

# **D.E. Pateman Pty Limited Superannuation Fund**

ABN 38 115 936 014

Trustees: D E Pateman Pty Ltd

**Financial Statement**  
**For the year ended 30 June 2020**

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# D.E. Pateman Pty Limited Superannuation Fund

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**D.E. Pateman Pty Limited Superannuation Fund**  
**Statement of Financial Position**  
**as at 30 June 2020**

	Note	2020 \$	2019 \$
<b>Assets</b>			
Investments			
Direct Property	6A	428,983.87	453,494.77
Managed Investments	6B	229,176.82	233,849.08
Units In Listed Unit Trusts	6C	14,813.70	15,679.95
Other Assets			
Cash At Bank		133,145.53	24,769.14
Receivables		1,272.24	4,134.09
Current Tax Assets		1,269.10	2,494.13
<b>Total Assets</b>		<b><u>808,661.26</u></b>	<b><u>734,421.16</u></b>
<b>Liabilities</b>			
<b>Total Liabilities</b>		<b><u>-</u></b>	<b><u>-</u></b>
<b>Net Assets Available to Pay Benefits</b>		<b><u>808,661.26</u></b>	<b><u>734,421.16</u></b>
<i>Represented by:</i>			
<b>Liability for Accrued Benefits</b>	2		
Mr Derrel Pateman		557,470.35	464,506.62
Mrs Helen Pateman		251,190.91	269,914.54
<b>Total Liability for Accrued Benefits</b>		<b><u>808,661.26</u></b>	<b><u>734,421.16</u></b>

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

**D.E. Pateman Pty Limited Superannuation Fund**  
**Operating Statement**  
For the period 1 July 2019 to 30 June 2020

	Note	2020 \$	2019 \$
<b>Income</b>			
Member Receipts			
Contributions			
Employer		2,800.60	4,408.60
Member		120,000.00	20,000.00
Government Co-Contributions		-	500.00
Investment Gains			
Realised Capital Gains	8A	-	(1,982.02)
Investment Income			
Distributions	7A	6,985.61	13,493.61
Foreign Income	7B	-	285.99
Interest	7C	44.41	91.16
Rent	7D	20,754.51	21,585.66
		<b>150,585.13</b>	<b>58,383.00</b>
<b>Expenses</b>			
Member Payments			
Pensions Paid		22,000.00	38,000.00
Other Expenses			
Accountancy Fee		3,157.00	2,640.00
Actuarial Fee		110.00	110.00
Auditor Fee		584.95	580.38
Bank Fees		60.00	80.00
Depreciation		392.90	263.84
Fund Administration Fee		2,855.32	2,789.91
Investment Management Fee		1,161.00	1,295.21
Property Expenses		6,100.42	7,261.97
Regulatory Fees		267.00	-
SMSF Supervisory Levy		259.00	259.00
Investment Losses			
Decrease in Market Value	8B	36,656.51	(31,965.11)
		<b>73,604.10</b>	<b>21,315.20</b>
<b>Benefits Accrued as a Result of Operations before Income Tax</b>		<b>76,981.03</b>	<b>37,067.80</b>
<b>Income Tax</b>			
Income Tax Expense		2,740.93	506.61
		<b>2,740.93</b>	<b>506.61</b>
<b>Benefits Accrued as a Result of Operations</b>		<b>74,240.10</b>	<b>36,561.19</b>

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

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**D.E. Pateman Pty Limited Superannuation Fund**  
**Notes to the Financial Statements**  
**As at 30 June 2020**

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**Note 1 - Statement of Significant Accounting Policies**

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

**(a) Statement of Compliance**

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

**(b) Basis of Preparation**

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

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

**(c) Use of Accounting Estimates and Judgments**

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

**(d) Cash and Cash Equivalents**

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

**(e) Foreign Currency**

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

**(f) Valuation of Assets**

*Investment*

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

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

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

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

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

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# D.E. Pateman Pty Limited Superannuation Fund

## Notes to the Financial Statements

### As at 30 June 2020

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

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

#### *Financial Liabilities*

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

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

#### *Receivables and Payables*

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

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

### **(g) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable. The following recognition criteria relate to the specific items of revenue the Fund receives:

#### *Interest*

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

#### *Dividend Revenue*

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

#### *Distribution Revenue*

Distributions from unit trusts and managed funds are recognised as at the date the unit value is quoted ex-distributions and if not received at the end of the reporting period, are reflected in the statement of financial position as a receivable at market value.

