

HERCULES DRIVE SA UNIT TRUST

Financial Statements and Income Tax Return

Year Ended 30 June 2023



OREON
Partners

Financial Statements

Hercules Drive SA Unit Trust

ABN 99 435 030 140

For the year ended 30 June 2023

Prepared by Oreon Partners Pty Ltd

Contents

3	Profit & Loss Statement
4	Tax Reconciliation Statement
5	Balance Sheet
6	Notes to the Trust's Financial Statements
8	Directors Declaration
9	Compilation Report

Profit & Loss Statement

Hercules Drive SA Unit Trust For the year ended 30 June 2023

	NOTES	2023	2022
Total Income		-	-
Expenses			
Accounting Fees		4,131	1,475
Advertising & Promotion		-	3,673
Bank Fees		1,423	912
Borrowing Costs amortised		8,132	3,936
Consulting Fees		5,750	-
Filing Fees		290	552
Gardening		3,000	-
Insurance		470	386
Interest Expense		147,472	67,230
Legal expenses		2,180	1,576
Rates & Taxes		57,000	7,754
Repairs and Maintenance		100	-
Subscriptions		155	-
Valuation expense		7,554	-
Total Expenses		237,656	87,494
Profit/(Loss) Before Distribution		(237,656)	(87,494)
Undistributed Income		(237,656)	(87,494)

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

Tax Reconciliation Statement

Hercules Drive SA Unit Trust For the year ended 30 June 2023

2023

Tax Reconciliation

Accounting Profit for Period	(237,656)
Deductions	
Carried Forward Tax Losses	87,494
Total Deductions	87,494
Net Taxable Profit / (Loss)	(325,150)

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

Balance Sheet

Hercules Drive SA Unit Trust As at 30 June 2023

	NOTES	30 JUN 2023	30 JUN 2022
Assets			
Current Assets			
Cash at Bank	2	167,073	62,984
Cash on Hand		20	20
Other Debtors		-	12,649
GST Control Account		68,520	21
Total Current Assets		235,613	75,674
Non-Current Assets			
Intangibles	3	44,432	32,964
Property, plant and equipment			
Allotment 304 Hercules Drive, Direk SA 5110	4	3,457,049	1,593,558
Allotment 305 Hercules Drive, Direk SA 5110	4	2,756,060	1,577,053
Allotment 306 Hercules Drive, Direk SA 5110	4	2,400,000	1,578,665
Total Property, plant and equipment		8,613,109	4,749,275
Total Non-Current Assets		8,657,541	4,782,239
Total Assets		8,893,154	4,857,913
Liabilities			
Current Liabilities			
Accounts Payable		2,504	-
Other Creditors		31,793	-
Total Current Liabilities		34,297	-
Non-Current Liabilities			
Loan - NAB #0791		1,189,832	-
Loan - PCU #6639		3,055,710	3,051,336
Total Non-Current Liabilities		4,245,542	3,051,336
Total Liabilities		4,279,839	3,051,336
Net Assets		4,613,315	1,806,577
Equity			
Undistributed Income		(325,150)	(87,494)
Asset Revaluation Reserve		1,644,282	-
Settled Sum		20	20
Issued Units	5	3,294,163	1,894,051
Total Equity		4,613,315	1,806,577

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

Notes to the Trust's Financial Statements

Hercules Drive SA Unit Trust

For the year ended 30 June 2023

1. Statement of Significant Accounting Policies

The directors of the trustee company 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 an accruals basis and are based on historical costs unless otherwise stated in the notes. The financial statements were authorised for issue on 20 November 2023 by the directors of the trustee company.

Property, Plant and Equipment

Property, plant and equipment is initially recorded at the cost of acquisition or fair value less, if applicable, any accumulated depreciation and impairment losses. Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired. The plant and equipment is reviewed annually by directors to ensure that the carrying amount 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 utilisation of the assets and the subsequent disposal. The expected net cash flows have been discounted to their present values in estimating recoverable amounts.

Freehold land and buildings are measured at their fair value, based on periodic, but at least triennial, valuations by independent external valuers, less subsequent depreciation for buildings.

Increases in the carrying amount of land and buildings arising on revaluation are credited in equity to a revaluation surplus. Decreases against previous increases of the same asset are charged against fair value reserves in equity. All other decreases are charged to profit or loss.

Any accumulated depreciation at the date of revaluation is offset against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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).

