

---

Financial statements and reports for the year ended  
30 June 2017

Earthbridge Pty Ltd Superannuation Fund

## Reports Index

---

**Statement of Financial Position**

**Operating Statement**

**Notes to the Financial Statements**

**Trustees Declaration**

**Members Statement**

**Contributions Breakdown Report**

# Earthbridge Pty Ltd Superannuation Fund

## Statement of Financial Position

As at 30 June 2017

	Note	2017 \$	2016 \$
<b>Assets</b>			
<b>Investments</b>			
Managed Investments (Australian)	2	178,245.44	168,330.86
Real Estate Properties ( Australian - Residential)	3	787,914.00	944,660.00
<b>Total Investments</b>		<u>966,159.44</u>	<u>1,112,990.86</u>
<b>Other Assets</b>			
Sundry Debtors		2,194.05	3,636.54
Westpac Bank a/c 19-5677		30,942.00	68,701.46
Asgard Trustee Funds Account - Cash Account Transactions		0.00	5,429.92
Distributions Receivable		10,878.00	8,992.00
Borrowing expenses		455.32	1,349.46
eCASH - Asgard Infinity eWRAP Investment Account		3,909.35	0.00
<b>Total Other Assets</b>		<u>48,378.72</u>	<u>88,109.38</u>
<b>Total Assets</b>		<u>1,014,538.16</u>	<u>1,201,100.24</u>
Less:			
<b>Liabilities</b>			
Income Tax Payable		350.20	2,968.70
Loan - St George Bank - A/c 059 776 700		0.00	324,190.60
Limited Recourse Borrowing Arrangements		189,824.87	348,633.99
<b>Total Liabilities</b>		<u>190,175.07</u>	<u>675,793.29</u>
<b>Net assets available to pay benefits</b>		<u>824,363.09</u>	<u>525,306.95</u>
Represented by:			
<b>Liability for accrued benefits allocated to members' accounts</b>	4, 5		
Bernays, Michael Edward - Accumulation		369,680.98	424,662.66
Bernays, Stephanie Jane - Accumulation		454,682.11	100,644.29
<b>Total Liability for accrued benefits allocated to members' accounts</b>		<u>824,363.09</u>	<u>525,306.95</u>

# Earthbridge Pty Ltd Superannuation Fund

## Operating Statement

For the year ended 30 June 2017

	Note	2017 \$	2016 \$
<b>Income</b>			
<b>Investment Income</b>			
Trust Distributions	7	16,187.39	14,877.79
Interest Received		1,922.44	297.80
Other Investment Income		188.63	0.00
Property Income	8	45,749.06	48,309.63
<b>Contribution Income</b>			
Employer Contributions		28,500.60	69,976.91
Personal Non Concessional		300,000.00	2,900.00
Other Contributions		112,000.00	0.00
Transfers In		16,827.11	0.00
<b>Total Income</b>		<u>521,375.23</u>	<u>136,362.13</u>
<b>Expenses</b>			
Accountancy Fees		2,024.00	2,013.00
Administration Costs		626.00	292.00
ATO Supervisory Levy		259.00	259.00
Auditor's Remuneration		385.00	275.00
Bank Charges		485.65	195.00
Borrowing costs w/off		894.14	894.14
Depreciation		17,343.17	18,550.22
Investment Expenses		17,707.77	14,900.69
Interest Paid		25,358.11	39,558.10
Insurance		1,473.31	1,696.98
Property Expenses - Non Specified		0.00	1,723.38
<b>Member Payments</b>			
Life Insurance Premiums		8,279.89	9,948.54
<b>Investment Losses</b>			
Changes in Market Movement	9	147,132.85	(18,326.16)
<b>Total Expenses</b>		<u>221,968.89</u>	<u>71,979.89</u>
<b>Benefits accrued as a result of operations before income tax</b>			
		<u>299,406.34</u>	<u>64,382.24</u>
Income Tax Expense	10	350.20	4,643.70
<b>Benefits accrued as a result of operations</b>		<u>299,056.14</u>	<u>59,738.54</u>

# **Notes to the Financial Statements**

For the year ended 30 June 2017

---

## **Note 1: Summary of Significant Accounting Policies**

The trustees have prepared the financial statements on the basis that the superannuation fund is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations, the trust deed of the fund and the needs of members.