#### *Rental Income*

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

#### *Movement in market values*

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

#### *Contributions and Rollovers In*

Contributions and rollovers in are recognised when the control and the benefits from the revenue have been attained and are recorded by the Fund, gross of any taxes, in the period to which they relate.

The financial report was authorised for issue on 30 April 2021 by the directors of the trustee company.

**D.E. Pateman Pty Limited Superannuation Fund**  
**Notes to the Financial Statements**  
**As at 30 June 2020**

**Note 2 – Liability for Accrued Benefits**

The liability for accrued benefits represents the fund's present obligation to pay benefits to members and beneficiaries and has been calculated as the difference between the carrying amount of the assets and the carrying amount of the other payables and income tax liabilities as at the end of the reporting period. Changes in the Liability for Accrued Benefits are as follows:

	<b>Current</b>	<b>Previous</b>
<b>Liability for Accrued Benefits at beginning of period</b>	734,421.16	697,859.97
Benefits Accrued during the period	96,240.10	74,561.19
Benefits Paid during the period	(22,000.00)	(38,000.00)
<b>Liability for Accrued Benefits at end of period</b>	<b>808,661.26</b>	<b>734,421.16</b>

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

**Note 3 – Vested Benefits**

Vested benefits are benefits which are not conditional upon continued membership of the fund (or any factor other than resignation from the plan) and include benefits which members were entitled to receive had they terminated their fund membership as at the reporting period.

	<b>Current</b>	<b>Previous</b>
<b>Vested Benefits at beginning of period</b>	734,421.16	697,859.97
Benefits Accrued during the period	96,240.10	74,561.19
Benefits Paid during the period	(22,000.00)	(38,000.00)
<b>Vested Benefits at end of period</b>	<b>808,661.26</b>	<b>734,421.16</b>

**Note 4 – Guaranteed Benefits**

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

**Note 5 – Funding Arrangements**

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

**Note 6A – Direct Property**

	<b>Current</b>	<b>Previous</b>
At market value:		
20 Dangar Circle Medowie	428,983.87	453,494.77
	<b>428,983.87</b>	<b>453,494.77</b>

**Note 6B – Managed Investments**

	<b>Current</b>	<b>Previous</b>
At market value:		
AMP Capital Wholesale Australian Property Fund	28,144.02	30,198.77
Dimensional Australian Core Equity Trust	11,286.99	13,010.49
Dimensional Australian Core Imputation Trust	41,287.96	48,382.97
Dimensional Five-Year Diversified Fixed Interest Trust - AUD Class Units	76,114.65	76,113.92
Dimensional Global Core Equity Trust - AUD Hedged Class Units	7,366.49	7,822.29
Dimensional Global Core Equity Trust - Unhedged Class Units	8,151.32	8,457.02
Dimensional Short Term Fixed Interest	56,825.39	49,863.62
	<b>229,176.82</b>	<b>233,849.08</b>

**D.E. Pateman Pty Limited Superannuation Fund**  
**Notes to the Financial Statements**  
**As at 30 June 2020**

**Note 6C – Units In Listed Unit Trusts**

	<b>Current</b>	<b>Previous</b>
At market value:		
Ishares MSCI Eafe ETF - Exchange Traded Fund Units Fully Paid	14,813.70	15,679.95
	<b>14,813.70</b>	<b>15,679.95</b>

**Note 7A – Distributions**

	<b>Current</b>	<b>Previous</b>
AMP Capital Wholesale Australian Property Fund	1,664.14	1,653.47
Dimensional Australian Core Equity Trust	596.67	490.67
Dimensional Australian Core Imputation Trust	2,788.48	6,126.09
Dimensional Five-Year Diversified Fixed Interest Trust - AUD Class Units	882.04	3,244.11
Dimensional Global Core Equity Trust - AUD Hedged Class Units	0.00	0.46
Dimensional Global Core Equity Trust - Unhedged Class Units	164.29	204.61
Dimensional Short Term Fixed Interest	503.59	1,294.44
Ishares MSCI Eafe ETF - Exchange Traded Fund Units Fully Paid	386.40	479.76
	<b>6,985.61</b>	<b>13,493.61</b>

