

GRAHAM WELCH SUPERANNUATION FUND
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	2010	2009
	\$	\$
Investments		
Shares in Listed Companies (Australian)	492,922.62	410,719.08
	<u>\$492,922.62</u>	<u>\$410,719.08</u>
Other Assets		
Cash at Bank - St George 491042175	307.73	284.58
Cash at Bank - St George 410238273	2,030.93	4,118.69
Income Tax Refundable (Note 5)	13,534.14	-
	<u>\$15,872.80</u>	<u>\$4,403.27</u>
Total Assets	<u>\$508,795.42</u>	<u>\$415,122.35</u>
Less:		
Liabilities		
Income Tax Payable (Note 5)	-	14,527.18
PAYG Payable	1,830.00	-
	<u>\$1,830.00</u>	<u>\$14,527.18</u>
Net Assets Available to Pay Benefits	<u>\$506,965.42</u>	<u>\$400,595.17</u>
Represented by:		
Liability for Accrued Benefits (Notes 2, 3)		
Welch, Graham (Pension)	450,235.31	400,595.17
Welch, Graham (Accumulated)	56,730.11	-
	<u>\$506,965.42</u>	<u>\$400,595.17</u>

The accompanying notes form part of these financial statements

GRAHAM WELCH SUPERANNUATION FUND
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
Income		
Capital Gains/(Losses) - Taxable	14,479.95	648.39
Dividends Received	35,191.32	1,878.57
Increase in Market Value of Investments (Note 4)	26,577.60	24,160.61
Interest Received	425.62	18.69
Member/Personal Contributions - Concessional (Taxable)	-	100,000.00
Member/Personal Contributions - Non Concessional (Undeducted)	50,500.51	125,500.00
Transfers In - Unrestricted Non Preserved/Tax Free	-	165,479.66
	127,175.00	417,685.92
Expenses		
Accountancy Fees	957.00	-
Administration Costs	150.00	-
Audit Insurance	330.00	-
Auditor's Remuneration	550.00	-
Bank Charges	134.50	-
Pensions Paid - Unrestricted Non Preserved - Tax Free	13,003.83	1,575.60
Pensions Paid - Unrestricted Non Preserved - Taxable	4,996.17	424.40
	20,121.50	2,000.00
Benefits Accrued as a Result of Operations before Income Tax	107,053.50	415,685.92
Income Tax (Note 5)		
Income Tax Expense	683.25	15,090.75
	683.25	15,090.75
Benefits Accrued as a Result of Operations	\$106,370.25	\$400,595.17

The accompanying notes form part of these financial statements

GRAHAM WELCH SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$

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. This financial report is therefore a special purpose financial report that has been prepared 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 directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis. The accounting policies that have been adopted in the preparation of this 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 quotations at the reporting date;
- ii. units in managed funds by reference to the unit redemption price at the reporting date;
- iii. insurance policies by reference to the surrender value of the policy; and
- iv. investments properties at trustees' assessment of their realisable value.

b. 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 sundry liabilities and income tax liabilities as at reporting date.

2. Liability for Accrued Benefits

Changes in the Liability for Accrued Benefits are as follows:

Liability for Accrued Benefits at beginning of period	400,595.17	-
Add:		
- Increase in Accrued Benefits	106,370.25	400,595.17
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	<hr/>	<hr/>
Liability for Accrued Benefits at end of period	506,965.42	400,595.17
	<hr/>	<hr/>

The accompanying notes form part of these financial statements

GRAHAM WELCH SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$

3. Guaranteed Benefits

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

4. Changes in Net Market Values

Investments and other assets of the fund are valued at the end of the reporting period as described in Note 1 - Summary of Significant Accounting Policies. A detailed schedule of investments is attached to these financial statements. A summary of the change in Net Market Values is as follows:

Shares in Listed Companies (Australian)	26,577.60	24,160.61
	<u>26,577.60</u>	<u>24,160.61</u>

5. Income Tax

Income Tax is payable by the superannuation fund at the rate of 15% on the contributions received and the income of the fund. There has been no change in the Income Tax rate during the year.

The Income Tax payable by the superannuation fund has been calculated as follows:

Benefits accrued as a result of operations before income tax	107,053.50	415,685.92
Prima facie income tax on accrued benefits	16,058.03	62,352.89
Add/(Less) Permanent/Timing Differences		
Increase in Market Value of Investments	(3,986.64)	(3,624.09)
Member/Personal Contributions - Non Concessional (Undeducted)	(7,575.08)	(18,825.00)
Transfers In - Unrestricted Non Preserved/Tax Free	-	(24,821.95)
Accountancy Fees	129.92	-
Administration Costs	20.36	-
Audit Insurance	44.80	-
Bank Charges	18.26	-
Pensions Paid - Unrestricted Non Preserved - Tax Free	1,950.57	236.34
Pensions Paid - Unrestricted Non Preserved - Taxable	749.43	63.66
Exempt Pension Income	(6,801.15)	(291.15)
Other	74.75	.05
	<u>(15,374.78)</u>	<u>(47,262.14)</u>

The accompanying notes form part of these financial statements

GRAHAM WELCH SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
Income Tax Expense	<u>683.25</u>	<u>15,090.75</u>

The accompanying notes form part of these financial statements

GRAHAM WELCH SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
Income tax expense comprises:		
Income Tax Payable	(13,534.14)	14,527.18
Imputed Credits	10,557.39	563.57
Tax Instalments Paid	3,660.00	-
	<u>683.25</u>	<u>15,090.75</u>
6. Reconciliation of Net Cash provided by Operating Activities to Benefits Accrued from Operations after Income Tax		
Benefits accrued from operations after income tax	106,370.25	400,595.17
Add/(Less) non cash amounts included in benefits accrued from operations		
Capital Gains/(Losses) - Taxable	(14,479.95)	(648.39)
Increase in Market Value of Investments	(26,577.60)	(24,160.61)
Income Tax Expense	683.25	15,090.75
Other non cash items	(26,914.57)	(563.57)
	<u>(67,288.87)</u>	<u>(10,281.82)</u>
Net cash provided by operating activities	<u>39,081.38</u>	<u>390,313.35</u>
7. Reconciliation of Cash		
For the purpose of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related item in the Statement of Financial Position or Statement of Net Assets as follows:		
Cash	<u>2,338.66</u>	<u>4,403.27</u>

The accompanying notes form part of these financial statements

GRAHAM WELCH SUPERANNUATION FUND

MEMBER'S SUMMARY REPORT AT 30 JUNE 2010

Member's Details	O/B	Increases				Decreases						C/B
		Contrib	Tra In	Profit	Ins Pol	Tax	Exp	Ins Pol	Tra Out	Ben Pd	Excess Tax	
WELCH, GRAHAM Member Mode: Pension A/C Description: Pension 17 Kriedeman Road Upper Coomera QLD 4209	400,595			67,640						18,000		450,235
WELCH, GRAHAM Member Mode: Accumulation A/C Description: Accumulated 17 Kriedeman Road Upper Coomera QLD 4209		50,501		6,913		683						56,730
	400,595	50,501		74,553		683				18,000		506,965

