
Financial statements and reports for the year ended
30 June 2018

SCHMID RMKH FUND

SCHMID RMKH FUND
Reports Index

Statement of Financial Position

Operating Statement

Notes to the Financial Statements

Members Statement

Investment Summary

Investment Income

SCHMID RMKH FUND

Statement of Financial Position

As at 30 June 2018

	Note	2018 \$	2017 \$
Assets			
Investments			
Other Assets	2	10,022.49	12,204.15
Plant and Equipment (at written down value) - Unitised	3	89,303.12	106,925.73
Real Estate Properties (Australian - Non Residential)	4	5,710,690.00	5,693,075.00
Total Investments		<u>5,810,015.61</u>	<u>5,812,204.88</u>
Other Assets			
Sundry Debtors		6,429.97	0.00
Westpac Business Flexi A/c		75,347.86	13,208.77
GST Refundable		0.00	147.28
Income Tax Refundable		12,042.10	0.00
Total Other Assets		<u>93,819.93</u>	<u>13,356.05</u>
Total Assets		<u>5,903,835.54</u>	<u>5,825,560.93</u>
Less:			
Liabilities			
GST Payable		5,274.65	0.00
Income Tax Payable		0.00	2,026.65
Sundry Creditors		17,436.00	32,083.00
Amounts owing to other persons		0.00	3,000.00
Limited Recourse Borrowing Arrangements		2,653,000.00	2,830,000.00
Total Liabilities		<u>2,675,710.65</u>	<u>2,867,109.65</u>
Net assets available to pay benefits		<u>3,228,124.89</u>	<u>2,958,451.28</u>
Represented by:			
Liability for accrued benefits allocated to members' accounts	6, 7		
Schmid, Rudolf - Pension (Pension)		1,167,096.63	1,105,274.49
Schmid, Maureen - Pension (Pension)		1,147,228.54	1,086,183.45
Schmid, Kurt Jurgen - Accumulation		553,936.39	488,735.28
Schmid, Heidi Christine - Accumulation		359,863.33	278,258.06
Total Liability for accrued benefits allocated to members' accounts		<u>3,228,124.89</u>	<u>2,958,451.28</u>

SCHMID RMKH FUND

Operating Statement

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Income			
Investment Income			
Interest Received		6.69	15.17
Property Income	9	493,200.00	485,300.00
Investment Gains			
Changes in Market Values	10	14,342.59	268,075.00
Contribution Income			
Employer Contributions		0.00	55,000.00
Personal Concessional		9,500.00	0.00
Personal Non Concessional		50,500.00	95,000.00
Transfers In		2,837.35	0.00
Other Income			
Outgoings Recovered		70,521.05	0.00
Total Income		<u>640,907.68</u>	<u>903,390.17</u>
Expenses			
Accountancy Fees		2,283.50	2,283.50
Administration Costs		369.00	358.75
ATO Supervisory Levy		259.00	259.00
Auditor's Remuneration		990.00	990.00
ASIC Fees		254.00	296.00
Bank Charges		35.50	23.50
Westpac Loan 47-0182 Expenses		46,633.32	44,672.95
Westpac Loan 47-0190 Expenses		86,731.28	103,207.31
Depreciation		14,350.20	16,765.75
Write Off of Borrowing Costs		5,181.66	4,881.15
Property Expenses - Council Rates		38,433.75	0.00
Property Expenses - Insurance Premium		4,899.21	0.00
Property Expenses - Land Tax		25,250.00	0.00
Property Expenses - Legal Fees		1,732.78	1,037.79
Property Expenses - Repairs Maintenance		4,252.97	2,767.56
Member Payments			
Pensions Paid		132,440.00	103,000.00
Total Expenses		<u>364,096.17</u>	<u>280,543.26</u>
Benefits accrued as a result of operations before income tax		<u>276,811.51</u>	<u>622,846.91</u>
Income Tax Expense	11	7,137.90	18,445.44
Benefits accrued as a result of operations		<u>269,673.61</u>	<u>604,401.47</u>

Notes to the Financial Statements

For the year ended 30 June 2018

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.

SCHMID RMKH FUND

Notes to the Financial Statements

For the year ended 30 June 2018

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

	2018 \$	2017 \$
Borrowing Costs	10,022.49	12,204.15
	10,022.49	12,204.15

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

	2018 \$	2017 \$
122-124 Compton Road, Woodridge	74,364.00	86,422.50

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

For the year ended 30 June 2018

Airconditioner	14,939.12	20,503.23
	<hr/>	<hr/>
	89,303.12	106,925.73
	<hr/>	<hr/>

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

	2018	2017
	\$	\$
122-124 Compton Rd, Woodridge, QLD 4114	5,710,690.00	5,693,075.00
	<hr/>	<hr/>
	5,710,690.00	5,693,075.00
	<hr/>	<hr/>

Note 6: Liability for Accrued Benefits

	2018	2017
	\$	\$
Liability for accrued benefits at beginning of year	2,958,451.28	2,354,049.81
Benefits accrued as a result of operations	269,673.61	604,401.26
Current year member movements	0.00	0.21
	<hr/>	<hr/>
Liability for accrued benefits at end of year	3,228,124.89	2,958,451.28
	<hr/>	<hr/>

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.

