

Financial statements and reports for the year ended
30 June 2020

MITCHELL LUNT SUPERANNUATION FUND

MITCHELL LUNT SUPERANNUATION FUND
Statement of Financial Position



As at 30 June 2020

	Note	2020 \$	2019 \$
Assets			
Investments			
Limited Recourse Borrowing Arrangements	2	451	1,076
Plant and Equipment (at written down value)	3	11,245	11,594
Real Estate Properties (Australian - Residential)	4	785,000	785,000
Shares in Listed Companies (Australian)	5	5,692	6,457
Total Investments		<u>802,388</u>	<u>804,127</u>
Other Assets			
Dividend Reinvestment - Residual Account		45	9
Sundry Debtors		1,000	1,000
Commonwealth Bank Account No. 10218912		5,442	2,217
Commonwealth Bank Account No. 10218920		0	(27)
Total Other Assets		<u>6,487</u>	<u>3,199</u>
Total Assets		<u>808,875</u>	<u>807,326</u>
Less:			
Liabilities			
Income Tax Payable		3,760	566
PAYG Payable		1,061	587
Limited Recourse Borrowing Arrangements		22,271	203,956
Total Liabilities		<u>27,092</u>	<u>205,109</u>
Net assets available to pay benefits		<u>781,783</u>	<u>602,217</u>
Represented by:			
Liability for accrued benefits allocated to members' accounts	7, 8		
Mitchell, Kelly - Accumulation		540,685	370,590
Lunt , William - Accumulation		241,098	231,627
Total Liability for accrued benefits allocated to members' accounts		<u>781,783</u>	<u>602,217</u>

Operating Statement

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Income			
Investment Income			
Dividends Received	10	340	321
Property Income	11	39,802	36,950
Contribution Income			
Employer Contributions		7,693	11,586
Personal Concessional		23,000	18,600
Personal Non Concessional		139,123	2,804
Total Income		<u>209,958</u>	<u>70,261</u>
Expenses			
Accountancy Fees		0	3,080
ATO Supervisory Levy		259	0
Auditor's Remuneration		0	880
Bank Charges		240	250
Investment Expenses		626	626
Interest Paid		4,603	13,059
Property Expenses		16,416	13,824
Investment Losses			
Changes in Market Values	12	1,068	(73,567)
Total Expenses		<u>23,212</u>	<u>(41,848)</u>
Benefits accrued as a result of operations before income tax		<u>186,746</u>	<u>112,109</u>
Income Tax Expense	13	7,179	5,244
Benefits accrued as a result of operations		<u>179,567</u>	<u>106,865</u>

Notes to the Financial Statements

For the year ended 30 June 2020

Note 1: Summary of Significant Accounting Policies

The trustees have prepared the financial statements on the basis that the Superannuation Fund is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations, the trust deed of the Fund and the needs of members.

The financial statements have been prepared on a cash basis and are based on historical costs, except for investments which have been measured at market value.

The following significant accounting policies, which are consistent with the policies applied in the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

The financial statements were authorised for issue by the Trustee(s).

a. Measurement of Investments

The Fund initially recognises:

- (i) an investment when it controls the future economic benefits expected to flow from the asset. For financial assets, the trade date is considered to be the date on which control of the future economic benefits attributable to the asset passes to the Fund; and
- (ii) a financial liability on the date it becomes a party to the contractual provisions of the instrument.

Investments of the Fund have been measured at market value, which refers to the amount that a willing buyer could reasonably be expected to pay to acquire an asset from a willing seller if the following assumptions were made:

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

Market value has been determined as follows:

- (i) shares and other securities listed on the Australian Securities Exchange by reference to the relevant market quotations at the end of the reporting period;
- (ii) units in managed funds by reference to the unit redemption price at the end of the reporting period;
- (iii) fixed-interest securities by reference to the redemption price at the end of the reporting period;
- (iv) unlisted investments are stated at trustees' assessment based on estimated market value at balance date or where necessary, an external valuer's opinion; and
- (v) investment properties at the trustees' assessment of the market value or where necessary a qualified independent valuer's opinion at the end of reporting period.

