

**SMSF Tax Return****2018**

1 Jul 2017—30 Jun 2018

TFN Recorded

**PART A ELECTRONIC LODGMENT DECLARATION (FORM P, T, F, SMSF OR EX)**

This declaration is to be completed where the tax return is to be lodged via the Tax Office's electronic lodgment service (ELS). It is the responsibility of the taxpayer to retain this declaration for a period of five years after the declaration is made, penalties may apply for failure to do so.

**Privacy**

The ATO is authorised by the *Taxation Administration Act 1953* to request the provision of tax file numbers (TFNs). The ATO will use the TFNs to identify each partner or beneficiary or entity in our records. It is not an offence not to provide the TFNs. However, you cannot lodge your tax return electronically if you do not quote your TFN.

Taxation law authorises the ATO to collect information and to disclose it to other government agencies. For information about your privacy go to [ato.gov.au/privacy](http://ato.gov.au/privacy)

**The Australian Business Register**

The Commissioner of Taxation, as Registrar of the Australian Business Register, may use the ABN and business details which you provide on this tax return to maintain the integrity of the register.

Please refer to the privacy statement on the Australian Business Register (ABR) website ([www.abr.gov.au](http://www.abr.gov.au)) for further information – it outlines our commitment to safeguarding your details.

**Electronic Funds Transfer – Direct Debit**

Where you have requested an EFT direct debit some of your details will be provided to your financial institution and the Tax Office's sponsor bank to facilitate the payment of your taxation liability from your nominated account.

<u>Tax File Number</u>	<u>Name of partnership, trust, fund or entity</u>	<u>Year</u>
TFN Recorded	Ercai Superannuation Fund	2018

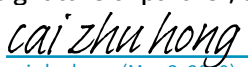
I authorise my tax agent to electronically transmit this tax return via the electronic lodgment service.

**Important**

Before making this declaration please check to ensure that all income has been disclosed and the tax return is true and correct in every detail. If you are in doubt about any aspect of the tax return, place all the facts before the Tax Office. The tax law provides heavy penalties for false or misleading statements on tax returns.

**Declaration - I declare that:**

- the information provided to my registered tax agent for the preparation of this tax return, including any applicable schedules is true and correct, and
- the agent is authorised to lodge this tax return.

<b>Signature of partner, trustee or director</b>  cai zhu hong (May 3, 2019)	<b>Date</b> May 3, 2019
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**PART B ELECTRONIC FUNDS TRANSFER CONSENT**

This declaration is to be completed when an electronic funds transfer EFT of a refund is requested and the tax return is being lodged through the electronic lodgment service ELS.

This declaration must be signed by the taxpayer prior to the EFT details being transmitted to the Tax Office. If you elect for an EFT, all details below must be completed.

**Important**

Care should be taken when completing EFT details as the payment of any refund, including any family tax benefit, will be made to the account specified.


**Agent Ref No.**

25578668

**Account Name**

ERCAI SUPER PTY LTD

I authorise the refund to be deposited directly to the account specified.

<b>Signature</b>  cai zhu hong (May 3, 2019)	<b>Date</b> May 3, 2019
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**PART D TAX AGENTS CERTIFICATE (SHARED FACILITIES USERS ONLY)****Client Ref**

ERCA0001

**Agent Ref No.**

25578668

**Contact Name**

Trident Financial Group Pty Ltd

**Contact No.**

0398994036

**Declaration - I declare that:**

- I have prepared this tax return and/or family tax benefit tax claim in accordance with the information supplied by the taxpayer
- I have received a declaration made by the taxpayer that the information provided to me for the preparation of this document is true and correct, and
- I am authorised by the taxpayer to lodge this tax return and any applicable schedules that are attached.

<b>Agent's Signature</b>	<b>Date</b>
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## Section A: Fund information

Period start				01/07/2017
Period end				30/06/2018
<b>1</b> TAX FILE NUMBER				TFN Recorded
<b>2</b> NAME OF SELF-MANAGED SUPERANNUATION FUND (SMSF)				Ercai Superannuation Fund
<b>3</b> AUSTRALIAN BUSINESS NUMBER				67 474 877 541
<b>4</b> CURRENT POSTAL ADDRESS				
<b>Address</b>	<b>Town/City</b>	<b>State</b>	<b>Postcode</b>	
22 Cochrane Street	Brighton	VIC	3186	
<b>5</b> ANNUAL RETURN STATUS				
Is this the first required return for a newly registered SMSF?				No
<b>6</b> SMSF AUDITOR				
Title				Mr
First name				ANTHONY WILLIAM
Family name				BOYS
SMSF auditor number				100014140
Contact number				04-10712700
<b>Auditor Address</b>	<b>Town/City</b>	<b>State</b>	<b>Postcode</b>	
PO Box 3376	RUNDE MALL	SA	5000	
Was part B of the audit report qualified?				<b>B</b> No
<b>7</b> ELECTRONIC FUNDS TRANSFER (EFT)				
<b>A. Financial institution details for super payments and tax refunds</b>				
Type				Client Account
BSB number				182512
Account number				962730156
Account name				ERCAI SUPER PTY LTD
<b>B. Financial institution details for tax refunds only</b>				
Type				Client Account
BSB number				182512
Account number				962730156
Account name				ERCAI SUPER PTY LTD
<b>8</b> STATUS OF SMSF				
Australian superannuation fund?				<b>A</b> Yes
Fund benefit structure				<b>B</b> A
Does the fund trust deed allow acceptance of the Government's Super Co-contribution and Low Income Super Contribution?				<b>C</b> Yes

## Section B: Income

### 11 INCOME

#### Prior year losses brought forward

Other Net Capital Losses		\$910,065.00
Did you have a CGT event during the year?	<b>G</b>	Yes
Net capital gain	<b>A</b>	\$0.00

#### Losses carried forward

Other Net Capital Losses		\$930,365.00
Gross rent and other leasing and hiring	<b>B</b>	\$16,536.00
Gross interest income	<b>C</b>	\$956.00
Unfranked dividends	<b>J</b>	\$239.00
Franked dividend income amount	<b>K</b>	\$1,773.00
Franking credit	<b>L</b>	\$760.00
Assessable contributions	(R1 + R2 + R3 less R6)	<b>R</b> \$50,000.00
Assessable employer contributions	<b>R1</b>	\$50,000.00
No-TFN-quoted contributions	<b>R3</b>	\$0.00
<b>Gross income</b>	<b>W</b>	<b>\$70,264.00</b>
<b>Total assessable income</b>	<b>V</b>	<b>\$70,264.00</b>

## Section C: Deductions and non-deductible expenses

### 12 DEDUCTIONS

		Deductions		Non-Deductible Expenses
Other depreciation		\$4,024.00		
Decline in value of depreciating assets	<b>E1</b>	\$4,024.00	<b>E2</b>	
Investment expenses	<b>I1</b>	\$2,954.00	<b>I2</b>	
Management and administration expenses	<b>J1</b>	\$53.00	<b>J2</b>	
Other amounts	<b>L1</b>		<b>L2</b>	\$8,720.00
				O - Other expenses not listed elsewhere
<b>Totals</b>	<b>N</b>	<b>\$7,031.00</b>	<b>Y</b>	<b>\$8,720.00</b>
<b>Total SMSF expenses</b>		(N + Y)	<b>Z</b>	<b>\$15,751.00</b>
<b>Taxable income or loss</b>		(TOTAL ASSESSABLE INCOME less TOTAL DEDUCTIONS)	<b>O</b>	<b>\$63,233.00</b>

