gains			
Changes in Market Values	8	40,000	0
Transfers In		1,141	0
Total Income		<u>94,558</u>	<u>44,771</u>
Expenses			
Accountancy Fees		7,524	4,069
Administration Costs		0	1,500
ATO Supervisory Levy		777	0
ASIC Fees		332	328
Bank Charges		480	377
Body Corporate Fees		2,293	2,531
Borrowing Costs		0	54
Fines & Penalties		83	82
Interest Paid		11,218	16,247
Rates		3,609	3,754
Water Rates		4,510	1,961
Total Expenses		<u>30,826</u>	<u>30,903</u>
Benefits accrued as a result of operations before income tax		<u>63,732</u>	<u>13,868</u>
Income Tax Expense	9	1,501	0
Benefits accrued as a result of operations		<u>62,231</u>	<u>13,868</u>

Freedom to Choose Superannuation Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1: Summary of Significant Accounting Policies

The trustees have prepared the financial statements on the basis that the Superannuation Fund is not a reporting entity because it is not publicly accountable and is not required by law or governing document to prepare financial statements that comply with Australian Accounting Standards. 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 an 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 to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. Revenue is recognised at the fair value of the consideration received or receivable.

Freedom to Choose Superannuation Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Interest revenue

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

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).

Contributions

Contributions and transfers in are recognised when the control and the benefits from the revenue have been attained and are recorded by the Fund, gross of any taxes, in the period to which they relate.

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: Real Estate Properties (Australian - Non Residential)

	2022 \$	2021 \$
Lot 4/2 Sierra Place, Upper Coomera	500,000	460,000

Freedom to Choose Superannuation Fund
Notes to the Financial Statements

For the year ended 30 June 2022

	500,000	460,000
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Note 3: Banks and Term Deposits

	2022 \$	2021 \$
Banks		
Cash at Bank	26,162	27,174
	26,162	27,174

Note 4: Liability for Accrued Benefits

	2022 \$	2021 \$
Liability for accrued benefits at beginning of year	247,633	233,765
Benefits accrued as a result of operations	62,231	13,868
Current year member movements	0	0
Liability for accrued benefits at end of year	309,863	247,633

Note 5: Vested Benefits

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

	2022 \$	2021 \$
Vested Benefits	309,863	247,633

Note 6: Guaranteed Benefits

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

Note 7: Rental Income

	2022 \$	2021 \$
Lot 4/2 Sierra Place, Upper Coomera	43,371	35,666
Outgoings - Lot 4/2 Sierra Place, Upper Coomera	10,043	9,070
	53,414	44,736

Note 8: Changes in Market Values

Freedom to Choose Superannuation Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Unrealised Movements in Market Value

	2022 \$	2021 \$
Real Estate Properties (Australian - Non Residential)		
Lot 4/2 Sierra Place, Upper Coomera	40,000	0
	40,000	0
Total Unrealised Movement	40,000	0

Realised Movements in Market Value

	2022 \$	2021 \$
Total Realised Movement	0	0
Changes in Market Values	40,000	0

Note 9: Income Tax Expense

The components of tax expense comprise	2022 \$	2021 \$
Current Tax	1,501	0
Income Tax Expense	1,501	0

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%	9,560	2,080
Less:		
Tax effect of:		
Non Taxable Transfer In	171	0
Increase in MV of Investments	6,000	0
Tax Losses Deducted	1,038	1,231
Tax Adjustment - Capital Works Expenditure (D1)	862	862
Add:		
Tax effect of:		
SMSF Non-Deductible Expenses	12	12
Rounding	0	1
Income Tax on Taxable Income or Loss	1,501	0

Freedom to Choose Superannuation Fund
Notes to the Financial Statements

For the year ended 30 June 2022

Less credits:

Current Tax or Refund	1,501	0
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Freedom to Choose Superannuation Fund Trustees Declaration

Ourway Retirement Pty Ltd ACN: 605405267

The directors of the trustee company have determined that the Fund is not a reporting entity and that these 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 2022 present fairly, in all material respects, the financial position of the Superannuation Fund at 30 June 2022 and the results of its operations for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- (ii) the financial statements and notes to the financial statements have been prepared in accordance with the requirements of the trust deed; and
- (iii) the operation of the superannuation fund has been carried out in accordance with its trust deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations during the year ended 30 June 2022.

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

.....
Benjamin John Jones
Ourway Retirement Pty Ltd
Director

.....
Tanya Jones
Ourway Retirement Pty Ltd
Director

24 March 2023

Freedom to Choose Superannuation Fund

Statement of Taxable Income

For the year ended 30 June 2022

	2022
	\$
Benefits accrued as a result of operations	63,732.00
Less	
Non Taxable Transfer In	1,141.00
Increase in MV of investments	40,000.00
Tax Losses Deducted	6,922.00
Tax Adjustment - Capital Works Expenditure (D1)	5,745.00
	<u>53,808.00</u>
Add	
SMSF non deductible expenses	83.00
	<u>83.00</u>
Taxable Income or Loss	<u>10,007.00</u>
Income Tax on Taxable Income or Loss	1,501.05
	<u>1,501.05</u>
CURRENT TAX OR REFUND	<u>1,501.05</u>
Supervisory Levy	259.00
Income Tax Instalments Paid	(3,858.00)
AMOUNT DUE OR REFUNDABLE	<u>(2,097.95)</u>

** Distribution tax components review process has not been completed for the financial year.*

Freedom to Choose Superannuation Fund Investment Summary Report

As at 30 June 2022

Investment	Units	Market Price	Market Value	Average Cost	Accounting Cost	Unrealised Gain/(Loss)	Gain/(Loss)%	Portfolio Weight%
Cash/Bank Accounts								
Cash at Bank		26,161.790000	26,161.79	26,161.79	26,161.79			4.97 %
			26,161.79		26,161.79			4.97 %
Real Estate Properties (Australian - Non Residential)								
JON201 Lot 4/2 Sierra Place, Upper Coomera	1.00	500,000.000000	500,000.00	472,244.96	472,244.96	27,755.04	5.88 %	95.03 %
			500,000.00		472,244.96	27,755.04	5.88 %	95.03 %
			526,161.79		498,406.75	27,755.04	5.57 %	100.00 %

Freedom to Choose Superannuation Fund

Investment Income Report

As at 30 June 2022

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
Cash at Bank												
Cash at Bank	1.64			1.64				1.64				
	1.64	0.00	0.00	1.64	0.00	0.00	0.00	1.64	0.00	0.00	0.00	0.00
Interest Received												
Australian Taxation Office	1.03			1.03				1.03				
	1.03	0.00	0.00	1.03	0.00	0.00	0.00	1.03	0.00	0.00	0.00	0.00
Property Income												
Outgoings - Lot 4/2 Sierra Place, Upper Coomera	10,042.96							10,042.96				
	10,042.96	0.00	0.00	0.00	0.00	0.00	0.00	10,042.96	0.00	0.00	0.00	0.00
Real Estate Properties (Australian - Non Residential)												
JON201 Lot 4/2 Sierra Place, Upper Coomera	43,371.43							43,371.43				
	43,371.43	0.00	0.00	0.00	0.00	0.00	0.00	43,371.43	0.00	0.00	0.00	0.00
	53,417.06	0.00	0.00	2.67	0.00	0.00	0.00	53,417.06	0.00	0.00	0.00	0.00

Assessable Income (Excl. Capital Gains) **53,417.06**

Net Capital Gain **0.00**

Total Assessable Income 53,417.06

*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. Includes foreign credits from foreign capital gains.