Financial liabilities, such as trade creditors and other payables, are measured at the gross value of the outstanding balance at the end of the reporting period. The trustees have determined that the gross values of the Fund's financial liabilities is equivalent to their market values. Any remeasurement changes in the gross values of non-current financial liabilities (including liabilities for members' accrued benefits) are recognised in the operating statement in the periods in which they occur.

b. Cash and Cash Equivalents

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

c. Revenue

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 recognised at the fair value of the consideration received or receivable.

Notes to the Financial Statements

For the year ended 30 June 2020

Interest revenue

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised upon receipt.

Dividend revenue

Dividend revenue is recognised when the dividend has been paid or, in the case of dividend reinvestment schemes, when the dividend is credited to the benefit of the fund.

Rental revenue

Rental revenue arising from operating leases on investment properties is recognised upon receipt.

Distribution revenue

Distributions from unit trusts and managed funds are recognised as at the date the unit value is quoted ex-distribution 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.

Remeasurement changes in market values

Remeasurement changes in the market values of assets are recognised as income and determined as the difference between the market value at year-end or consideration received (if sold during the year) and the market value as at the prior year-end or cost (if acquired during the period).

Contributions

Contributions and transfers 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.

d. Liability for Accrued Benefits

The liability for accrued benefits represents the Fund's present obligation to pay benefits to members and beneficiaries, and has been calculated as the difference between the carrying amount of the assets and the carrying amount of the other payables and income tax liabilities as at the end of the reporting period.

e. Critical Accounting 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. 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.

Note 2: Limited Recourse Borrowing Arrangements

	2020 \$	2019 \$
Borrowing Costs	451	1,076
	451	1,076

Note 3: Plant and Equipment (at written down value)

	2020 \$	2019 \$
Plant and Equipment (at written down value)	12,936	12,936

Notes to the Financial Statements

For the year ended 30 June 2020

Less: Accumulated Depreciation	(1,692)	(1,342)
	11,244	11,594
Note 4: Real Estate Properties (Australian - Residential)		
	2020	2019
	\$	\$
150/2 Melody Court, Warana QLD, Australia	425,000	425,000
95/8 Melody Court, Warana QLD, Australia	360,000	360,000
	785,000	785,000
Note 5: Shares in Listed Companies (Australian)		
	2020	2019
	\$	\$
Commonwealth Bank Of Australia.	5,692	6,457
	5,692	6,457
Note 6: Banks and Term Deposits		
	2020	2019
	\$	\$
Banks		
Commonwealth Bank Account No. 10218912	5,442	2,217
Commonwealth Bank Account No. 10218920	0	(27)
	5,442	2,190
Note 7: Liability for Accrued Benefits		
	2020	2019
	\$	\$
Liability for accrued benefits at beginning of year	602,217	495,351
Benefits accrued as a result of operations	179,566	106,865
Current year member movements	0	0
	781,783	602,217
Note 8: Vested Benefits		

Vested benefits are benefits that 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 end of the reporting period.

Notes to the Financial Statements

For the year ended 30 June 2020

	2020 \$	2019 \$
Vested Benefits	781,783	602,217
Note 9: Guaranteed Benefits		
No guarantees have been made in respect of any part of the liability for accrued benefits.		
Note 10: Dividends		
	2020 \$	2019 \$
Commonwealth Bank of Australia	340	321
	340	321
Note 11: Rental Income		
	2020 \$	2019 \$
150/2 Melody Court, Warana QLD, Australia	20,398	19,047
95/8 Melody Court, Warana QLD, Australia	19,404	17,903
	39,802	36,950
Note 12: Unrealised Movements in Market Value		
	2020 \$	2019 \$
Real Estate Properties (Australian - Residential)		
150/2 Melody Court, Warana QLD, Australia	0	50,000
95/8 Melody Court, Warana QLD, Australia	0	22,793
	0	72,793
Shares in Listed Companies (Australian)		
Commonwealth Bank Of Australia.	(1,068)	775
	(1,068)	775
Total Unrealised Movement	(1,068)	73,567
Realised Movements in Market Value		
	2020 \$	2019 \$
Total Realised Movement	0	0

Notes to the Financial Statements

For the year ended 30 June 2020

Changes in Market Values

(1,068)

73,567

Note 13: Income Tax Expense

The components of tax expense comprise	2020 \$	2019 \$
Current Tax	7,179	5,244
Income Tax Expense	7,179	5,244

The prima facie tax on benefits accrued before income tax is reconciled to the income tax as follows:

