

HAZELL SUPERANNUATION FUND

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2021**

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HAZELL SUPERANNUATION FUND

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HAZELL SUPERANNUATION FUND

OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
REVENUE			
Dividend income		56,765	88,173
Interest income		31,675	21,842
Trust distributions		16,504	-
Profit (Loss) on sale of shares		57,888	40,113
Changes in net market values	3	<u>804,400</u>	<u>(197,973)</u>
Total income		<u>967,232</u>	<u>(47,845)</u>
EXPENSES			
Accounting fees		6,765	6,765
Audit fees		418	418
Management fees		13,448	9,480
Sundry		-	65
Supervisory Levy		<u>259</u>	<u>259</u>
Total expenses		<u>20,890</u>	<u>16,987</u>
BENEFITS ACCRUED AS A RESULT OF OPERATIONS BEFORE INCOME TAX			
		946,342	(64,832)
Income tax benefit (expense)	2	<u>46,348</u>	<u>33,016</u>
BENEFITS ACCRUED AS A RESULT OF OPERATIONS		<u>992,690</u>	<u>(31,816)</u>

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
CURRENT ASSETS			
Cash at bank #1		39,640	59,417
CBA Mix		500	-
Mint		10,634	463
Shaws		62,764	28,719
Sundry debtors		2,768	2,473
Total current assets		<u>116,306</u>	<u>91,072</u>
NON-CURRENT ASSETS			
Shares in listed companies (at market values)	4	<u>3,487,074</u>	<u>2,610,235</u>
Total non-current assets		<u>3,487,074</u>	<u>2,610,235</u>
Total assets		<u>3,603,380</u>	<u>2,701,307</u>
LIABILITIES			
Sundry creditors & accruals		14,600	1,885
Provision for income tax	5	<u>(46,348)</u>	<u>(33,016)</u>
Total liabilities		<u>(31,748)</u>	<u>(31,131)</u>
Net assets available to pay benefits		<u>3,635,128</u>	<u>2,732,438</u>
<i>Represented by:</i>			
LIABILITY FOR ACCRUED MEMBERS' BENEFITS			
Allocated to members' accounts	6	<u>3,635,128</u>	<u>2,732,438</u>
		<u>3,635,128</u>	<u>2,732,438</u>

HAZELL SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The trustees have prepared the financial statements on the basis that the fund is a non reporting entity because there are no users dependent on general purpose financial reports. The financial report is therefore a special purpose financial report in order to meet the needs

The financial report has been prepared in accordance with the significant accounting policies disclosed below, which the trustees have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the prior period unless stated otherwise.

The financial statements are prepared on an accruals basis.

The accounting policies that have been adopted in preparation of the report are as follows:

(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:

- (i) Shares and other securities listed on the Australian Stock Exchange by reference to the relevant market quotation at the reporting date;
- (ii) Mortgage loans by reference to the outstanding principal of the loans;
- (iii) Units in managed funds by reference to the unit redemption price at the reporting date;
- (iv) Insurance policies by reference to an the surrender value of the policy;
- (v) Investment properties, plant and equipment at trustees' assessment of their realisable value.

(b) Liability for accrued benefits

The liability for accrued benefits is the superannuation 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 sundry liabilities and income tax liabilities as at the reporting date.

HAZELL SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *continued*

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

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

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 and loss. Any deferred income tax arising from market revaluations of investments are not recognised until a decision to sell the investment is made.

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 substantively enacted at reporting date. 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.

HAZELL SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 2 INCOME TAX EXPENSE		
Prima facie tax payable on operating result before income tax at 15%	141,951	(9,725)
Adjust for tax effect of:-		
Franking credits gross-up	6,952	4,952
Accounting profit on sale	(8,683)	(6,017)
Non assessable market value movements	(120,660)	28,053
Non-deductible expenses (re exempt pension income)	3,134	2,548
Exempt pension income	(22,694)	(19,811)
Franking credits	(46,348)	(33,016)
Income tax expense (benefit)	<u>(46,348)</u>	<u>(33,016)</u>
<i>The income tax expense comprises amounts set aside to:</i>		
Current tax	<u>(46,348)</u>	<u>(33,016)</u>
Income tax expense (benefit)	<u>(46,348)</u>	<u>(33,016)</u>

HAZELL SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 3 MOVEMENT IN NET MARKET VALUES OF INVESTMENTS		
Increase/(Decrease) in value of shares in listed companies		
<u>Pension Shares & Trusts</u>		
Shaws	<u>792,312</u>	<u>(187,018)</u>
<u>Pension Bonds</u>		
Australian Factoring Company	2,750	(3,000)
ANZ	5,038	(2,901)
Australian Secure Capital Fund	3,750	(3,900)
CML Group	425	(375)
National Australia Bank	-	(654)
Wealth PI Fund	125	(125)
	<u>12,088</u>	<u>(10,955)</u>
Total changes in net market value	<u><u>804,400</u></u>	<u><u>(197,973)</u></u>

HAZELL SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 4 INVESTMENTS		
<i>Shares in listed companies</i>		
<u>Pension Shares & Trust</u>		
Shaws see attached	<u>3,210,073</u>	<u>2,341,075</u>
<u>Pension Bonds</u>		
Australian Factoring Company	50,250	47,500
Australian Pacific Mortgage funds	50,000	-
ANZ	25,076	20,038
Australian Secure Capital Fund	51,250	47,500
CML Group	50,425	50,000
National Australia Bank	-	54,247
Wealth PI Fund	50,000	49,875
	<u>277,001</u>	<u>269,160</u>
Total share and trust investments	<u><u>3,487,074</u></u>	<u><u>2,610,235</u></u>