**Note 7B – Foreign Income**

	<b>Current</b>	<b>Previous</b>
Vanguard All-World Ex-U.S. Shares Index ETF - Chess Depository Interests 1:1	0.00	285.99
	<b>0.00</b>	<b>285.99</b>

**Note 7C – Interest**

	<b>Current</b>	<b>Previous</b>
BT Cash Account	31.53	20.43
CBA Direct Investment Account	12.88	70.73
	<b>44.41</b>	<b>91.16</b>

**Note 7D – Rent**

	<b>Current</b>	<b>Previous</b>
20 Dangar Circle Medowie	20,754.51	21,585.66
	<b>20,754.51</b>	<b>21,585.66</b>

**Note 8A – Realised Capital Gains**

	<b>Current</b>	<b>Previous</b>
<b>Managed Investments</b>		
Dimensional Five-Year Diversified Fixed Interest Trust - AUD Class Units	0.00	(2.09)
Dimensional Global Core Equity Trust - AUD Hedged Class Units	0.00	(598.43)
<b>Units In Listed Unit Trusts</b>		
Vanguard All-World Ex-U.S. Shares Index ETF - Chess Depository Interests 1:1	0.00	(1,381.50)
	<b>0.00</b>	<b>(1,982.02)</b>



**D.E. Pateman Pty Limited Superannuation Fund**  
**Notes to the Financial Statements**  
**As at 30 June 2020**

**Note 8B – Decrease in Market Value**

	Current	Previous
<b>Direct Property</b>		
20 Dangar Circle Medowie	24,118.00	(27,241.00)
<b>Managed Investments</b>		
AMP Capital Wholesale Australian Property Fund	2,054.75	(326.16)
Dimensional Australian Core Equity Trust	1,723.50	(1,510.49)
Dimensional Australian Core Imputation Trust	7,095.01	161.24
Dimensional Five-Year Diversified Fixed Interest Trust - AUD Class Units	(0.73)	(31.59)
Dimensional Global Core Equity Trust - AUD Hedged Class Units	455.80	(497.30)
Dimensional Global Core Equity Trust - Unhedged Class Units	305.70	(757.02)
Dimensional Short Term Fixed Interest	38.23	44.35
<b>Units In Listed Unit Trusts</b>		
Ishares MSCI Eafe ETF - Exchange Traded Fund Units Fully Paid	866.25	(1,348.65)
Vanguard All-World Ex-U.S. Shares Index ETF - Chess Depository Interests 1:1	0.00	(458.49)
	<b>36,656.51</b>	<b>(31,965.11)</b>

**Note 9 – Subsequent Events**

Subsequent to the end of the financial year there have been considerable economic impacts in Australia and globally arising from the Coronavirus (COVID-19) pandemic, and Government actions to reduce the spread of the virus.

At the date of signing the financial statements the Trustees are unable to determine what financial effects the outbreak of the virus could have on the fund in the coming financial period.

No financial effects arising from the economic impacts of the virus have been included in the financial statements for the year ended 30 June 2019. The impacts may include a significant reduction in the carrying value of the SMSF assets and investments. The Trustees acknowledge their responsibility to continuously monitor the situation and evaluate this impact including whether the fund remains a going concern and its ability to pay its liabilities and future retirement benefits.

# D.E. Pateman Pty Limited Superannuation Fund

## Trustee Declaration

In the opinion of the Trustees of the D.E. Pateman Pty Limited Superannuation Fund.

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

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2020 present fairly the financial position of the Fund at 30 June 2020 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements; and
- (ii) the financial statements and notes to the financial statements have been prepared in accordance with the requirements of the Trust Deed; and
- (iii) the operation of the Fund has been carried out in accordance with its Trust Deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 during the year ended 30 June 2020.

Signed in accordance with a resolution of the directors of D E Pateman Pty Ltd by:

  
..... Dated: 30.4.2021

**Derrel Pateman**

Director: D E Pateman Pty Ltd

  
..... Dated: 30.4.2021

**Helen Pateman**

Director: D E Pateman Pty Ltd

**Compilation Report to the Trustee and Members of  
DE Pateman Pty Limited Superannuation Fund**

**ABN 38 115 936 014**

**For the year 01 July 2019 to 30 June 2020**

On the basis of the information provided by the Trustees of D.E. Pateman Pty Limited Superannuation Fund, we have compiled the accompanying special purpose financial statements of D.E. Pateman Pty Limited Superannuation Fund for the period ended 30 June 2020, which comprise the Statement of Financial Position, Operating Statement, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1 to the financial statements.