	2018	2017
	\$	\$
Vested Benefits	3,228,124.89	2,958,451.28
	<hr/>	<hr/>

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 2018

Note 9: Rental Income

	2018	2017
	\$	\$
122-124 Compton Rd, Woodridge, QLD 4114	493,200.00	485,300.00
	<u>493,200.00</u>	<u>485,300.00</u>

Note 10: Changes in Market Values Unrealised Movements in Market Value

	2018	2017
	\$	\$
Plant and Equipment (at written down value) - Unitised		
Airconditioner	(3,272.41)	0.00
	<u>(3,272.41)</u>	<u>0.00</u>
Real Estate Properties (Australian - Non Residential)		
122-124 Compton Rd, Woodridge, QLD 4114	17,615.00	268,075.00
	<u>17,615.00</u>	<u>268,075.00</u>
Total Unrealised Movement	<u>14,342.59</u>	<u>268,075.00</u>
Realised Movements in Market Value		
	2018	2017
	\$	\$
Total Realised Movement	<u>0.00</u>	<u>0.00</u>
Total Market Movement	<u>14,342.59</u>	<u>268,075.00</u>

Note 11: Income Tax Expense

	2018	2017
	\$	\$
The components of tax expense comprise		
Current Tax	7,137.90	18,445.65
Prior Year Over/Under Provision for Income Tax	0.00	(0.21)
	<u>7,137.90</u>	<u>18,445.44</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%	41,521.73	93,427.04
Less:		
Tax effect of:		
Non Taxable Contributions	7,575.00	14,250.00

Refer to compilation report

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

For the year ended 30 June 2018

Non Taxable Transfer In	425.60	0.00
Increase in MV of Investments	2,151.39	40,211.25
Exempt Pension Income	62,319.00	56,673.15
Tax Adjustment - Capital Works Expenditure (D1)	5,837.40	0.00
Add:		
Tax effect of:		
SMSF Non-Deductible Expenses	24,058.20	20,702.25
Pension Payments	19,866.00	15,450.00
Rounding	0.36	0.76
Income Tax on Taxable Income or Loss	<hr/> 7,137.90	<hr/> 18,445.65
Less credits:		
Current Tax or Refund	<hr/> 7,137.90	<hr/> 18,445.65

Members Statement

Rudolf Schmid
 14 Lynton Court
 Alexandra Hills, Queensland, 4161, Australia

Your Details

Date of Birth : 20/12/1941
 Age: 76
 Tax File Number: Provided
 Date Joined Fund: 24/10/2014
 Service Period Start Date: 12/06/1995
 Date Left Fund:
 Member Code: SCHRUD00006P
 Account Start Date 01/07/2015
 Account Phase: Retirement Phase
 Account Description: Pension

Nominated Beneficiaries Maureen Schmid
 Vested Benefits 1,167,096.63
 Total Death Benefit 1,167,096.63
 Current Salary 0.00
 Previous Salary 0.00
 Disability Benefit 0.00

Your Balance

Total Benefits 1,167,096.63

Preservation Components
 Preserved
 Unrestricted Non Preserved 1,167,096.63
 Restricted Non Preserved

Tax Components
 Tax Free (4.73%) 55,188.25
 Taxable 1,111,908.38

Your Detailed Account Summary

	This Year
Opening balance at 01/07/2017	1,105,274.49
<u>Increases to Member account during the period</u>	
Employer Contributions	
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	128,762.14
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	66,940.00
Contributions Tax	
Income Tax	
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Refund Excess Contributions	
Division 293 Tax	
Insurance Policy Premiums Paid	
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2018	1,167,096.63

Members Statement

Maureen Schmid
 14 Lynton Court
 Alexandra Hills, Queensland, 4161, Australia

Your Details

Date of Birth : 08/04/1939
 Age: 79
 Tax File Number: Provided
 Date Joined Fund: 24/10/2014
 Service Period Start Date: 12/06/1995
 Date Left Fund:
 Member Code: SCHMAU00006P
 Account Start Date 01/07/2015
 Account Phase: Retirement Phase
 Account Description: Pension

Nominated Beneficiaries Rudolf Schmid
 Vested Benefits 1,147,228.54
 Total Death Benefit 1,147,228.54
 Current Salary 0.00
 Previous Salary 0.00
 Disability Benefit 0.00

Your Balance

Total Benefits 1,147,228.54

Preservation Components
 Preserved
 Unrestricted Non Preserved 1,147,228.54
 Restricted Non Preserved

Tax Components
 Tax Free (4.52%) 51,859.44
 Taxable 1,095,369.10

Your Detailed Account Summary

	This Year
Opening balance at 01/07/2017	1,086,183.45
<u>Increases to Member account during the period</u>	
Employer Contributions	
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	126,545.09
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	65,500.00
Contributions Tax	
Income Tax	
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Refund Excess Contributions	
Division 293 Tax	
Insurance Policy Premiums Paid	
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2018	1,147,228.54