GRAHAM WELCH SUPERANNUATION FUND
INVESTMENT SUMMARY REPORT (WITH YIELDS) AT 30 JUNE 2010

Investment	Units	Cost		Market		Income	Yield	
		Per unit	Total	Per unit	Total		Cost	Market
Cash/Bank Accounts								
Cash at Bank - St George 410238273			2,030.93		2,030.93	414.32	20.40%	20.40%
Cash at Bank - St George 491042175			307.73		307.73	11.30	3.67%	3.67%
			<u>2,338.66</u>		<u>2,338.66</u>	<u>425.62</u>		
Shares in Listed Companies (Australian)								
Australia and New Zealand Banking Group Limited - Ordinary Fully Paid	1,142.0000	14.58	16,654.29	21.61	24,678.62	1,099.52	6.60%	4.46%
Bank of Queensland Limited. - Ordinary Fully Paid	2,500.0000	8.56	21,403.02	10.47	26,175.00	1,300.00	6.07%	4.97%
Bhp Billiton Limited - Ordinary Fully Paid	2,400.0000	34.92	83,806.58	37.65	90,360.00	1,807.95	2.16%	2.00%
Commonwealth Bank of Australia. - Ordinary Fully Paid	2,000.0000	41.61	83,219.75	48.64	97,280.00	3,525.00	4.24%	3.62%
David Jones Limited - Ordinary Fully Paid	2,500.0000	3.01	7,532.95	4.31	10,775.00	725.00	9.62%	6.73%
National Australia Bank Limited - Ordinary Fully Paid	1,050.0000	22.12	23,225.10	23.28	24,444.00	4,527.46	19.49%	18.52%
Suncorp-Metway Limited. - Ordinary Fully Paid						1,050.00		
Telstra Corporation Limited. - Ordinary Fully Paid	13,000.0000	3.23	41,968.85	3.25	42,250.00	3,220.00	7.67%	7.62%
Wesfarmers Limited - Ordinary Fully Paid	2,000.0000	21.76	43,525.22	28.65	57,300.00	2,300.00	5.28%	4.01%
Westpac Banking Corporation - Ordinary Fully Paid	5,000.0000	21.52	107,603.15	21.23	106,150.00	4,534.00	4.21%	4.27%
Woolworths Limited - Ordinary Fully Paid	500.0000	26.49	13,245.50	27.02	13,510.00	545.00	4.11%	4.03%
			<u>442,184.41</u>		<u>492,922.62</u>	<u>24,633.93</u>		
			<u>444,523.07</u>		<u>495,261.28</u>	<u>25,059.55</u>		

GRAHAM WELCH SUPERANNUATION FUND
INVESTMENT INCOME REPORT AT 30 JUNE 2010

Investment	Add			Less						Taxable Income (incl Cap Gains)	Indexed Capital Gains	Discounted Capital Gains*	Other Capital Gains*	Taxable Capital Gains	
	Total Income	Franking Credits	Foreign Credits	TFN Credits	Tax Free	Tax Exempt	Tax Deferred	Expenses	Capital Gains Discount*						GST
Cash/Bank Accounts															
Cash at Bank - St George 410238273	414.32										414.32				
Cash at Bank - St George 491042175	11.30										11.30				
	425.62										425.62				
Shares in Listed Companies (Australian)															
Australia and New Zealand Banking Group Limited - Ordinary Fully Paid	1,099.52	471.22									1,570.74				
Bank of Queensland Limited. - Ordinary Fully Paid	1,300.00	557.14									1,857.14				
Bhp Billiton Limited - Ordinary Fully Paid	1,807.95	774.83									2,582.78				
Commonwealth Bank of Australia. - Ordinary Fully Paid	3,525.00	1,510.72									5,035.72				
David Jones Limited - Ordinary Fully Paid	725.00	310.71									1,035.71				

* Includes Foreign Capital Gains

GRAHAM WELCH SUPERANNUATION FUND
INVESTMENT INCOME REPORT AT 30 JUNE 2010

Investment	Add				Less					Taxable Income (incl Cap Gains)	Indexed Capital Gains	Discounted Capital Gains*	Other Capital Gains*	Taxable Capital Gains
	Total Income	Franking Credits	Foreign Credits	TFN Credits	Tax Free	Tax Exempt	Tax Deferred	Expenses	Capital Gains Discount*					
National Australia Bank Limited - Ordinary Fully Paid	4,527.46	1,940.34								6,467.80				
Suncorp-Metway Limited. - Ordinary Fully Paid	1,050.00	450.00								1,500.00				
Telstra Corporation Limited. - Ordinary Fully Paid	3,220.00	1,380.00								4,600.00				
Wesfarmers Limited - Ordinary Fully Paid	2,300.00	985.72								3,285.72				
Westpac Banking Corporation - Ordinary Fully Paid	4,534.00	1,943.14								6,477.14				
Woolworths Limited - Ordinary Fully Paid	545.00	233.57								778.57				
	24,633.93	10,557.39								35,191.32				
	25,059.55	10,557.39								35,616.94				

* Includes Foreign Capital Gains

GRAHAM WELCH SUPERANNUATION FUND
INVESTMENT DISPOSALS REPORT AT 30 JUNE 2010

Investment	Disposal Method	Units Sold	Purchase Cost	Cost Base Adjustments	Adjusted Cost Base	Consideration	Total Prof/(Loss)	Taxable Prof/(Loss)	Non Taxable Prof/(Loss)	Accounting Prof/(Loss)
Shares in Listed Companies (Australian)										
Alliance Resources Limited - Ordinary Fully Paid	Other	3,000.0000	2,582.95		2,582.95	1,857.00	(725.95)	(725.95)		(725.95)
Bank of Queensland Limited. - Ordinary Fully Paid	Other	2,000.0000	16,403.02		16,403.02	17,987.05	1,584.03	1,584.03		1,584.03
National Australia Bank Limited - Ordinary Fully Paid	Other	2,152.0000	45,703.23		45,703.23	54,553.95	8,850.72	8,850.72		8,850.72
Suncorp-Metway Limited. - Ordinary Fully Paid	Other	3,000.0000	20,845.90		20,845.90	25,617.05	4,771.15	4,771.15		4,771.15
			85,535.10		85,535.10	100,015.05	14,479.95	14,479.95		14,479.95
			85,535.10		85,535.10	100,015.05	14,479.95	14,479.95		14,479.95

GRAHAM WELCH SUPERANNUATION FUND
PROJECTED INVESTMENT DISPOSAL PROFIT/(LOSS) REPORT AT 30 JUNE 2010

Investment	Units	Cost	CGT Cost Base	Tax Deferred	Market	Total Profit/(Loss)	Taxable Profit/(Loss) Indexation	Taxable Profit/(Loss) Discounted
Cash/Bank Accounts								
Cash at Bank - St George 410238273		2,030.93			2,030.93			
Cash at Bank - St George 491042175		307.73			307.73			
		2,338.66			2,338.66			
Shares in Listed Companies (Australian)								
Australia and New Zealand Banking Group Limited - Ordinary Fully Paid	1,142.0000	16,654.29	16,654.29		24,678.62	8,024.33	8,024.33	5,349.55
Bank of Queensland Limited. - Ordinary Fully Paid	2,500.0000	21,403.02	21,403.02		26,175.00	4,771.98	4,771.98	3,181.32
Bhp Billiton Limited - Ordinary Fully Paid	2,400.0000	83,806.58	83,806.58		90,360.00	6,553.42	6,553.42	4,368.95
Commonwealth Bank of Australia. - Ordinary Fully Paid	2,000.0000	83,219.75	83,219.75		97,280.00	14,060.25	14,060.25	9,373.50
David Jones Limited - Ordinary Fully Paid	2,500.0000	7,532.95	7,532.95		10,775.00	3,242.05	3,242.05	2,161.37
National Australia Bank Limited - Ordinary Fully Paid	1,050.0000	23,225.10	23,225.10		24,444.00	1,218.90	1,218.90	812.60
Telstra Corporation Limited. - Ordinary Fully Paid	13,000.0000	41,968.85	41,968.85		42,250.00	281.15	281.15	187.43
Wesfarmers Limited - Ordinary Fully Paid	2,000.0000	43,525.22	43,525.22		57,300.00	13,774.78	13,774.78	9,183.19
Westpac Banking Corporation - Ordinary Fully Paid	5,000.0000	107,603.15	107,603.15		106,150.00	(1,453.15)	(1,453.15)	(968.77)
Woolworths Limited - Ordinary Fully Paid	500.0000	13,245.50	13,245.50		13,510.00	264.50	264.50	176.33
		442,184.41	442,184.41		492,922.62	50,738.21	50,738.21	33,825.47
		444,523.07	442,184.41		495,261.28	50,738.21	50,738.21	33,825.47