**The Responsibility of Trustees**

The Trustees of D.E. Pateman Pty Limited Superannuation Fund are solely responsible for the information contained in the special purpose financial statements. The reliability, accuracy and completeness of the information and for the determination that the financial reporting framework / basis of accounting used is appropriate to meet the needs of the members and for the purpose that the financial statements were prepared.

**Our Responsibility**

On the basis of information provided by the Trustees of D.E. Pateman Pty Limited Superannuation Fund, we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework/basis of accounting as described in Note 1 to the financial statements and **APES 315: *Compilation of Financial Information***.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the financial reporting framework / basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of **APES 110 *Code of Ethics for Professional Accountants***.

**Assurance Disclaimer**

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion<sup>1</sup> on these financial statements

The special purpose financial statements were compiled exclusively for the benefit of the Trustees of the fund who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

A handwritten signature in black ink, appearing to read 'Johanna S van der Hoven', written over a dotted line.

**Johanna S van der Hoven**

**Dated 30 April 2021**

## **SELF-MANAGED SUPERANNUATION FUND INDEPENDENT AUDITOR'S REPORT**

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### Approved SMSF auditor details

Name: Anthony William Boys

Business name: SUPER AUDITS

Business postal address: Box 3376 RUNDLE MALL 5000

SMSF auditor number (SAN): 100014140

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### Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name D.E. Pateman Pty Limited  
Superannuation Fund

Australian business number (ABN) or tax file number (TFN): 38 115 936 014

Address C/- 15 Fingal Avenue Glenhaven NSW 2156

Year of income being audited 1 July 2019 – 30 June 2020

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### To the SMSF trustees

To the trustees of the D.E. Pateman Pty Limited Superannuation Fund

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**AUDITING  
DUE DILIGENCE  
FORENSIC ACCOUNTING**

## Part A: Financial audit

### Opinion

I have audited the special purpose financial report of the D.E. Pateman Pty Limited Superannuation Fund comprising; the Profit & Loss Statement for the financial year ending 30 June 2020, the Balance Sheet as at 30 June 2020 and the Notes to and forming part of the Accounts for the year ended 30 June 2020 of the D.E. Pateman Pty Limited Superannuation Fund for the year ended 30 June 2020.

In my opinion, the financial report, presents fairly, in all material respects, in accordance with the accounting policies described in the notes to the financial report, the financial position of the fund at 30 June 2020 and the results of its operations for the year then ended.

### Basis for Opinion

My audit has been conducted in accordance with Australian Auditing Standards<sup>1</sup>. My responsibilities under those standards are further described in the Approved SMSF Auditor's Responsibilities for the Audit of the Financial Report section of this report. I am independent of the SMSF in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to this audit and as required by the Superannuation Industry (Supervision) Regulations 1994 (SISR). I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

### Emphasis of Matter - Basis of accounting

I draw attention to note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist D.E. Pateman Pty Limited Superannuation Fund meet the requirements of the SMSF's governing rules, the Superannuation Industry (Supervision) Act 1993 (SISA) and the SISR. As a result, the financial report may not be suitable for other purposes and should not be distributed to parties other than the trustees. My opinion is not modified in respect of this matter.

### Responsibilities of SMSF trustees for the financial report

Each SMSF trustee (individual trustee or director of the 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

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<sup>1</sup>The Australian Auditing Standards issued by the Auditing and Assurance Standards Board.

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, or have no realistic alternative but to do so. 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.

Each SMSF trustee is responsible for overseeing the fund's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

## **Part B: Compliance engagement**

### **Opinion**

I have undertaken a reasonable assurance engagement on the D.E. Pateman Pty Limited Superannuation Fund's compliance, in all material respects, with applicable provisions of the SISA and the SISR as listed below ("the listed provisions") for the year ended 30 June 2020.

Sections: 17A, 34, 35AE, 35B, 35C(2), 35 (D) (1), 52 (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 13.22 (B and C)

In my opinion, each trustee of D.E. Pateman Pty Limited Superannuation Fund has complied, in all material respects, with the listed provisions, for the year ended 30 June 2020

### **Basis for Opinion**

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

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

### **Independence and quality control**

I have complied with the independence and other ethical requirements relating to assurance engagements and applied Auditing Standards 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.

