

Financial Statements

THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST
ABN 17 862 935 335
For the year ended 30 June 2020

Prepared by Solution Accountants Pty Ltd

Contents

3	Profit and Loss Statement
4	Appropriation Statement
5	Balance Sheet
6	Trust Income Distribution
7	Beneficiary Accounts
8	Notes to the Financial Statements
10	Trustee Declaration
11	Compilation Report

Profit and Loss Statement

THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST For the year ended 30 June 2020

	NOTES	2020	2019
Other Income			
Interest Received		1.68	2.32
Outgoing Recoveries		-	156.00
Rent Received		38,710.00	34,611.43
Total Other Income		38,711.68	34,769.75
Total Income		38,711.68	34,769.75
Expenses			
Accountancy		1,080.00	1,980.00
Advertising & Promotion		-	310.00
Bank Fees & Charges		15.00	-
Borrowing Expenses		125.27	124.93
Bugwash - AFSL Fees		-	2,200.00
Bugwash - Management Fees		5,160.72	1,720.24
Bugwash - Profit Share Fees		-	5,283.18
Depreciation - Div40		3,815.00	5,620.00
Depreciation - Div43		6,576.00	6,576.00
Gardening/Mowing		-	100.00
Insurance		1,312.25	1,397.40
Interest Expense		10,967.06	12,753.41
Letting Fees		362.50	549.50
Pest Control		300.00	300.00
Postage		71.50	60.50
Property Agent Fees		3,193.57	2,847.37
Rates & Land Taxes		2,178.30	2,113.80
Repairs & Maintenance		537.00	817.00
Water Charges		2,085.80	2,008.02
Total Expenses		37,779.97	46,761.35
Profit / (Loss) Before Distribution		931.71	(11,991.60)
Undistributed Income		931.71	(11,991.60)

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

Appropriation Statement

THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST For the year ended 30 June 2020

	NOTES	2020	2019
Retained Earnings after Appropriation			
Retained Earnings at Start of Year		(23,221.18)	(11,229.58)
Profit/(Loss) Before Taxation		931.71	(11,991.60)
Retained Earnings After Appropriation		(22,289.47)	(23,221.18)

Balance Sheet

THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST As at 30 June 2020

	NOTES	30 JUN 2020	30 JUN 2019
Assets			
Current Assets			
CBA Business Account		14,827.58	22,482.54
Total Current Assets		14,827.58	22,482.54
Non-Current Assets			
Lot 7 98 Fountain St Pimpama @MV		660,000.00	660,000.00
Less: Accumulated Depreciation		(43,225.00)	(32,834.00)
Formation Costs		770.00	770.00
Borrowing Expenses Capitalised		625.00	625.00
Less: Accumulated Amortisation		(441.19)	(315.92)
Shares in Bugwash Holdings		17,682.50	-
Total Non-Current Assets		635,411.31	628,245.08
Total Assets		650,238.89	650,727.62
Liabilities			
Current Liabilities			
Other Payables		3,682.50	-
Total Current Liabilities		3,682.50	-
Non-Current Liabilities			
CBA Loan Account		281,543.92	286,646.86
Total Non-Current Liabilities		281,543.92	286,646.86
Total Liabilities		285,226.42	286,646.86
Net Assets		365,012.47	364,080.76
Equity			
142601 Units Bugwash Inv Group Trust No. 2		1.00	1.00
142601 Units Bugwash Inv Group Trust No. 1		1.00	1.00
95000 Units AJRV Saunders Super Fund		93,240.18	93,240.18
80000 Units One Way Out Super Fund		78,518.05	78,518.05
110201 Units Moore Family Super Fund		108,159.59	108,159.59
Property Valuation Reserve		107,382.12	107,382.12
Undistributed Income		(22,289.47)	(23,221.18)
Total Equity		365,012.47	364,080.76

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

Trust Income Distribution

THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST For the year ended 30 June 2020

	2020	2019
Trust Income Distribution		
Current Year Earnings	931.71	(11,991.60)
Net Trust Income for Distribution	931.71	(11,991.60)
Undistributed Trust Income	931.71	(11,991.60)

Beneficiary Accounts

THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST For the year ended 30 June 2020

2020

2019

Beneficiary Accounts

Notes to the Financial Statements

THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST For the year ended 30 June 2020

1. Statement of Significant Accounting Policies

The trustees have prepared the financial statements of the trust on the basis that the trust 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 trust deed, the information needs of stakeholders and for the basis of preparation of the income tax return.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless stated otherwise. The financial statements have been prepared on cash basis and are based on historical costs unless otherwise stated in the notes.

Income Tax

The income tax expense (income) for the year comprises current income tax expense (income). The trust does not apply deferred tax.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to / recovered from the relevant taxation authority.

Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent of directors' valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives to the company. Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the assets charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Intangibles/Goodwill

Goodwill is recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities acquired at date of acquisition.

Goodwill is subsequently measured at cost less any impairment losses.

Goodwill is subject to impairment testing when the directors consider that there is objective evidence the business has been impaired. Impairment losses are calculated based on directors' assessment of the business's recoverable amount. Recoverable

amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amount.

Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

Financial Assets

Investments held are originally recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

Provisions

Provisions are recognised when the entity has a legal or constructive obligation resulting from past events, for which it is probable that there will be an outflow of economic benefits and that outflow can be reliably measured. Provisions are measured using the best estimate available of the amounts required to settle the obligation at the end of the reporting period.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Revenue Recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of services is recognised upon the delivery of the services to customers.

Revenue from commissions is recognised upon delivery of services to customers.

Revenue from interest is recognised using the effective interest rate method.

Revenue from dividends is recognised when the entity has a right to receive the dividend.

All revenue is stated net of the amount of goods and services tax (GST).

Trustee Declaration

THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST For the year ended 30 June 2020

The trustees declare that THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 of the financial statements.

The trustees declare that:

1. The financial statements and notes present fairly THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST's financial position as at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the directors opinion there are reasonable grounds to believe that THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST will be able to pay its debts as and when they become due and payable.

Brian Maurice Washbourne

Trustee

David Charles Bugeja

Trustee

Sign date:

Compilation Report

THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST For the year ended 30 June 2020

Compilation report to THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST

We have compiled the accompanying special purpose financial statements of THE TRUSTEE FOR 7 WHARF STREET UNIT TRUST, which comprise the balance sheet as at 30 June 2020, the statement of Profit and Loss, 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.

The Responsibility of the Directors

The trustees 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 basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors we have compiled the accompanying special purpose financial statements in accordance with the 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 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 conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the directors who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, these special purpose financial statements may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial statements.

Solution Accountants Pty Ltd

627 Stafford Road

STAFFORD QLD 4053

Dated: 29 September 2020