
Financial statements and reports for the year ended
30 June 2021

SCHMID RMKH FUND

Statement of Financial Position

Operating Statement

Notes to the Financial Statements

Investment Summary

Investment Income

SCHMID RMKH FUND
Statement of Financial Position

As at 30 June 2021

	Note	2021 \$	2020 \$
Assets			
Investments			
Other Assets	2	2,167.88	1,500.00
Plant and Equipment (at written down value) - Unitised	3	86,478.03	79,894.72
Real Estate Properties (Australian - Non Residential)	4	5,913,521.97	5,920,105.28
Total Investments		<u>6,002,167.88</u>	<u>6,001,500.00</u>
Other Assets			
Sundry Debtors		0.00	1,705.66
Westpac Business Flexi A/c		62,534.29	35,845.47
GST Refundable		0.00	8,226.08
Income Tax Refundable		0.00	2,901.50
Total Other Assets		<u>62,534.29</u>	<u>48,678.71</u>
Total Assets		<u>6,064,702.17</u>	<u>6,050,178.71</u>
Less:			
Liabilities			
GST Payable		8,914.32	0.00
Income Tax Payable		13,103.10	0.00
Sundry Creditors		15,761.82	20,605.34
Limited Recourse Borrowing Arrangements		1,720,986.45	2,106,000.00
Total Liabilities		<u>1,758,765.69</u>	<u>2,126,605.34</u>
Net assets available to pay benefits		<u>4,305,936.48</u>	<u>3,923,573.37</u>
Represented by:			
Liability for accrued benefits allocated to members' accounts	6, 7		
Schmid, Rudolf - Pension (Pension)		1,492,383.70	1,378,653.61
Schmid, Maureen - Pension (Pension)		1,453,283.69	1,348,233.56
Schmid, Kurt - Accumulation		802,014.69	697,534.13
Schmid, Heidi - Accumulation		558,254.40	499,152.07
Total Liability for accrued benefits allocated to members' accounts		<u>4,305,936.48</u>	<u>3,923,573.37</u>

SCHMID RMKH FUND
Operating Statement

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Income			
Investment Income			
Interest Received		1.13	3.07
Property Income	9	568,147.09	455,936.72
Contribution Income			
Employer Contributions		41,736.73	1,249.15
Personal Non Concessional		7,488.00	0.00
Transfers In		0.00	46,222.05
Other Income			
Outgoings Recovered		65,168.40	70,705.70
Total Income		<u>682,541.35</u>	<u>574,116.69</u>
Expenses			
Accountancy Fees		2,910.89	2,680.50
Administration Costs		369.00	369.00
ATO Supervisory Levy		259.00	259.00
Auditor's Remuneration		825.00	825.00
ASIC Fees		328.00	321.00
Bank Charges		45.50	30.00
Westpac Loan 47-0182 Expenses		14,236.11	35,598.73
Westpac Loan 47-0190 Expenses		42,827.57	66,781.40
Westpac Loan 58-4171 Expenses		26,244.93	0.00
Depreciation		7,895.10	9,454.59
Write Off of Borrowing Costs		690.56	3,040.83
Investment Expenses		2,800.00	0.00
Property Expenses - Council Rates		40,160.51	39,191.95
Property Expenses - Insurance Premium		5,782.57	6,182.46
Property Expenses - Land Tax		19,433.32	25,533.30
Property Expenses - Repairs Maintenance		2,720.44	4,028.48
		<u>167,528.50</u>	<u>194,296.24</u>
Member Payments			
Pensions Paid		89,221.84	80,000.00
Investment Losses			
Changes in Market Values	10	19,989.80	(197,583.00)
Total Expenses		<u>276,740.14</u>	<u>76,713.24</u>
Benefits accrued as a result of operations before income tax			
		<u>405,801.21</u>	<u>497,403.45</u>
Income Tax Expense	11	23,438.10	10,336.50
Benefits accrued as a result of operations		<u>382,363.11</u>	<u>487,066.95</u>

Notes to the Financial Statements

For the year ended 30 June 2021

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

Interest revenue

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised upon receipt.

Notes to the Financial Statements

For the year ended 30 June 2021

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).

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: Other Assets

	2021 \$	2020 \$
Borrowing Costs	2,167.88	1,500.00
	<hr/> 2,167.88	<hr/> 1,500.00

Note 3: Plant and Equipment (at written down value) - Unitised

	2021 \$	2020 \$
Construction Costs - New Office	0.00	11,871.59

SCHMID RMKH FUND**Notes to the Financial Statements**

For the year ended 30 June 2021

39.6kW Solar System	26,198.40	0.00
Plant & Equipment	50,543.59	56,793.56
Airconditioner	9,736.04	11,229.57
	<u>86,478.03</u>	<u>79,894.72</u>

Note 4: Real Estate Properties (Australian - Non Residential)

	2021 \$	2020 \$
122-124 Compton Rd, Woodridge, QLD 4114	5,913,521.97	5,920,105.28
	<u>5,913,521.97</u>	<u>5,920,105.28</u>

Note 6: Liability for Accrued Benefits

	2021 \$	2020 \$
Liability for accrued benefits at beginning of year	3,923,573.37	3,436,506.42
Benefits accrued as a result of operations	382,363.11	487,066.95
Current year member movements	0.00	0.00
Liability for accrued benefits at end of year	<u>4,305,936.48</u>	<u>3,923,573.37</u>

Note 7: 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.