The financial statements have been prepared on a cash basis and are based on historical costs, except for investments which have been measured at market value.

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

The financial statements were authorised for issue by the Director(s).

### **a. Measurement of Investments**

The fund initially recognises:

- (i) an investment when it controls the future economic benefits expected to flow from the asset. For financial assets, the trade date is considered to be the date on which control of the future economic benefits attributable to the asset passes to the fund; and
- (ii) a financial liability on the date it becomes a party to the contractual provisions of the instrument.

Investments of the fund have been measured at market value, which refers to the amount that a willing buyer could reasonably be expected to pay to acquire the asset from a willing seller if the following assumptions were made:

- that the buyer and the seller deal with each other at arm's length in relation to the sale;
- that the sale occurred after proper marketing of the asset; and
- that the buyer and the seller acted knowledgeably and prudentially in relation to the sale.

Market value has been determined as follows:

- (i) shares and other securities listed on the Australian Securities Exchange by reference to the relevant market quotations at the end of the reporting period;
- (ii) units in managed funds by reference to the unit redemption price at the end of the reporting period;
- (iii) fixed-interest securities by reference to the redemption price at the end of the reporting period;
- (iv) unlisted investments are stated at trustees' assessment based on estimated market value at balance date or where necessary, an external valuer's opinion; and
- (v) investment properties at the trustees' assessment of the market value or where necessary a qualified independent valuer's opinion at the end of reporting period.

Financial liabilities, such as trade creditors and other payables, are measured at the gross value of the outstanding balance at the end of the reporting period. The trustees have determined that the gross values of the fund's financial liabilities is equivalent to their market values. Any remeasurement changes in the gross values of non-current financial liabilities (including liabilities for members' accrued benefits) are recognised in the operating statement in the periods in which they occur.

### **b. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and at call, deposits with banks and short-term, highly liquid investments that are readily convertible to cash and subject to an insignificant risk of change in value.

### **c. Revenue**

Revenue is recognised at the fair value of the consideration received or receivable.

#### **Interest revenue**

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

# Notes to the Financial Statements

For the year ended 30 June 2017

## Dividend revenue

Dividend revenue is recognised when the dividend has been paid or, in the case of dividend reinvestment schemes, when the dividend is credited to the benefit of the fund.

## Rental revenue

Rental revenue arising from operating leases on investment properties is recognised upon receipt.

## Distribution revenue

Distributions from unit trusts and managed funds are recognised as at the date the unit value is quoted ex-distribution and if not received at the end of the reporting period, are reflected in the statement of financial position as a receivable at market value.

## Remeasurement changes in market values

Remeasurement changes in the market values of assets are recognised as income and determined as the difference between the market value at year-end or consideration received (if sold during the year) and the market value as at the prior year-end or cost (if acquired during the period).

## d. Liability for Accrued Benefits

The liability for accrued benefits represents the fund's present obligation to pay benefits to members and beneficiaries, and has been calculated as the difference between the carrying amount of the assets and the carrying amount of the other payables and income tax liabilities as at the end of the reporting period.

## e. Critical Accounting Estimates and Judgements

The preparation of financial statements requires the trustees to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

## Note 2: Managed Investments (Australian)

	2017 \$	2016 \$
Asgard Infinity eWRAP	178,245.44	168,330.86
	<hr/> 178,245.44	<hr/> 168,330.86

## Note 3: Real Estate Properties ( Australian - Residential)

	2017 \$	2016 \$
104 Radford St, Clifftleigh NSW	330,000.00	410,000.00
Unit 16, 57-59 Gordon St, Greenslopes QLD	457,914.00	534,660.00
	<hr/> 787,914.00	<hr/> 944,660.00