## Section D: Income tax calculation statement

13 CALCULATION STATEMENT		
Taxable income		<b>A</b> \$63,233.00
Tax on taxable income		<b>T1</b> \$9,484.95
Tax on no-TFN-quoted contributions		<b>J</b> \$0.00
Gross tax		<b>B</b> \$9,484.95
<b>Subtotal</b>	<b>(B less C - cannot be less than zero)</b>	<b>T2</b> <b>\$9,484.95</b>
<b>Subtotal</b>	<b>(T2 less D - cannot be less than zero)</b>	<b>T3</b> <b>\$9,484.95</b>
<b>REFUNDABLE TAX OFFSETS</b>	<b>(E1 + E2 + E3 + E4)</b>	<b>E</b> \$759.67
Complying fund's franking credits tax offset		<b>E1</b> \$759.67
Tax Payable		<b>T5</b> \$8,725.28
Tax offset refunds (Remainder of refundable tax offsets)		<b>I</b> \$0.00
PAYG instalments raised		<b>K</b> \$8,784.00
Supervisory levy		<b>L</b> \$259.00
Supervisory levy adjustment for wound up funds		<b>M</b> \$0.00
Supervisory levy adjustment for new funds		<b>N</b> \$0.00
<b>Amount payable</b>		<b>S</b> <b>\$200.28</b>

## Section E: Losses

14 LOSSES		
Net capital losses carried forward to later income years		<b>V</b> \$930,365.00

## Section H: Assets and liabilities

15 ASSETS		
15b Australian direct investments		
Cash and term deposits		<b>E</b> \$117,792.00
Listed shares		<b>H</b> \$203,475.00
Non-residential real property		<b>K</b> \$358,785.00
Other assets		<b>O</b> \$24,355.00
15c Overseas direct investments		
Total Australian and overseas assets		<b>U</b> \$704,407.00

**16** LIABILITIES

Total member closing account balances	<b>W</b>	\$700,705.00
Other liabilities	<b>Y</b>	\$3,704.00
<b>Total liabilities</b>	<b>Z</b>	<b>\$704,409.00</b>

**Section K : Declarations****PREFERRED TRUSTEE OR DIRECTOR CONTACT DETAILS**

Title	Mr
First name	ZHU HONG
Family name	CAI
Non-individual trustee name	ERCAI SUPER PTY LTD
Contact number	03 98994036

**TAX AGENT'S CONTACT DETAILS**

Practice name	Trident Financial Group
Title	Mr
First name	Chin
Family name	He
Contact number	03 98994036

**Member 1 — CAI, RICHARD RUOJUN (TFN Recorded)**

Account status	Open
Tax File Number	TFN Recorded
<b>INDIVIDUAL NAME</b>	
Title	Mr
Given name	RICHARD
Other given names	RUOJUN
Family name	CAI
Suffix	
Date of birth	18 Nov 1985
Date of death	
<b>CONTRIBUTIONS</b>	
Opening account balance	\$5,442.00
Employer contributions	<b>A</b>
Principal Employer ABN	<b>A1</b>
Personal contributions	<b>B</b>
CGT small business retirement exemption	<b>C</b>
CGT small business 15 year exemption	<b>D</b>
Personal injury election	<b>E</b>
Spouse and child contributions	<b>F</b>
Other third party contributions	<b>G</b>
Assessable foreign superannuation fund amount	<b>I</b>
Non-assessable foreign superannuation fund amount	<b>J</b>
Transfer from reserve: assessable amount	<b>K</b>
Transfer from reserve: non-assessable amount	<b>L</b>
Contributions from non-complying funds and previously non-complying funds	<b>T</b>
Any other contributions (including Super Co-contributions and Low Income Super Contributions)	<b>M</b>
<b>Total Contributions</b>	<b>N</b>

**OTHER TRANSACTIONS**

Allocated earnings or losses	<b>O</b>	(\$97.00)
Inward rollovers and transfers	<b>P</b>	
Outward rollovers and transfers	<b>Q</b>	
TRIS Count		
Accumulation phase account balance	<b>S1</b>	\$5,345.00
Retirement phase account balance - Non CDBIS	<b>S2</b>	
Retirement phase account balance - CDBIS	<b>S3</b>	
Accumulation phase value	<b>X1</b>	
Retirement phase value	<b>X2</b>	
Lump Sum payment	<b>R1</b>	
Income stream payment	<b>R2</b>	
<b>Closing account balance</b>	<b>S</b>	<b>\$5,345.00</b>



**Member 2 — CAI, ZHU HONG (TFN Recorded)**

Account status	Open
Tax File Number	TFN Recorded
<b>INDIVIDUAL NAME</b>	
Title	Mr
Given name	ZHU
Other given names	HONG
Family name	CAI
Suffix	
Date of birth	13 Jan 1952
Date of death	
<b>CONTRIBUTIONS</b>	
Opening account balance	\$437,845.00
Employer contributions	<b>A</b> \$25,000.00
Principal Employer ABN	<b>A1</b>
Personal contributions	<b>B</b>
CGT small business retirement exemption	<b>C</b>
CGT small business 15 year exemption	<b>D</b>
Personal injury election	<b>E</b>
Spouse and child contributions	<b>F</b>
Other third party contributions	<b>G</b>
Assessable foreign superannuation fund amount	<b>I</b>
Non-assessable foreign superannuation fund amount	<b>J</b>
Transfer from reserve: assessable amount	<b>K</b>
Transfer from reserve: non-assessable amount	<b>L</b>
Contributions from non-complying funds and previously non-complying funds	<b>T</b>
Any other contributions (including Super Co-contributions and Low Income Super Contributions)	<b>M</b>
<b>Total Contributions</b>	<b>N</b> <b>\$25,000.00</b>

**OTHER TRANSACTIONS**

Allocated earnings or losses	<b>O</b>	(\$11,587.00)
Inward rollovers and transfers	<b>P</b>	
Outward rollovers and transfers	<b>Q</b>	
TRIS Count		
Accumulation phase account balance	<b>S1</b>	\$451,258.00
Retirement phase account balance - Non CDBIS	<b>S2</b>	
Retirement phase account balance - CDBIS	<b>S3</b>	
Accumulation phase value	<b>X1</b>	
Retirement phase value	<b>X2</b>	
Lump Sum payment	<b>R1</b>	
Income stream payment	<b>R2</b>	
<b>Closing account balance</b>	<b>S</b>	<b>\$451,258.00</b>