GRAHAM WELCH SUPERANNUATION FUND

TRUSTEES DECLARATION

The trustees have determined that the fund is not a reporting entity and 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 2010 present fairly the financial position of the superannuation fund at 30 June 2010 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 2010.

Signed in accordance with a resolution of the trustees by:

Graham Welch
Trustee

Elizabeth Welch
Trustee

DATED: 03/12/2010

**GRAHAM WELCH SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

Auditor details

Name	Arnett, Leasa
Postal address	Lvl 2 Suite 46 Oasis Shopping Centre
	2-20 Victoria Avenue
	Broadbeach QLD 4218
Business name	
Business Postal address	Lvl 2 Suite 46 Oasis Shopping Centre
	2-20 Victoria Avenue
	Broadbeach QLD 4218
Professional organisation	The Institute of Chartered Accountants in Australia
Professional membership or registration number	92745

Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name	GRAHAM WELCH SUPERANNUATION FUND
Australian business number or tax file number	66569035452
Address	17 Kriedeman Road
	Upper Coomera QLD 4209
Year of income being audited	2010

To the trustees

To the trustees of	GRAHAM WELCH SUPERANNUATION FUND
--------------------	----------------------------------

**GRAHAM WELCH SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

PART A - FINANCIAL REPORT

I have audited the special purpose financial report comprising the Statement of Financial Position as at 30 June 2010, and the Operating Statement, statement of changes in equity for the year then ended, a summary of significant accounting policies and other explanatory notes of the SMSF for the year ended 30 June 2010.

Trustee's Responsibility for the financial report

The trustee is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the SMSF's governing rules, comply with the requirements of the Superannuation Industry (Supervision) Act 1993 (SISA) and the Superannuation Industry (Supervision) Regulations 1994 (SISR) and are appropriate to meet the needs of the members. The trustee's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on the audit. I have conducted an independent audit of the financial report in order to express an opinion on it to the trustee. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the trustee's financial reporting requirements under the SMSF's governing rules and regulatory requirements.

I disclaim any assumption of responsibility for any reliance on this report, or on the financial statements to which it relates, to any person other than the members, or for any purpose other than that for which it was prepared.

My audit has been conducted in accordance with Australian Auditing Standards. These standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the trustee's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trustee's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Auditor's opinion

In my opinion, the financial report: presents fairly, in all material respects, in accordance with the accounting policies described in the notes to the financial statements, the financial position of the fund at 30 June 2010 and the results of its operations for the year then ended.

Emphasis of Matter

The financial report is prepared in accordance with a special purpose framework and accordingly may not be suitable for other purposes. The opinion is not modified in respect of this matter.

**GRAHAM WELCH SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

PART B - COMPLIANCE REPORT

Trustee's responsibility for compliance

The trustee is responsible for complying with the requirements of the SISA and the SISR.

Auditor's responsibility

My responsibility is to express an opinion on the trustee's compliance, based on the compliance engagement. My audit has been conducted in accordance with applicable Standards on Assurance Engagement to provide reasonable assurance that the trustee of the fund has complied, in all material respects, with the relevant requirements of the following provisions (to the extent applicable) of the SISA and the SISR.

Sections: 17A, 35A, 35B, 35C(2), 52(2)(d), 52(2)e, 62, 65, 66, 67, 69-71E, 73-75, 80-85, 103, 104A, 109, 126K

Regulations: 4.09, 5.08, 6.17, 7.04, 13.12, 13.13, 13.14¹

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the SISA and the SISR.

These tests have not been performed continuously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the SISA and the SISR apart from those specified. My procedures with respect to section 62 included testing that the fund trust deed establishes the fund solely for the provision of retirement benefits for fund members or their dependants in the case of the member's death before retirement; a review of investments to ensure the fund is not providing financial assistance to members, unless allowed under the legislation; and that no preserved benefits have been paid before a condition of release has been met.

My procedures with respect to regulation 4.09 included testing that the fund trustee has an investment strategy, that the trustee has given consideration to risk, return, liquidity and diversification and that the fund's investments are made in line with that investment strategy. No opinion is made on the investment strategy or its appropriateness to the fund members.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Auditor's opinion

In my opinion, the trustee of the fund has complied, in all material respects, with the requirements of the SISA or the SISR specified above, for the year ended 30 June 2010.

Signature of approved auditor :

Leasa Arnett

Date : 07/12/2010

¹ An explanation of each of these sections and regulations is attached as an appendix to assist trustees. Please ensure that it is attached to the fund's audit report

**GRAHAM WELCH SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

Appendix 1- Explanation of listed sections and regulations in compliance report

This appendix is included to assist trustees with the meaning of the legislation and regulations listed above

Section or Regulation	Explanation
S17A	The Fund must meet the definition of an SMSF
S35A	The trustees must keep and maintain accounting records for a minimum of five years
S35B	The trustees must prepare and maintain proper accounting records
S35C(2)	The trustees must provide the auditor with requested documents to complete the audit in a timely manner
S52(2)(d)	The assets of the SMSF must be held separately from any assets held by the trustee personally or by a standard employer sponsor or an associate of the standard employer
S52 (2)(e)	The trustee must not enter into a contract that would prevent / hinder them from exercising the powers of a trustee
S62	The fund must be maintained for the sole purpose of providing benefits to fund members upon their retirement, or upon reaching a prescribed age, or to the dependents in the case of a member's death before retirement
S65	The trustees must not loan monies or provide financial assistance to any member or relative at any time during the financial year
S66	The trustees must not acquire any assets (not listed as an exemption) from any member or related party of the fund
S67	The trustees of the fund must not borrow any money or maintain an existing borrowing (not listed as an exemption)
S69-71E	Outline of the in-house asset rules that trustees must follow. (These relate to transactions of any kind with a related party of the fund)
S73-75	Outline of the manner in which in-house assets must be valued by trustees (arms length market value)
S80-85	The trustees must comply with the in-house asset rules
S103	The trustees must keep minutes of all meetings and maintain the minutes for a minimum of 10 years
S104A	Trustees who became a trustee on or after 1 July 2007, must sign and maintain a trustee

**GRAHAM WELCH SUPERANNUATION FUND
SELF-MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITOR'S REPORT**

	declaration
S109	All investment transactions must be made and maintained at arms length i.e. purchase, sale price and income from an asset reflects a true market value/ rate of return
S126K	A disqualified person cannot be a trustee, investment manager or custodian of a superannuation fund
Reg 4.09	Trustees must have an investment strategy for the fund
Reg 5.08	Member benefits must be maintained in the fund until transferred or cashed out in a permitted fashion
Reg 6.17	Payments must be made in accordance with Part 6 of the regulations and be permitted by the trust deed
Reg 7.04	Contributions must be accepted in accordance with the applicable rules for the year being audited
Reg 13.12	Trustees must not recognise an assignment of a super interest of a member or beneficiary
Reg 13.13	Trustees must not recognise a charge over or in relation to a member's benefits
Reg 13.14	Trustees must not give a charge over, or in relation to, an asset of the fund

Signature as prescribed in tax return

Self-managed superannuation fund annual return

2010
338MS2010

Who should complete this annual return?