### **SMSF trustees' responsibilities**

Each SMSF trustee is responsible for complying with the listed provisions and for the identification of risks that threaten compliance with the listed provisions, controls which will mitigate those risks and monitoring ongoing compliance.

## Approved SMSF auditor's responsibilities

My responsibility is to express an opinion on the trustees' compliance with the listed provisions for the year ended 30 June 2020. ASAE 3100 Compliance Engagements requires that I plan and perform my procedures to obtain reasonable assurance about whether the trustee(s) has / have complied in all material respects, with the listed provisions for the year ended 30 June 2020.

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

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the listed provisions for the year ended 30 June 2020.

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 for the year ended 30 June 2020, does not provide assurance on whether compliance with the listed provisions will continue in the future.

SMSF Auditor: A.W. Boys



SMSF Auditor's signature

SMSF Auditor's signature

**Date:** 05 May 2021



## Appendix 1 – Explanation of listed sections and regulations in compliance engagement

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

Section or Regulation	Explanation
S17A	The fund must meet the definition of an SMSF
S35AE	The trustees must keep and maintain accounting records for a minimum of five years
S35B	The trustees must prepare, sign and retain accounts and statements
S35C(2)	The trustees must provide the auditor with the necessary documents to complete the audit in a timely and professional manner; and within 14 days of a written request from the auditor
S62	The fund must be maintained for the sole purpose of providing benefits to any or all of the following: <ul style="list-style-type: none"> <li>• fund members upon their retirement</li> <li>• fund members upon reaching a prescribed age</li> <li>• the dependants of a fund member in the case of the member's death before retirement</li> </ul>
S65	The trustees must not loan monies or provide financial assistance to any member or relative at any time during the financial year
S66	The trustees must not acquire any assets (not listed as an exception) from any member or related party of the fund
S67	The trustees of the fund must not borrow any money or maintain an existing borrowing (not listed as an exception)
S67A & 67B	The fund must comply with the limited recourse borrowing arrangement rules when borrowing to purchase single acquirable asset or replacement assets (not listed as an exception to the borrowing rules)

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

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

**D.E. Pateman Pty Limited Superannuation Fund**  
**Investment Income Summary**  
**For the period 1 July 2019 to 30 June 2020**

Total Income	Add			Less					Taxable Income (excluding Capital Gains)	Indexed Capital Gains *	Discounted Capital Gains *	Other Capital Gains *	CGT Concession Amount *	
	Franking Credits	Foreign Credits	TFN Credits	Tax Free	Tax Exempt	Tax Deferred	Distributed Capital Gains	GST						
<b><u>Bank</u></b>														
BT Cash Account														
31.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31.53	0.00	0.00	0.00	0.00
CBA Direct Investment Account														
12.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.88	0.00	0.00	0.00	0.00
<b>44.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>44.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b><u>Listed Securities Market</u></b>														
Ishares MSCI Eafe ETF - Exchange Traded Fund Units Fully Paid (ASX:IVE)														
327.51	0.00	58.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	386.40	0.00	0.00	0.00	0.00
<b>327.51</b>	<b>0.00</b>	<b>58.89</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>386.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b><u>Managed Funds Market</u></b>														
AMP Capital Wholesale Australian Property Fund														
1,662.18	1.96	0.00	0.00	0.00	623.71	0.00	0.00	0.00	0.00	1,040.43	0.00	0.00	0.00	0.00
Dimensional Australian Core Equity Trust														
434.61	162.05	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	596.67	0.00	0.00	0.00	0.00
Dimensional Australian Core Imputation Trust														
1,974.99	813.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,788.48	0.00	0.00	0.00	0.00
Dimensional Five-Year Diversified Fixed Interest Trust - AUD Class Units														
882.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	882.04	0.00	0.00	0.00	0.00
Dimensional Global Core Equity Trust - Unhedged Class Units														
139.04	0.01	25.24	0.00	0.00	0.00	0.00	2.08	0.00	0.00	162.21	0.00	1.04	0.00	1.04
Dimensional Short Term Fixed Interest														
503.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	503.59	0.00	0.00	0.00	0.00
<b>5,596.45</b>	<b>977.51</b>	<b>25.25</b>	<b>0.00</b>	<b>0.00</b>	<b>623.71</b>	<b>0.00</b>	<b>2.08</b>	<b>0.00</b>	<b>0.00</b>	<b>5,973.42</b>	<b>0.00</b>	<b>1.04</b>	<b>0.00</b>	<b>1.04</b>