Members Statement

Kurt Jurgen Schmid
 15 St James Road
 Birkdale, Queensland, 4159, Australia

Your Details

Date of Birth : 08/03/1971
 Age: 47
 Tax File Number: Provided
 Date Joined Fund: 24/10/2014
 Service Period Start Date: 15/09/1995
 Date Left Fund:
 Member Code: SCHKUR00002A
 Account Start Date 24/10/2014
 Account Phase: Accumulation Phase
 Account Description: Accumulation

Nominated Beneficiaries Heidi Christine Schmid
 Vested Benefits 553,936.39
 Total Death Benefit 553,936.39
 Current Salary 0.00
 Previous Salary 0.00
 Disability Benefit 0.00

Your Balance

Total Benefits 553,936.39

Preservation Components
 Preserved 553,936.39
 Unrestricted Non Preserved
 Restricted Non Preserved

Tax Components
 Tax Free 122,337.35
 Taxable 431,599.04

Your Detailed Account Summary

	This Year
Opening balance at 01/07/2017	488,735.28
<u>Increases to Member account during the period</u>	
Employer Contributions	
Personal Contributions (Concessional)	9,500.00
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	2,837.35
Net Earnings	57,920.45
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	1,425.00
Income Tax	3,631.69
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Refund Excess Contributions	
Division 293 Tax	
Insurance Policy Premiums Paid	
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2018	553,936.39

Members Statement

Heidi Christine Schmid
 15 St James Road
 Birkdale, Queensland, 4159, Australia

Your Details

Date of Birth : 25/09/1972
 Age: 45
 Tax File Number: Provided
 Date Joined Fund: 24/10/2014
 Service Period Start Date: 28/05/2007
 Date Left Fund:
 Member Code: SCHHEI00002A
 Account Start Date 24/10/2014
 Account Phase: Accumulation Phase
 Account Description: Accumulation

Nominated Beneficiaries Kurt Jurgen Schmid
 Vested Benefits 359,863.33
 Total Death Benefit 359,863.33
 Current Salary 0.00
 Previous Salary 0.00
 Disability Benefit 0.00

Your Balance

Total Benefits 359,863.33

Preservation Components
 Preserved 359,863.33
 Unrestricted Non Preserved
 Restricted Non Preserved

Tax Components
 Tax Free 74,237.77
 Taxable 285,625.56

Your Detailed Account Summary

	This Year
Opening balance at 01/07/2017	278,258.06
<u>Increases to Member account during the period</u>	
Employer Contributions	
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	50,500.00
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	33,186.48
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	
Income Tax	2,081.21
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Refund Excess Contributions	
Division 293 Tax	
Insurance Policy Premiums Paid	
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2018	359,863.33

SCHMID RMKH FUND

Investment Summary Report

As at 30 June 2018

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		75,347.860000	75,347.86	75,347.86	75,347.86			1.28 %
			75,347.86		75,347.86		0.00 %	1.28 %
Other Assets								
SCHRK_BO Borrowing Costs RROWINGC OSTS	1.00	10,022.490000	10,022.49	10,022.49	10,022.49	0.00	0.00 %	0.17 %
			10,022.49		10,022.49	0.00	0.00 %	0.17 %
Plant and Equipment (at written down value) - Unitised								
SCHRK_122- 122-124 Compton Road, 124COMPTO Woodridge N	1.00	74,364.000000	74,364.00	74,364.00	74,364.00	0.00	0.00 %	1.26 %
SCHRK_AIR Airconditioner CONDITION ER	1.00	14,939.120000	14,939.12	20,503.23	20,503.23	(5,564.11)	(27.14) %	0.25 %
			89,303.12		94,867.23	(5,564.11)	(5.87) %	1.52 %
Real Estate Properties (Australian - Non Residential)								
SCHRK-01 122-124 Compton Rd, Woodridge, QLD 4114	1.00	5,710,690.000000	5,710,690.00	5,539,663.95	5,539,663.95	171,026.05	3.09 %	97.03 %
			5,710,690.00		5,539,663.95	171,026.05	3.09 %	97.03 %
			5,885,363.47		5,719,901.53	165,461.94	2.89 %	100.00 %

SCHMID RMKH FUND

Investment Income Report

As at 30 June 2018

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	6.69			6.69	0.00	0.00	0.00	6.69			0.00	0.00
	6.69			6.69	0.00	0.00	0.00	6.69			0.00	0.00
Real Estate Properties (Australian - Non Residential)												
SCHRK-01 122-124 Compton Rd, Woodridge, QLD 4114	493,200.00							493,200.00				
SCHRK-01 122-124 Compton Rd, Woodridge, QLD 4114	70,521.05							70,521.05				
	563,721.05							563,721.05				
	563,727.74			6.69	0.00	0.00	0.00	563,727.74			0.00	0.00

Assessable Income (Excl. Capital Gains) **563,727.74**

Net Capital Gain **0.00**

Total Assessable Income 563,727.74

* 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.