

# **ANDREW SIMON SELF MANAGED SUPER FUND**

**1**

**ABN 74 977 130 752**

## **FINANCIAL REPORT**

**For the year ended 30 June 2018**

Prepared by  
**D Stephens & Co**  
PO Box 333  
FRENCHS FOREST NSW 1940

# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## FINANCIAL REPORT

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# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## INCOME STATEMENT

For the year ended 30 June 2018

|  | Note | 2018<br>\$      | 2017<br>\$    |
|--|------|-----------------|---------------|
| <b>INCOME</b>                              |      |                 |               |
| Employers' contributions                   | 2    | 20,697          | 30,000        |
| Interest received                          | 3    | 121             | 117           |
| Dividends received                         | 4    | -               | 931           |
| Change in net market values of investments | 5    | 21,197          | (2,470)       |
|  |      | <u>42,015</u>   | <u>28,579</u> |
| <b>EXPENSES</b>                            |      |                 |               |
| General administration expenses            | 6    | -               | 850           |
| Investment expenses                        | 7    | 118             | -             |
| Other operating expenses                   | 8    | 7               | -             |
| Realised Gain on the Sale of Investments   | 9    | (24,137)        | -             |
|  |      | <u>(24,012)</u> | <u>850</u>    |
| BENEFITS ACCRUED BEFORE INCOME TAX         |      | <u>66,027</u>   | <u>27,729</u> |
| Income tax expense                         | 10   | (8,394)         | (5,792)       |
| BENEFITS ACCRUED AS A RESULT OF OPERATIONS |      | <u>57,633</u>   | <u>21,936</u> |

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

# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## BALANCE SHEET

As at 30 June 2018

|   | Note | 2018<br>\$     | 2017<br>\$     |
|---|------|----------------|----------------|
| <b>ASSETS</b>   |      |                |                |
| <b>Investments</b>  |      |                |                |
| Securities  | 11   | 132,659        | 100,159        |
| <b>Total investments</b>                                      |      | <b>132,659</b> | <b>100,159</b> |
| <b>Other Assets</b>   |      |                |                |
| Macquarie bank account  |      | 30,731         | 698            |
| Intangible assets   | 12   | 335            | 335            |
| <b>Total other assets</b>                                     |      | <b>31,066</b>  | <b>1,033</b>   |
| <b>TOTAL ASSETS</b>   |      | <b>163,725</b> | <b>101,193</b> |
| <b>LIABILITIES</b>  |      |                |                |
| Other creditors - ATO   |      | 518            | 259            |
| Tax liabilities   | 13   | 7,334          | 2,693          |
| <b>TOTAL LIABILITIES</b>                                      |      | <b>7,852</b>   | <b>2,952</b>   |
| <b>NET ASSETS AVAILABLE TO PAY BENEFITS</b>                   |      | <b>155,873</b> | <b>98,241</b>  |
| <b>Represented by:</b>  |      |                |                |
| Liability for accrued benefits allocated to members' accounts | 14   | 155,873        | 98,241         |

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

# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

|   | Note      | 2018<br>\$ | 2017<br>\$ |
|---|-----------|------------|------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b> |           |            |            |
| Fees and other income received              |           | 20,697     | 30,000     |
| Other expenses paid                         |           | 134        | (591)      |
| Dividends received                          |           | -          | 931        |
| Interest received                           |           | 121        | 117        |
| Income tax paid                             |           | (11,629)   | (12,043)   |
| Net cash provided by operating activities   | <b>15</b> | 9,323      | 18,414     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b> |           |            |            |
| Purchase of investments                     |           | (73,065)   | (33,104)   |
| Net cash provided by investing activities   |           | (73,065)   | (33,104)   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b> |           |            |            |
| Net increase in cash held                   |           | 30,033     | (4,926)    |
| Cash at the beginning of year               |           | 698        | 5,624      |
| Cash at end of year                         |           | 30,731     | 698        |

These statements should be read in conjunction with the attached compilation report.

# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

| 2018 | 2017 |
|------|------|
| \$   | \$   |

### NOTE 1: STATEMENT 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 accompanying Regulations, the trust deed of the fund and the needs of members.

