

JONES SUPERANNUATION FUND

FINANCIAL STATEMENTS

AND REPORTS

FOR THE PERIOD 1 JULY 2020 TO 20 SEPTEMBER 2020

JONES SUPERANNUATION FUND

TRUSTEES DECLARATION

The trustees have determined that the fund is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The trustees declare that:

- i. the financial statements and notes to the financial statements for the year ended 20 September 2020 present fairly, in all material respects, the financial position of the superannuation fund at 20 September 2020 and the results of its operations for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 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 and associated Regulations during the year ended 20 September 2020.

Specifically, the trustees declare that:

- in accordance with s 120 of the Superannuation Industry (Supervision) Act 1993, no individual trustee has been or is a disqualified person;
- the fund has satisfactory title to all assets, all assets are unencumbered and free from charge as prescribed by s 50 of the Superannuation (Supervision) Act 1993 and reg 13.14 of the Superannuation Industry (Supervision) Regulations 1994; and
- to the knowledge of the trustees, there have been no events or transactions subsequent to the balance date which could have a material impact on the fund. Where such events have occurred, the effect of such events has been accounted and noted in the fund's financial statements

Signed in accordance with a resolution of the trustees by:

Grapevine Admin Services Pty Ltd
Trustee

DATED: / /

JONES SUPERANNUATION FUND
STATEMENT OF FINANCIAL POSITION AS AT 20 SEPTEMBER 2020

	2020	2019
	\$	\$
Investments		
Fixed Interest Securities (Australian)	-	5,952.29
Managed Investments (Australian)	(0.01)	10,547.63
Shares in Listed Companies (Australian)	83,979.40	104,988.05
Units in Listed Unit Trusts (Australian)	-	31,785.50
	83,979.39	153,273.47
Other Assets		
MCMA	56,855.95	444.32
Rabo Direct 354374000	2.30	2.30
Distributions Receivable	32.56	1,309.44
Dividend Reinvestment - Residual Account	125.00	125.00
Income Tax Refundable (Note 7)	424.57	476.23
	57,440.38	2,357.29
Total Assets	141,419.77	155,630.76
Less:		
Liabilities		
Sundry Debtors	32.56	-
PAYG Payable	1,775.00	1,775.00
	1,807.56	1,775.00
Net Assets Available to Pay Benefits	139,612.21	153,855.76
Represented by:		
Liability for Accrued Benefits (Notes 2, 3, 4)		
Le Couteur, Nicola	139,612.21	153,855.76
	139,612.21	153,855.76

The accompanying notes form part of these financial statements

**JONES SUPERANNUATION FUND
OPERATING STATEMENT
FOR THE YEAR ENDED 20 SEPTEMBER 2020**

	2020	2019
	\$	\$
Income		
Capital Gains/(Losses) - Taxable	(2,489.30)	8,680.71
Capital Gains/(Losses) - Non Taxable	1,047.20	4,694.88
Capital Gains - Tax Deferred Write Backs	(41.84)	-
Distributions Received	-	2,223.54
Dividends Received	1,018.14	2,071.46
Employer Contributions - Concessional	713.00	-
Increase in Market Value of Investments (Note 5)	-	31,154.38
Interest Received	29.85	770.29
Member/Personal Contributions - Non Concessional (Undeducted)	-	100,000.00
	277.05	149,595.26
Expenses		
Administration Costs	20.01	10.00
ATO Supervisory Levy	-	259.00
Auditor's Remuneration	-	275.00
Decrease in Market Value of Investments (Note 5)	14,448.93	-
Transfers Out - Preserved/Taxable	-	103,532.74
Transfers Out - Preserved/Tax Free	-	36,967.40
	14,468.94	141,044.14
Benefits Accrued as a Result of Operations before Income Tax	(14,191.89)	8,551.12
Income Tax (Note 7)		
Income Tax Expense	51.66	1,298.77
	51.66	1,298.77
Benefits Accrued as a Result of Operations	(14,243.55)	7,252.35

The accompanying notes form part of these financial statements

JONES SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 20 SEPTEMBER 2020

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 unless stated otherwise 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 trustees/ directors of the trustee company.

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 values, which refers to the amount that a willing buyer could reasonably be expected to pay to acquire an asset from a willing seller if the following assumptions are 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 value 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.

JONES SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 20 SEPTEMBER 2020

c. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. 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 as it accrues.

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-distributions and, if not received at the end of the reporting period, are reflected in the statement of financial position as a receivable at net 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).

Contributions

Contributions and transfers in are recognised when the control and the benefits from the revenue have been attained and are recorded by the Fund, gross of any taxes, in the period to which they relate.

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

JONES SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 20 SEPTEMBER 2020

the period in which the estimate is revised and in any future period affected.