Only self-managed superannuation funds (SMSFs) can complete this annual return. All other funds must complete the *Fund income tax return 2010* (NAT 71287).

i The *Self-managed superannuation fund annual return instructions 2010* (NAT 71606) (the instructions) can assist you to complete this annual return.

TO COMPLETE THIS ANNUAL RETURN

- Print clearly, using a BLACK pen only.
- Use BLOCK LETTERS
- Print ☐ in ALL applicable boxes.

Section A: Fund information

i To assist processing, write the fund's TFN at the top of pages 3 and 5.

1 Tax file number (TFN)

i The Tax Office is authorised by law to request your TFN. You are not obliged to quote your TFN but not quoting it could increase the chance of delay or error in processing your annual return.

2 Name of self-managed superannuation fund (SMSF)

3 Australian business number (ABN) (if applicable)

4 Current postal address

Suburb/town

State/territory

Postcode

5 Annual return status

Is this an amendment to the SMSF's 2010 annual return? **No** **Yes**

6 Fund auditor

Auditor's name

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given names

Professional body
Code

Membership number

Auditor's phone number

Postal address

Suburb/town

State/territory

Postcode

Date audit was completed **A** Day / Month / Year

Was the audit report qualified? **B** No Yes

8 Status of SMSF Australian superannuation fund **A** No Yes Fund benefit structure **B** Code
Does the fund trust deed allow acceptance of the Government's Super Co-contributions? **C** No Yes

9 Was the fund wound up during the income year?

No Yes **i** If yes, provide the date on which the fund was wound up Day / Month / Year **i** Have all tax lodgment and payment obligations been met? No Yes

Signature as prescribed in tax return

Tax File Number

338MS2010

Section B: **Income****10 Income**

Did you have a capital gains tax (CGT) event during the year?

G No YesIf the total capital loss or total capital gain is greater than \$10,000 complete and attach a *Capital gains tax (CGT) schedule 2010*.

Did the CGT event relate to a forestry managed investment scheme interest that you held other than as an initial participant?

Z No YesYou must complete and attach a *Capital gains tax (CGT) schedule 2010*.Net capital gain **A** \$Gross rent and other leasing and hiring income **B** \$Gross interest **C** \$Forestry managed investment scheme income **X** \$

Gross foreign income	Net foreign income D \$	Loss
D1 \$		

Australian franking credits from a New Zealand company **E** \$Transfers from foreign funds **F** \$

Number

Gross payments where ABN not quoted **H** \$Gross distribution from partnerships **I** \$

Loss

*Unfranked dividend amount **J** \$*Franked dividend amount **K** \$*Dividend franking credit **L** \$*Gross trust distributions **M** \$

Code

Calculation of assessable contributions

Assessable employer contributions

R1 \$

plus Assessable personal contributions

R2 \$

plus *No-TFN quoted contributions

R3 \$

less Transfer of liability to life insurance company or PST

R6 \$**Assessable contributions R** \$

(R1 plus R2 plus R3 less R6)

Calculation of non-arm's length income

*Net non-arm's length private company dividends

U1 \$

plus *Net non-arm's length trust distributions

U2 \$

plus *Net other non-arm's length income

U3 \$*Other income **S** \$*Assessable income due to changed tax status of fund **T** \$

Code

Net non-arm's length income U \$
(subject to 45% tax rate)
(U1 plus U2 plus U3)**TOTAL ASSESSABLE INCOME V** \$

Loss

*If an amount is entered at this label, check the instructions to ensure the correct tax treatment has been applied.

Signature as prescribed in tax return

Tax File Number

338MS2010



Place your attachments here.

Section C: Deductions**11 Deductions**Exempt current pension income **K \$**Interest expenses within Australia **A \$**Interest expenses overseas **B \$**Capital works deductions **D \$**Deduction for decline in value of depreciating assets **E \$**Small business and general business tax break **P \$**Death or disability premiums **F \$**Death benefit increase **G \$**Approved auditor fee **H \$**Investment expenses **I \$**Management and administration expenses **J \$**Forestry managed investment scheme deduction **U \$**Other deductions **L \$**

Code

Tax losses deducted **M \$****TOTAL DEDUCTIONS N \$**

Loss

TAXABLE INCOME OR LOSS
(TOTAL ASSESSABLE INCOME less TOTAL DEDUCTIONS) **O \$****Section D: Income tax calculation statement****12 Income tax calculation statement**Taxable income **A \$**

Credit: foreign income tax offset

C1 \$

plus

Credit: rebates and tax offsets

C2 \$Gross tax **B \$**Rebates and offsets **C \$**
(C1 plus C2)

Credit: interest on early payments

F1 \$

plus

Credit: foreign resident withholding

F2 \$

plus

Credit: ABN/TFN not quoted (non-individual)

F3 \$

plus

Credit: refundable franking credits

F4 \$

plus

Credit: no-TFN tax offset

F5 \$

plus

Credit: interest on no-TFN tax offset

F6 \$

plus

Credit: refundable National rental affordability scheme tax offset

F7 \$**SUBTOTAL D \$**
(B less C)

(Cannot be less than zero)

Section 102AAM interest charge **E \$**Eligible credits **F \$**
(F1 plus F2 plus F3 plus F4 plus F5 plus F6 plus F7)PAYG instalments raised **G \$**Supervisory levy **H \$****TOTAL AMOUNT DUE OR REFUNDABLE I \$**
(D plus E less F less G plus H)

Signature as prescribed in tax return

Tax File Number

338MS2010

Section E: Losses**13 Losses**

! If total loss is greater than \$100,000, or there is a foreign loss, complete and attach a *Losses schedule 2010*.

Tax losses carried forward to later income years **U** \$Net capital losses carried forward to later income years **V** \$**Section F: Member information**

! Report current members at 30 June 2010 and former members who were paid a benefit (lump sum or income stream, but not a rollover) during the financial year. Include members for whom no contributions were received. Report deceased members in Section G.

MEMBER 1

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given names

Member's TFN

Date of birth

Day / Month / Year

Contributions

! Include contributions reported to you on a *Rollover benefits statement (RBS)* (NAT 70944).

OPENING ACCOUNT BALANCE \$

Employer contributions **A** \$ABN of principal employer **A1**Personal contributions **B** \$CGT small business retirement exemption **C** \$CGT small business 15-year exemption amount **D** \$Personal injury election **E** \$Spouse and child contributions **F** \$Other family and friend contributions **G** \$Directed termination (taxable component) payments **H** \$Assessable foreign superannuation fund amount **I** \$Non-assessable foreign superannuation fund amount **J** \$Transfer from reserve: assessable amount **K** \$Transfer from reserve: non-assessable amount **L** \$Any other contributions (including Super Co-contributions) **M** \$**TOTAL CONTRIBUTIONS N** \$**Other transactions**

! Exclude any rollover components reported at **N** from amounts reported at **P**. If **P** is negative, transfer the loss to **O**.