The financial statements have also been prepared on an accruals basis and are based on historical costs, except for investments which have been measured at market values.

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 on 30/06/2018 by the directors of the trustee company.

#### 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 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 their market values, which is 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:

- 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 values have 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; and
- (iv) investment properties at trustees' assessment of their realisable value.

Financial liabilities, such as trade creditors and other payables, are measured at the gross value of the outstanding balance at the reporting date. The trustees have determined that the gross values of the fund's financial liabilities are 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 are subject to an insignificant risk of change in value.

#### c. Revenue

These notes should be read in conjunction with the attached compilation report.

# ANDREW SIMON SELF MANAGED SUPER FUND 1

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## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

| 2018 | 2017 |
|------|------|
| \$   | \$   |

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Revenue is recognised at the market 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.

### 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

Distribution revenue is recognised when the distribution is received.

### Remeasurement changes in market values

Remeasurement changes in the market values of assets are recognised as income and are 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 the investment was 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. Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax liability balances during the year as well as unused tax losses.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which the trustees expect to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is

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# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

| 2018 | 2017 |
|------|------|
| \$   | \$   |

intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

### f. 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.

### g. Critical 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. 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.

These notes should be read in conjunction with the attached compilation of ANDREW SIMON SELF MANAGED SUPER FUND 1 Accountants.

### NOTE 2: EMPLOYER'S CONTRIBUTIONS

|   |        |        |
|---|--------|--------|
| Employer's contributions (Taxable) - Andrew Simon | 20,697 | 30,000 |
|---|--------|--------|

### NOTE 3: INTEREST RECEIVED

|                          |     |     |
|--------------------------|-----|-----|
| Interest on bank account | 121 | 117 |
|--------------------------|-----|-----|

### NOTE 4: DIVIDENDS RECEIVED

|                        |   |     |
|------------------------|---|-----|
| Other Income - Commsec | - | 931 |
|------------------------|---|-----|

### NOTE 5: CHANGE IN NET MARKET VALUES OF INVESTMENTS

|  |        |         |
|--|--------|---------|
| Unrealised capital gain/loss in investment | 21,197 | (2,470) |
|--|--------|---------|

### NOTE 6: GENERAL ADMINISTRATION EXPENSES

|                  |   |       |
|------------------|---|-------|
| Accountancy fees | - | (850) |
|------------------|---|-------|

### NOTE 7: INVESTMENT EXPENSES

|           |       |   |
|-----------|-------|---|
| Brokerage | (118) | - |
|-----------|-------|---|

These notes should be read in conjunction with the attached compilation report.

# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

|   | 2018           | 2017           |              |
|---|----------------|----------------|--------------|
|   | \$             | \$             |              |
| <b>NOTE 8: OTHER OPERATING EXPENSES</b>             |                |                |              |
| Foreign exchange gain/loss                          | (7)            | -              |              |
| <b>NOTE 9: DEPRECIATION AND AMORTISATION</b>        |                |                |              |
| Realised profit / (loss) on sale of investments     | 24,137         | -              |              |
| <b>NOTE 10: INCOME TAX EXPENSE</b>                  |                |                |              |
| Income tax expense on earnings                      | (6,015)        | (4,234)        |              |
| Deferred Tax Expense                                | (2,120)        | (1,299)        |              |
| ATO Supervisory Levy 2018                           | (259)          | (259)          |              |
|   | <u>(8,394)</u> | <u>(5,792)</u> |              |
| <b>NOTE 11: SECURITIES</b>                          |                |                |              |
|   | Qty            |                |              |
| Shares in listed companies                          | 2500           | 7,885          | 16,765       |
| Commsec Shares Market value movement                | 2500           | (2,385)        | (163)        |
| Managed investments - VGI Partners Master Fund      | 14435          | 38,135         | 38,135       |
| Change in market value of Managed investments - VGI |                | 17,470         | 6,083        |
| Unpaid Distribution from VGI Managed Funds          | 1980           | -              | -            |
| Commsec Account OAC - 472964                        |                | 23,719         | 39,998       |
| Market value movement -Commsec OAC 472964           |                | <u>47,835</u>  | <u>(659)</u> |
|   |                | 132,659        | 100,159      |
| <b>NOTE 12: INTANGIBLE ASSETS</b>                   |                |                |              |
| Formation expenses                                  | 335            | 335            |              |
| <b>NOTE 13: TAX LIABILITIES</b>                     |                |                |              |
| Income tax payable                                  | 3,915          | 1,394          |              |
| Deferred Tax Asset/Liability                        | 3,419          | 1,299          |              |
|   | <u>7,334</u>   | <u>2,693</u>   |              |
| <b>NOTE 14: MEMBERS' FUNDS</b>                      |                |                |              |
| Balance at the beginning of year                    | 98,241         | 76,304         |              |
| Increase/decrease as result of operations           | 57,633         | 21,936         |              |
| Balance at end of year                              | <u>155,873</u> | <u>98,241</u>  |              |

