

**THEOKOLES SUPER FUND**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2019**

## **THEOKOLES SUPER FUND**

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**THEOKOLES SUPER FUND**

**OPERATING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	<u>2019</u>	<u>2018</u>
<u>INVESTMENT REVENUE</u>		
Interest Received	651	1,041
Rent Received	-	559
Profit/(Loss) on Disposal of Assets	-	17,120
Changes in Net Market Value	(69,005)	-
Net Investment Revenue	<u>(68,354)</u>	<u>18,720</u>
<u>CONTRIBUTIONS REVENUE</u>		
Member Contributions (Concessional)	-	-
Member Contributions (Non Concessional)	-	3,000
Employer Contributions	1,084	-
Rollovers	-	109,547
	<u>1,084</u>	<u>112,547</u>
TOTAL INCOME	<u>(67,270)</u>	<u>131,267</u>
<u>GENERAL ADMINISTRATION EXPENSE</u>		
Accounting Fees	1,678	880
Audit Fees	330	495
Bank Fees	-	-
Fees & Levies	259	772
Fines	-	78
Formation Costs Expensed	325	325
Property Expenses	-	2,487
	<u>2,592</u>	<u>5,037</u>
BENEFITS ACCRUED AS A RESULT OF OPERATIONS BEFORE TAX	(69,861)	126,230
<u>INCOME TAX EXPENSE</u>	-	(1,639)
BENEFITS ACCRUED AS A RESULT OF OPERATIONS AFTER TAX	<u>\$ (69,861)</u>	<u>\$ 124,591</u>

*The accompanying notes form part of these financial statements*

**THEOKOLES SUPER FUND**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

	<u>2019</u>	<u>2018</u>
<u>INVESTMENTS</u>		
Multicom Shares	44,333	-
	<u>44,333</u>	<u>-</u>
<u>OTHER ASSETS</u>		
Commonwealth Bank	10,071	67,110
Sundry Debtor	-	63,025
Formation Costs	813	1,138
	<u>10,884</u>	<u>131,273</u>
 TOTAL ASSETS	 55,217	 131,273
 <u>less/(add) Sundry Creditor</u>	 -	 4,556
<u>less/(add) Income Tax Payable</u>	 -	 1,639
	<u>\$ 55,217</u>	<u>\$ 125,078</u>
 Represented by:		
 LIABILITY FOR ACCRUED BENEFITS		
ALLOCATED TO MEMBERS ACCOUNTS	<u>\$ 55,217</u>	<u>\$ 125,078</u>

*The accompanying notes form part of these financial statements*

## **THEOKOLES SUPER FUND**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 30 JUNE 2019**

#### 1. STATEMENT OF ACCOUNTING POLICIES

These financial statements are a special purpose financial report prepared for distribution to members to satisfy the accountability requirements of the Superannuation Industry (Supervision) Act 1993 and the trust deed. The trustees have determined that the fund is not a reporting entity.

The financial statements have been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 1031	Materiality
AASB 110	Events After The Reporting Period

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial statements are prepared on an accruals basis. They are based on historical costs and do not take into account changing money values, or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

##### (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) Mortgage loans by reference to the outstanding principal of the loans;
- (iii) Units in managed funds by reference to the unit redemption price at the reporting date;
- (iv) Insurance policies by reference to the surrender value of the policy; and
- (v) Property, Plant and equipment at trustees' assessment of their realisable value.

**THEOKOLES SUPER FUND**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

(b) Liability for Accrued Benefits

The liability for accrued benefits is the fund's present obligation to pay benefits to members and beneficiaries and has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the sundry liabilities and income tax liabilities as at reporting date.

