

St George Kart Centre Pty Ltd Retirement Fund

ABN 87 580 552 579
Trustees: Dell Family Pty Ltd

Financial Statement
For the year ended 30 June 2019

St George Kart Centre Pty Ltd Retirement Fund

Reports

Table of Contents

Report Name

Statement of Financial Position

Operating Statement (Profit and Loss) Report

Notes to the Financial Statements

Trustee Declaration Report

Compilation Report - SMSF

Audit Report - SMSF

Investment Summary Report

Investment Income Summary Report

St George Kart Centre Pty Ltd Retirement Fund
Statement of Financial Position
as at 30 June 2019

	Note	2019 \$	2018 \$
Assets			
Investments			
Cash and Cash Equivalents	6A	774,765.93	736,635.22
Direct Property	6B	750,000.00	580,000.00
Shares in Listed Companies	6C	78.30	89.10
Other Assets			
Cash At Bank		11,971.65	13,257.95
Sundry Assets		306.50	-
Current Tax Assets		984.35	2,590.95
Total Assets		<u>1,538,106.73</u>	<u>1,332,573.22</u>
Liabilities			
Other Taxes Payable		224.86	2,291.84
Total Liabilities		<u>224.86</u>	<u>2,291.84</u>
Net Assets Available to Pay Benefits		<u>1,537,881.87</u>	<u>1,330,281.38</u>
<i>Represented by:</i>			
Liability for Accrued Benefits	2		
Mr CHRISTOPHER DELL		238,628.66	199,776.55
Mrs ADELE DELL		1,299,253.21	1,130,504.83
Total Liability for Accrued Benefits		<u>1,537,881.87</u>	<u>1,330,281.38</u>

*The accompanying notes form part of these financial statements.
This report should be read in conjunction with the accompanying compilation report.*

St George Kart Centre Pty Ltd Retirement Fund

Operating Statement

For the period 1 July 2018 to 30 June 2019

	Note	2019 \$	2018 \$
Income			
Member Receipts			
Contributions			
Employer		14,121.78	19,500.35
Member		56,100.00	-
Investment Gains			
Increase in Market Value	8A	169,795.70	(14.85)
Investment Income			
Interest	7A	22,083.04	17,669.95
Rent	7B	27,999.92	27,999.92
Other Income		-	0.90
		290,100.44	65,156.27
Expenses			
Member Payments			
Pensions Paid		69,100.00	60,000.00
Other Expenses			
Accountancy Fee		2,750.00	2,750.00
Actuarial Fee		110.00	110.00
Auditor Fee		550.00	680.54
Bank Fees		120.00	120.00
Property Expenses		5,813.80	4,717.03
SMSF Supervisory Levy		259.00	259.00
Sundry		990.50	220.00
		79,693.30	68,856.57
Benefits Accrued as a Result of Operations before Income Tax		210,407.14	(3,700.30)
Income Tax			
Income Tax Expense		2,806.65	3,577.05
		2,806.65	3,577.05
Benefits Accrued as a Result of Operations		207,600.49	(7,277.35)

*The accompanying notes form part of these financial statements.
This report should be read in conjunction with the accompanying compilation report.*

St George Kart Centre Pty Ltd Retirement Fund
Notes to the Financial Statements
As at 30 June 2019

Note 1 - Statement of Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements. They have been consistently applied in the current and previous periods unless otherwise stated to ensure the financial information satisfies the concept of relevance and reliability.

(a) Statement of Compliance

The trustees have prepared the financial statements on the basis that the superannuation fund is a non-reporting entity because the members are able to command the preparation of tailored reports so as to satisfy specifically all of their information needs and there are no other users dependent on the financial statements. The financial statements are therefore special purpose financial statements that have been prepared in accordance with the legislative requirements of the *Superannuation Industry (Supervision) Act 1993* and *Regulations 1994* and the provisions of the Trust Deed. The trustees have determined that the accounting policies adopted are appropriate to meet their needs.

(b) Basis of Preparation

The financial statements have been prepared on a cash basis using historical costs convention unless stated otherwise. For investments and financial liabilities, they are measured at market values.

