

**SHELLARD RETIREMENT FUND
ABN 31 330 210 051**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2018**

**Liability limited by a scheme approved under
Professional Standards Legislation**

SHELLARD RETIREMENT FUND
ABN 31 330 210 051

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SHELLARD RETIREMENT FUND
ABN 31 330 210 051

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

| | Note | 2018 \$ | 2017 \$ |
|--|------|----------------|----------------|
| ASSETS | | | |
| INVESTMENTS | | | |
| Managed funds | 2 | 182,127 | 191,559 |
| TOTAL INVESTMENTS | | <u>182,127</u> | <u>191,559</u> |
| OTHER ASSETS | | | |
| Cash at bank | | 13,728 | 11,284 |
| Other debtors | | 1,272 | 1,348 |
| TOTAL OTHER ASSETS | | <u>15,000</u> | <u>12,632</u> |
| TOTAL ASSETS | | <u>197,127</u> | <u>204,191</u> |
| Net assets available to pay members' benefits | | <u>197,127</u> | <u>204,191</u> |
| Represented by: | | | |
| Liability for accrued members' benefits | | | |
| Allocated to members' accounts | | 197,127 | 204,191 |
| | | <u>197,127</u> | <u>204,191</u> |

The accompanying notes form part of these financial statements.

SHELLARD RETIREMENT FUND
ABN 31 330 210 051

OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

| | Note | 2018 \$ | 2017 \$ |
|---|------|---------------|---------------|
| Investment revenue | | | |
| Interest received | | 89 | 240 |
| Change in net market values of investments | 3 | 6,982 | 4,480 |
| Managed fund distributions | | 7,521 | 7,530 |
| Net investment revenue | | <u>14,592</u> | <u>12,250</u> |
| | | | |
| Total revenue | | <u>14,592</u> | <u>12,250</u> |
| Expenses | | | |
| Administration fees | | 4,620 | 4,499 |
| Filing fees | | 307 | 306 |
| | | <u>4,927</u> | <u>4,805</u> |
| | | | |
| Benefits accrued as a result of operations before income tax | | 9,665 | 7,445 |
| Income tax expense | 4 | (1,271) | (1,347) |
| Benefits accrued as a result of operations | | <u>10,936</u> | <u>8,792</u> |

The accompanying notes form part of these financial statements.

SHELLARD RETIREMENT FUND
ABN 31 330 210 051

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1 Statement of Significant Accounting Policies

The trustee of the fund is SHELLARD SUPERANNUATION PTY LTD (A.B.N.:).

The trustees have prepared the financial statements on the basis that the fund is a non-reporting entity because the members are able to command the preparation of tailored financial reports so as to satisfy specifically all of their 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 with reference to Australian Accounting Standard AAS 25 Financial Reporting by Superannuation Plans, and in accordance with the legislative requirements of the Superannuation Industry (Supervision) Act 1993 and Regulations 1994 and the provisions of the Trust Deed.

Basis of Preparation

The financial statements have been prepared on an accrual basis using historical costs convention unless stated otherwise.

The functional and presentation currency of the fund is Australian dollars.

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 requirements of Trust Deed. Such accounting policies are consistent with the previous period unless stated otherwise.

SHELLARD RETIREMENT FUND
ABN 31 330 210 051

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

(a) Measurement of Investments

Investments of the fund have been measured at net market values after allowing for costs of realisation. Changes in the net market value of assets are brought to account in the operating statement in the periods in which they occur.

Net market values have been determined as follows:

- shares and other securities listed on the Australian Securities Exchange by reference to the relevant market quotations at the end of the reporting period;
- units in managed funds by reference to the unit redemption price at the end of the reporting period;
- fixed interest securities by reference to the redemption price at the end of the reporting period; and
- insurance policies by reference to an actuarial assessment of the amount receivable from the insurer in respect of the policy; and
- 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.

(b) Liability for Members' Accrued Benefits

The liability for accrued benefits represent the fund's present obligation to pay benefits to members and beneficiaries and has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the sundry liabilities and income tax liabilities as at the end of the reporting period.

(c) Income Tax

The income tax expense (revenue) 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 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 (or recovered from) the relevant taxation authority.

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

SHELLARD RETIREMENT FUND
ABN 31 330 210 051

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be 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 liability is settled, based on tax rates enacted or substantially enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects 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.

(d) Superannuation Contributions Surcharge

The superannuation fund recognising the superannuation contributions surcharge as an expense at the time of receipt of an assessment from the Australian Taxation Office. The cost of the surcharge is charged to the relevant members' account.

(e) Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term, investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Receivables

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

(g) Revenue

Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Movement in the net market value

Movement in the net market values of investments is calculated as the change in the fair value of the investment between the previous and current reporting dates (or disposal date).