2. Liability for Accrued Benefits

Changes in the Liability for Accrued Benefits are as follows:

	2020	2019
	\$	\$
Liability for Accrued Benefits at beginning of period	153,855.76	146,603.41
Add:		
Benefits Accrued as a Result of Operations	(14,243.55)	7,252.35
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	-
	<hr/>	<hr/>
Liability for Accrued Benefits at end of period	<u>139,612.21</u>	<u>153,855.76</u>

3. Vested Benefits

Vested benefits are benefits which are not conditional upon continued membership of the fund (or any other factor other than resignation from the fund) and include benefits which members were entitled to receive had they terminated their fund membership as at the reporting date.

	2020	2019
	\$	\$
Vested Benefits	<u>139,612.21</u>	<u>153,855.76</u>

4. Guaranteed Benefits

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

5. Changes in 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 Market Values is as follows:

	2020	2019
	\$	\$
Managed Investments (Australian)	1,023.40	(666.94)
Shares in Listed Companies (Australian)	(11,795.18)	30,108.72
Units in Listed Unit Trusts (Australian)	(3,677.15)	1,712.60
	<hr/>	<hr/>
	<u>(14,448.93)</u>	<u>31,154.38</u>

6. Funding Arrangements

JONES SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 20 SEPTEMBER 2020

The employer and members contributed to the fund a percentage of the gross salaries of the employees who were members of the fund as follows:

	2020	2019
	\$	\$
Employer		
Members		

7. 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:

	2020	2019
	\$	\$
Benefits accrued as a result of operations before income tax	(14,191.89)	8,551.12
Prima facie income tax on accrued benefits	(2,128.78)	1,282.67
Add/(Less) Tax Effect of:		
Distributions Received	6.28	(4.98)
Increase in Market Value of Investments	-	(4,673.16)
Member/Personal Contributions - Non Concessional (Undeducted)	-	(15,000.00)
Decrease in Market Value of Investments	2,167.34	-
Transfers Out - Preserved/Taxable	-	15,529.91
Transfers Out - Preserved/Tax Free	-	5,545.11
Imputed Credits	(209.56)	(599.65)
Foreign Credits	-	(20.58)
Distributed Capital Gains	-	(275.45)
Accounting (Profits)/Losses on Sale of Investments	216.32	(2,006.34)
Taxable Capital Gains	1,521.15	1,521.15
Other	(1,521.09)	.08
	2,180.44	16.10
Income Tax Expense	51.66	1,298.77

Income tax expense comprises:

Income Tax Payable/(Refundable)	51.66	(476.23)
Tax Instalments Paid	-	1,775.00
	51.66	1,298.77

JONES SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 20 SEPTEMBER 2020

**8. Reconciliation of Net Cash provided by
Operating Activities to Benefits Accrued from Operations
after Income Tax**

	2020	2019
	\$	\$
Benefits accrued from operations after income tax	(14,243.55)	7,252.35
Add/(Less) non cash amounts included in benefits accrued from operations		
Capital Gains/(Losses) - Taxable	2,489.30	(8,680.71)
Capital Gains/(Losses) - Non Taxable	(1,047.20)	(4,694.88)
Distributions Received	-	(899.43)
Dividends Received	-	(210.88)
Increase in Market Value of Investments	-	(31,154.38)
Decrease in Market Value of Investments	14,448.93	-
Income Tax Expense	51.66	1,298.77
Other non cash items	-	(6,557.15)
	15,942.69	(50,898.66)
Net cash provided by operating activities	1,699.14	(43,646.31)

9. 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:

	2020	2019
	\$	\$
Cash	56,858.25	446.62

**JONES SUPERANNUATION FUND
STATEMENT OF TAXABLE INCOME
FOR THE YEAR ENDED 20 SEPTEMBER 2020**

	2020
	\$
Benefits Accrued as a Result of Operations before Income Tax	(14,192.00)
Less:	
Non Taxable Distributions Received	42.00
Other Non Taxable Items	1,394.00
	<hr/> 1,436.00
	<hr/> (12,756.00)
Add:	
Decrease in Market Value of Investments	14,449.00
Accounting Capital Losses	1,442.00
Taxable Capital Gains	10,141.00
Imputed Credits	247.00
	<hr/> 26,279.00
	<hr/>
Taxable Income	13,523.00
	<hr/>
Tax Payable on Taxable Income	2,028.45
Less:	
Imputed Credits	246.54
Instalments Paid	1,775.00
	<hr/> 2,021.54
	<hr/>
Income Tax Payable/(Refund)	6.91
Add:	
Supervisory levy	259.00
Total Amount Due or Refundable	265.91
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