The financial statements are presented in Australian dollars, which is the functional currency of the fund.

(c) Use of Accounting Estimates and Judgments

The preparation of financial statements requires the trustees to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. 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.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks or financial institutions and short-term, highly liquid investments that are readily convertible to cash and are subject to an insignificant risk of change in value.

(e) Foreign Currency

Any foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in the operating statement in the period in which they arise.

(f) Valuation of Assets

Investment

An investment is initially recognised when as a result of past transactions or events, the Fund controls the future economic benefits expected to flow from the asset.

The investment assets are firstly recorded at cost, being the fair value of the consideration given. After initial recognition, they are measured at market value. Gains or losses arising from changes in market value are recognised on the Operating Statement in the periods in which they occur.

Market value as defined in s10 of *SISA 1993*, in relation to an asset, means the amount that a willing buyer of the asset could reasonably be expected to pay to acquire the asset from a willing seller if the following assumptions were made:

- i. that the buyer and the seller dealt with each other at arm's length in relation to the sale;
- ii. that the sale occurred after proper marketing of the asset;
- iii. that the buyer and the seller acted knowledgeably and prudentially in relation to the sale.

As disposal costs are generally immaterial unless otherwise stated, market value approximates fair value.

St George Kart Centre Pty Ltd Retirement Fund

Notes to the Financial Statements

As at 30 June 2019

Market values for various types of investment have been determined as follows:

- i. listed securities, government and other fixed interest securities for which there is a readily available market quotation, the valuation is recorded as the last quoted sale price as at the close of business on reporting date. If the listed securities are foreign, they are also converted to Australian dollars using the exchange rate at the close of business on the reporting date;
- ii. unit trusts and managed funds are stated by reference to the unit redemption price quoted by the fund manager at the end of the reporting period;
- iii. unlisted investments are stated at the Trustees' valuation based on estimated market value at balance date; or where necessary, upon external valuers' expert opinions;
- iv. Investment properties are carried at market value and are held for the purpose of generating long-term rental yields and capital appreciation. The Trustees give consideration to the value of the investment property each financial year and revalue when a significant event occurs or when deemed appropriate. Where an external valuation has been obtained, the valuation is based on objective and supportable data and has been carried out by a property valuation service provider or qualified independent valuer as appropriate.

Financial Liabilities

The Fund initially recognises a financial liability on the date it becomes a party to the contractual provisions of the instrument.

Financial liabilities including credit balances of hedging instruments and derivatives are measured at market values as at the reporting date. Any change in market values of the financial liabilities since the beginning of the reporting period shall be included in the profit or loss for the reporting period. As disposal costs are generally immaterial, unless otherwise stated, market value approximates fair value.

Receivables and Payables

Current assets such as accounts receivable, which are expected to be recovered within twelve months after the reporting period, are carried at nominal amounts which approximate the fair values.

Accounts payable are recognised when the Fund becomes obliged to make future payments resulting from the goods and services received, whether or not billed to the Fund and are carried at nominal amounts which are equivalent to fair values.

(g) Revenue Recognition

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 measured at the fair value of consideration received or receivable. The following recognition criteria relate to the specific items of revenue the Fund receives:

Interest

The interest revenue is recognised by the Fund on a cash receipt basis, unless the Fund chooses the accrual method and the amount can be reliably measured by reference to the principal outstanding and using the effective interest rate of the instrument calculated at the acquisition or origination date.

Dividend Revenue

The entitlement to a dividend is based on the date the shares are quoted ex-dividend; the actual dividend revenue is recognised by the Fund when it is received.

Distribution Revenue

Distributions from unit trusts and managed funds are recognised as at the date the unit value is quoted ex-distributions 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.

Rental Income

Rent from investment properties is recognised by the Fund on a cash receipt basis.

Movement in market values

Changes in the market value of investments are determined as the difference between the market value at balance date or consideration received (if sold during the year) and the market value as at the prior year end or cost (if the investment was acquired during the period). All movements are recognised in the Operating Statement.

Contributions and Rollovers In

Contributions and rollovers 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.