**SHELLARD RETIREMENT FUND
ABN 31 330 210 051**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Distribution revenue

Trust distributions are recognised when the right to receive the payment is established.

(h) Contributions

Contributions are recognised when control of the asset has been obtained and is recorded in the period to which they relate.

(i) Payables

Trade and other payables are measured at amortised cost using the effective interest rate method.

(j) Critical 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. 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 judgements. Actual results may differ from these estimates.

The significant judgements made are around the valuation of the investment property. The Trustees used recent sales and knowledge of the market to estimate the fair value.

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.

SHELLARD RETIREMENT FUND
ABN 31 330 210 051

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

| | 2018 | 2017 |
|---|----------------|----------------|
| | \$ | \$ |
| 2 Managed funds | | |
| Advance imputation fund | 20,322 | 20,645 |
| Advance international sharemarket fund | 37,291 | 32,810 |
| APN property for income fund | 29,458 | 28,097 |
| Colonial property securities fund | - | 16,927 |
| ING tax effective income trust | 59,305 | 56,456 |
| Perpetual industrial share fund | 35,751 | 36,624 |
| | <u>182,127</u> | <u>191,559</u> |
| 3 Movement in Net Market Values | | |
| Investments | | |
| Unrealised movements in net market values: | | |
| Managed funds | 25,057 | 4,480 |
| Realised movements in respect of investments disposed of during the reporting period: | | |
| Managed funds | (18,075) | - |
| | <u>6,982</u> | <u>4,480</u> |
| 4 Income Tax Expense | | |
| The components of tax expense comprise: | | |
| Current tax | (1,271) | (1,347) |

SHELLARD RETIREMENT FUND
ABN 31 330 210 051

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

| | 2018 | 2017 |
|---|----------------|----------------|
| | \$ | \$ |
| Prima facie tax on benefits accrued before income tax is reconciled to the income tax as follows: | | |
| Benefits accrued as a result of operations before income tax | 9,665.00 | 7,445.00 |
| Prime facie tax payable on benefits accrued before income tax at 15% | 1,450 | 1,117 |
| Add: | | |
| Tax effect of: | | |
| Foreign income not included in net earnings | 9 | 12 |
| Imputed credits | 191 | 202 |
| | 200 | 214 |
| Less: | | |
| Tax effect of: | | |
| Managed fund distributions not included in taxable income | 140 | 166 |
| Discount portion of unrealised gains on investments | 3,917 | 787 |
| Discount portion of realised gains on investments | (2,711) | - |
| Exempt pension income | 303 | 378 |
| | 1,649 | 1,331 |
| Less credits: | | |
| Imputation credits | 1,271 | 1,347 |
| Income tax expense | (1,270) | (1,347) |

5 Liability for Accrued Benefits

Changes in the liability for accrued benefits

| | | |
|---|----------------|----------------|
| Liability for accrued benefits at beginning of year | 204,191 | 213,399 |
| Add Benefits accrued as a result of operations | 10,936 | 8,792 |
| Less Benefits Paid | (18,000) | (18,000) |
| Benefits accrued at end of financial year | 197,127 | 204,191 |

6 Guaranteed Benefits

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

**SHELLARD RETIREMENT FUND
ABN 31 330 210 051**

TRUSTEES' DECLARATION

The directors of the trustee company have determined that the fund is not a reporting entity and that the special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

In the opinion of the directors of the trustee company:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2018 present fairly the financial position of the Superannuation Fund at 30 June 2018 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 2 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 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 during the year ended 30 June 2018.

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

Director: _____
Roger Shellard

Director: _____
Diana Shellard

Dated this day of

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
SHELLARD RETIREMENT FUND**

Self-managed superannuation fund independent auditor's report

Approved SMSF auditor details

Name: R M TAYLOR

Business name: STIRLING WARTON TAYLOR

Business postal address:

SMSF auditor number (SAN): 100 182 509

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name: Shellard Retirement Fund

Australian business number (ABN) or tax file number (TFN): ABN 31 330 210 051

Address: Level 11 111 Elizabeth Street
Sydney NSW 2000

Year of income being audited: 30 June 2018

To the SMSF trustees

To the SMSF trustees of: Shellard Retirement Fund

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF SHELLARD RETIREMENT FUND

Part A - Financial report

Approved SMSF auditors' opinion

We have audited the special purpose financial report comprising the Operating Statement, Statement of Financial Position, Notes to the Financial Statements and the trustees' Declaration of the Shellard Retirement Fund for the year ended 30 June 2018.

In our opinion, except for the effects on the financial statements of the matter(s) referred to in the below paragraph, 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 2018 and the results of its operations for the year then ended.