**Member 3 — ZHENG, XIAOHUI (TFN Recorded)**

Account status	Open
Tax File Number	TFN Recorded
<b>INDIVIDUAL NAME</b>	
Title	Ms
Given name	XIAOHUI
Other given names	
Family name	ZHENG
Suffix	
Date of birth	28 Sep 1954
Date of death	
<b>CONTRIBUTIONS</b>	
Opening account balance	\$226,927.00
Employer contributions	<b>A</b> \$25,000.00
Principal Employer ABN	<b>A1</b>
Personal contributions	<b>B</b>
CGT small business retirement exemption	<b>C</b>
CGT small business 15 year exemption	<b>D</b>
Personal injury election	<b>E</b>
Spouse and child contributions	<b>F</b>
Other third party contributions	<b>G</b>
Assessable foreign superannuation fund amount	<b>I</b>
Non-assessable foreign superannuation fund amount	<b>J</b>
Transfer from reserve: assessable amount	<b>K</b>
Transfer from reserve: non-assessable amount	<b>L</b>
Contributions from non-complying funds and previously non-complying funds	<b>T</b>
Any other contributions (including Super Co-contributions and Low Income Super Contributions)	<b>M</b>
<b>Total Contributions</b>	<b>N</b> <b>\$25,000.00</b>

**OTHER TRANSACTIONS**

Allocated earnings or losses	<b>O</b>	(\$7,825.00)
Inward rollovers and transfers	<b>P</b>	
Outward rollovers and transfers	<b>Q</b>	
TRIS Count		
Accumulation phase account balance	<b>S1</b>	\$244,102.00
Retirement phase account balance - Non CDBIS	<b>S2</b>	
Retirement phase account balance - CDBIS	<b>S3</b>	
Accumulation phase value	<b>X1</b>	
Retirement phase value	<b>X2</b>	
Lump Sum payment	<b>R1</b>	
Income stream payment	<b>R2</b>	
<b>Closing account balance</b>	<b>S</b>	<b>\$244,102.00</b>

# Capital Gains Tax Schedule

1 CURRENT YEAR CAPITAL GAINS AND CAPITAL LOSSES	Capital gains	Capital losses
Shares in companies listed on an Australian securities exchange	<b>A</b>	<b>K</b> \$12,515.00
Other shares	<b>B</b>	<b>L</b>
Units in unit trusts listed on an Australian securities exchange	<b>C</b>	<b>M</b>
Other units	<b>D</b>	<b>N</b>
Real estate situated in Australia	<b>E</b>	<b>O</b>
Other real estate	<b>F</b>	<b>P</b>
Amount of capital gains from a trust (including a managed fund)	<b>G</b>	
Collectables	<b>H</b>	<b>Q</b>
Other CGT assets and any other CGT events	<b>I</b>	<b>R</b> \$7,785.00
Amount of capital gain previously deferred under transitional CGT relief for superannuation funds	<b>S</b>	
<b>Total current year</b>	<b>J</b>	<b>A</b> \$20,300.00
<b>2 CAPITAL LOSSES</b>		
Total current year capital losses applied		<b>B</b> \$0.00
Total prior year net capital losses applied		<b>C</b> \$0.00
Total capital losses transferred in applied (only for transfers involving a foreign bank branch or permanent establishment of a foreign financial entity)		<b>D</b>
<b>Total capital losses applied</b>		<b>E</b> \$0.00
<b>3 UNAPPLIED NET CAPITAL LOSSES CARRIED FORWARD</b>		
Net capital losses from collectables carried forward to later income years		<b>A</b>
Other net capital losses carried forward to later income years		<b>B</b> \$930,365.00
<b>4 CGT DISCOUNT</b>		
Total CGT discount applied		<b>A</b>
<b>5 CGT CONCESSIONS FOR SMALL BUSINESS</b>		
Small business active asset reduction		<b>A</b>
Small business retirement exemption		<b>B</b>
Small business rollover		<b>C</b>
<b>Total small business concessions applied</b>		<b>D</b> \$0.00
<b>6 NET CAPITAL GAIN</b>		
		<b>A</b> \$0.00
1J less 2E less 4A less 5D (cannot be less than zero). Amount will appear at label A, Net capital gain on your tax return		
<b>7 EARNOUT ARRANGEMENTS</b>		
Income year earnout right created		<b>F</b>
Amended net capital gain or capital losses carried forward		<b>G</b>

**8 OTHER CGT INFORMATION REQUIRED (IF APPLICABLE)**

Small business 15 year exemption – exempt capital gains	<b>A</b>
Capital gains disregarded by a foreign resident	<b>B</b>
Capital gains disregarded as a result of a scrip for scrip rollover	<b>C</b>
Capital gains disregarded as a result of an inter-company asset rollover	<b>D</b>
Capital gains disregarded by a demerging entity	<b>E</b>

# Losses schedule

## Part A Losses carried forward to the 2018–19 income year

### 1 TAX LOSSES CARRIED FORWARD TO LATER INCOME YEARS

2017–2018	<b>B</b>	
2016–2017	<b>C</b>	
2015–2016	<b>D</b>	
2014–2015	<b>E</b>	
2013–2014	<b>F</b>	
2012–2013 and earlier years	<b>G</b>	
<b>Total</b>	<b>U</b>	

### 2 NET CAPITAL LOSSES CARRIED FORWARD TO LATER INCOME YEARS

2017–2018	<b>H</b>	\$930,365.00
2016–2017	<b>I</b>	
2015–2016	<b>J</b>	
2014–2015	<b>K</b>	
2013–2014	<b>L</b>	
2012–2013 and earlier years	<b>M</b>	
<b>Total</b>	<b>V</b>	<b>\$930,365.00</b>

## Part B Ownership and same business test

### 1 WHETHER CONTINUITY OF MAJORITY OWNERSHIP TEST PASSED

2017–2018	<b>A</b>
2016–2017	<b>B</b>
2015–2016	<b>C</b>
2014–2015	<b>D</b>
2013–2014	<b>E</b>
2012–2013 and earlier years	<b>F</b>

### 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	<b>G</b>
Net capital losses	<b>H</b>

### 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	<b>I</b>
Net capital losses	<b>J</b>

### 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)?	<b>K</b>
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**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?	<b>L</b>
At the changeover time did the company satisfy the maximum net asset value test under section 152-15 of ITAA 1997?	<b>M</b>
If you selected No at M, has the company determined it had an unrealised net loss at the changeover time?	<b>N</b>
If you selected Yes at N, what was the amount of unrealised net loss calculated under section 165-115E of ITAA 1997?	<b>O</b>

**Part D Life insurance companies**

Complying superannuation class tax losses carried forward to later income years	<b>P</b>
Complying superannuation net capital losses carried forward to later income years	<b>Q</b>

**Part E Controlled foreign company losses**

Current year CFC losses	<b>M</b>
CFC losses deducted	<b>N</b>
CFC losses carried forward	<b>O</b>