**Property Direct Market**

20 Dangar Circle Medowie

**D.E. Pateman Pty Limited Superannuation Fund**  
**Investment Income Summary**  
**For the period 1 July 2019 to 30 June 2020**

Total Income	Add			Less					Taxable Income (excluding Capital Gains)	Indexed Capital Gains *	Discounted Capital Gains *	Other Capital Gains *	CGT Concession Amount *
	Franking Credits	Foreign Credits	TFN Credits	Tax Free	Tax Exempt	Tax Deferred	Distributed Capital Gains	GST					
20,754.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,754.51	0.00	0.00	0.00	0.00
<b>20,754.51</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>20,754.51</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>26,722.88</b>	<b>977.51</b>	<b>84.14</b>	<b>0.00</b>	<b>0.00</b>	<b>623.71</b>	<b>0.00</b>	<b>2.08</b>	<b>0.00</b>	<b>27,158.74</b>	<b>0.00</b>	<b>1.04</b>	<b>0.00</b>	<b>1.04</b>

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

**D.E. Pateman Pty Limited Superannuation Fund**  
**Investment Summary as at 30 June 2020**

Investment	Units	Average Cost Price	Market Price	Accounting Cost	Market Value	Unrealised Accounting Gain/(Loss)	Accounting Gain/(Loss) (%)	Portfolio Weight (%)
<b><u>Bank</u></b>								
BT Cash Account				4,344.71	4,344.71			0.54%
CBA Direct Investment Account				128,800.82	128,800.82			15.98%
				<b>133,145.53</b>	<b>133,145.53</b>			<b>16.52%</b>
<b><u>Listed Securities Market</u></b>								
Ishares MSCI Eafe ETF - Exchange Traded Fund Units Fully Paid (ASX:IVE)	165.00000	86.8564	89.7800	14,331.30	14,813.70	482.40	3.37%	1.84%
				<b>14,331.30</b>	<b>14,813.70</b>	<b>482.40</b>	<b>3.37%</b>	<b>1.84%</b>
<b><u>Managed Funds Market</u></b>								
Dimensional Australian Core Equity Trust	975.27000	11.7916	11.5732	11,500.00	11,286.99	(213.01)	(1.85)%	1.40%
Dimensional Global Core Equity Trust - Unhedged Class Units	533.32000	14.4379	15.2841	7,700.00	8,151.32	451.32	5.86%	1.01%
Dimensional Global Core Equity Trust - AUD Hedged Class Units	351.21000	22.7829	20.9746	8,001.57	7,366.49	(635.08)	(7.94)%	0.91%
Dimensional Australian Core Imputation Trust	4,580.68000	10.6971	9.0135	49,000.00	41,287.96	(7,712.04)	(15.74)%	5.12%
Dimensional Short Term Fixed Interest	5,436.90000	10.4839	10.4518	57,000.00	56,825.39	(174.61)	(0.31)%	7.05%
Dimensional Five-Year Diversified Fixed Interest Trust - AUD Class Units	7,270.41000	10.4943	10.4691	76,297.91	76,114.65	(183.26)	(0.24)%	9.44%
AMP Capital Wholesale Australian Property Fund	22,922.31000	1.2739	1.2278	29,200.00	28,144.02	(1,055.98)	(3.62)%	3.49%
				<b>238,699.48</b>	<b>229,176.82</b>	<b>(9,522.66)</b>	<b>(3.99)%</b>	<b>28.43%</b>
<b><u>Property Direct Market</u></b>								
20 Dangar Circle Medowie	1.00000	279,313.0000	430,000.0000	279,313.00	428,983.87	149,670.87	53.59%	53.22%
				<b>279,313.00</b>	<b>428,983.87</b>	<b>149,670.87</b>	<b>53.59%</b>	<b>53.22%</b>
				<b>665,489.31</b>	<b>806,119.92</b>	<b>140,630.61</b>	<b>21.13%</b>	<b>100.00%</b>

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