Our audit has been conducted in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Approved SMSF Auditors' Responsibilities for the Audit of the Financial Report section of this report. We are 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). We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for approved SMSF auditors' opinion

In our judgement, there is no basis to qualify this opinion.

Emphasis of matter - basis of accounting section

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist Shellard 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 another purpose.

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 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 auditors' responsibilities for the audit of the financial report

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted an independent audit of the financial report in order to express an opinion on it to the trustees.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF SHELLARD RETIREMENT FUND

Our 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 auditors' report that includes our 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.

We have complied with the competency standards set by Australian Securities & Investments Commission (ASIC). Our audit has been conducted in accordance with Australian Auditing Standards. These standards require that we 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, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in the auditors' report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' 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.

We 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 we identify during the audit.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF SHELLARD RETIREMENT FUND

Part B - Compliance Report

Approved SMSF auditors' opinion.

We have performed a reasonable assurance engagement on the Shellard 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 Auditors' Responsibility section of this report.

In our opinion, (except for the matter/s referred to below) each trustee of Shellard Retirement Fund have complied, in all material respects, with the applicable provisions of the SISA and the SISR specified below, for the year ended 30 June 2018.

Basis for opinion

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

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and quality control

We 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.

Our 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.

We have complied with the competency standards set by ASIC.

SMSF trustees' responsibility for compliance

Each SMSF trustees are 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 auditors' responsibility for the compliance report

Our 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. Our 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.

Our 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

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF SHELLARD RETIREMENT FUND

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 our judgement, including the identification and assessment of risks of material non-compliance.

Our 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 2018.

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.

Signature

SMSF Auditor's signature

SMSF Auditor's name

R M TAYLOR

Dated this

day of

**SHELLARD RETIREMENT FUND
ABN 31 330 210 051**

**MEMBER'S INFORMATION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

**2018
\$**

Member - ROGER OSBOURNE SHELLARD

| | |
|--|-----------------------|
| Balance at beginning of year | 204,191 |
| Allocated earnings | 9,665 |
| Income tax expense on earnings | 1,271 |
| Benefits paid during year | <u>(18,000)</u> |
| Withdrawal benefit at end of year | <u>197,127</u> |

Withdrawal Benefit

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

- member contributions;
- superannuation guarantee 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 and have reached your preservation age, which depends on your date of birth. The preservation age is to be increased from 55 to 60, on a phased in basis, by 2025.

Contact Details

Should you require any assistance in understanding your entitlement benefits or wish to obtain further details of your investment and entitlements, please contact on or write to .

**SHELLARD RETIREMENT FUND
ABN 31 330 210 051**

**ANNUAL FUND INFORMATION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

FUND MANAGEMENT

The Trustee

Shellard Retirement Fund operates under the terms and conditions contained in the Trust Deed governing the fund.

The trustee of Shellard Retirement Fund is:
SHELLARD SUPERANNUATION PTY LTD

The directors of SHELLARD SUPERANNUATION PTY LTD are:

Roger Shellard
Diana Shellard

The Management

The trustee has made the following specialist appointments to manage the overall operation of the fund:

Administration Manager:

SHELLARD SUPERANNUATION PTY LTD

Auditor:

STIRLING WARTON TAYLOR

FUND ADMINISTRATION

Compliance

The fund is operated as a regulated fund under the Superannuation Industry (Supervision) Act 1993 and Regulations and the Corporations Act 2001 and Regulations. The trustee believes that the fund has continued to operate as a complying fund up to the date of this report.

Contributions

At the date of this report, all contributions due and payable to the fund by the employer, for the year ended 30 June 2018, have been received by the trustee.

Fees, Charges and Expenses

The expenses of operating Shellard Retirement Fund and any taxes payable are paid by the trustee from the assets of the fund in the manner prescribed by the Trust Deed.

**SHELLARD RETIREMENT FUND
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**ANNUAL FUND INFORMATION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

Amendments to the Trust Deed

Since the previous report the fund's trust deed has not been amended.

FUND INVESTMENTS

Investment Strategy

The investment strategy is to achieve long-term growth while limiting variability in returns.

To achieve this, the assets of the fund are invested in the Balanced Fund (0%), Market-linked Fund (0%) and the Secured Capital Unit (0%) managed by .

The Balanced Fund is invested in a well-diversified portfolio of shares (both in Australia and internationally), property and fixed interest securities with some exposure to other sectors.

The Market-linked fund is invested in a diverse portfolio with emphasis on those sectors which are expected to be better performers in the medium term.

The Secured Capital Unit is a portfolio of short to medium-term fixed interest securities in both the private and public sectors together with a range of money market instruments.