**Part F Tax losses reconciliation statement**

Balance of tax losses brought forward from the prior income year	<b>A</b>	
<b>ADD</b> Uplift of tax losses of designated infrastructure project entities	<b>B</b>	
<b>SUBTRACT</b> Net forgiven amount of debt	<b>C</b>	
<b>ADD</b> Tax loss incurred (if any) during current year	<b>D</b>	
<b>SUBTRACT</b> Tax losses carried back	<b>K</b>	
<b>ADD</b> Tax loss amount from conversion of excess franking offsets	<b>E</b>	
<b>SUBTRACT</b> Net exempt income	<b>F</b>	
<b>SUBTRACT</b> Tax losses forgone	<b>G</b>	
<b>SUBTRACT</b> Tax losses deducted	<b>H</b>	
<b>SUBTRACT</b> Tax losses transferred out under Subdivision 170-A (only for transfers involving a foreign bank branch or a PE of a foreign financial entity)	<b>I</b>	
<b>Total tax losses carried forward to later income years</b>	<b>J</b>	<b>\$0.00</b>



## Worksheets

### 11 INCOME

#### B Gross rent and other leasing and hiring

Description	Amount
Total Rent Received \$34563.minus \$ 18027 NRAS income - Tax Free	\$16,536.00
<b>Total</b>	<b>\$16,536.00</b>

### 12 DEDUCTIONS

#### OTHER DEPRECIATION

Description	Deductible	Non deductible
Automatic	\$4,024.00	\$0.00
<b>Total</b>	<b>\$4,024.00</b>	<b>\$0.00</b>

**ERCAI SUPERANNUATION FUND**

**FINANCIAL STATEMENTS**

**AND REPORTS**

**FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018**

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Trident Financial Group  
Level 1, 21 Shierlaw Avenue  
Canterbury VIC 3126

# ERCAI SUPERANNUATION FUND FINANCIAL STATEMENTS INDEX

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Detailed Statement of Financial Position  
Detailed Operating Statement  
Notes to the Financial Statements  
Trustees Declaration  
Compilation Report  
Statement of Taxable Income  
Members Statements  
Members Summary Report  
Member Contribution Caps Report  
Investment Summary Report (with yields)  
Investment Summary Report

**ERCAI SUPERANNUATION FUND**  
**DETAILED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Investments</b>		
Other Assets		
Foreign Currency - Go Market	4,678	2,463
	4,678	2,463
Real Estate Properties (Australian)		
C811/609 Victoria Street, Abbotsford	397,661	397,661
Less: Accumulated Depreciation	(38,876)	(30,464)
	358,785	367,197
Shares in Listed Companies (Australian)		
Reckon Limited	11,882	26,705
Thorn Group Limited	6,750	29,588
Paladin Emergy Limited	175	2,300
NEW CREST - NCM	184,668	170,775
	203,475	229,368
	566,938	599,028
<b>Other Assets</b>		
Cash at Bank - MQG 962730156	117,792	78,256
Formation Expenses	1,650	1,650
Sundry Debtors	18,027	-
	137,469	79,906
	137,469	79,906
<b>Total Assets</b>	704,407	678,934
<b>Less:</b>		
<b>Liabilities</b>		
Income Tax Payable (Note 7)	1,249	8,461
PAYG Payable	2,196	-
Sundry Creditors	259	259
	3,704	8,720
	3,704	8,720
<b>Net Assets Available to Pay Benefits</b>	700,703	670,214
<b>Represented by:</b>		
<b>Liability for Accrued Benefits (Notes 2, 3, 4)</b>		
Cai, Zhu Hong	451,257	437,846
Zheng, Xiaohui	244,101	226,926
Cai, Richard Ruojun	5,345	5,442
	700,703	670,214

The accompanying notes form part of these financial statements

**ERCAI SUPERANNUATION FUND**  
**DETAILED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018**

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2018	2017
\$	\$
<hr/> 700,703	<hr/> 670,214

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The accompanying notes form part of these financial statements

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**ERCAI SUPERANNUATION FUND**  
**DETAILED OPERATING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Income</b>		
Capital Gains/(Losses) - Taxable		
Foreign Currency - Go Market	(7,785)	(867,537)
Paladin Energy Limited	(12,515)	-
	(20,299)	(867,537)
Dividends Received		
NEW CREST - NCM	2,209	1,661
Reckon Limited	-	612
Thorn Group Limited	562	1,848
	2,772	4,122
Employer Contributions - Concessional		
Cai, Zhu Hong	25,000	-
Zheng, Xiaohui	25,000	15,936
	50,000	15,936
Interest Received		
Cash at Bank - MQG 962730156	956	699
Macquarie Prime Account 465122018	-	2,906
	956	3,605
Member/Personal Contributions - Concessional (Taxable)		
Cai, Zhu Hong	-	35,000
	-	35,000
Member/Personal Contributions - Non Concessional (Undeducted)		
Cai, Zhu Hong	-	150,000
Zheng, Xiaohui	-	150,000
	-	300,000
Rent Received		
C811/609 Victoria Street, Abbotsford	34,563	24,299
	34,563	24,299
Revaluations		
Other Assets		
Foreign Currency - Go Market	(7,785)	(867,537)
	(7,785)	(867,537)
	(8,412)	(9,084)
Shares in Listed Companies (Australian)		

The accompanying notes form part of these financial statements

**ERCAI SUPERANNUATION FUND  
DETAILED OPERATING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
NEW CREST - NCM	13,892	(24,058)
Paladin Energy Limited	10,390	(6,950)
Reckon Limited	(14,822)	-
Thorn Group Limited	(22,838)	-
	<u>(13,378)</u>	<u>(31,008)</u>
Other Investment		
Other Revaluation	16,197	876,621
	<u>16,197</u>	<u>876,621</u>
	<u>(13,378)</u>	<u>(31,008)</u>
	63,024	(506,500)
<b>Expenses</b>		
Accountancy Fees	-	1,862
Administration Costs	48	-
ATO Supervisory Levy	-	259
Bank Charges	5	5
Depreciation		
C811/609 Victoria Street, Abbotsford	4,024	5,428
	<u>4,024</u>	<u>5,428</u>
Investment Expenses		
C811/609 Victoria Street, Abbotsford	2,954	3,796
	<u>2,954</u>	<u>3,796</u>
Non Deductible Expenses	7,608	6,214
	<u>14,639</u>	<u>17,564</u>
<b>Benefits Accrued as a Result of Operations before Income Tax</b>	48,385	(524,064)
<b>Income Tax (Note 7)</b>		
Income Tax Expense	9,485	9,274
	<u>9,485</u>	<u>9,274</u>
<b>Benefits Accrued as a Result of Operations</b>	<u>38,900</u>	<u>(533,338)</u>

The accompanying notes form part of these financial statements

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

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**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 unless stated otherwise and are based on historical costs, except for investments which have been measured at market values.

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 trustees/ directors of the trustee company

**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 values, 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 are 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. investment properties at the trustees' assessment of their realizable value.

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

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

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Interest revenue

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised as it accrues.

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 trusts 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 net 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).

**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. Goods and Services Tax (GST)**

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

The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or other payables in the statement of financial position.