Allocated earnings or losses **O** \$Inward rollover amounts **P** \$Outward rollover amounts **Q** \$Benefit payments and code **R** \$

Loss

Code

CLOSING ACCOUNT BALANCE S \$

Signature as prescribed in tax return

Tax File Number

! Report current members at 30 June 2010 and former members who were paid a benefit (lump sum or income stream, but not a rollover) during the financial year. Include members for whom no contributions were received. Report deceased members in Section G.

MEMBER 2

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given names

Member's TFN

Date of birth

Day / Month / Year

Contributions

! Include contributions reported to you on a *Rollover benefits statement (RBS)* (NAT 70944).

OPENING ACCOUNT BALANCE \$

Employer contributions **A** \$ABN of principal employer **A1**Personal contributions **B** \$CGT small business retirement exemption **C** \$CGT small business 15-year exemption amount **D** \$Personal injury election **E** \$Spouse and child contributions **F** \$Other family and friend contributions **G** \$Directed termination (taxable component) payments **H** \$Assessable foreign superannuation fund amount **I** \$Non-assessable foreign superannuation fund amount **J** \$Transfer from reserve: assessable amount **K** \$Transfer from reserve: non-assessable amount **L** \$Any other contributions (including Super Co-contributions) **M** \$**TOTAL CONTRIBUTIONS N \$****Other transactions**

! Exclude any rollover components reported at **N** from amounts reported at **P**. If **P** is negative, transfer the loss to **O**.

Allocated earnings or losses **O** \$Inward rollover amounts **P** \$Outward rollover amounts **Q** \$Benefit payments and code **R** \$

Loss

Code

CLOSING ACCOUNT BALANCE S \$

Signature as prescribed in tax return

Tax File Number

❗ Report current members at 30 June 2010 and former members who were paid a benefit (lump sum or income stream, but not a rollover) during the financial year. Include members for whom no contributions were received. Report deceased members in Section G.

MEMBER 3

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given names

Member's TFN

Date of birth

Day

Month

Year

Contributions

❗ Include contributions reported to you on a *Rollover benefits statement (RBS)* (NAT 70944).

OPENING ACCOUNT BALANCE \$

Employer contributions **A** \$ABN of principal employer **A1**Personal contributions **B** \$CGT small business retirement exemption **C** \$CGT small business 15-year exemption amount **D** \$Personal injury election **E** \$Spouse and child contributions **F** \$Other family and friend contributions **G** \$Directed termination (taxable component) payments **H** \$Assessable foreign superannuation fund amount **I** \$Non-assessable foreign superannuation fund amount **J** \$Transfer from reserve: assessable amount **K** \$Transfer from reserve: non-assessable amount **L** \$Any other contributions (including Super Co-contributions) **M** \$**TOTAL CONTRIBUTIONS N \$****Other transactions**

❗ Exclude any rollover components reported at **N** from amounts reported at **P**. If **P** is negative, transfer the loss to **O**.

Allocated earnings or losses **O** \$Inward rollover amounts **P** \$Outward rollover amounts **Q** \$Benefit payments and code **R** \$

Loss

Code

CLOSING ACCOUNT BALANCE S \$

Signature as prescribed in tax return

Tax File Number

! Report current members at 30 June 2010 and former members who were paid a benefit (lump sum or income stream, but not a rollover) during the financial year. Include members for whom no contributions were received. Report deceased members in Section G.

MEMBER 4

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given names

Member's TFN

Date of birth

Day / Month / Year

Contributions

! Include contributions reported to you on a *Rollover benefits statement (RBS)* (NAT 70944).

OPENING ACCOUNT BALANCE \$

Employer contributions **A** \$ABN of principal employer **A1**Personal contributions **B** \$CGT small business retirement exemption **C** \$CGT small business 15-year exemption amount **D** \$Personal injury election **E** \$Spouse and child contributions **F** \$Other family and friend contributions **G** \$Directed termination (taxable component) payments **H** \$Assessable foreign superannuation fund amount **I** \$Non-assessable foreign superannuation fund amount **J** \$Transfer from reserve: assessable amount **K** \$Transfer from reserve: non-assessable amount **L** \$Any other contributions (including Super Co-contributions) **M** \$**TOTAL CONTRIBUTIONS N \$****Other transactions**

! Exclude any rollover components reported at **N** from amounts reported at **P**. If **P** is negative, transfer the loss to **O**.

Allocated earnings or losses **O** \$Inward rollover amounts **P** \$Outward rollover amounts **Q** \$Benefit payments and code **R** \$

Loss

Code

CLOSING ACCOUNT BALANCE S \$

Signature as prescribed in tax return

Tax File Number

338MS2010

Section G: Supplementary member information

- ❗ Use this section for:
- deceased members
 - any other members who cannot be included at pages 4 to 7.

MEMBER 5

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given names

Member's TFN

Date of birth

Day / Month / Year

Day / Month / Year

If deceased, date of death

Contributions

❗ Include contributions reported to you on a *Rollover benefits statement (RBS)* (NAT 70944).

OPENING ACCOUNT BALANCE \$

Employer contributions **A** \$

ABN of principal employer **A1**

Personal contributions **B** \$

CGT small business retirement exemption **C** \$

CGT small business 15-year exemption amount **D** \$

Personal injury election **E** \$

Spouse and child contributions **F** \$

Other family and friend contributions **G** \$

Directed termination (taxable component) payments **H** \$

Assessable foreign superannuation fund amount **I** \$

Non-assessable foreign superannuation fund amount **J** \$

Transfer from reserve: assessable amount **K** \$

Transfer from reserve: non-assessable amount **L** \$

Any other contributions (including Super Co-contributions) **M** \$

TOTAL CONTRIBUTIONS N \$

Other transactions

❗ Exclude any rollover components reported at **N** from amounts reported at **P**. If **P** is negative, transfer the loss to **O**.

Allocated earnings or losses **O** \$

Inward rollover amounts **P** \$

Outward rollover amounts **Q** \$

Benefit payments and code **R** \$

Loss

Code

CLOSING ACCOUNT BALANCE S \$

Signature as prescribed in tax return

Tax File Number



Use this section for:

- deceased members
- any other members who cannot be included at pages 4 to 7.

MEMBER 6

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given names

Member's TFN

Date of birth

Day / Month / Year

Day / Month / Year

If deceased, date of death

Contributions

Include contributions reported to you on a *Rollover benefits statement (RBS)* (NAT 70944).

OPENING ACCOUNT BALANCE \$

Employer contributions **A** \$ABN of principal employer **A1**Personal contributions **B** \$CGT small business retirement exemption **C** \$CGT small business 15-year exemption amount **D** \$Personal injury election **E** \$Spouse and child contributions **F** \$Other family and friend contributions **G** \$Directed termination (taxable component) payments **H** \$Assessable foreign superannuation fund amount **I** \$Non-assessable foreign superannuation fund amount **J** \$Transfer from reserve: assessable amount **K** \$Transfer from reserve: non-assessable amount **L** \$Any other contributions (including Super Co-contributions) **M** \$**TOTAL CONTRIBUTIONS N \$****Other transactions**

Exclude any rollover components reported at **N** from amounts reported at **P**. If **P** is negative, transfer the loss to **O**.