The financial report was authorised for issue on 23 February 2020 by the directors of the trustee company.

St George Kart Centre Pty Ltd Retirement Fund
Notes to the Financial Statements
As at 30 June 2019

Note 2 – 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. Changes in the Liability for Accrued Benefits are as follows:

	Current	Previous
Liability for Accrued Benefits at beginning of period	1,330,281.38	1,337,558.73
Benefits Accrued during the period	276,700.49	52,722.65
Benefits Paid during the period	(69,100.00)	(60,000.00)
Liability for Accrued Benefits at end of period	1,537,881.87	1,330,281.38

Any amount in the Unallocated Contributions account represent amounts that have been received by the fund from either the members of the fund or a third party but have not been allocated to any specific member as at the reporting date. It is the intention of the trustee to allocate any such amounts recorded as unallocated contributions within 28 days following the end of the month to specific fund member, which will increase the liability for members accrued benefits.

Note 3 – Vested Benefits

Vested benefits are benefits which 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 reporting period.

	Current	Previous
Vested Benefits at beginning of period	1,330,281.38	1,337,558.73
Benefits Accrued during the period	276,700.49	52,722.65
Benefits Paid during the period	(69,100.00)	(60,000.00)
Vested Benefits at end of period	1,537,881.87	1,330,281.38

Note 4 – Guaranteed Benefits

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

Note 5 – Funding Arrangements

No fixed funding arrangements were in place for the Fund as at year end.

Note 6A – Cash and Cash Equivalents

	Current	Previous
At market value:		
NAB TERM DEPOSIT 6239	52,436.44	51,325.00
NAB TERM DEPOSIT A/C 0421	228,654.77	280,776.77
NAB TERM DEPOSIT A/C 1778	38,211.46	18,514.19
NAB TERM DEPOSIT A/C 3983	169,066.57	165,483.06
NAB TERM DEPOSIT A/C 3997	12,582.92	12,288.00
NAB TERM DEPOSIT A/C 4738	15,048.29	14,695.59
NAB TERM DEPOSIT A/C 4973	0.00	13,994.09
NAB TERM DEPOSIT A/C 5305	66,227.30	64,675.09
NAB TERM DEPOSIT A/C 5425	93,675.45	72,120.70
NAB TERM DEPOSIT A/C 7492	98,862.73	42,762.73
	774,765.93	736,635.22

Note 6B – Direct Property

	Current	Previous
At market value:		
Unit 23/244 Horsley Road Milperra	750,000.00	580,000.00
	750,000.00	580,000.00

St George Kart Centre Pty Ltd Retirement Fund
Notes to the Financial Statements
As at 30 June 2019

Note 6C – Shares in Listed Companies

	Current	Previous
At market value:		
Equatorial Resources Limited	78.30	89.10
	78.30	89.10

Note 7A – Interest

	Current	Previous
NAB TERM DEPOSIT 6239	1,111.44	1,325.00
NAB TERM DEPOSIT A/C 0421	8,978.00	5,379.90
NAB TERM DEPOSIT A/C 1778	462.86	225.77
NAB TERM DEPOSIT A/C 3983	3,583.51	3,878.51
NAB TERM DEPOSIT A/C 3997	294.92	288.00
NAB TERM DEPOSIT A/C 4738	352.70	344.43
NAB TERM DEPOSIT A/C 4973	240.32	1,552.70
NAB TERM DEPOSIT A/C 5305	1,552.21	1,515.83
NAB TERM DEPOSIT A/C 5425	3,554.75	2,159.08
NAB TERM DEPOSIT A/C 7492	1,952.33	1,000.73
	22,083.04	17,669.95

Note 7B – Rent

	Current	Previous
Unit 23/244 Horsley Road Milperra	27,999.92	27,999.92
	27,999.92	27,999.92

Note 8A – Increase in Market Value

	Current	Previous
Direct Property		
Unit 23/244 Horsley Road Milperra	169,806.50	0.00
Shares in Listed Companies		
Equatorial Resources Limited	(10.80)	(14.85)
	169,795.70	(14.85)

St George Kart Centre Pty Ltd Retirement Fund

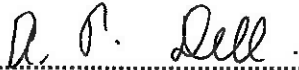
Trustee Declaration

In the opinion of the Trustees of the St George Kart Centre Pty Ltd Retirement Fund.