**f. 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.

**2. Liability for Accrued Benefits**

Changes in the Liability for Accrued Benefits are as follows:

	2018	2017
	\$	\$
Liability for Accrued Benefits at beginning of period	670,214	1,212,635

Add:

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

Benefits Accrued as a Result of Operations	30,490	(542,421)
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	700,704	670,214

**3. Vested Benefits**

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

	2018	2017
	\$	\$
Vested Benefits	700,704	670,214
	700,704	670,214

**4. Guaranteed Benefits**

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

**5. Changes in Market Values**

Investments and other assets of the fund are valued at the end of the reporting period as described in Note 1 - Summary of Significant Accounting Policies. A detailed schedule of investments is attached to these financial statements. A summary of the change in Market Values is as follows:

	2018	2017
	\$	\$
Other Assets	(7,785)	(867,537)
Real Estate Properties (Australian)	(8,412)	-
Shares in Listed Companies (Australian)	(13,378)	(31,008)
	(29,575)	(898,545)

**6. Funding Arrangements**

The employer and members contributed to the fund a percentage of the gross salaries of the employees who were members of the fund as follows:

	2018	2017
	\$	\$
Employer		
Members		

**7. Income Tax**

Income Tax is payable by the superannuation fund at the

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

rate of 15% on the contributions received and the income of the fund. There has been no change in the Income Tax rate during the year.

The Income Tax payable by the superannuation fund has been calculated as follows:

	2018	2017
	\$	\$
Benefits accrued as a result of operations before income tax	39,975	(533,147)
Prima facie income tax on accrued benefits	5,996	(79,972)
Add/(Less) Tax Effect of:		
Member/Personal Contributions - Non Concessional (Undeducted)	-	(45,000)
Rent Received	-	(1,467)
Decrease in Market Value of Investments	2,007	4,651
Non Deductible Expenses	1,141	932
Tax Adjustments	(2,704)	-
Accounting (Profits)/Losses on Sale of Investments	3,045	130,131
	3,489	89,247
Income Tax Expense	9,485	9,275

Income tax expense comprises:

Income Tax Payable/(Refundable)	(59)	8,720
Imputed Credits	760	554
Tax Instalments Paid	8,784	-
	9,485	9,275

**8. Reconciliation of Net Cash provided by Operating Activities to Benefits Accrued from Operations after Income Tax**

	2018	2017
	\$	\$
Benefits accrued from operations after income tax	30,490	(542,421)
Add/(Less) non cash amounts included in benefits accrued from operations		
Capital Gains/(Losses) - Taxable	28,084	1,735,074
Rent Received	(18,027)	-
ATO Supervisory Levy	-	259
Decrease in Market Value of Investments	13,378	31,008
Depreciation	4,024	5,428
Investment Expenses	(3,220)	(2,557)
Non Deductible Expenses	7,608	6,214
Income Tax Expense	9,485	9,275

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

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Other non cash items	(22,286)	(876,798)
	<u>19,046</u>	<u>907,901</u>
Net cash provided by operating activities	<u>49,536</u>	<u>365,480</u>

**9. Reconciliation of Cash**

For the purpose of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related item in the Statement of Financial Position or Statement of Net Assets as follows:

	2018	2017
	\$	\$
Cash	<u>117,792</u>	<u>78,256</u>

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**ERCAI SUPERANNUATION FUND**  
**TRUSTEE: ERCAI SUPER PTY LTD**  
**ACN: 167 122 107**  
**TRUSTEES DECLARATION**

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

The directors of the trustee company declare that:

- i. the financial statements and notes to the financial statements for the year ended 30 June 2018 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2018 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 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 2018.

Specifically, the **trustees** declare that:

- in accordance with s 120 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 s 50 of the *Superannuation (Supervision) Act 1993* and reg 13.14 of the *Superannuation Industry (Supervision) Regulations 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 directors of the trustee company by:

  
cai zhu hong (May 3, 2019)

Ercai Super Pty Ltd  
Ercai Super Pty Ltd  
Director

DATED: 02/05/2019

**ERCAI SUPERANNUATION FUND**  
**COMPILATION REPORT TO THE MEMBER(S) OF ERCAI SUPERANNUATION FUND**

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We have compiled the accompanying special purpose financial statements of ERCAI SUPERANNUATION FUND, which comprise the statement of financial position as at 30 June 2018, the operating statement for the year then ended, 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 the Trustee(s)*

The Trustee (s) of the ERCAI SUPERANNUATION FUND is 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 used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

*Our Responsibility*

On the basis of information provided by the Trustee(s), we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework 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 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 of the trustee company 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.

of

Dated:     /     /

**ERCAI SUPERANNUATION FUND  
STATEMENT OF TAXABLE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018**

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	2018
	\$
Benefits Accrued as a Result of Operations before Income Tax	39,975.00
<b>Less:</b>	
Tax adjustment Income - Gross rent (B)	(18,027.00)
	<u>(18,027.00)</u>
	21,948.00
<b>Add:</b>	
Decrease in Market Value of Investments	13,378.00
Non Deductible Expenses	7,608.00
Accounting Capital Losses	20,299.00
	<u>41,285.00</u>
<b>Taxable Income</b>	<b><u>63,233.00</u></b>
<b>Tax Payable on Taxable Income</b>	<b>9,484.95</b>
<b>Less:</b>	
Imputed Credits	759.67
Instalments Paid	8,784.00
	<u>9,543.67</u>
<b>Income Tax Payable/(Refund)</b>	<b><u>(58.72)</u></b>
<b>Add:</b>	
Supervisory levy	259.00
<b>Total Amount Due or Refundable</b>	<b><u>200.28</u></b>

**Member's Statement**  
**ERCAI SUPERANNUATION FUND**

**MR ZHU HONG CAI**  
**22 COCHRANE STREET**  
**BRIGHTON VIC 3186**

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2018 and for the reporting period 1 July 2017 to 30 June 2018.

<b>Your Details</b>		<b>Your Balance</b>	
Date of Birth	13 January 1952	<b>Total Benefits</b>	<b>\$451,258</b>
Tax File Number	170054356	Comprising:	
Date Joined Fund	6 December 2013	- Preserved	\$847,994
Service Period Start Date		- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	\$(396,736)
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	\$517,531
Current Salary		- Taxable Component*	\$(66,273)
Vested Amount	\$451,258		
Insured Death Benefit			
Total Death Benefit	\$451,258		
Disability Benefit			
Nominated Beneficiaries			

\*Your withdrawal benefit would include a Tax Free Component of \$451,258 and a Taxable Component of \$0

<b>Your Detailed Account</b>	<b>Preserved</b>	<b>Restricted Non Preserved</b>	<b>Unrestricted Non Preserved</b>	<b>Total</b>
Opening Balance at 1 July 2017	847,994		(410,149)	437,845
<u>Add: Increases to Member's Account</u>				
<u>During the Period</u>				
Concessional Contributions			25,000	25,000
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period			(6,542)	(6,542)
Transfers in and transfers from reserves				
			18,458	18,458
	847,994		(391,691)	456,303
<u>Less: Decreases to Member's Account</u>				
<u>During the Period</u>				
Benefits/Pensions Paid				
Contributions Tax			3,750	3,750
Income Tax			1,295	1,295
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
			5,045	5,045
<b>Member's Account Balance at 30/06/2018</b>	<b>847,994</b>		<b>(396,736)</b>	<b>451,258</b>

Reference: ERCA0001 / 501



**Availability of Other Fund Information**

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

**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

*cai zhu hong*

cai zhu hong (May 3, 2019)

Ercai Super Pty Ltd  
Director

Statement Date: 2 May 2019

**Member's Statement**  
**ERCAI SUPERANNUATION FUND**

**MS XIAOHUI ZHENG**  
**22 COCHRANE STREET**  
**BRIGHTON VIC 3186**

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2018 and for the reporting period 1 July 2017 to 30 June 2018.