Allocated earnings or losses **O** \$Inward rollover amounts **P** \$Outward rollover amounts **Q** \$Benefit payments and code **R** \$

Loss

Code

CLOSING ACCOUNT BALANCE S \$

If additional members need to be reported in **Section G: Supplementary member information** copy this page and attach to the annual return. **DO NOT USE STAPLES.**

Signature as prescribed in tax return

Tax File Number

338MS2010

Section H: Assets and liabilities

14 ASSETS

14a Australian managed investments

Listed trusts **A** \$

Unlisted trusts **B** \$

Insurance policy **C** \$

Other managed investments **D** \$

14b Australian direct investments

Cash and term deposits **E** \$

Debt securities **F** \$

Loans **G** \$

Listed shares **H** \$

Unlisted shares **I** \$

Derivatives and instalment warrants **J** \$

Non-residential real property **K** \$

Residential real property **L** \$

Artwork, collectibles, metal or jewels **M** \$

Other assets **O** \$

14c Overseas direct investments

Overseas shares **P** \$

Overseas non-residential real property **Q** \$

Overseas residential real property **R** \$

Overseas managed investments **S** \$

Other overseas assets **T** \$

TOTAL AUSTRALIAN AND OVERSEAS ASSETS U \$

15 LIABILITIES

Borrowings **V** \$

Total member closing account balances
(total of all **CLOSING ACCOUNT BALANCES** from Sections F and G) **W** \$

Reserve accounts **X** \$

Other liabilities **Y** \$

TOTAL LIABILITIES Z \$

Section I: Taxation of financial arrangements

16 Taxation of financial arrangements (TOFA)

Did you make a gain, loss or transitional balancing adjustment
from a financial arrangement subject to the TOFA rules? **G** No Yes

Total TOFA gains **H** \$

Total TOFA losses **I** \$

TOFA transitional balancing adjustment **J** \$


Loss

Signature as prescribed in tax return

Tax File Number

338MS2010

Section J: Regulatory information

 The following questions indicate the operational status of the SMSF. Penalties will apply for false or misleading information. You must answer either **No** or **Yes** for all questions listed and provide dollar amounts if applicable.

In-house and related party assets

- Did the SMSF loan, lease to or invest in related parties (known as in-house assets)? **A** No Yes \$
- Did the SMSF hold in-house assets at any time during the year that exceeded 5% of total assets? **B** No Yes
- Did the SMSF hold an investment in a related party at any time during the year (excluding in-house assets)? **C** No Yes \$
- Did the SMSF acquire any assets (other than exempt assets) from related parties? **D** No Yes \$

Other regulatory questions

- Did the SMSF lend money or provide financial assistance to a member or relative of a member of the fund? **E** No Yes
- Did the SMSF receive *in specie* contributions during the year? **F** No Yes \$
- Did the SMSF make and maintain all investments on an arm's length basis? **G** No Yes
- Did the SMSF borrow for purposes that are not permissible? **H** No Yes
- Did members have the personal use of the SMSF's assets before retirement? **I** No Yes
- Did the SMSF provide money to members without a condition of release being met? **J** No Yes
- Did trustees of the fund receive any remuneration for their services as a trustee? **K** No Yes
- Are any trustees or directors currently disqualified persons as defined by SISA? **L** No Yes
- Are all SMSF assets appropriately documented as owned by the fund? **M** No Yes
- Did the SMSF carry on a business of selling goods or services? **N** No Yes
- Does the auditor provide services to the SMSF as either a tax agent, accountant or financial advisor or administrator? **O** No Yes

Section K: Other information

Forestry managed investment schemes

Product or private ruling information **G** Code **H** Year / Number **I**

Family trust election status

If the trust or fund has made, or is making, a family trust election, write the four-digit **income year specified** of the election (for example, for the 2009–10 income year, write **2010**). **A**

If revoking or varying a family trust election, print **R** for revoke or print **V** for variation, and complete and attach the *Family trust election, revocation or variation 2010*. **B**

Interposed entity election status

If the trust or fund has an existing election, write the earliest income year specified. If the trust or fund is making one or more elections this year, write the earliest income year being specified and complete an *Interposed entity election or revocation 2010* for each election. **C**

If revoking an interposed entity election, print **R**, and complete and attach the *Interposed entity election or revocation 2010*. **D**

Section L: Declarations



Penalties may be imposed for false or misleading information in addition to penalties relating to any tax shortfalls.

TRUSTEE'S OR DIRECTOR'S DECLARATION:

I declare that current trustees and directors have authorised this annual return and it is documented as such in the SMSF's records. I have received the audit report and I am aware of any matters raised. I also authorise the Tax Office to make any tax refunds to the nominated bank account (if applicable).

Authorised trustee's or director's signature

Day / Month / Year
Date

Preferred trustee or director contact details:

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given names

Phone number

Email address

Non-individual trustee name (if applicable)

ABN of non-individual trustee

Hrs

Time taken to prepare and complete this annual return



The Commissioner of Taxation, as Registrar of the Australian Business Register, may use the ABN and business details which you provide on this annual return to maintain the integrity of the register. For further information, refer to the instructions.

TAX AGENT'S DECLARATION:

I declare that the *Self-managed superannuation fund annual return 2010* has been prepared in accordance with information provided by the trustees, that the trustees have given me a declaration stating that the information provided to me is true and correct, and that the trustees have authorised me to lodge this annual return.

Tax agent's signature

Day / Month / Year
Date

Tax agent's contact details

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given names

Tax agent's practice

Tax agent's phone number

Reference number

Tax agent number



Postal address for annual returns: **Australian Taxation Office, GPO Box 9845, IN YOUR CAPITAL CITY**

PART A

Electronic Lodgement Declaration (Form MS)

This declaration is to be completed where the return is to be lodged via the Tax Office's Electronic Lodgment Service (ELS). It is the responsibility of the taxpayer to retain this declaration for a period of five years after the declaration is made, penalties may apply for failure to do so.

Privacy

Your tax file number

It is not an offence not to quote your (or if applicable, the partner's or beneficiary's) tax file number (TFN). However, you cannot lodge your income tax return electronically if you do not quote your TFN. The Tax Office is authorised by the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997 to ask for information in this tax return.

The Australian Business Register

The Commissioner of Taxation, as Registrar of the Australian Business Register, may use the ABN and business details which you provide on this tax return to maintain the integrity of the register.

Please refer to the privacy statement on the Australian Business Register (ABR) website (www.abr.gov.au) for further information – it outlines our commitment to safeguarding your details.

Tax File Number	Name of Partnership, Trust, Fund or Entity	Year
-----------------	--	------

I authorise my tax agent to electronically transmit this tax return via the Electronic Lodgment Service.

Important

Before making this declaration please check to ensure that all income has been disclosed and the tax return is true and correct in every detail. If you are in doubt about any aspect of the tax return, place all the facts before the Tax Office. The tax law provides heavy penalties for false or misleading statements on tax returns.

Declaration: I declare that:

- the current trustee and directors have authorised this return and it is documented as such in the Self Managed Superannuation Fund's record
- I have received the audit report and I am aware of any matters raised
- the agent is authorised to lodge this annual return, including any applicable schedules

Signature of Partner, Trustee or
Public Officer

Date

/ /

PART C

Tax Agent's Certificate (Shared facility users only)

I declare that:

- I have prepared this tax return in accordance with the information supplied by the trustees
- I have received a declaration from the trustees stating that the information provided to me is true and correct
- I am authorised by the trustees to lodge this annual return, including any applicable schedules

Agent's signature

Date

Reference

Contact name

Agent's Phone No

Agent Ref No

Capital gains tax (CGT) schedule

Use in conjunction with company, trust, fund income tax return or the self managed superannuation fund annual return. Refer to *Guide to capital gains tax 2010* available on our website www.ato.gov.au for instructions on how to complete this schedule.