The Fund is not a reporting entity and this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to these financial statements.

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2019 present fairly the financial position of the Fund at 30 June 2019 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 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 2019.

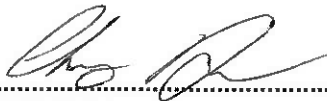
Signed in accordance with a resolution of the directors of Dell Family Pty Ltd by:



Dated: 23/02/2020

ADELE DELL

Director: Dell Family Pty Ltd



Dated: 23/02/2020

CHRISTOPHER DELL

Director: Dell Family Pty Ltd

**Compilation Report to the Trustee and Member of
St George Kart Centre Pty Ltd Superannuation Fund**

ABN 87 580 552 579

For the year 01 July 2018 to 30 June 2019

On the basis of the information provided by the Trustee of St George Kart Centre Pty Ltd Superannuation Fund, we have compiled the accompanying special purpose financial statements of St George Kart Centre Pty Ltd Superannuation Fund for the period ended 30 June 2019, which comprise the Statement of Financial Position, Operating Statement, 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 Trustees

The Trustees of St George Kart Centre Pty Ltd Superannuation 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 / basis of accounting used is appropriate to meet the needs of the members and for the purpose that the financial statements were prepared.

Our Responsibility

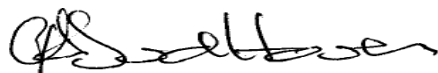
On the basis of information provided by the Trustees of St George Kart Centre Pty Ltd Superannuation Fund, we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework/basis of accounting as described in Note 1 to the financial statements 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 / basis of accounting 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 conclusion¹ on these financial statements

The special purpose financial statements were compiled exclusively for the benefit of the Trustees of the fund 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.



.....
Johanna S van der Hoven

Dated 23 February 2020

Vestnet Pty Ltd
ABN 17 091 384 431



"Vestnet Pty Ltd " is a CPA Practice.

SELF-MANAGED SUPERANNUATION FUND INDEPENDENT AUDITOR'S REPORT

Approved SMSF auditor details

Name: Mrs Roslyn Arthur

Business name: Vestnet Pty Ltd

Business postal address: PO Box 371, GALSTON, NSW 2159

SMSF Auditor Number (SAN) : 100260455

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name: St George Kart Centre Pty Limited Retirement Fund

Australian Business Number (ABN) or tax file number (TFN): 87580552579

Address: 13 Lilli Pilli Drive, PLEASURE POINT NSW 2172

Year of income being audited: 2019

To the SMSF trustees

of the St George Kart Centre Pty Limited Retirement Fund

PO Box 371, Galston NSW 2159
253/ 301 Galston Road Galston NSW 2159

Phone:(02)9653 2340

Mobile : 0415 926 807

Part A: Financial report

Approved SMSF auditor's Opinion

I have audited the special purpose financial report of the St George Kart Centre Pty Limited Retirement Fund comprising:-

1. Statement of financial position as at 30th June 2019,
2. Operating statement,
3. Notes to the financial statements, significant accounting policies and other explanatory notes,
4. Members Statements

for the year ended 30 June 2019.

In my opinion, the financial report presents fairly, in all material respects, in accordance with the accounting policies described in the notes to the financial statements, the financial position of the fund at 30 June 2019 and the results of its operations for the year then ended.

Basis for Opinion

My audit has been conducted in accordance with Australian Auditing Standards¹. My responsibilities under those standards are further described in the Approved SMSF Auditor's Responsibilities for the Audit of the Financial Report section of this report. I am independent of the self-managed superannuation fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) as required by the Superannuation Industry (Supervision) Regulations 1994 (SISR). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of accounting

Without modifying my opinion, I draw attention to notes of the financial report, which describes the basis of accounting. The financial report has been prepared to assist St George Kart Centre Pty Limited Retirement Fund meet the requirements of the SMSF's governing rules, the Superannuation Industry (Supervision) Act 1993 (SISA) and the SISR. As a result, the financial report may not be suitable for other purposes.