<b>Your Details</b>		<b>Your Balance</b>	
Date of Birth	28 September 1954	<b>Total Benefits</b>	<b>\$244,101</b>
Tax File Number	199370428	Comprising:	
Date Joined Fund	6 December 2013	- Preserved	\$244,101
Service Period Start Date		- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	\$350,281
Current Salary		- Taxable Component*	\$(106,179)
Vested Amount	\$244,101		
Insured Death Benefit			
Total Death Benefit	\$244,101		
Disability Benefit			
Nominated Beneficiaries			

\*Your withdrawal benefit would include a Tax Free Component of \$244,101 and a Taxable Component of \$0

<b>Your Detailed Account</b>	<b>Preserved</b>	<b>Restricted Non Preserved</b>	<b>Unrestricted Non Preserved</b>	<b>Total</b>
Opening Balance at 1 July 2017	226,926			226,926
<u>Add: Increases to Member's Account</u>				
<u>During the Period</u>				
Concessional Contributions	25,000			25,000
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period	(3,402)			(3,402)
Transfers in and transfers from reserves				
	21,598			21,598
	248,525			248,525
<u>Less: Decreases to Member's Account</u>				
<u>During the Period</u>				
Benefits/Pensions Paid				
Contributions Tax	3,750			3,750
Income Tax	674			674
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
	4,424			4,424
<b>Member's Account Balance at 30/06/2018</b>	<b>244,101</b>			<b>244,101</b>

Reference: ERCA0001 / 502

**Availability of Other Fund Information**

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

**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

*cai zhu hong*  
cai zhu hong (May 3, 2019)

Ercai Super Pty Ltd  
Director

Statement Date: 2 May 2019

**Member's Statement**  
**ERCAI SUPERANNUATION FUND**

**MR RICHARD RUOJUN CAI**  
**22 COCHRANE STREET**  
**BRIGHTON VIC 3186**

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2018 and for the reporting period 1 July 2017 to 30 June 2018.

<b>Your Details</b>		<b>Your Balance</b>	
Date of Birth	18 November 1985	<b>Total Benefits</b>	<b>\$5,345</b>
Tax File Number	353660214	Comprising:	
Date Joined Fund	6 December 2013	- Preserved	\$5,345
Service Period Start Date		- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	\$1,256
Current Salary		- Taxable Component	\$4,088
Vested Amount	\$5,345		
Insured Death Benefit			
Total Death Benefit	\$5,345		
Disability Benefit			
Nominated Beneficiaries			

<b>Your Detailed Account</b>	<b>Preserved</b>	<b>Restricted Non Preserved</b>	<b>Unrestricted Non Preserved</b>	<b>Total</b>
Opening Balance at 1 July 2017	5,442			5,442
<u>Add: Increases to Member's Account</u>				
<u>During the Period</u>				
Concessional Contributions				
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period	(81)			(81)
Transfers in and transfers from reserves				
	(81)			(81)
	5,361			5,361
<u>Less: Decreases to Member's Account</u>				
<u>During the Period</u>				
Benefits/Pensions Paid				
Contributions Tax				
Income Tax	16			16
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
	16			16
<b>Member's Account Balance at 30/06/2018</b>	<b>5,345</b>			<b>5,345</b>

Reference: ERCA0001 / 503

**Availability of Other Fund Information**

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

**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

  
cai zhu hong (May 3, 2019)

Ercai Super Pty Ltd  
Director

Statement Date: 2 May 2019



**ERCAI SUPERANNUATION FUND**  
**Member Contribution Caps Report**  
**RICHARD RUOJUN CAI at 30/06/2018**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Age	32	31	30	29	28
<b>Concessional Cap</b>	<b>25,000.00</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>25,000.00</b>
YTD Concessional Contributions	0.00	0.00	0.00	0.00	1,985.00
Excess Concessional Contributions	0.00	0.00	0.00	0.00	0.00
Amount of Concessional Cap remaining	25,000.00	30,000.00	30,000.00	30,000.00	23,015.00

	2018	2017	2016	2015	2014
<i>Total Super Balance as at 30/06/201X* Based on previous financial year balance</i>	5,442.04	N/A	N/A	N/A	N/A
General Transfer Cap Limit	1,600,000.00	N/A	N/A	N/A	N/A
<b>Non-Concessional Cap</b>	<b>100,000.00</b>	<b>180,000.00</b>	<b>180,000.00</b>	<b>180,000.00</b>	<b>150,000.00</b>
YTD Non-Concessional Contributions including Excess Concessional Contributions	0.00	0.00	0.00	0.00	0.00
Excess Non-Concessional Contributions	0.00	0.00	0.00	0.00	0.00
Amount of Non-Concessional Cap remaining	100,000.00	180,000.00	180,000.00	180,000.00	150,000.00



**ERCAI SUPERANNUATION FUND**  
**Member Contribution Caps Report**  
**ZHU HONG CAI at 30/06/2018**

	2018	2017	2016	2015	2014
Age	66	65	64	63	62
<b>Concessional Cap</b>	<b>25,000.00</b>	<b>35,000.00</b>	<b>35,000.00</b>	<b>35,000.00</b>	<b>35,000.00</b>
YTD Concessional Contributions	25,000.00	35,000.00	35,000.00	35,000.00	10,000.00
Excess Concessional Contributions	0.00	0.00	0.00	0.00	0.00
Amount of Concessional Cap remaining	0.00	0.00	0.00	0.00	25,000.00

	2018	2017	2016	2015	2014
<i>Total Super Balance as at 30/06/201X* Based on previous financial year balance</i>	437,845.11	N/A	N/A	N/A	N/A
General Transfer Cap Limit	1,600,000.00	N/A	N/A	N/A	N/A
<b>Non-Concessional Cap</b>	<b>100,000.00</b>	<b>180,000.00</b>	<b>180,000.00</b>	<b>180,000.00</b>	<b>150,000.00</b>
YTD Non-Concessional Contributions including Excess Concessional Contributions	0.00	150,000.00	0.00	245,000.00	120,000.00
Excess Non-Concessional Contributions	0.00	0.00	0.00	65,000.00	0.00
Amount of Non-Concessional Cap remaining	100,000.00	30,000.00	180,000.00	0.00	30,000.00
<b>NCC Bring Forward Cap</b>		<b>540,000.00</b>	<b>540,000.00</b>	<b>540,000.00</b>	
Total Bring Forward Non-Concessional Contributions		395,000.00	245,000.00	245,000.00	
Excess Non-Concessional Contributions		0.00	0.00	0.00	
Amount of Non-Concessional Cap remaining		145,000.00	295,000.00	295,000.00	