Prima facie tax payable on benefits accrued before income tax at 15%	28,012	16,816
Less:		
Tax effect of:		
Non Taxable Contributions	20,868	421
Increase in MV of Investments	0	11,035
Add:		
Tax effect of:		
Decrease in MV of Investments	160	0
Franking Credits	22	21
Rounding	(1)	0
Income Tax on Taxable Income or Loss	7,325	5,381
Less credits:		
Franking Credits	146	137
Current Tax or Refund	7,179	5,244

Trustees Declaration

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

The trustees declare that:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2020 present fairly, in all material respects, the financial position of the Superannuation Fund at 30 June 2020 and the results of its operations for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- (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 and associated Regulations during the year ended 30 June 2020.

Specifically, the trustees declare that:

- in accordance with s120 of the Superannuation Industry (Supervision) Act 1993, no individual trustee has been or is a disqualified person;
- the Fund has satisfactory title to all assets, all assets are unencumbered and free from charge as prescribed by s50 of the Superannuation Industry (Supervision) Act 1993 and reg13.14 of the Superannuation Industry (Supervision) Act 1994; and
- to the knowledge of the trustees, there have been no events or transactions subsequent to the balance date which could have a material impact on the Fund. Where such events have occurred, the effect of such events has been accounted and noted in the Fund's financial statements.

Signed in accordance with a resolution of the trustees by:

.....
Kelly Mitchell

Trustee

.....
William Lunt

Trustee

Dated this day of

Memorandum of Resolutions of

Kelly Mitchell and William Lunt

ATF MITCHELL LUNT SUPERANNUATION FUND



FINANCIAL STATEMENTS OF SUPERANNUATION FUND:

It was resolved that the financial statements would be prepared as special purpose financial statements as, in the opinion of the trustee(s), the Superannuation Fund is a non-reporting entity and therefore is not required to comply with all Australian Accounting Standards.

It was further resolved that the financial statements and notes to the financial statements of the Superannuation Fund in respect of the year ended 30 June 2020 thereon be adopted.

TRUSTEE'S DECLARATION:

It was resolved that the trustee's declaration of the Superannuation Fund be signed.

ANNUAL RETURN:

Being satisfied that the Fund had complied with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and Regulations during the year ended 30 June 2020, it was resolved that the annual return be approved, signed and lodged with the Australian Taxation Office.

TRUST DEED:

It was resolved that the advice received from the Fund's legal adviser confirming that the fund's trust deed is consistent with all relevant superannuation and trust law.

INVESTMENT STRATEGY:

The allocation of the Fund's assets and the Fund's investment performance over the financial year were reviewed and found to be within the acceptable ranges outlined in the investment strategy. After considering the risk, rate of return, diversification and liquidity of the investments and the ability of the Fund to discharge its existing liabilities, it was resolved that the investment strategy continues to reflect the purposes and circumstances of the Fund and its members. Accordingly, no changes in the investment strategy were required.

INSURANCE COVER:

The trustee(s) reviewed the current life and total and permanent disability insurance coverage on offer to the members and resolved that the current insurance arrangements were appropriate for the Fund.

ALLOCATION OF INCOME:

It was resolved that the income of the Fund would be allocated to the members based on their average daily balance (an alternative allocation basis may be percentage of opening balance).

INVESTMENT ACQUISITIONS:

It was resolved to ratify the investment acquisitions throughout the financial year ended 30 June 2020.

INVESTMENT DISPOSALS:

It was resolved to ratify the investment disposals throughout the financial year ended 30 June 2020.

TRUSTEE STATUS:

Each of the trustee(s) confirmed that they are qualified to act as trustee(s) of the Fund and that they are not disqualified persons as defined by s 120 of the SISA.

CONTRIBUTIONS RECEIVED:

It was resolved that the contributions during the year be allocated to members on the basis of the schedule provided by the principal Fund employer.

ACCEPTANCE OF ROLLOVERS:

The trustee has ensured that any rollover made to the Fund, meets the requirements of the Fund's deed and does not breach the superannuation laws in relation to:

1. making rollover between Funds; and,
2. breaching the Fund or the member investment strategy.

The trustee has reviewed the rollover and received advice that the rollover is in accordance with the Trust Deed and the rules of the Fund and the

**Memorandum of Resolutions of
Kelly Mitchell and William Lunt
ATF MITCHELL LUNT SUPERANNUATION FUND**



superannuation laws. As such the trustee has resolved to accept the rollover on behalf of the member.

