

**OREL SUPERANNUATION FUND**

ABN 50 380 512 475

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

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# OREL SUPERANNUATION FUND

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# OREL SUPERANNUATION FUND

## OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
<b>REVENUE</b>			
Employer contributions		52,428	51,988
Rent income		629,900	605,875
Interest income		2,653	342
Changes in net market values	3	2,263,990	-
<b>Total income</b>		<u>2,948,971</u>	<u>658,205</u>
<b>EXPENSES</b>			
Accounting fees		3,160	3,177
Audit fees		380	390
Bank charges		227	227
Borrowing costs written off		629	629
Depreciation expense		132,360	132,360
Establishment cost write off		-	1,917
Interest expense		142,114	194,039
Supervisory levy		518	-
<b>Total expenses</b>		<u>279,388</u>	<u>332,739</u>
<b>BENEFITS ACCRUED AS A RESULT OF OPERATIONS BEFORE INCOME TAX</b>			
		2,669,583	325,466
Income tax expense	2	<u>(60,839)</u>	<u>(48,820)</u>
<b>BENEFITS ACCRUED AS A RESULT OF OPERATIONS</b>		<u>2,608,744</u>	<u>276,646</u>

# OREL SUPERANNUATION FUND

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash at bank		1,291,482	867,982
<b>TOTAL CURRENT ASSETS</b>		<u>1,291,482</u>	<u>867,982</u>
<b>NON-CURRENT ASSETS</b>			
Prepaid borrowing & establishment costs		-	629
Property, plant and equipment Lorimer St Port Melbourne- at cost		9,006,805	9,006,805
Accumulated depreciation		(794,160)	(661,800)
Revaluation increment		5,654,264	3,390,275
<b>TOTAL NON-CURRENT ASSETS</b>		<u>13,866,909</u>	<u>11,735,909</u>
<b>TOTAL ASSETS</b>		<u>15,158,391</u>	<u>12,603,891</u>
<b>LIABILITIES</b>			
Sundry creditor		12,204	18,509
Provision for income tax	4	12,021	39,697
GST payable		40,064	60,327
Limited recourse borrowing - Bank SA		5,667,000	5,667,000
<b>TOTAL LIABILITIES</b>		<u>5,731,289</u>	<u>5,785,533</u>
<b>NET ASSETS AVAILABLE TO PAY BENEFITS</b>		<u>9,427,102</u>	<u>6,818,358</u>
<i>Represented by:</i>			
<b>LIABILITY FOR ACCRUED MEMBERS' BENEFITS</b>			
Allocated to members' accounts	5	9,427,102	6,818,358
		<u>9,427,102</u>	<u>6,818,358</u>

# OREL 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 of members.

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.

# OREL 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.

# OREL SUPERANNUATION FUND

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

	2021	2020
	\$	\$
<b>NOTE 2 INCOME TAX EXPENSE</b>		
Prima facie tax payable on operating result before income tax at 15%	400,437	48,820
Adjust for tax effect of:-		
Market value adjustment	(339,598)	-
	<u>60,839</u>	<u>48,820</u>
<i>The income tax expense comprises amounts set aside to:</i>		
Provision for income tax attributable to current year:-	60,839	48,820
	<u>60,839</u>	<u>48,820</u>
<b>NOTE 3 MOVEMENT IN NET MARKET VALUES OF INVESTMENTS</b>		
Increase/(Decrease) in value of land & buildings		
Rogers Street Port Melbourne	2,263,990	-
<b>TOTAL CHANGES IN NET MARKET VALUES</b>	<u>2,263,990</u>	<u>-</u>
<b>NOTE 4 PROVISIONS</b>		
Provision for income tax		
Opening balance	39,697	13,099
Income tax paid	(88,515)	(22,222)
	<u>(48,818)</u>	<u>(9,123)</u>
Current year provision	60,839	48,820
Closing balance	<u>12,021</u>	<u>39,697</u>
<b>NOTE 5 MEMBERS' FUNDS</b>		
Balance at the beginning of the year	6,818,358	6,541,712
Add: Benefits accrued as a result of operations	2,608,744	276,646
Benefits accrued at the end of the period	<u>9,427,102</u>	<u>6,818,358</u>

# OREL SUPERANNUATION FUND


## TRUSTEES' DECLARATION

The trustees have determined that the fund is not a reporting entity. The trustees 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 trustees:

- (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.