**ERCAI SUPERANNUATION FUND**  
**Member Contribution Caps Report**  
**XIAOHUI ZHENG at 30/06/2018**

	2018	2017	2016	2015	2014
Age	63	62	61	60	59
<b>Concessional Cap</b>	<b>25,000.00</b>	<b>35,000.00</b>	<b>35,000.00</b>	<b>35,000.00</b>	<b>25,000.00</b>
YTD Concessional Contributions	25,000.00	15,936.00	31,872.00	21,872.00	6,406.00
Excess Concessional Contributions	0.00	0.00	0.00	0.00	0.00
Amount of Concessional Cap remaining	0.00	19,064.00	3,128.00	13,128.00	18,594.00

	2018	2017	2016	2015	2014
<i>Total Super Balance as at 30/06/201X* Based on previous financial year balance</i>	226,926.45	N/A	N/A	N/A	N/A
General Transfer Cap Limit	1,600,000.00	N/A	N/A	N/A	N/A
<b>Non-Concessional Cap</b>	<b>100,000.00</b>	<b>180,000.00</b>	<b>180,000.00</b>	<b>180,000.00</b>	<b>150,000.00</b>
YTD Non-Concessional Contributions including Excess Concessional Contributions	0.00	150,000.00	325.30	191,000.00	0.00
Excess Non-Concessional Contributions	0.00	0.00	0.00	11,000.00	0.00
Amount of Non-Concessional Cap remaining	100,000.00	30,000.00	179,674.70	0.00	150,000.00
<b>NCC Bring Forward Cap</b>		<b>540,000.00</b>	<b>540,000.00</b>	<b>540,000.00</b>	
Total Bring Forward Non-Concessional Contributions		341,325.30	191,325.30	191,000.00	
Excess Non-Concessional Contributions		0.00	0.00	0.00	
Amount of Non-Concessional Cap remaining		198,674.70	348,674.70	349,000.00	

**ERCAI SUPERANNUATION FUND**  
**INVESTMENT SUMMARY REPORT (WITH YIELDS) AT 30 JUNE 2018**

Investment	Units	Cost		Market		Income	Yield	
		Per unit	Total	Per unit	Total		Cost	Market
<b>Cash/Bank Accounts</b>								
Cash at Bank - MQG 962730156			117,792		117,792	956	0.81%	0.81%
			117,792		117,792	956		
<b>Real Estate Properties (Australian)</b>								
C811/609 Victoria Street, Abbotsford	1	40,500.00	40,500	397,661.00	397,661	34,563	85.34%	8.69%
			40,500		397,661	34,563		
<b>Shares in Listed Companies (Australian)</b>								
NEW CREST - NCM	8,471	23.63	200,198	21.80	184,668	2,209	1.10%	1.20%
Paladin Energy Limited	1,000	0.26	255	0.18	175			
Reckon Limited	12,250	2.07	25,388	0.97	11,882			
Thorn Group Limited	11,250	2.26	25,456	0.60	6,750	562	2.21%	8.33%
			251,297		203,475	2,771		
			409,589		718,928	38,290		

**ERCAI SUPERANNUATION FUND**  
**INVESTMENT SUMMARY REPORT AT 30 JUNE 2018**

Investment	Units	Ave Cost	Mkt Price	Cost	Market	Unrealised Gain/(Loss)	Percent Gain/(Loss)	Percent Total
<b>Cash/Bank Accounts</b>								
Cash at Bank - MQG 962730156		117,792.00	117,792.00	117,792	117,792			16.38%
				117,792	117,792			16.38%
<b>Real Estate Properties (Australian)</b>								
C811/609 Victoria Street, Abbotsford	1	40,500.00	397,661.00	40,500	397,661	357,161	881.88%	55.31%
				40,500	397,661	357,161	881.88%	55.31%
<b>Shares in Listed Companies (Australian)</b>								
NEW CREST - NCM	8,471	23.63	21.80	200,198	184,668	(15,530)	(7.76%)	25.69%
Paladin Energy Limited	1,000	0.26	0.18	255	175	(80)	(31.37%)	0.02%
Reckon Limited	12,250	2.07	0.97	25,388	11,882	(13,506)	(53.20%)	1.65%
Thorn Group Limited	11,250	2.26	0.60	25,456	6,750	(18,706)	(73.48%)	0.94%
				251,297	203,475	(47,822)	(19.03%)	28.30%
				409,589	718,928	309,339	75.52%	100.00%

# Investment Strategy

## ERCAI SUPERANNUATION FUND

### Objectives:

The objective of the fund is to:

- Provide superannuation benefits to members and their dependants to meet their retirement need.
- Ensure that appropriate mixes of investments are held by the fund to support these needs.

Investment objective of the trustee's is to aim to achieve real medium to longer-term growth, whilst maintaining a low level of risk.

### Investment Choice:

The Trustees have determined the fund's investment may include but not be limited to all or one of the following:

- Direct equities, stocks and derivatives and including the participation in dividend reinvestment program, right issues and the like:
- Property trusts and associated investments:
- Managed investments and associated products:
- Direct residential, industrial commercial property investment:
- Bank and other financial institution securities including Term Deposits, Debentures, Secured and Unsecured Notes and Bonds:
- Any other investment that the trustee may feel prudent to achieve the objective of the fund.

The Trustee may from time to time decide to seek professional advice to Accountants, Solicitors or Financial Planners in the formulation of any their future investment strategy.

In formulating this strategy the trustees have taken into consideration relevant features of the various investments in accordance with both the fund's objectives and appropriate legislation.

While drafting this investment strategy, the trustees have taken into account all of the circumstances of the fund, including, but not limited to:

- the risks involved in making each investment;
- the likely return from making each investment;
- the range and diversity of investments;
- any risks coming from limited diversification;
- the liquidity of the fund's investments;
- expected cash flow requirements; and
- the ability of the fund to meet its existing and prospective liabilities such as paying benefits to its members.

- Whether the trustee of the fund should hold insurance cover for one or more members of the fund.


**Policies:**

*The policies adopted by the Trustee in order to achieve these objectives are:*

- Regular monitoring of the performance of the fund’s investment, to oversee the overall investment mix and the expected cash flow requirements of the fund.
- Balancing the fund’s investment portfolio due to changes in market conditions, by further sale and purchase of investments.

The Trustee’s aim will always be to ensure that they follow the investment strategy, however, the Trustee will at all time reserve the right to change the investment mix depending on the market situation and opportunities available to strengthen its Objectives.

A copy of current investment strategy of the fund will be made available to all members of the fund.

Signature of Director of the Trustee Company	Date
 <small>cai zhu hong (May 3, 2019)</small> .....	1 / 7 / 2017
ZHU HONG CAI	
.....	1 / 7 / 2017
XIAOHUI ZHENG	
.....	1 / 7 / 2017
RICHARD CAI	



ANTHONY BOYS  
PO BOX 3376,  
RUNDLE MALL 5000

Dear Anthony,

Ercai Superannuation Pty Ltd  
**Superannuation Fund Management/Trustee Representation Letter**

In connection with your audit examination of the financial report of Ercai Superannuation Fund for the year ended 30 June 2018, hereby confirm, at your request that to best of our knowledge and belief, the following representation relating to the accounts are correct.

