

McINVEST SUPERANNUATION FUND

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2022**

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McINVEST SUPERANNUATION FUND

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OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

| | Note | 2022 \$ | 2021 \$ |
|---|------|----------------|---------------|
| REVENUE | | | |
| Interest income | | 41 | 31 |
| Rent received | | 37,920 | 22,120 |
| Movement in net market values | 3 | 660,860 | - |
| Total income | | <u>698,821</u> | <u>22,151</u> |
| EXPENSES | | | |
| Audit fees | | 500 | - |
| Accounting fees | | 3,550 | 1,980 |
| Body corporate fees | | 2,091 | 2,433 |
| Council rates | | 1,459 | 851 |
| Filing fee | | 112 | - |
| Formation expenses | | | 432 |
| Interest | | 32,709 | 8,463 |
| Super levy | | 518 | - |
| Water rates | | 612 | 1,356 |
| Total expenses | | <u>41,551</u> | <u>15,515</u> |
| BENEFITS ACCRUED AS A RESULT OF OPERATIONS BEFORE INCOME TAX | | | |
| | | 657,270 | 6,636 |
| Income tax expense | 2 | - | (995) |
| BENEFITS ACCRUED AS A RESULT OF OPERATIONS | | | |
| | | <u>657,270</u> | <u>5,641</u> |

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STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

| | Note | 2022 \$ | 2021 \$ |
|--|------|------------------|----------------|
| CURRENT ASSETS | | | |
| Cash at bank | | 5,628 | 91,650 |
| Total current assets | | <u>5,628</u> | <u>91,650</u> |
| NON-CURRENT ASSETS | | | |
| Land - at cost | | | |
| Lot 25 Chevallum Industrial Park - at 2021 valuation | | 1,162,650 | - |
| Lot 25 Chevallum Industrial Park - at cost | | - | 501,790 |
| Total non-current assets | | <u>1,162,650</u> | <u>501,790</u> |
| Total assets | | <u>1,168,278</u> | <u>593,440</u> |
| LIABILITIES | | | |
| Creditors | | 837 | 837 |
| GST payable | | 715 | 853 |
| Provision for income tax | 3 | - | 995 |
| Loan - D & M McIntosh Family Investments Pty Ltd | | 246,162 | 327,461 |
| Total liabilities | | <u>247,714</u> | <u>330,146</u> |
| NET ASSETS AVAILABLE TO PAY BENEFITS | | <u>920,564</u> | <u>263,294</u> |
| <i>Represented by:</i> | | | |
| LIABILITY FOR ACCRUED MEMBERS' BENEFITS | | | |
| Allocated to member's account | 4 | 920,564 | 263,294 |
| | | <u>920,564</u> | <u>263,294</u> |

McINVEST SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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.

McINVEST SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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.

McINVEST SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

| | 2022 \$ | 2021 \$ |
|--|----------------|----------------|
| NOTE 2 INCOME TAX EXPENSE | | |
| Prima facie tax payable on operating result before income tax at 15% | 98,591 | 995 |
| Less: | | |
| Non taxable market value movement | (98,591) | - |
| Income tax expense | <u>-</u> | <u>995</u> |
| <i>The income tax expense comprises amounts set aside to:</i> | | |
| Current tax:- | - | 995 |
| Income tax expense | <u>-</u> | <u>995</u> |
| NOTE 3 PROVISIONS | | |
| Provision for income tax | | |
| Opening balance | 995 | - |
| Income tax paid | (995) | - |
| Current year provision | - | 995 |
| Total income tax provision | <u>-</u> | <u>995</u> |
| NOTE 4 MEMBERS' FUNDS | | |
| Balance at the beginning of the year | 263,294 | - |
| Add: Benefits accrued as a result of operations | 657,270 | 5,641 |
| Transfers in | | 257,653 |
| Benefits accrued at the end of the period | <u>920,564</u> | <u>263,294</u> |

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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 2022 present fairly the financial position of the Superannuation Fund at 30 June 2022 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 2022.

Signed in accordance with a resolution of the trustees by:



.....
David Leslie McIntosh

Dated 31 March 2023

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MEMBERS STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

| | 2022 | 2021 |
|---|--------------------|----------------|
| | \$ | \$ |
| David Leslie McIntosh | | |
| <i>Date of birth</i> | <i>25 May 1973</i> | |
| Balance at beginning of the year | 263,294 | - |
| Rollover | - | 257,653 |
| Allocated earnings | 657,270 | 5,641 |
| Balance at end of year | <u>920,564</u> | <u>263,294</u> |
| The above balance at the end of the year comprises: | | |
| Withdrawal benefit which must be preserved | <u>920,564</u> | <u>263,294</u> |
| | <u>920,564</u> | <u>263,294</u> |
| Tax free component | 62,959 | 62,959 |
| Taxable component | 857,605 | 200,335 |
| | <u>920,564</u> | <u>263,294</u> |

Withdrawal Benefit

Your withdrawal benefit is the amount you are entitled to on resignation or retirement and represents the sum of :

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

The preserved portion of your withdrawal benefit is the amount which cannot be paid out until you permanently retire from the workforce on or after age 55. The preservation age is to be increased from 55 to 60, on a phased in basis, by 2025.

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INVESTMENT POLICY STATEMENT

1 Membership profile

| | |
|--|----|
| The fund has the following number of members | 1 |
| The member is aged | 49 |

It is not intended that other members will be admitted to the Fund. The current intention is for the member to receive a retirement benefit at age 60 or later when he intends to retire 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 member plans to retire for the purpose of paying benefits by lump sum or allocated pension, as the Trustee decides.

3 Future contributions

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

4 Investment risk

The member bears the investment risk and rewards. Returns for the Fund's investments are added to the member's 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.

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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 Trustee has determined that it remains appropriate for the Fund not to hold insurance policies for the member.

8 Liquidity

The Trustee is of the belief that the Fund has sufficient liquid investments having regard to its expected cash flow requirements.

9 Ability to discharge liabilities

The Trustee is of the belief that the Fund is capable of discharging its existing and prospective liabilities as and when they fall due.

Confirmed.



David Leslie McIntosh
Director of trustee

Dated 31 March 2023