2. 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 is as follows:

	2019 \$	2018 \$
Benefits (Losses) Accrued as a Result of Operations	\$(69,861)	\$15,044
<u>ADD</u> Income Tax Expense		1,639
Taxable Capital Gain	0	13,958
Change in Market Value	69,005	
Fines (not deductible)	0	78
Formation Costs Expensed (not deductible)	<u>325</u>	<u>325</u>
	69,330	16,000
<u>LESS</u> Rollovers	0	0
Accounting Capital Gain	0	17,120
Non-Concessional Contributions	0	3,000
Change in Market Value	<u>0</u>	<u>0</u>
	0	20,120
<u>NET TAXABLE INCOME</u>	<u>\$(531)</u>	<u>\$10,924</u>
Prima facie income tax calculated on taxable income at 15%	\$0.00	\$1,638.60
Less: PAYG Tax Instalments	<u>(0.00)</u>	<u>(0.00)</u>
	<u>\$0.00</u>	<u>\$1,638.60</u>



**THEOKOLES SUPER FUND**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019 \$	2018 \$
<b>3. <u>AFTER TAX RATE OF RETURN ON INVESTMENTS</u></b>		
Investment Income per Financial Statements	(68,354)	18,720
<u>LESS</u> Income Tax on Investment Income	<u>(0)</u>	<u>(2,808)</u>
NET INCOME AFTER TAX	(68,354)	15,912
AVERAGE ASSETS FOR THE YEAR		
Total Assets (01/07/18)	131,273	114,274
Total Assets (30/06/19)	55,217	131,273
<u>LESS</u> Contributions not available for investment for whole year	<u>1,084</u>	<u>3,000</u>
Total Assets available for investment for year	54,133	128,723
Average Assets available for investment for year	92,703	121,499
<u>AFTER TAX RATE OF RETURN ON ASSETS</u>	<u>-73.7%</u>	<u>13.1%</u>

## **THEOKOLES SUPER FUND**

### **TRUSTEE DECLARATION**

The trustee, Theokoles Pty Ltd, has determined that the fund is not a reporting entity. The trustee has determined that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to these financial statements.

In the opinion of the trustee:

- (i) The financial statements and notes to the financial statements for the year ended 30th June 2019 present fairly the financial position of the superannuation fund at 30th June 2019 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 2019.

Signed in accordance with a resolution of the Directors of Theokoles Pty Ltd by:



Ko Lane  
(Director - Theokoles Pty Ltd)



Dianne Linda Lane  
(Director - Theokoles Pty Ltd)

Date: 26/05/2020





## **THEOKOLES SUPER FUND**

### **RESOLUTION OF TRUSTEE**

We, Theokoles Pty Ltd, as trustee of the Superannuation Fund at the date hereof resolve:

- (i) The financial statements and notes to the financial statements for the year ended 30th June 2019 present fairly the financial position of the superannuation fund at 30th June 2019 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 2019.
- (iv) That a statement to this effect be signed by the trustee and attached to the financial statements.

  
.....  
Ko Lane  
(Director - Theokoles Pty Ltd)

  
.....  
Dianne Linda Lane  
(Director - Theokoles Pty Ltd)

Date: 26/05/2020



**SMSF AUDIT SERVICES**  
Independent Auditors

Level 2, Fortune House  
36 Finchley Street  
MILTON QLD 4064

PO Box 2182  
MILTON QLD 4064

info@smsfaudits.net  
Tel: (07) 3368 2794  
Fax: (07) 3367 3208

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## Approved SMSF auditor details

Name: Maria Olivotto

Business name: SMSF Audits

Business postal address: PO Box 2182, MILTON QLD 4064

SMSF auditor number (SAN): 100261309

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## Self-managed superannuation fund details

Self-managed superannuation fund (SMSF) name: Theokoles Super Fund

Tax File Number (TFN): 993 244 050

Address: Coastal Accounting Service  
Shop 4, 73 Broad Street  
SARINA QLD 4737

Year of income being audited: 30 June 2019

**To the SMSF trustees of  
THEOKOLES SUPER FUND  
Independent Report by approved Auditor  
To the SMSF Trustee(s) and Member(s)**

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## **Part A: Financial report**

### **Approved SMSF auditor's Opinion**

I have audited the special purpose financial report comprising the statement of financial position, the operating statement, statement of changes in equity for the year ended, a summary of significant accounting policies and other explanatory notes<sup>1</sup> of Theokoles Super Fund for the year ended 30 June 2019.