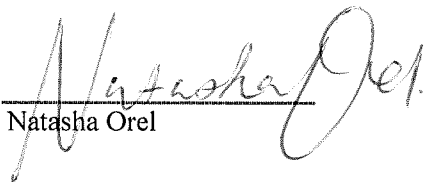
Signed in accordance with a resolution of the trustees by:



Mark Orel



Peter Orel



Natasha Orel

Dated

2 March 2023



# OREL SUPERANNUATION FUND

## MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>Mark Orel</b>		
Date of birth	30 December 1962	
Balance at beginning of the year	2,769,599	2,651,030
Employer contributions	26,250	28,666
Allocated earnings	1,063,081	110,827
Income tax expense	(25,456)	(20,924)
Balance at end of year	<u>3,833,474</u>	<u>2,769,599</u>
The above balance at the end of the year comprises:		
Withdrawal benefit which must be preserved	3,801,147	2,737,272
Withdrawal benefit which is restricted non-preserved	32,327	32,327
	<u>3,833,474</u>	<u>2,769,599</u>
Tax free component	540,000	540,000
Taxable component	3,293,474	2,229,599
	<u>3,833,474</u>	<u>2,769,599</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.

# OREL SUPERANNUATION FUND

## MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>Peter Orel</b>		
Date of birth	17 September 1967	
Balance at beginning of the year	2,700,314	2,588,509
Employer contributions	26,178	23,322
Allocated earnings	1,036,487	108,213
Income tax expense	(24,906)	(19,730)
Balance at end of year	<u>3,738,073</u>	<u>2,700,314</u>
The above balance at the end of the year comprises:		
Withdrawal benefit which must be preserved	3,716,628	2,678,869
Withdrawal benefit which is restricted non-preserved	21,445	21,445
	<u>3,738,073</u>	<u>2,700,314</u>
Tax free component	540,000	540,000
Taxable component	3,198,073	2,160,314
	<u>3,738,073</u>	<u>2,700,314</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.

# OREL SUPERANNUATION FUND

## MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>Natasha Orel</b>		
Date of birth	5 February 1968	
Balance at beginning of the year	1,348,445	1,302,173
Allocated earnings	517,586	54,438
Income tax expense on earnings	(10,476)	(8,166)
Balance at end of year	<u>1,855,555</u>	<u>1,348,445</u>
The above balance at the end of the year comprises:		
Withdrawal benefit which must be preserved	1,855,555	1,348,445
	<u>1,855,555</u>	<u>1,348,445</u>
Tax free component	540,000	540,000
Taxable component	1,315,555	808,445
	<u>1,855,555</u>	<u>1,348,445</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.

# OREL SUPERANNUATION FUND

## INVESTMENT POLICY STATEMENT

### 1 Membership profile

The fund has the following number of members	3
The members are	Family
The members are aged	53 to 58

It is not intended that other members will be admitted to the Fund. The current intention is for each of the members to receive a retirement benefit at age 60 or later when they intend retiring from the workforce.

### 2 Benefit design

The benefits provided by the aforementioned superannuation fund ("*the Fund*") principally consist of accumulation benefits. These are based on accumulated net contributions and interest on them.

The Trustee invests Fund assets with regard to the need to realise the investments when the members plan to retire for the purpose of paying benefits by lump sum or allocated pension, as the Trustee decides.

### 3 Future contributions

The members intend to contribute to the Fund as much as their annual earnings permit after taking into account amounts set aside for living expenses and other business activities. Consequently, members will be relying predominantly on investment returns of the Fund to produce benefits for their retirement.

### 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.

# OREL SUPERANNUATION FUND

## 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 and/or 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 is appropriate for the Fund 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.

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

It is not intended that other members will be admitted to the Fund. The current intention is for each of the members to receive a retirement benefit at age 60 or later when they intend retiring from the workforce.

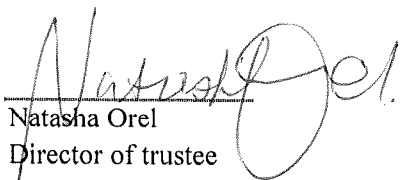
Confirmed.



Mark Orel  
Director of trustee



Peter Orel  
Director of trustee



Natasha Orel  
Director of trustee

Dated 2 March 2023