Goods and Services Tax

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

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

	2023	2022
2. Cash at Bank		
NAB Bank Account #9564	28,495	-
PCU Transaction Account #6748	138,578	62,984
Total Cash at Bank	167,073	62,984
	2023	2022

3. Intangibles		
Borrowing Costs	56,500	36,900
Borrowing Costs - Written Off	(12,068)	(3,936)
Total Intangibles	44,432	32,964
	2023	2022

4. Property, plant and equipment

Land and Building		
Allotment 304 Hercules Drive, Direk SA 5110		
Land	1,577,053	1,577,053
Building Costs	1,879,997	16,505
Total Allotment 304 Hercules Drive, Direk SA 5110	3,457,049	1,593,558
Allotment 305 Hercules Drive, Direk SA 5110		
Land	1,577,053	1,577,053
Building Costs	356,060	-
Market Revaluation	822,947	-
Total Allotment 305 Hercules Drive, Direk SA 5110	2,756,060	1,577,053
Allotment 306 Hercules Drive Direk SA 5110		
Land	1,578,665	1,578,665
Market Revaluation	821,335	-
Total Allotment 306 Hercules Drive Direk SA 5110	2,400,000	1,578,665
Total Land and Building	8,613,109	4,749,275
Total Property, plant and equipment	8,613,109	4,749,275
	2023	2022

5. Unitholder Accounts		
Nicola & Caterina Valenzisi Superannuation Fund (240,387 Units)	240,387	138,212
Pilatus Drive SA (Lots 55 & 56) Unit Trust (164,713 Units)	164,713	94,703
Shoesmith Newcastle Family Trust (520,868 Units)	520,868	299,476
The Joseph Valenzisi Superannuation Fund (240,387 Units)	240,387	138,212
The Michael Valenzisi Superannuation Fund (240,387 Units)	240,387	138,212
The Nicholas Valenzisi Superannuation Fund (240,387 Units)	240,387	138,212
Triholm Investments Pty Ltd (1,647,035 Units)	1,647,035	947,025
Total Unitholder Accounts	3,294,163	1,894,051

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

Directors Declaration

Hercules Drive SA Unit Trust For the year ended 30 June 2023

The directors of Hercules Drive SA Unit Trust declare that Hercules Drive SA 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.

In accordance with a resolution of the Board of Directors, the directors of Hercules Drive SA Unit Trust declare that:

1. The financial statements and notes present fairly Hercules Drive SA Unit Trust's financial position as at 30 June 2023 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 Hercules Drive SA Unit Trust will be able to pay its debts as and when they become due and payable.

Director: Andrew Nunn _____

Director: Richard Shoesmith _____

Date:

Compilation Report

Hercules Drive SA Unit Trust For the year ended 30 June 2023

Compilation report to Hercules Drive SA Unit Trust

We have compiled the accompanying special purpose financial statements of Hercules Drive SA Unit Trust, which comprise the balance sheet as at 30 June 2023, the income statement, the statement of cash flows, 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 directors of 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. We do not accept responsibility for the contents of the special purpose financial statements.



Jarrad Dunn

Oreon Partners
28 Dequetteville Terrace
KENT TOWN SA 5067

Dated: 20 November 2023

Trust Tax Return

2023

1 Jul 2022—30 Jun 2023

TFN Recorded

TRUST DETAILS

Name of Trust	Previous name of Trust
Hercules Drive SA Unit Trust	
Tax File Number	Australian Business Number
TFN Recorded	99 435 030 140

CURRENT POSTAL ADDRESS		PREVIOUS POSTAL ADDRESS	
Oreon Partners Pty Ltd 28 Dequetteville Terrace Kent Town			
State	Postcode	State	Postcode
SA	5067		

FULL NAME OF THE NON-INDIVIDUAL TRUSTEE TO WHOM NOTICES SHOULD BE SENT

Name of non-individual	ABN	Contact number
Hercules Drive SA Pty Ltd	20 650 137 456	

CONTACT DETAILS

Name	Phone number	Hours taken to prepare and complete this return
Jarrad Dunn	08 81611000	

Trust information

TYPE OF TRUST	U - Fixed unit trust, other than a public unit trust described in P or Q
---------------	---

Is any tax payable by the trustee? No

Final tax return? No

1 DESCRIPTION OF MAIN BUSINESS ACTIVITY **A** 67120

Renting or leasing of non-residential property as owner or leaseholder

Income excluding foreign income

5 BUSINESS INCOME AND EXPENSES

Income	Primary production	Non-primary production	Totals
Other business income		\$0.00	\$0.00
Total other business income	G	H \$0.00	\$0.00
Total business income		\$0.00	\$0.00

Expenses

Total interest expenses		\$147,472.00	I	\$147,472.00
Repairs and maintenance		\$100.00	M	\$100.00
All other expenses		\$90,084.00	N	\$90,084.00
Total expenses		\$237,656.00	O	\$237,656.00

Reconciliation expenses	Primary production	Non-primary production	Totals
Net income or loss from business	Q	R (\$237,656.00)	S (\$237,656.00)

Is the trust a small business entity? Yes

Net small business income **V** \$0.00

15 Total of items 5 to 14 (\$237,656)

Deductions

20 NET AUSTRALIAN LOSS - OTHER THAN CAPITAL GAINS \$237,656.00

Capital gains and foreign income

21 CAPITAL GAINS

Prior year losses brought forward

Did you have a CGT event during the year? **G** No

Losses carried forward

Net Capital Losses from Collectables \$0.00

Other Net Capital Losses \$0.00

Foreign income

22 ATTRIBUTED FOREIGN INCOME

Did you have overseas branch operations or a direct or indirect interest in a foreign trust, foreign company, controlled foreign entity or transferor trust? **S** No