Responsibilities of SMSF trustees for the financial report

Each SMSF trustee (individual trustee or director of corporate trustee) is responsible for the preparation and fair presentation of the financial report in accordance with the financial

¹ The Australian Auditing Standards issued by the Auditing and Assurance Standards Board.

reporting requirements of the SMSF's governing rules, the SISA and the SISR. Each trustee is also responsible for such internal controls as they determine are necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustees are responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees intend to wind-up the fund. The going concern basis of accounting is appropriate when it is reasonably foreseeable that the fund will be able to meet its liabilities as they fall due.

The trustees are responsible for overseeing the fund's financial reporting process.

Approved SMSF auditor's responsibilities for the audit of the financial report

My responsibility is to express an opinion on the financial report based on my audit. I have conducted an independent audit of the financial report in order to express an opinion on it to the trustees.

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of trustees taken on the basis of this financial report.

I have complied with the competency standards set by Australian Securities & Investments Commission (ASIC). My audit has been conducted in accordance with Australian Auditing Standards. These standards require that I comply with relevant ethical requirements relating to audit engagements, and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit 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 control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

Part B: Compliance Report

Approved SMSF Auditor's Opinion

I have performed a reasonable assurance engagement on the St George Kart Centre Pty Limited Retirement Fund to provide an opinion in relation to its compliance, in all material respects, with the applicable provisions of the SISA and the SISR as listed below in the Approved SMSF auditor's Responsibility section of this report.

In my opinion, each trustee of St George Kart Centre Pty Limited Retirement Fund has complied, in all material respects, with the applicable provisions of the SISA and the SISR specified below, for the year ended 30 June 2019.

Basis for Opinion

I have conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3100 *Compliance Engagements* issued by the Auditing and Assurance Standards Board.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independence and quality control

I have complied with the independence requirements in accordance with the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) as required by the SISR.

My firm applies Australian Standard on Quality Control 1 ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements in undertaking this assurance engagement.

I have complied with the competency standards set by ASIC.

SMSF trustees' responsibility for compliance

Each SMSF trustee is responsible for complying with the requirements of the SISA and the SISR and for identifying, designing and implementing internal controls as they determine necessary to meet compliance requirements and monitor ongoing compliance.

Approved SMSF auditor's responsibility for the compliance report

My responsibility is to express an opinion on the trustees' compliance with the applicable requirements of the SISA and the SISR, based on the compliance engagement. My procedures included testing that the fund has an investment strategy that complies with the SISA and that the trustees make investments in line with that strategy, however, no opinion is made on its appropriateness to the fund members.

My reasonable assurance engagement has been conducted in accordance with applicable Standards on Assurance Engagements issued by the Auditing and Assurance Standards Board,

to provide reasonable assurance that the trustees of the fund have complied, in all material respects, with the relevant requirements of the following provisions (to the extent applicable) of the SISA and the SISR.

Sections: 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67,67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K

Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA

An assurance engagement to report on the fund's compliance with the applicable requirements of the SISA and the SISR involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the compliance requirements. The procedures selected depend on my judgement, including the identification and assessment of risks of material non-compliance.

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the SISA and the SISR for the year ended 30 June 2019.

These tests have not been performed continuously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the SISA and the SISR apart from those specified.

Inherent limitations

Due to the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with the listed provisions may occur and not be detected. A reasonable assurance engagement does not provide assurance on whether compliance with the listed provisions will continue in the future.