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 2019 and the results of its operations for the year then ended 30 June 2019.

### **Basis for Opinion**

My audit has been conducted in accordance with Australian Auditing Standards<sup>1</sup>. My responsibilities under those standards are further described in the *Approved SMSF Auditor's Responsibilities for the Audit of the Financial Report* section of this report. I am independent of the self-managed superannuation fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) as required by the Superannuation Industry (Supervision) Regulations 1994 (SISR). I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

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<sup>1</sup>The Australian Auditing Standards issued by the Auditing and Assurance Standards Board.



**To the SMSF trustees of  
THEOKOLES SUPER FUND  
Independent Report by approved Auditor  
To the SMSF Trustee(s) and Member(s)**

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**Emphasis of Matter - Basis of accounting**

Without modifying my opinion, I draw attention to the notes of the financial report, which describes the basis of accounting. The financial report has been prepared to assist Theokoles Super Fund to meet the requirements of the SMSF's governing rules, the *Superannuation Industry (Supervision) Act 1993* (SISA) and the SISR. As a result, the financial report may not be suitable for other purposes.

**Responsibilities of SMSF trustees for the financial report**

Each SMSF trustee (individual trustee or director of corporate trustee) is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the SMSF's governing rules, the SISA and the SISR. Each trustee is also responsible for such internal controls as they determine are necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustees are responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees intend to wind-up the fund. The going concern basis of accounting is appropriate when it is reasonably foreseeable that the fund will be able to meet its liabilities as they fall due.

The trustees are responsible for overseeing the fund's financial reporting process.

**Approved SMSF auditor's responsibilities for the audit of the financial report**

My responsibility is to express an opinion on the financial report based on my audit. I have conducted an independent audit of the financial report in order to express an opinion on it to the trustees.

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of trustees taken on the basis of this financial report.

**To the SMSF trustees of  
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I have complied with the competency standards set by Australian Securities & Investments Commission (ASIC). 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 as to whether the financial report is free from material misstatement.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit 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 fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



**To the SMSF trustees of  
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To the SMSF Trustee(s) and Member(s)**

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## **Part B: Compliance report**

### **Approved SMSF Auditor's Opinion**

I have performed a reasonable assurance engagement on Theokoles Super Fund to provide an opinion in relation to its compliance, in all material respects, with the applicable provisions of the SISA and the SISR as listed below in the *Approved SMSF auditor's Responsibility* section of this report.

In my opinion, each trustee of Theokoles Super Fund has complied, in all material respects, with the applicable provisions of the SISA and the SISR specified below, for the year ended 30 June 2019.

### **Basis for Opinion**

I have conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3100 *Compliance Engagements* issued by the Auditing and Assurance Standards Board.

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

### **Independence and quality control**

I have complied with the independence requirements in accordance with the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) as required by the SISR.

My firm applies Australian Standard on Quality Control 1 ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

I have complied with the competency standards set by ASIC.

### **SMSF trustees' responsibility for compliance**

Each SMSF trustee is responsible for complying with the requirements of the SISA and the SISR and for identifying, designing and implementing internal controls as they determine necessary to meet compliance requirements and monitor ongoing compliance.

### **Approved SMSF auditor's responsibility for the compliance report**

My responsibility is to express an opinion on the trustees' compliance with the applicable requirements of the SISA and the SISR, based on the compliance engagement. My procedures included testing that the fund has an investment strategy that complies with the SISA and that the trustees make investments in



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To the SMSF Trustee(s) and Member(s)**

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line with that strategy, however, no opinion is made on its appropriateness to the fund members.