**Financial Report**

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation of the financial report.

The management/trustee have determined that the fund is not a reporting entity for the year ended 30 June 2018 and that the requirement to apply Australian Accounting Standards and other mandatory reporting requirements do not apply to the fund. Accordingly, the financial report prepared is a special purpose financial report, which is for distribution to members of the fund and to satisfy the requirement of the SISA and the SISR, and to confirm that the financial report is free of material misstatements, including omissions.

**Sole Purpose**

The fund has been maintained for the sole purpose of providing superannuation benefits to its members and their dependents.

**Superannuation Fund Books/Records/Minutes**

- (a) We have made available to you all financial records and related data, other information, explanations and assistance necessary for the conduct of the audit.
- (b) We have made available to you Minutes of all trustee(s)' meetings and the Trust Deed.
- (c) We have established and maintained an adequate internal control structure to facilitate the preparation of reliable financial statements, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
- (d) We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
- (e) Records maintained during the period were in accordance with the Australian Taxation Office requirements.

**Asset Form**

The assets of the superannuation fund are being held in a form suitable for the benefit of the members of the fund, and have been held in accordance with the fund's investment strategy.

### **Ownership and Pledging of Assets**

The superannuation fund has satisfactory title to all assets disclosed in the Statement of Financial Position. Investments are registered in the name of the trustee(s).

No assets of the superannuation fund have been pledged to secure liabilities of the superannuation fund or of others.

### **Investments**

- (a) We have considered the requirement of generally accepted accounting standards in regards to impairment of assets when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount.
- (b) There are no commitments, fixed or contingent, for the purchase or sale of long-term investments that have not been disclosed in the financial statements.
- (c) The investment strategy has been determined with due regard to risk, return, liquidity, diversity and the insurance needs of fund members, and the assets of the fund are in line with this strategy.
- (d) All investments are acquired, maintained and disposed of on an arm's length basis.

### **Trust Deed**

The superannuation fund is being conducted in accordance with its Trust Deed.

### **Superannuation Industry (Supervision) Act and Regulations**

- (a) The fund meets the definition of a self-managed superannuation fund under the SISA.
- (b) The fund has been conducted in accordance with the SISA, the SISR and its governing rules at all times during the year. Also there were no amendments to the governing rules during the year, except as notified to you.
- (c) The fund is being conducted in accordance with the SISA and the SISR, in particular the relevant requirements of the following provisions:  
  
Sections: 17A, 35AE, 35B, 35C(2), 62, 65, 66, 67,67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K  
  
Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA
- (d) The trustee(s) have been nominated and may only be removed in such manner and circumstances as are allowed in the Trust Deed.
- (e) The trustees are not disqualified persons under s126K of the SISA.
- (f) Any vacancy among the trustee(s) is filled in accordance with the Trust Deed.
- (g) The trustee(s) have complied with all trustee standards set out in SISR and the covenant prescribed by section 52 of the SISA.
- (h) The trustee(s) have complied with all investment standards set out in the SISA and the SISR.
- (i) Information retention obligations have been complied with.

- (j) All contributions accepted and benefits paid have been in accordance with the governing rules of the fund and relevant provisions of the SISA and the SISR.

There are no breaches or possible breaches of the SIS legislation whose effects should be considered for disclosure in the financial report or to the Australian Taxation Office.

#### **Commitments**

- (a) There are no material commitments for construction or acquisition of property, plant and equipment to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.
- (b) There were no commitments for purchase or sale of securities or assets or any options given by the fund including options over share capital.

#### **Taxation**

- (a) We have calculated income tax expense, current tax liability, deferred tax liability and deferred tax asset according to the definitions of taxable income and allowable deductions. We have calculated and recognised all other applicable taxes according to the relevant tax legislation.
- (b) There are no activities that invoke the anti-avoidance provisions of any applicable tax legislation.

#### **Borrowings**

The trustees have not borrowed money on behalf of the superannuation fund with the exception of borrowings which were allowable under the SIS Act and the SIS Regulations.

#### **Related Parties**

- (a) The fund has not made any loans to, or provided financial assistance to members of the fund or their relatives.
- (b) No asset has been acquired from a member or related party other than as permitted under the SISA and the SISR.
- (c) Related party transactions and related amounts receivable or payable have been properly disclosed in the financial statements.

#### **Accounting Misstatement Detected by Audit**

There has been no misstatement noted by audit during the course of the current year audit.

#### **Insurance**

The superannuation fund has an established procedure whereby an officer reviews at least annually the adequacy of insurance cover on all assets and insurable risks where relevant. This review has been performed and where it is considered appropriate, assets and insurable risks of the superannuation fund are adequately covered by insurance.

#### **Accounting Estimates**

We confirm the significant assumptions used in making accounting estimates are reasonable.

### **Fair Value Measurements and Disclosures**

We confirm that significant assumptions used in fair value measurements and disclosures are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the fund.

### **Going Concern**

In the opinion of the trustees there are reasonable grounds to believe that the superannuation fund will be able to:

- Pay its debts as and when they fall due.
- Continue as a going concern for the foreseeable future.

We, therefore, confirm that the going concern basis is appropriate for the financial report.

### **Events after Balance Sheet Date**

We are not aware of any events that have occurred between the financial reporting date to the date of this letter that we need to disclose or recognise in the financial report.

### **Comparative Information**

We confirm that there have been no restatements made to correct a material misstatement in the prior period financial report that affects the comparative information.

### **Fraud and Error**

- (a) There has been no:
  - (i) Fraud, error, or non-compliance with laws and regulations involving management or employees who have a significant role in the internal control structure.
  - (ii) Fraud, error, or non-compliance with laws and regulations that could have a material effect on the financial report.
  - (iii) Communication from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.
- (b) The superannuation fund has disclosed to the auditor all significant facts relating to any frauds or suspected frauds known to management that may have affected the superannuation fund.
- (c) The superannuation fund has disclosed to the auditor the results of its assessment of the risk that the financial report may be materially misstated as a result of fraud.

### **Legal Matters**

We confirm that all matters that may result in legal action against the fund or the trustees in respect of the fund, have been discussed with a solicitor and brought to the attention of the auditor so that a solicitor's representation letter may be obtained.

### **General**

- (a) Neither the superannuation fund nor any Trustees have any plans or intentions that may materially affect the book value or classification of assets and liabilities at balance sheet date.
- (b) The superannuation fund accepts responsibility for the implementation and operations of accounting and internal control systems that are designed to prevent and detect fraud and error. We have established and maintained adequate internal control to

facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.

- (c) There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.
- (d) The superannuation fund has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.

We understand that your examination was made in accordance with the Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the fund taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

#### **Additional Matters**

There are no additional matters.

**Signed by the Directors of Ercai Superannuation Pty Ltd as Trustee for Ercai Superannuation Fund**

*cai zhu hong*  
cai zhu hong (May 3, 2019)

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**Zhu Hong Cai**

**Director / Trustee**

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**Xiao Hui Zheng**

**Director / Trustee**

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**Richard Cai**

**Director / Trustee**