Mrs Roslyn Arthur

Vestnet Pty Ltd

Unit 253 301 Galston Road, GALSTON, NSW 2159

Date audit completed : 19 July 2020

Appendix 1 – Explanation of listed sections and regulations in compliance report

This appendix is included to assist with the meaning of the legislation and regulations listed above

Section Regulation	or	Explanation
S17A		The fund must meet the definition of an SMSF
S35AE		The trustees must keep and maintain accounting records for a minimum of five years
S35B		The trustees must prepare, sign and retain accounts and statements
S35C(2)		The trustees must provide the auditor with the necessary documents to complete the audit in a timely and professional manner; and within 14 days of a written request from the auditor
S62		<p>The fund must be maintained for the sole purpose of providing benefits to any or all of the following:</p> <ul style="list-style-type: none"> • fund members upon their retirement • fund members upon reaching a prescribed age • the dependants of a fund member in the case of the member’s death before retirement
S65		The trustees must not loan monies or provide financial assistance to any member or relative at any time during the financial year
S66		The trustees must not acquire any assets (not listed as an exception) from any member or related party of the fund
S67		The trustees of the fund must not borrow any money or maintain an existing borrowing (not listed as an exception)

S67A & 67B	The fund must comply with the limited recourse borrowing arrangement rules when borrowing to purchase single acquirable asset or replacement assets (not listed as an exception to the borrowing rules)
S82-85	The trustees must comply with the in-house asset rules
S103	The trustees must keep minutes of all meetings and retain the minutes for a minimum of 10 years
S104	The trustees must keep up to date records of all trustee or director of corporate trustee changes and trustee consents for a minimum of 10 years
S104A	Trustees who became a trustee on or after 1 July 2007 must sign and retain a trustee declaration
S105	The trustees must ensure that copies of all member or beneficiary reports are kept for a minimum of 10 years
S109	All investment transactions must be made and maintained at arms- length – that is, purchase, sale price and income from an asset reflects a true market value/rate of return
S126K	A disqualified person cannot be a trustee, investment manager or custodian of a superannuation fund
Sub Reg 1.06 (9A)	Pension payments must be made at least annually, and must be at least the amount calculated under Schedule 7
Reg 4.09	Trustees must formulate, regularly review and give effect to an investment strategy for the fund
Reg 4.09A	The assets of the SMSF must be held separately from any assets held by the trustee personally or by a standard employer sponsor or an associate of the standard employer sponsor
Reg 5.03	Investment returns must be allocated to members in a manner that is fair and reasonable
Reg 5.08	Member minimum benefits must be maintained in the fund until transferred, rolled over, allotted (to the member's spouse) or cashed out in a permitted fashion
Reg 6.17	Payments of member benefits must be made in accordance with Part 6 or Part 7A of the regulations and be permitted by the trust deed

Reg 7.04	Contributions can only be accepted in accordance with the applicable rules for the year being audited
Reg 8.02B	When preparing accounts and statements required by subsection 35B(1) of SISA, an asset must be valued at its market value
Reg 13.12	Trustees must not recognise an assignment of a super interest of a member or beneficiary
Reg 13.13	Trustees must not recognise a charge over or in relation to a member's benefits
Reg 13.14	Trustees must not give a charge over, or in relation to, an asset of the fund
Reg 13.18AA	Investments in collectables and personal use assets must be maintained in accordance with prescribed rules

St George Kart Centre Pty Ltd Retirement Fund
Investment Summary as at 30 June 2019

Investment	Units	Average Cost Price	Market Price	Accounting Cost	Market Value	Unrealised Accounting Gain/(Loss)	Accounting Gain/(Loss) (%)	Portfolio Weight (%)
<u>Bank</u>								
NAB A/C 43233				11,971.65	11,971.65			0.78%
				11,971.65	11,971.65			0.78%
<u>Listed Securities Market</u>								
Equatorial Resources Limited (ASX:EQX)	270.00000	18.6111	0.2900	5,025.00	78.30	(4,946.70)	(98.44)%	0.01%
				5,025.00	78.30	(4,946.70)	(98.44)%	0.01%
<u>Property Direct Market</u>								
Unit 23/244 Horsley Road Milperra	1.00000	449,413.5000	750,000.0000	449,413.50	750,000.00	300,586.50	66.88%	48.80%
				449,413.50	750,000.00	300,586.50	66.88%	48.80%
<u>Term Deposits</u>								
NAB TERM DEPOSIT 6239				52,436.44	52,436.44	0.00	0.00%	3.41%
NAB TERM DEPOSIT A/C 0421				228,654.77	228,654.77	0.00	0.00%	14.88%
NAB TERM DEPOSIT A/C 1778				38,211.46	38,211.46	0.00	0.00%	2.49%
NAB TERM DEPOSIT A/C 3983				169,066.57	169,066.57	0.00	0.00%	11.00%
NAB TERM DEPOSIT A/C 3997				12,582.92	12,582.92	0.00	0.00%	0.82%
NAB TERM DEPOSIT A/C 4738				15,048.29	15,048.29	0.00	0.00%	0.98%
NAB TERM DEPOSIT A/C 5305				66,227.30	66,227.30	0.00	0.00%	4.31%
NAB TERM DEPOSIT A/C 5425				93,675.45	93,675.45	0.00	0.00%	6.10%
NAB TERM DEPOSIT A/C 7492				98,862.73	98,862.73	0.00	0.00%	6.43%
				774,765.93	774,765.93	0.00	0.00%	50.41%
				1,241,176.08	1,536,815.88	295,639.80	23.82%	100.00%

