
Financial statements and reports for the year ended
30 June 2019

PIETROGRAZIA SUPERANNUATION FUND

Prepared for: Venanzio Pietrograzia and Flavia Pietrograzia

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PIETROGRAZIA SUPERANNUATION FUND

Operating Statement

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Income			
Investment Income			
Interest Received		916.59	652.16
Property Income	8	65,605.32	23,847.42
Investment Gains			
Changes in Market Values	9	102,000.00	0.00
Contribution Income			
Employer Contributions		0.00	50,000.00
Personal Concessional		50,000.00	0.00
Other Contributions		0.00	1,000.00
Total Income		<u>218,521.91</u>	<u>75,499.58</u>
Expenses			
Accountancy Fees		1,292.10	2,703.60
ATO Supervisory Levy		259.00	259.00
Bank Charges		26.50	18.00
Insurance		2,954.56	0.00
Property Expenses - Non Specified		0.00	15,476.35
Property Expenses - Agents Commissions		9,031.80	0.00
Property Expenses - Council Rates		9,846.45	0.00
Property Expenses - Insurance Premium		1,714.00	0.00
Property Expenses - Legal Fees		700.00	0.00
Property Expenses - Repairs Maintenance		6,260.45	0.00
Member Payments			
Pensions Paid		31,000.00	31,000.00
Total Expenses		<u>63,084.86</u>	<u>49,456.95</u>
Benefits accrued as a result of operations before income tax		<u>155,437.05</u>	<u>26,042.63</u>
Income Tax Expense	10	9,393.75	7,833.00
Benefits accrued as a result of operations		<u>146,043.30</u>	<u>18,209.63</u>

PIETROGRAZIA SUPERANNUATION FUND
Statement of Financial Position

As at 30 June 2019

	Note	2019 \$	2018 \$
Assets			
Investments			
Real Estate Properties (Australian - Residential)	2	290,000.00	280,000.00
Real Estate Properties (Australian - Non Residential)	3	800,000.00	708,000.00
Total Investments		<u>1,090,000.00</u>	<u>988,000.00</u>
Other Assets			
Westpac 221418		10,183.88	3,464.45
Westpac 268099		85,634.64	47,269.32
GST Refundable		0.00	145.16
Income Tax Refundable		0.00	4,031.00
Total Other Assets		<u>95,818.52</u>	<u>54,909.93</u>
Total Assets		<u>1,185,818.52</u>	<u>1,042,909.93</u>
Less:			
Liabilities			
GST Payable		2,236.94	0.00
Income Tax Payable		527.95	0.00
Sundry Creditors		0.00	5,899.60
Total Liabilities		<u>2,764.89</u>	<u>5,899.60</u>
Net assets available to pay benefits		<u>1,183,053.63</u>	<u>1,037,010.33</u>
Represented by:			
Liability for accrued benefits allocated to members' accounts	5, 6		
Pietrograzia, Venanzio - Pension (Pension)		456,537.97	424,473.24
Pietrograzia, Venanzio - Pension (Pension)		32,388.29	30,115.27
Pietrograzia, Venanzio - Pension (Pension)		147,564.75	137,201.79
Pietrograzia, Venanzio - Accumulation		0.00	21,751.25
Pietrograzia, Venanzio - Pension (Pension)		23,040.83	0.00
Pietrograzia, Venanzio - Pension (Account Based Pension 9)		23,399.00	0.00
Pietrograzia, Flavia - Accumulation		500,122.79	423,468.78
Total Liability for accrued benefits allocated to members' accounts		<u>1,183,053.63</u>	<u>1,037,010.33</u>

PIETROGRAZIA SUPERANNUATION FUND

Notes to the Financial Statements

For the year ended 30 June 2019

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.

PIETROGRAZIA SUPERANNUATION FUND

Notes to the Financial Statements

For the year ended 30 June 2019

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. 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.