My reasonable assurance engagement has been conducted in accordance with applicable Standards on Assurance Engagements issued by the Auditing and Assurance Standards Board, to provide reasonable assurance that the trustees of the fund have 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, 35AE, 35B, 35C(2), 62, 65, 66, 67, 67A, 67B, 82-85, 103, 104, 104A, 105, 109, 126K

Regulations: 1.06(9A), 4.09, 4.09A, 5.03, 5.08, 6.17, 7.04, 8.02B, 13.12, 13.13, 13.14, 13.18AA

An assurance engagement to report on the fund's compliance with the applicable requirements of the SISA and the SISR involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the compliance requirements. The procedures selected depend on my judgment, including the identification and assessment of risks of material non-compliance.

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the SISA and the SISR for the year ended 30 June 2019.

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.

### **Inherent limitations**

Due to the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with the listed provisions may occur and not be detected. A reasonable assurance engagement does not provide assurance on whether compliance with the listed provisions will continue in the future.



.....  
**MARIA OLIVOTTO**  
**SMSF AUDITS**  
**Independent Auditors**  
Level 2, Fortune House  
36 Finchley Street  
Milton QLD 4064  
Ph: (07) 3368 2794  
**Dated:** 30 June 2020

**To the SMSF trustees of  
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To the SMSF Trustee(s) and Member(s)**

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**Appendix 1 – Explanation of listed sections and regulations in compliance report**

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

Section or Regulation	Explanation
S17A	The fund must meet the definition of an SMSF
S35AE	The trustees must keep and maintain accounting records for a minimum of five years
S35B	The trustees must prepare, sign and retain accounts and statements
S35C(2)	The trustees must provide the auditor with the necessary documents to complete the audit in a timely and professional manner; and within 14 days of a written request from the auditor
S62	The fund must be maintained for the sole purpose of providing benefits to any or all of the following: <ul style="list-style-type: none"> <li>▪ fund members upon their retirement</li> <li>▪ fund members upon reaching a prescribed age</li> <li>▪ the dependants of a fund member in the case of the member's death before retirement</li> </ul>
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 exception) 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 exception)
S67A & 67B	The fund must comply with the limited recourse borrowing arrangement rules when borrowing to purchase single acquirable assets or replacement assets (not listed as an exception to the borrowing rules)
S82-85	The trustees must comply with the in-house asset rules
S103	The trustees must keep minutes of all meetings and retain the minutes for a minimum of 10 years



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S104	The trustees must keep up to date records of all trustee or director of corporate trustee changes and trustee consents for a minimum of 10 years
S104A	Trustees who became a trustee on or after 1 July 2007 must sign and retain a trustee declaration
S105	The trustees must ensure that copies of all member or beneficiary reports are kept for a minimum of 10 years
S109	All investment transactions must be made and maintained at arms-length – that is, 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
Sub Reg 1.06 (9A)	Pension payments must be made at least annually, and must be at least the amount calculated under Schedule 7
Reg 4.09	Trustees must formulate, regularly review and give effect to an investment strategy for the fund
Reg 4.09A	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 sponsor
Reg 5.03	Investment returns must be allocated to members in a manner that is fair and reasonable
Reg 5.08	Member minimum benefits must be maintained in the fund until transferred, rolled over, allotted (to the member's spouse) or cashed out in a permitted fashion
Reg 6.17	Payments of member benefits must be made in accordance with Part 6 or Part 7A of the regulations and be permitted by the trust deed
Reg 7.04	Contributions can only be accepted in accordance with the applicable rules for the year being audited
Reg 8.02B	When preparing accounts and statements required by subsection 35B(1) of SISA, an asset must be valued at its market value
Reg 13.12	Trustees must not recognise an assignment of a super interest of a member or beneficiary

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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
Reg 13.18AA	Investments in collectables and personal use assets must be maintained in accordance with prescribed rules

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