These notes should be read in conjunction with the attached compilation report.

# ANDREW SIMON SELF MANAGED SUPER FUND 1

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## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

|  | 2018 | 2017 |
|--|------|------|
|  | \$   | \$   |

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### NOTE 15: CASH FLOW INFORMATION

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts

#### a. Reconciliation of Cash

Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows :

|              |        |     |
|--------------|--------|-----|
| Cash on hand | 30,731 | 698 |
|--------------|--------|-----|

#### b. Reconciliation of CashFlow from Operations with Profit from Ordinary Activities after Income Tax

|   |               |               |
|---|---------------|---------------|
| Profit from ordinary activities after income tax  | 57,633        | 21,936        |
| (Gain) / Loss on disposal of plant and equipment  | (24,137)      | -             |
| Increase / (Decrease) in trade and other payables | 259           | 259           |
| Increase / (Decrease) in taxes payable            | (3,494)       | (6,214)       |
| Cash flow from operations                         | <u>30,261</u> | <u>15,981</u> |

These notes should be read in conjunction with the attached compilation report.

# ANDREW SIMON SELF MANAGED SUPER FUND 1

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## STATEMENT OF RECEIPTS AND PAYMENTS

For the year ended 30 June 2018

|   | 2018          | 2017           |
|---|---------------|----------------|
|   | \$            | \$             |
| <b>Commsec Account OAC - 472964</b>                         |               |                |
| Opening account balance                                     | 39,998        | 19,998         |
| <b>RECEIPTS</b>   |               |                |
| Commsec Shares Market value movement                        | -             | 1,283          |
| Change in market value of Managed investments - VGI Managed | -             | 690            |
| Unpaid Distribution from VGI Managed Funds                  | -             | 4,194          |
| Commsec Account OAC - 472964                                | 5,995         | -              |
| Market value movement -Commsec OAC 472964                   | -             | 497            |
| Macquarie bank account                                      | -             | 4,926          |
| Other creditors - ATO                                       | -             | 259            |
| Income tax payable  | -             | 4,530          |
| Deferred Tax Asset/Liability                                | -             | 1,299          |
| Preserved benefits (Tax free) - Andrew Simon                | -             | 76,304         |
| Employer's contributions - Preserved - Andrew Simon         | -             | 30,000         |
| Share of Profit/(Loss) - Preserved - Andrew Simon           | -             | 1,344          |
| Members information accounts allocation (DR)                | -             | 38,757         |
| Employer's contributions (Taxable) - Andrew Simon           | -             | 30,000         |
| Interest on bank account                                    | -             | 117            |
| Other Income - Commsec                                      | -             | 931            |
| Income tax expense on earnings                              | -             | 296            |
|   | <u>5,995</u>  | <u>195,428</u> |
| <b>PAYMENTS</b>   |               |                |
| Shares in listed companies                                  | -             | 8,910          |
| Managed investments - VGI Partners Master Fund              | -             | 4,194          |
| Commsec Account OAC - 472964                                | 22,274        | -              |
| Income tax payable  | -             | 6,510          |
| Preserved benefits (Taxable) - Andrew Simon                 | -             | 76,304         |
| Share of Profit/(Loss) - Preserved - Andrew Simon           | -             | 3,320          |
| Income tax - Preserved - Andrew Simon                       | -             | 6,088          |
| Members information accounts allocation (DR)                | -             | 60,693         |
| Accountancy fees  | -             | 850            |
| Unrealised capital gain/loss in investment                  | -             | 2,470          |
| Income tax expense on earnings                              | -             | 4,530          |
| Deferred Tax Expense  | -             | 1,299          |
| ATO Supervisory Levy 2018                                   | -             | 259            |
|   | <u>22,274</u> | <u>175,428</u> |
| Closing account balance                                     | <u>23,719</u> | <u>39,998</u>  |