Note 2: Real Estate Properties (Australian - Residential)

	2019 \$	2018 \$
McDowall Street	290,000.00	280,000.00

PIETROGRAZIA SUPERANNUATION FUND

Notes to the Financial Statements

For the year ended 30 June 2019

	290,000.00	280,000.00
Note 3: Real Estate Properties (Australian - Non Residential)		
	2019	2018
	\$	\$
52 Rankin Street Mareeba QLD 7880	800,000.00	708,000.00
	800,000.00	708,000.00

Note 4: Banks and Term Deposits

	2019	2018
Banks	\$	\$
Westpac 221418	10,183.88	3,464.45
Westpac 268099	85,634.64	47,269.32
	95,818.52	50,733.77

Note 5: Liability for Accrued Benefits

	2019	2018
	\$	\$
Liability for accrued benefits at beginning of year	1,037,010.33	1,018,800.70
Benefits accrued as a result of operations	145,845.15	18,209.63
Current year member movements	198.15	0.00
Liability for accrued benefits at end of year	1,183,053.63	1,037,010.33

Note 6: 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.

	2019	2018
	\$	\$
Vested Benefits	1,183,053.63	1,037,010.33

Note 7: Guaranteed Benefits

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

PIETROGRAZIA SUPERANNUATION FUND

Notes to the Financial Statements

For the year ended 30 June 2019

Note 8: Rental Income

	2019	2018
	\$	\$
McDowall Street	13,433.20	12,647.42
1 McDowell street, Mareeba QLD Australia	1,446.80	0.00
52 Rankin Street Mareeba QLD 7880	50,725.32	11,200.00
	<hr/>	<hr/>
	65,605.32	23,847.42
	<hr/>	<hr/>

Note 9: Unrealised Movements in Market Value

	2019	2018
	\$	\$
Real Estate Properties (Australian - Residential)		
McDowall Street	10,000.00	0.00
	<hr/>	<hr/>
	10,000.00	0.00
	<hr/>	<hr/>
Real Estate Properties (Australian - Non Residential)		
52 Rankin Street Mareeba QLD 7880	92,000.00	0.00
	<hr/>	<hr/>
	92,000.00	0.00
	<hr/>	<hr/>
Total Unrealised Movement	102,000.00	0.00
	<hr/>	<hr/>
Realised Movements in Market Value		
	2019	2018
	\$	\$
Total Realised Movement	0.00	0.00
	<hr/>	<hr/>
Changes in Market Values	102,000.00	0.00
	<hr/>	<hr/>

Note 10: Income Tax Expense

	2019	2018
	\$	\$
The components of tax expense comprise		
Current Tax	9,591.90	7,833.00
Prior Year Over/Under Provision for Income Tax	(198.15)	0.00
	<hr/>	<hr/>
Income Tax Expense	9,393.75	7,833.00
	<hr/>	<hr/>

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

PIETROGRAZIA SUPERANNUATION FUND**Notes to the Financial Statements**

For the year ended 30 June 2019

Prima facie tax payable on benefits accrued before income tax at 15%	23,315.56	3,906.45
Less:		
Tax effect of:		
Non Taxable Contributions	0.00	150.00
Increase in MV of Investments	15,300.00	0.00
Exempt Pension Income	5,893.05	2,229.75
Tax Adjustment – Investment Expenses (11)	0.00	0.00
Other Non-Taxable Income	0.00	0.15
Add:		
Tax effect of:		
SMSF Non-Deductible Expenses	2,819.25	1,655.70
Pension Payments	4,650.00	4,650.00
Rounding	0.14	0.00
Income Tax on Taxable Income or Loss	9,591.90	7,832.25
Less credits:		
Other Adjustments		11,864.00
Current Tax or Refund	<u>9,591.90</u>	<u>7,833.00</u>

PIETROGRAZIA SUPERANNUATION FUND

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 2019 present fairly, in all material respects, the financial position of the Superannuation Fund at 30 June 2019 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 2019.

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:

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Venanzio Pietrograzia

Trustee

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Flavia Pietrograzia

Trustee

19 June 2020