24 TOTAL OF ITEMS 20 TO 23 (\$237,656.00)

26 TOTAL NET LOSS \$237,656.00

27 LOSSES INFORMATION

Tax losses carried forward to later income years **U** \$325,150.00

29 OVERSEAS TRANSACTIONS

Was the aggregate amount of your transactions or dealings with international related parties greater than \$2 million? **W** No

Thin capitalisation

Did the thin capitalisation provisions affect you? **O** No

Was any beneficiary who was not a resident of Australia at any time during the income year 'presently entitled' to a share of the income of the trust? **A** No

Transactions with specified countries **C** No

30 PERSONAL SERVICES INCOME

Does your income include an individual's personal services income? (PSI) **N** No

Key financial information

33 ALL CURRENT ASSETS **F** \$235,613.00

34 TOTAL ASSETS **G** \$8,893,154.00

35 ALL CURRENT LIABILITIES **I** \$34,297.00

36 TOTAL LIABILITIES **J** \$4,279,839.00

Business and professional items

37 BUSINESS NAME OF MAIN BUSINESS Hercules Drive SA Unit Trust

38 BUSINESS ADDRESS OF MAIN BUSINESS

Address	Town/City	State	Postcode	Country
Level 1 252 Hindley St	ADELAIDE	SA	5000	

57 INCOME OF THE TRUST ESTATE **A** \$0.00

Beneficiary not entitled

60 BENEFICIARY UNDER LEGAL DISABILITY WHO IS PRESENTLY ENTITLED TO INCOME FROM ANOTHER TRUST No

61 NON-RESIDENT TRUST

Is the trust a non-resident trust? No

Losses schedule

Part A Losses carried forward to the 2023–2024 income year

1 TAX LOSSES CARRIED FORWARD TO LATER INCOME YEARS		
2022–2023	B	\$237,656.00
2021–2022	C	\$87,494.00
2020–2021	D	
2019–2020	E	
2018–2019	F	
2017–2018 and earlier years	G	
Total	U	\$325,150.00

2 NET CAPITAL LOSSES CARRIED FORWARD TO LATER INCOME YEARS		
2022–2023	H	
2021–2022	I	
2020–2021	J	
2019–2020	K	
2018–2019	L	
2017–2018 and earlier years	M	
Total	V	

Part B Ownership and same business test

1 WHETHER CONTINUITY OF MAJORITY OWNERSHIP TEST PASSED		
2022–2023	A	
2021–2022	B	
2020–2021	C	
2019–2020	D	
2018–2019	E	
2017–2018 and earlier years	F	

2 AMOUNT OF LOSSES DEDUCTED FOR WHICH THE CONTINUITY OF MAJORITY OWNERSHIP TEST IS NOT PASSED BUT THE BUSINESS CONTINUITY TEST IS SATISFIED – EXCLUDES FILM LOSSES		
Tax losses	G	
Net capital losses	H	

3 LOSSES CARRIED FORWARD FOR WHICH THE BUSINESS CONTINUITY TEST MUST BE SATISFIED BEFORE THEY CAN BE DEDUCTED IN LATER YEARS – EXCLUDES FILM LOSSES		
Tax losses	I	
Net capital losses	J	

4 DO CURRENT YEAR LOSS PROVISIONS APPLY?		
Is the company required to calculate its taxable income or tax loss for the year under Subdivision 165-B or its net capital gain or net capital loss for the year under Subdivision 165-CB of the <i>Income Tax Assessment Act 1997</i> (ITAA 1997)?	K	

Part C Unrealised losses

Has a changeover time occurred in relation to the company after 1.00pm by legal time in the Australian Capital Territory on 11 November 1999?	L	
At the changeover time did the company satisfy the maximum net asset value test under section 152-15 of ITAA 1997?	M	
If you selected No at M, has the company determined it had an unrealised net loss at the changeover time?	N	
If you selected Yes at N, what was the amount of unrealised net loss calculated under section 165-115E of ITAA 1997?	O	

Part D Life insurance companies

Complying superannuation class tax losses carried forward to later income years	P	
Complying superannuation net capital losses carried forward to later income years	Q	

Part E Controlled foreign company losses

Current year CFC losses	M	
CFC losses deducted	N	
CFC losses carried forward	O	

Part F Tax losses reconciliation statement

Balance of tax losses brought forward from the prior income year	A	\$87,494.00
ADD Uplift of tax losses of designated infrastructure project entities	B	
SUBTRACT Net forgiven amount of debt	C	
ADD Tax loss incurred (if any) during current year	D	\$237,656.00
ADD Tax loss amount from conversion of excess franking offsets	E	
SUBTRACT Net exempt income	F	
SUBTRACT Tax losses forgone	G	
SUBTRACT Tax losses deducted	H	
SUBTRACT Tax losses transferred out under Subdivision 170-A (only for transfers involving a foreign bank branch or a PE of a foreign financial entity)	I	
Total tax losses carried forward to later income years	J	\$325,150.00