PAYMENT OF BENEFITS:

The trustee has ensured that any payment of benefits made from the Fund, meets the requirements of the Fund's deed and does not breach the superannuation laws in relation to:

- 1. making payments to members; and,
- 2. breaching the Fund or the member investment strategy.

The trustee has reviewed the payment of the benefit and received advice that the transfer is in accordance with the Deed and the superannuation laws. As such the trustee has resolved to allow the payment of the benefits on behalf of the member.

CLOSURE:

Signed as a true record –

.....

Kelly Mitchell

/ /

.....

William Lunt

/ /

Members Statement

Kelly Mitchell

Your Details		Nominated Beneficiaries	N/A
Date of Birth :	30/06/1963	Vested Benefits	540,684
Age:	57	Total Death Benefit	540,684
Tax File Number:	Not Provided		
Date Joined Fund:	19/08/2013		
Service Period Start Date:	01/01/1987		
Date Left Fund:			
Member Code:	MITKEL00001A		
Account Start Date	19/08/2013		
Account Phase:	Accumulation Phase		
Account Description:	Accumulation		

Your Balance	
Total Benefits	540,684
<u>Preservation Components</u>	
Preserved	540,684
Unrestricted Non Preserved	
Restricted Non Preserved	
<u>Tax Components</u>	
Tax Free	208,845
Taxable	331,840

Your Detailed Account Summary		This Year	Last Year
Opening balance at	01/07/2019	370,589	298,880
<u>Increases to Member account during the period</u>			
Employer Contributions		2,000	6,356
Personal Contributions (Concessional)		23,000	18,600
Personal Contributions (Non Concessional)		139,123	2,804
Government Co-Contributions			
Other Contributions			
Proceeds of Insurance Policies			
Transfers In			
Net Earnings		11,565	48,212
Internal Transfer In			
<u>Decreases to Member account during the period</u>			
Pensions Paid			
Contributions Tax		3,750	3,743
Income Tax		1,843	519
No TFN Excess Contributions Tax			
Excess Contributions Tax			
Refund Excess Contributions			
Division 293 Tax			
Insurance Policy Premiums Paid			
Management Fees			
Member Expenses			
Benefits Paid/Transfers Out			
Superannuation Surcharge Tax			
Internal Transfer Out			
Closing balance at	30/06/2020	540,684	370,590

Members Statement

Trustee's Disclaimer

This statement has been prepared by the Trustee for the member whose name appears at the top of this statement. Every effort has been made by the Trustee to ensure the accuracy and completeness of this Statement. The Trustee does not accept any liability for any error, omission or misprint. All amounts shown in relation to benefits do not take into account any amounts which may be withheld to satisfy the requirements imposed by the Income Tax Assessment Act 1936.

Signed by all the trustees of the fund

Kelly Mitchell
Trustee

William Lunt
Trustee

Members Statement

William Lunt

Your Details

Your Details		Nominated Beneficiaries	N/A
Date of Birth :	26/09/1952	Vested Benefits	241,098
Age:	67	Total Death Benefit	241,098
Tax File Number:	Not Provided		
Date Joined Fund:	19/08/2013		
Service Period Start Date:	19/08/2013		
Date Left Fund:			
Member Code:	LUNWIL00001A		
Account Start Date	19/08/2013		
Account Phase:	Accumulation Phase		
Account Description:	Accumulation		

Your Balance

Total Benefits	241,098
<u>Preservation Components</u>	
Preserved	192,557
Unrestricted Non Preserved	48,541
Restricted Non Preserved	
<u>Tax Components</u>	
Tax Free	65,255
Taxable	175,843

Your Detailed Account Summary

	This Year	Last Year
Opening balance at 01/07/2019	231,627	196,472
<u>Increases to Member account during the period</u>		
Employer Contributions	5,693	5,230
Personal Contributions (Concessional)		
Personal Contributions (Non Concessional)		
Government Co-Contributions		
Other Contributions		
Proceeds of Insurance Policies		
Transfers In		
Net Earnings	5,510	31,045
Internal Transfer In		
<u>Decreases to Member account during the period</u>		
Pensions Paid		
Contributions Tax	854	784
Income Tax	878	334
No TFN Excess Contributions Tax		
Excess Contributions Tax		
Refund Excess Contributions		
Division 293 Tax		
Insurance Policy Premiums Paid		
Management Fees		
Member Expenses		
Benefits Paid/Transfers Out		
Superannuation Surcharge Tax		
Internal Transfer Out		
Closing balance at 30/06/2020	241,098	231,629