	2021 \$	2020 \$
Vested Benefits	<u>4,305,936.48</u>	<u>3,923,573.37</u>

Note 8: Guaranteed Benefits

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

SCHMID RMKH FUND
Notes to the Financial Statements

For the year ended 30 June 2021

Note 9: Rental Income

	2021 \$	2020 \$
122-124 Compton Rd, Woodridge, QLD 4114	568,147.09	455,936.72
	<u>568,147.09</u>	<u>455,936.72</u>

Note 10: Changes in Market ValuesUnrealised Movements in Market Value

	2021 \$	2020 \$
Real Estate Properties (Australian - Non Residential)		
122-124 Compton Rd, Woodridge, QLD 4114	(19,989.80)	197,583.00
	<u>(19,989.80)</u>	<u>197,583.00</u>
Total Unrealised Movement	<u>(19,989.80)</u>	<u>197,583.00</u>

Realised Movements in Market Value

	2021 \$	2020 \$
Total Realised Movement	<u>0.00</u>	<u>0.00</u>
Total Market Movement	<u>(19,989.80)</u>	<u>197,583.00</u>

Note 11: Income Tax Expense

	2021 \$	2020 \$
The components of tax expense comprise		
Current Tax	23,438.10	10,336.50
	<u>23,438.10</u>	<u>10,336.50</u>
Income Tax Expense	<u>23,438.10</u>	<u>10,336.50</u>

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

Prima facie tax payable on benefits accrued before income tax at 15%	60,870.18	74,610.52
Less:		
Tax effect of:		
Non Taxable Contributions	1,123.20	0.00
Non Taxable Transfer In	0.00	6,933.31
Increase in MV of Investments	0.00	29,637.45
Exempt Pension Income	65,627.85	55,781.10
Tax Adjustment - Capital Works Expenditure (D1)	3,740.40	3,540.75

Notes to the Financial Statements

For the year ended 30 June 2021

Add:

Tax effect of:

Decrease in MV of Investments	2,998.47	0.00
SMSF Non-Deductible Expenses	16,677.00	19,618.20
Pension Payments	13,383.28	12,000.00
Rounding	0.62	0.39
	<hr/>	<hr/>
Income Tax on Taxable Income or Loss	23,438.10	10,336.50
Less credits:		
	<hr/>	<hr/>
Current Tax or Refund	23,438.10	10,336.50
	<hr/>	<hr/>

SCHMID RMKH FUND

Investment Summary Report

As at 30 June 2021

Investment	Units	Market Price	Market Value	Average Cost	Accounting Cost	Unrealised Gain/(Loss)	Gain/(Loss)%	Portfolio Weight%
Cash/Bank Accounts								
Westpac Business Flexi A/c		62,534.290000	62,534.29	62,534.29	62,534.29			1.03 %
			62,534.29		62,534.29		0.00 %	1.03 %
Other Assets								
SCHRK_BO BORROWING COSTS	1.00	2,167.880000	2,167.88	2,167.88	2,167.88	0.00	0.00 %	0.04 %
			2,167.88		2,167.88	0.00	0.00 %	0.04 %
Plant and Equipment (at written down value) - Unitised								
SCHRK-03 39.6kW Solar System	1.00	26,198.400000	26,198.40	26,350.00	26,350.00	(151.60)	(0.58) %	0.43 %
SCHRK_AIR AIRCONDITIONER	1.00	9,736.040000	9,736.04	20,503.23	20,503.23	(10,767.19)	(52.51) %	0.16 %
SCHRK_122- Plant & Equipment 124COMPTON	1.00	50,543.590000	50,543.59	74,364.00	74,364.00	(23,820.41)	(32.03) %	0.83 %
			86,478.03		121,217.23	(34,739.20)	(28.66) %	1.43 %
Real Estate Properties (Australian - Non Residential)								
SCHRK-01 122-124 Compton Rd, Woodridge, QLD 4114	1.00	5,913,521.970000	5,913,521.97	5,580,624.53	5,580,624.53	332,897.44	5.97 %	97.51 %
			5,913,521.97		5,580,624.53	332,897.44	5.97 %	97.51 %
			6,064,702.17		5,766,543.93	298,158.24	5.17 %	100.00 %

SCHMID RMKH FUND

Investment Income Report

As at 30 June 2021

Investment		Total Income	Franked	Unfranked	Interest/ Other	Franking Credits	Foreign Income	Foreign Credits * 1	Assessable Income (Excl. Capital Gains) * 2	TFN Credits	Other Deductions	Distributed Capital Gains	Non-Assessable Payments
Bank Accounts													
	Westpac Business Flexi A/c	1.13			1.13	0.00	0.00	0.00	1.13			0.00	0.00
		1.13			1.13	0.00	0.00	0.00	1.13			0.00	0.00
Real Estate Properties (Australian - Non Residential)													
SCHRK-01	122-124 Compton Rd, Woodridge, QLD 4114	568,147.09							568,147.09				
SCHRK-01	122-124 Compton Rd, Woodridge, QLD 4114	65,168.40							65,168.40				
		633,315.49							633,315.49				
		633,316.62			1.13	0.00	0.00	0.00	633,316.62			0.00	0.00

Assessable Income (Excl. Capital Gains) **633,316.62**

Net Capital Gain **0.00**

Total Assessable Income 633,316.62

* 1 Includes foreign credits from foreign capital gains.

* 2 Assessable Income in the SMSF Annual Return will be different as capital gains and losses from disposals of assets have not been included.

For a breakdown of Distributed Capital Gains and Non-Assessable Payments refer to Distributions Reconciliation Report.