Print neatly in BLOCK LETTERS with a black or blue ballpoint pen only. Do not use correction fluid or tape. Print one letter or number in each box.

2010
206BK2010

Tax file number (TFN)

Taxpayer's name

Australian business
number (ABN)

Signature as prescribed in tax return

Part A Capital gains from CGT assets and CGT events

Non-active assets

Capital gains – indexation method

Capital gains – discount method

Other capital gains

Shares and units
(in unit trusts)

A

B

C

Forestry managed
investment scheme
interest

Y

Z

A

Real estate

D

E

F

Other CGT assets and
any other CGT events

G

H

I

Collectables

J

K

L

Hedging financial
arrangements

F

H

Active assets

Shares and units
(in unit trusts)

M

N

O

Forestry managed
investment scheme
interest

B

C

D

Real estate

P

Q

R

Other CGT assets and
any other CGT events

S

T

U

Add amounts at **A** to **S** above and write the
total at **V** below.

Add amounts at **B** to **T** above and write the
total at **W** below.

Add amounts at **C** to **U** above and write
the total at **X** below.

**Total current year
capital gains (CYCG)**

V

W

X

F

Signature as prescribed in tax return

Tax File Number

Part B Current year capital losses (CYCL) from CGT assets and CGT events – other than capital losses from collectables

Shares and units (in unit trusts)	A
Forestry managed investment scheme interest	T
Real estate	B
Hedging financial arrangements	U
Other CGT assets and any other CGT events	C
Add amounts at A to C above and write the total at D below.	
Total current year capital losses (CYCL)	D

Part D Applying capital losses against current year capital gains

Capital gains – indexation method		Capital gains – discount method	Other capital gains
Current year capital losses applied	E	F	G
Prior year net capital losses applied	I	J	K
Capital losses transferred in applied	M	N	O
Add amounts at E to M above and write the total at Q below.		Add amounts at F to N above and write the total at R below.	Add amounts at G to O above and write the total at S below.
Total capital losses applied	Q	R	S
Current year capital losses applied		Prior year net capital losses applied	Capital losses transferred in applied
Add amounts at E , F and G above and write the total at H below.		Add amounts at I , J and K above and write the total at L below.	Use P only for transfers from or to a foreign bank branch or permanent establishment of foreign financial entity. Add amounts at M , N and O above and write the total at P below.
Total capital losses applied	H	L	P

F**Part E Current year capital gains (CYCG) after applying capital losses**

Capital gains – indexation method		Capital gains – discount method	Other capital gains
Non-active assets	A	B	C
Active assets	D	E	F
Add amounts at A and D above and write the total at G below.		Add amounts at B and E above and write the total at H below.	Add amounts at C and F above and write the total at I below.
Totals – CYCG after applying capital losses	G	H	I

Signature as prescribed in tax return

Tax File Number

206BK2010

Part F Applying the CGT discount on capital gains**Capital gains – discount method**From non-active assets **J**From active assets **K****Part G Applying the CGT concessions for small business****Capital gains – indexation method**Small business active
asset reduction **L**Small business
retirement exemption **O**Small business rollover **R****Capital gains – discount method****M****P****S****Other capital gains****N****Q****T****F****Part H Calculating net capital gain****Totals – CGT discount
and small business
concessions**Add amounts at **L** to **R** above and write the
total at **A** below.**A**Deduct the amount at **A** above from the amount at **G** in
part E on page 2 and write the result at **D** below.**D**Add amounts at **J** to **S** above and write the
total at **B** below.**B**Deduct the amount at **B** above from the amount at **H** in
part E on page 2 and write the result at **E** below.**E**Add amounts at **N** to **T** above and write the
total at **C** below.**C**Deduct the amount at **C** above from the amount at **I** in
part E on page 2 and write the result at **F** below.**F**Net capital gain (**D** + **E** + **F**) **G**Transfer the amount at **G** to **A** on your tax return.**Part I Unapplied net capital losses (UNCL) carried forward to later income years**UNCL from
collectables **H**UNCL from all other CGT
assets and CGT events **I**Add amounts at **H** and **I** and write
the total at **V** on your tax return.**Part J Small business 15-year exemption**Exempt capital gains **J**CGT asset or CGT
event code **K****F****Part K Scrip-for-scrip rollover for exchanging taxpayer**Rollover chosen? **A** Yes **No**Print **X** in the
appropriate box.Original interests
cost base **B**Replacement
interests
market value **C**Cash and other considerations **D**

Signature as prescribed in tax return

Tax File Number

Part L Scrip-for-scrip rollover for acquiring entity – to be completed by companies and trusts onlyAcquiring
entity **E** Yes NoPrint **X** in the
appropriate box.Number of
original entities **F**Taxpayer TFN of
original entity **G**Number of shares/
units etc issued **H**Number of
options/rights
etc issued **I**Amount of other
considerations **J**First element
of cost base of
interests acquired **K**Joint choice
for rollover **L** Yes NoPrint **X** in the
appropriate boxCost base – significant
common stakeholder
interests acquired **M****Part M Did you have an employee share scheme in place at any time during the year? – to be completed by companies only****N** Yes NoPrint **X** in the
appropriate box.**Part N Same majority underlying ownership and pre-CGT assets – Division 149 – to be completed by companies only****O** Yes NoPrint **X** in the
appropriate box.**F**

GRAHAM WELCH SUPERANNUATION FUND
STATEMENT OF TAXABLE INCOME
FOR THE YEAR ENDED 30 JUNE 2010

	2010
	\$
Benefits Accrued as a Result of Operations before Income Tax	107,054.00
Less:	
Increase in Market Value of Investments	(26,578.00)
Member/Personal Contributions - Non Concessional (Undeducted)	(50,501.00)
Accounting Capital Gains	(14,480.00)
Exempt Pension Income	(45,341.00)
Other Non Taxable Items	1.00
	(136,899.00)
	(29,845.00)
Add:	
Pensions Paid - Unrestricted Non Preserved - Tax Free	13,004.00
Pensions Paid - Unrestricted Non Preserved - Taxable	4,996.00
Taxable Capital Gains	14,480.00
Pension Member Non Deductible Expenses	1,920.00
	34,400.00
Taxable Income	4,555.00
Tax Payable on Taxable Income	683.25
Less:	
Imputed Credits	10,557.39
Instalments Paid	3,660.00
	14,217.39
Income Tax Payable/(Refund)	(13,534.14)
Add:	
Supervisory levy	150.00
Total Amount Due or Refundable	(13,384.14)

**GRAHAM AND ELIZABETH WELCH
ATF GRAHAM WELCH SUPERANNUATION FUND
MINUTES OF A MEETING OF THE TRUSTEE(S) HELD ON 03/12/2010
AT 17 KRIEDEMANN ROAD, UPPER COOMERA QLD 4209**

PRESENT:

Graham Welch
Elizabeth Welch

**MINUTES OF PREVIOUS
MEETING:**

The minutes of the previous meeting were read and confirmed.

CONTRIBUTIONS RECEIVED:

It was resolved that the contributions during the year be allocated to members on the basis of the schedule provided by the principal fund employer.