Assets of the Fund

The assets of the fund are invested across a wide range of investment classes as set out below:

| | 2018 | | 2017 | |
|---------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| | % of Fund Assets | Amount \$ | % of Fund Assets | Amount \$ |
| INVESTMENTS | | | | |
| Managed funds | 92.39 | 182,127 | 93.81 | 191,559 |
| TOTAL INVESTMENTS | | <u>182,127</u> | | <u>191,559</u> |
| OTHER ASSETS | | | | |
| Cash at bank | 6.96 | 13,728 | 5.53 | 11,284 |
| Other debtors | 0.65 | 1,272 | 0.66 | 1,348 |
| TOTAL OTHER ASSETS | | <u>15,000</u> | | <u>12,632</u> |
| TOTAL ASSETS | 100.00 | <u><u>197,127</u></u> | 100.00 | <u><u>204,191</u></u> |

**SHELLARD RETIREMENT FUND
ABN 31 330 210 051**

**ANNUAL FUND INFORMATION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

Significant Investments

The table in the preceding paragraph describes all investments which represent greater than 5% of the total assets of the fund.

Investment Returns

The investment returns after providing for tax on investment earnings and all operating expenses of the fund for the last five years were:

| Period | Investment Return | Crediting Rates |
|----------------------|--------------------------|------------------------|
| 01/07/14 to 30/06/15 | 7.42 | 7.42 |
| 01/07/15 to 30/06/16 | 1.71 | 1.71 |
| 01/07/16 to 30/06/17 | 4.12 | 4.12 |
| 01/07/17 to 30/06/18 | 5.36 | 5.36 |

The compound average rate of return for the past five years is 5.58%.

Crediting Policy

The crediting rate applied to your contributions in any one year assumes that contributions are paid evenly over the year. For members exiting the fund during a year an interim crediting rate is used. The interim crediting rate is an estimate of what the return for the year will be. The interim crediting rate is, however, subject to variation throughout a year.

Reserving Policy

The policy of the trustee is not to hold investment reserves in the fund, but to apply the actual investment return for the year as the crediting rate.

ACCOUNTS

The financial report for Shellard Retirement Fund has not yet been audited. For your information a copy of the Abridged Financial Information taken from the unaudited financial report is attached to this report.

The audit of the financial report is expected to be completed by 31 October 2018. The audited financial reporting together with the auditor's report will be available from 1 November 2018 for members to inspect or obtain copies on request.

The trustee does not expect there to be any qualification in the audit report.

**SHELLARD RETIREMENT FUND
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**ANNUAL FUND INFORMATION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

FURTHER INFORMATION AND ENQUIRIES

General

If you have any queries on the fund's operations please contact on during office hours, or write to:

You should find most information that you need to know about the fund in the member brochure you received on joining the fund, your annual member information statement and this annual fund information statement. You have the right to inspect or request copies of the following:

- Trust Deed
- APRA Annual Returns, Certificates, Notices; and
- Audited Financial Report and Auditor's Reports.

Requests should be in writing and addressed to the trustee as stated above.

Complaints and enquiries

The Australian Prudential Regulation Authority (APRA) now requires the trustee to establish arrangements under which members have a right to make enquiries or complaints about the operation or management of the fund. The arrangements established are:

- Any complaint/enquiry should be in writing and addressed to:
- As complaints/enquiries are received they will be recorded in a register and acknowledged in writing within five working days
- The complaint/enquiry will be investigated and action initiated to resolve the matter.
- We will provide a written response as soon as possible but within the 90-day limit prescribed by the regulations.

Superannuation complaints tribunal

For any complaint/enquiry that is unable to be resolved to your satisfaction, the Government has established the Superannuation Complaints Tribunal. This tribunal is located in Melbourne at:

Superannuation Complaints Tribunal
Locked Bag 3060
GPO MELBOURNE 3001
Telephone: 1300 884 114
Fax: (03) 8663 5588
Email: info@sct.gov.au
Website: www.sct.gov.au

**SHELLARD RETIREMENT FUND
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**ANNUAL FUND INFORMATION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

The tribunal is intended to be informal and easy to use. It will provide for fair, economical and quick conciliation or review of complaints. Complaints may be submitted by both current or former members or their beneficiaries, and will largely be dealt with by correspondence.

The tribunal can deal with any complaint which related to a decision, or a failure to make a decision by a trustee, or a person acting for a trustee, in relation to a particular individual.

The tribunal will not deal with complaints about the management of a fund generally, or investment strategy.

Further information on the function of the tribunal can be obtained by contacting the tribunal direct.

Prepared by:

SHELLARD SUPERANNUATION PTY LTD
as trustee for the
Shellard Retirement Fund

Dated this day of