### Macquarie bank account

These statements should be read in conjunction with the attached compilation report.

# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## STATEMENT OF RECEIPTS AND PAYMENTS

For the year ended 30 June 2018

|                         | 2018<br>\$    | 2017<br>\$ |
|-------------------------|---------------|------------|
| Opening account balance | 698           | 5,624      |
| <b>RECEIPTS</b>         |               |            |
| Macquarie bank account  | 30,033        | -          |
| <b>PAYMENTS</b>         |               |            |
| Macquarie bank account  | -             | 4,926      |
| Closing account balance | <u>30,731</u> | <u>698</u> |

These statements should be read in conjunction with the attached compilation report.

# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## MEMBER'S INFORMATION STATEMENT

For the year ended 30 June 2018

|   | 2018<br>\$     | 2017<br>\$     |
|---|----------------|----------------|
| <b>Andrew Simon</b>                         |                |                |
| Withdrawal benefit at beginning of the year | 98,241         | 76,304         |
| Employer contributions                      | 20,697         | 30,000         |
| Share of Net income / (Loss)                | 45,071         | (1,976)        |
|   | <u>164,008</u> | <u>104,329</u> |
| Contributions tax                           | (2,120)        | -              |
| Income tax                                  | (6,015)        | (6,088)        |
| Withdrawal benefits at end of year          | <u>155,873</u> | <u>98,241</u>  |
| Comprising:                                 |                |                |
| Withdrawal benefit which must be preserved  | 155,873        | 98,241         |
| Tax components:                             |                |                |
| Tax Free                                    | 48.95%         | 76,304         |
| Taxable - Taxed                             | 51.05%         | 79,569         |

### Withdrawal Benefit

Your withdrawal benefit is the amount you are entitled to on resignation or retirement and represents the sum of:

- member contributions
- award contributions
- other employer contributions made on your behalf; and
- earnings (after income tax) associated with the above contributions.

The preserved portion of your withdrawal benefit is the amount which cannot be paid out until you permanently retire from the workforce on or after age 55. The preservation age is to be increased from 55 to 60, on a phased in basis, by 2025.

### Superannuation Contributions Surcharge

The cost of the superannuation contributions surcharge, if any, relating to your surchargeable contributions are deductible from your member's account at the time of receipt of an assessment from the Australian Taxation Office.

### Contact Details

If you require further information on your withdrawal benefit please contact or write to the Trustees,

ANDREW SIMON SELF MANAGED SUPER FUND 1

# ANDREW SIMON SELF MANAGED SUPER FUND 1

ABN 74 977 130 752

## MEMBER'S INFORMATION STATEMENT

For the year ended 30 June 2018

| 2018 | 2017 |
|------|------|
| \$   | \$   |

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### Shant Simon

Comprising:

Tax components:

### Withdrawal Benefit

Your withdrawal benefit is the amount you are entitled to on resignation or retirement and represents the sum of:

- member contributions
- award contributions
- other employer contributions made on your behalf; and
- earnings (after income tax) associated with the above contributions.

The preserved portion of your withdrawal benefit is the amount which cannot be paid out until you permanently retire from the workforce on or after age 55. The preservation age is to be increased from 55 to 60, on a phased in basis, by 2025.

### Superannuation Contributions Surcharge

The cost of the superannuation contributions surcharge, if any, relating to your surchargeable contributions are deductible from your member's account at the time of receipt of an assessment from the Australian Taxation Office.

### Contact Details

If you require further information on your withdrawal benefit please contact or write to the Trustees,

ANDREW SIMON SELF MANAGED SUPER FUND 1