PURCHASES OF ASSETS:

It was resolved that having regard to the composition of the fund's existing investments, the fund's investment strategy and its present liquidity, the purchase of the assets identified in the schedule hereto be confirmed.

SALES OF ASSETS:

It was resolved that having regard to the composition of the fund's existing investments, the fund's investment strategy and its present liquidity, the sales of the assets identified in the schedule hereto be confirmed.

ALLOCATION OF NET INCOME:

It was resolved that the net income of the fund be proportionally allocated to members based on the member's daily fund balance.

REPORTS AND STATEMENTS:

The Statement of Financial Position, Operating Statement, Statement of Cash Flows and Notes thereto, Trustee's Declaration, Auditor's Report, Members Statements, Income Tax and Regulatory Return for the period ended 30 June 2010 were tabled.

It was resolved that:

- (a) The Statement of Financial Position, Operating Statement, Statement of Cash Flows and Notes thereto, Auditor's Report and Members Statements be adopted by the Trustee and the Trustee be authorised to sign the Trustee Declaration,
- (b) The Income Tax and Regulatory Return be adopted and signed by a representative of the trustee, and
- (c) The Trustee's Declaration be adopted and signed by the trustee.

**ESTABLISHMENT OF
INVESTMENT STRATEGY:**

It was resolved that pursuant to Section 52(2)(f) of the Superannuation Industry (Supervision) Act 1993, and after considering:

- (i) the risk involved in making, holding and realising, and the likely return from, the Fund's investments having regard to its objectives and its expressed cash flow requirements,
 - (ii) the composition of the Fund's investments as a whole including the extent to which the investments are diverse or involve the funds being exposed to risks from inadequate diversification,
 - (iii) the liquidity of the Fund's investments having regard to its expected cash flow requirements, and
 - (iv) the ability of the Fund to discharge its existing and prospective liabilities,
- that the following shall serve as the investment strategy of the fund:
- 1. the fund's assets must be invested in a minimum of at least two different

investments.

2. The suitability and performance of the fund's investments shall be assessed by the trustee at least once per year.
3. In reviewing the fund's investments, the trustee shall have regard to the basis of returns yielded by the fund's investments both in the year preceding the year of review, and the preceding three year period.
4. The trustee expects the fund's investments will over the medium and long term, yield at least 3% more than the increase in average Australian weekly earnings per annum.
5. The fund must hold a diverse investment portfolio which may comprise cash, equities, property, fixed interest securities or such other investments as may from time to time be permitted by the Trust Deed constituting the fund and the supervisory legislation affecting superannuation.
6. The trustee will ensure that the fund diversifies risk and is exposed to all main investment types.
7. The sole aim of the trustee is to ensure that the fund conservatively accrues benefits to secure the payment to fund members of retirement benefits without unnecessary risk.
8. All fund assets maintained shall be marketable and sufficient liquid assets shall be maintained by the fund to meet the payment of members' benefits as and when those payments arise.

TRUSTEE STATUS:

Each of the trustee(s) confirmed that they are qualified to act as trustee(s) of the fund and that they are not disqualified persons as defined by Section 126K of the SIS Act.

AUDITORS

It was resolved that

Leasa Arnett

of

Lvl 2 Suite 46 Oasis Shopping Centre
2-20 Victoria Avenue
Broadbeach QLD 4218

act as auditors of the fund for the next financial year.

TAX AGENTS

It was resolved that

Simmons Partnership

act as tax agents of the fund for the next financial year.

PAYMENT OF BENEFITS

The trustee has ensured that any payment of benefits made from the fund, meets the requirements of the fund's deed and does not breach the superannuation laws in relation to:

1. making payments to members; and,
2. breaching the fund or the member investment strategy.

The trustee has reviewed the payment of the benefit and received advice that the transfer is in accordance with the Deed and the superannuation laws. As such the trustee has resolved to allow the payment of the benefits on behalf of

the member.

CLOSURE:

There being no further business the meeting was closed.

.....
Graham Welch
Chairperson

GRAHAM WELCH SUPERANNUATION FUND
SCHEDULE OF PURCHASES AND SALES OF FUND ASSETS
FOR THE REPORTING PERIOD ENDED 30 JUNE 2010

Details	No of Units
Purchases of Fund Assets	
<u>Shares in Listed Companies (Australian)</u>	
Bank of Queensland Limited. - Ordinary Fully Paid	500
Westpac Banking Corporation - Ordinary Fully Paid	1,350
National Australia Bank Limited - Ordinary Fully Paid	202
Bhp Billiton Limited - Ordinary Fully Paid	900
Commonwealth Bank of Australia. - Ordinary Fully Paid	500
Telstra Corporation Limited. - Ordinary Fully Paid	3,000
Suncorp-Metway Limited. - Ordinary Fully Paid	3,000
Alliance Resources Limited - Ordinary Fully Paid	3,000
Sales of Fund Assets	
<u>Shares in Listed Companies (Australian)</u>	
Bank of Queensland Limited. - Ordinary Fully Paid	2,000
National Australia Bank Limited - Ordinary Fully Paid	2,152
Suncorp-Metway Limited. - Ordinary Fully Paid	3,000
Alliance Resources Limited - Ordinary Fully Paid	3,000

Member's Statement
GRAHAM WELCH SUPERANNUATION FUND

DR GRAHAM WELCH
17 KRIEDEMAN ROAD
UPPER COOMERA QLD 4209

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2010 and for the reporting period 1 July 2009 to 30 June 2010.

Your Details		Your Balance	
Date of Birth	14 October 1939	Total Benefits	\$506,965.42
Tax File Number	Provided	Comprising:	
Date Joined Fund	3 February 2009	- Preserved	
Service Period Start Date	26 September 1974	- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	\$506,965.42
Member Mode	Accumulation/Pension	Including:	
Account Description	Consolidated	- Tax Free Component	\$326,900.74
Current Salary		- Taxable Component	\$180,064.68
Vested Amount	\$506,965.42		
Insured Death Benefit			
Total Death Benefit	\$506,965.42		
Disability Benefit			
Nominated Beneficiaries			
		Your Investment Earnings Rate:	26.72%

Your Detailed Account	Preserved	Restricted Non Preserved	Unrestricted Non Preserved	Total
Opening Balance at 1 July 2009			400,595.17	400,595.17
<u>Add: Increases to Member's Account During the Period</u>				
Concessional Contributions				
Non-Concessional Contributions			50,500.51	50,500.51
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period			74,552.99	74,552.99
Transfers in and transfers from reserves				
			125,053.50	125,053.50
			525,648.67	525,648.67
<u>Less: Decreases to Member's Account During the Period</u>				
Benefits/Pensions Paid			18,000.00	18,000.00
Contributions Tax				
Income Tax			683.25	683.25
No TFN Excess Contributions Tax				
Excess Contributions Tax				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Superannuation Surcharge Tax				
Transfers out and transfers to reserves				
			18,683.25	18,683.25
Member's Account Balance at 30/06/2010			506,965.42	506,965.42

Availability of Other Fund Information

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

Trustee's Disclaimer

This statement has been prepared by the Trustee for the member whose name appears at the top of this statement. Every effort has been made by the Trustee to ensure the accuracy and completeness of this Statement. The Trustee does not accept any liability for any error, omission or misprint. All amounts shown in relation to benefits do not take into account any amounts which may be withheld to satisfy the requirements imposed by the Income Tax Assessment Act 1936.

Signed by all the trustees of the fund

Graham Welch
Trustee

Elizabeth Welch
Trustee

Statement Date: 3 December 2010