NOTE 5 PROVISIONS

Provision for income tax		
Opening balance	(33,016)	(42,770)
Refunds received	<u>33,016</u>	<u>42,770</u>
	-	-
Current year provision	<u>(46,348)</u>	<u>(33,016)</u>
Closing balance	<u><u>(46,348)</u></u>	<u><u>(33,016)</u></u>

HAZELL SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 6 MEMBERS' FUNDS		
Balance at the beginning of the year	2,732,438	2,860,932
Add: Benefits accrued as a result of operations	<u>992,690</u>	<u>(31,816)</u>
	3,725,128	2,829,116
Less: Benefits paid	<u>(90,000)</u>	<u>(96,678)</u>
Benefits accrued at the end of the period	<u><u>3,635,128</u></u>	<u><u>2,732,438</u></u>

HAZELL SUPERANNUATION FUND

TRUSTEE'S DECLARATION

The directors of the trustee company have determined that the fund is not a reporting entity. The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to these financial statements.

In the opinion of the directors of the trustee company:

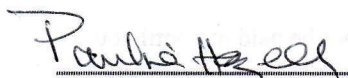
- (i) The financial statements and notes to the financial statements for the year ended 30 June 2021 present fairly the financial position of the Superannuation Fund at 30 June 2021 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 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 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 2021.

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



Geoff Hazell

SIGN
HERE



Pauline Hazell

SIGN
HERE

Dated 14 October 2021

HAZELL SUPERANNUATION FUND

MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
Geoff Hazell - Pension Phase		
<i>Date of birth</i>	<i>26 July 1939</i>	
Balance at beginning of the year	1,590,513	1,668,231
Allocated earnings	550,852	(37,780)
Pension payments	(55,700)	(59,178)
Income tax benefit (expense) on earnings	26,978	19,240
Balance at end of year	<u>2,112,643</u>	<u>1,590,513</u>
Tax free component	316,354	238,169
Taxable component	<u>1,796,289</u>	<u>1,352,344</u>
	<u>2,112,643</u>	<u>1,590,513</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 on or after age 55. The preservation age is to be increased from 55 to 60, on a phased in basis, by 2025.

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MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
Pauline Hazell (Pension)		
<i>Date of birth</i>	<i>20 August 1941</i>	
Balance at beginning of the year	1,141,925	1,192,701
Allocated earnings	395,490	(27,052)
Benefits Paid	(34,300)	(37,500)
Income tax benefit (expense) on earnings	19,370	13,776
Balance at end of year	<u>1,522,485</u>	<u>1,141,925</u>
Tax free component	645,394	484,072
Taxable component	<u>877,091</u>	<u>657,853</u>
	<u>1,522,485</u>	<u>1,141,925</u>

Withdrawal Benefit

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 - superannuation guarantee contributions
 - award contributions
 - other employer contributions made on your behalf
- and earnings (after income tax) associated with the above contributions.

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INVESTMENT POLICY STATEMENT

1 Membership profile

The fund has the following number of members	2
The members are	spouses
The members are aged	79 to 81

It is not intended that other members will be admitted to the Fund. The members have commenced being paid pensions.

2 Benefit design

The benefits provided by the aforementioned superannuation fund ("*the Fund*") principally consist of pension benefits.

The Trustee invests some Fund assets with regard to the need to realise the investments as required to fund pension payments to the members. The Trustee invests the remaining fund assets with regard to when the members plan to access funds for the purpose of paying benefits by lump sum or pension.

3 Future contributions

The pension members do not intend to contribute further amounts to the Fund. All members will be relying predominantly on investment returns of the Fund to produce benefits for their

4 Investment risk

Members bear the investment risk and rewards. Returns for the Fund's investments are added to members' accounts.

5 Investment objectives

The Fund's overall investments objective is to maximise investment return over the medium term to long term, while controlling the investment risk by investing across the range of asset classes. Specifically the Trustee intends:

- to achieve investment returns which exceed the rate of inflation (as measured by the change in the level of Average Weekly Earnings) by at least 2% per annum over periods of 5 years or more;
- to achieve an investments return (net of tax and charges) that exceeds cash rates where measured on a rolling 5 year basis.

Investment performance is monitored regularly.

INVESTMENT POLICY STATEMENT continued

6 Fund policy

- The Trustee will seek to maximise returns by following a growth oriented approach to investments, which means that investment in shares, property and/or trusts will be an integral part of the Fund's strategy. An occasional negative return may not be avoidable in order to secure the longer term benefits provided by such growth investments.

- The Trustee may retain the services of at least one professional portfolio manager who will have full responsibility for the investment of the assets. Any manager appointed will be expected to display the skills and expertise of a professional fully discretionary portfolio manager with investments objectives compatible with those of the Fund and to meet the requirements for investment managers under the Superannuation Industry (Supervision) Act 1993.

7 Insurance

The trustees have determined that it remains appropriate for the Fund not to hold insurance policies for the members.

8 Liquidity

The trustees are of the belief the fund has sufficient liquid investments having regard to its expected cash flow requirements.

9 Ability to discharge liabilities

The trustees are of the belief the fund is capable of discharging its existing and prospective liabilities as and when they fall due.