Members Statement

Trustee's Disclaimer

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Signed by all the trustees of the fund

Kelly Mitchell
Trustee

William Lunt
Trustee

MITCHELL LUNT SUPERANNUATION FUND Investment Income Report

As at 30 June 2020



Investment	Total Income	Franked	Unfranked	Interest/ Other	Franking Credits	Foreign Income	Foreign Credits * 1	Assessable Income (Excl. Capital Gains) * 2	TFN Deductions	Other	Distributed Capital Gains	Non- Assessable Payments
Dividends Received												
Commonwealth Bank of Australia	340.18	340.18			145.79			485.97		0.00		
Property Income	340.18	340.18			145.79			485.97		0.00		
150/2 Melody Court, Warana QLD, Australia	20,398.13							20,398.13				
Real Estate Properties (Australian - Residential)	20,398.13							20,398.13				
95/8M 95/8 Melody Court, Warana QLD, Australia	19,403.72							19,403.72				
	19,403.72							19,403.72				
	40,142.03	340.18			145.79			40,287.82		0.00		

Assessable Income (Excl. Capital Gains) **40,287.82**

Net Capital Gain **0.00**

Total Assessable Income 40,287.82

* 1 Includes foreign credits from foreign capital gains.

* 2 Assessable Income in the SMSF Annual Return will be different as capital gains and losses from disposals of assets have not been included.

For a breakdown of Distributed Capital Gains and Non-Assessable Payments refer to Distributions Reconciliation Report.

MITCHELL LUNT SUPERANNUATION FUND Investment Summary Report

As at 30 June 2020



Investment	Units	Market Price	Market Value	Average Cost	Accounting Cost	Unrealised Gain/(Loss)	Gain/(Loss)%	Portfolio Weight%
Cash/Bank Accounts								
Commonwealth Bank Account No. 10218912		5,442.450000	5,442.45	5,442.45	5,442.45			0.67 %
			5,442.45		5,442.45		0.00 %	0.67 %
Plant and Equipment (at written down value)								
Less: Accumulated Depreciation		(1,691.840000)	(1,691.84)	(1,691.84)	(1,691.84)			(0.21) %
Plant and Equipment (at written down value)		12,936.350000	12,936.35	12,936.35	12,936.35			1.60 %
			11,244.51		11,244.51		0.00 %	1.39 %
Real Estate Properties (Australian - Residential)								
150/2 Melody Court, Warana QLD, Australia		425,000.000000	425,000.00	425,000.00	425,000.00			52.64 %
95/8 Melody Court, Warana QLD, Australia	1.00	360,000.000000	360,000.00	337,207.35	337,207.35	22,792.65	6.76 %	44.59 %
			785,000.00		762,207.35	22,792.65	2.99 %	97.23 %
Shares in Listed Companies (Australian)								
AGKIYA.AX Commonwealth Bank Of Australia.	82.00	69.420000	5,692.44	73.00	5,986.04	(293.60)	(4.90) %	0.70 %
			5,692.44		5,986.04	(293.60)	(4.90) %	0.70 %
			807,379.40		784,880.35	22,499.05	2.87 %	100.00 %

Statement of Taxable Income

For the year ended 30 June 2020

	2020
	\$
Benefits accrued as a result of operations	186,746.00
Less	
Non Taxable Contributions	139,123.00
	<u>139,123.00</u>
Add	
Decrease in MV of investments	1,068.00
Franking Credits	146.00
	<u>1,214.00</u>
SMSF Annual Return Rounding	(2.00)
Taxable Income or Loss	<u>48,835.00</u>
Income Tax on Taxable Income or Loss	7,325.25
Less	
Franking Credits	145.79
	<u>7,179.46</u>
CURRENT TAX OR REFUND	<u>7,179.46</u>
Supervisory Levy	259.00
Income Tax Instalments Paid	(4,244.00)
AMOUNT DUE OR REFUNDABLE	<u>3,194.46</u>