The accounting cost is the original cost base adjusted by any subsequent capital call/improvement or capital return transactions. In many cases, it is not the same as the adjusted or reduced cost base, or the reset cost base resulting from the CGT relief. To view the tax cost base and unrealised gain/(loss) for tax purposes refer to the Unrealised Capital Gains Report or change the report parameter to tax cost base.

St George Kart Centre Pty Ltd Retirement Fund
Investment Income Summary
For the period 1 July 2018 to 30 June 2019

Total Income	Add			Less					Taxable Income (excluding Capital Gains)	Indexed Capital Gains *	Discounted Capital Gains *	Other Capital Gains *	CGT Concession Amount *	
	Franking Credits	Foreign Credits	TFN Credits	Tax Free	Tax Exempt	Tax Deferred	Distributed Capital Gains	GST						
<u>Property Direct Market</u>														
Unit 23/244 Horsley Road Milperra														
30,800.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,800.20	27,999.92	0.00	0.00	0.00	0.00	
30,800.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,800.20	27,999.92	0.00	0.00	0.00	0.00	
<u>Term Deposits</u>														
NAB TERM DEPOSIT 6239														
1,111.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,111.44	0.00	0.00	0.00	0.00	
NAB TERM DEPOSIT A/C 0421														
8,978.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,978.00	0.00	0.00	0.00	0.00	
NAB TERM DEPOSIT A/C 1778														
462.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	462.86	0.00	0.00	0.00	0.00	
NAB TERM DEPOSIT A/C 3983														
3,583.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,583.51	0.00	0.00	0.00	0.00	
NAB TERM DEPOSIT A/C 3997														
294.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	294.92	0.00	0.00	0.00	0.00	
NAB TERM DEPOSIT A/C 4738														
352.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	352.70	0.00	0.00	0.00	0.00	
NAB TERM DEPOSIT A/C 4973														
240.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	240.32	0.00	0.00	0.00	0.00	
NAB TERM DEPOSIT A/C 5305														
1,552.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,552.21	0.00	0.00	0.00	0.00	
NAB TERM DEPOSIT A/C 5425														
3,554.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,554.75	0.00	0.00	0.00	0.00	
NAB TERM DEPOSIT A/C 7492														
1,952.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,952.33	0.00	0.00	0.00	0.00	
22,083.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22,083.04	0.00	0.00	0.00	0.00	
52,883.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,800.20	50,082.96	0.00	0.00	0.00	0.00	

St George Kart Centre Pty Ltd Retirement Fund
Investment Income Summary
For the period 1 July 2018 to 30 June 2019

Total Income	Add			Less					Taxable Income (excluding Capital Gains)	Indexed Capital Gains *	Discounted Capital Gains *	Other Capital Gains *	CGT Concession Amount *
	Franking Credits	Foreign Credits	TFN Credits	Tax Free	Tax Exempt	Tax Deferred	Distributed Capital Gains	GST					

* Distributed capital gains components correspond to the cash amount received. You should refer to Realised Capital Gains or Distribution Reconciliation Reports for tax and capital gain reporting purpose.