# Notes to the Financial Statements

For the year ended 30 June 2017

## Note 4: Liability for Accrued Benefits

	2017 \$	2016 \$
Liability for accrued benefits at beginning of year	525,306.95	465,568.41
Benefits accrued as a result of operations	299,056.14	59,738.54
Current year member movements	0.00	0.00
Liability for accrued benefits at end of year	824,363.09	525,306.95

## Note 5: Vested Benefits

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

	2017 \$	2016 \$
Vested Benefits	824,363.09	525,306.95

## Note 6: Guaranteed Benefits

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

## Note 7: Trust Distributions

	2017 \$	2016 \$
Asgard Infinity eWRAP	16,187.39	0.00
Vanguard Balanced Index Fund	0.00	2,155.73
ASGARD - Zurich Inv Managed Growth (ZUR0059AU)	0.00	1,517.20
ASGARD - CFS WS Imputation (FSF0003AU)	0.00	2,528.20
ASGARD - Perpetual Industrial Share Fund (M_PERPISF)	0.00	3,273.35
ASGARD - Investors Mutual Australian Share Fund (IML0002AU)	0.00	748.58
Vanguard Growth Index Fund	0.00	4,654.73
	16,187.39	14,877.79

## Notes to the Financial Statements

For the year ended 30 June 2017

**Note 8: Rental Income**

	<b>2017</b> \$	<b>2016</b> \$
Unit 16, 57-59 Gordon St, Greenslopes QLD	27,179.01	26,780.00
104 Radford St, Cliftleigh NSW	18,570.05	21,529.63
	<u>45,749.06</u>	<u>48,309.63</u>

**Note 9: Unrealised Movements in Market Value**

	<b>2017</b> \$	<b>2016</b> \$
<b>Managed Investments (Australian)</b>		
ASGARD - CFS WS Imputation (FSF0003AU)	0.00	0.41
ASGARD - Investors Mutual Australian Share Fund (IML0002AU)	0.00	(0.07)
ASGARD - Perpetual Industrial Share Fund (M_PERPISF)	0.00	(0.40)
ASGARD - Zurich Inv Managed Growth (ZUR0059AU)	0.00	0.36
Asgard Infinity eWRAP	(4,451.47)	(1,266.69)
	<u>(4,451.47)</u>	<u>(1,266.39)</u>
<b>Real Estate Properties ( Australian - Residential)</b>		
104 Radford St, Cliftleigh NSW	(72,530.00)	0.00
Unit 16, 57-59 Gordon St, Greenslopes QLD	(70,151.38)	0.00
	<u>(142,681.38)</u>	<u>0.00</u>
<b>Shares in Listed Companies (Overseas)</b>		
Series 9 OM-IP 220 Ltd (\$-F0004)	0.00	(6,727.50)
	<u>0.00</u>	<u>(6,727.50)</u>
<b>Total Unrealised Movement</b>	<u>(147,132.85)</u>	<u>(7,993.89)</u>

**Realised Movements in Market Value**

	<b>2017</b> \$	<b>2016</b> \$
<b>Shares in Listed Companies (Overseas)</b>		
Series 9 OM-IP 220 Ltd (\$-F0004)	0.00	7,770.10
	<u>0.00</u>	<u>7,770.10</u>
<b>Total Realised Movement</b>	<u>0.00</u>	<u>7,770.10</u>



# Notes to the Financial Statements

For the year ended 30 June 2017

**Total Market Movement**

(147,132.85)

(223.79)

**Note 10: Income Tax Expense**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
The components of tax expense comprise		
Current Tax	350.20	4,643.70
Income Tax Expense	350.20	4,643.70

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

Prima facie tax payable on benefits accrued before income tax at 15%	44,910.95	9,657.30
--	-----------	----------

Less:

Tax effect of:

Non Taxable Contributions	61,800.00	435.00
Non Taxable Transfer In	2,524.07	0.00
Increase in MV of Investments	0.00	1,583.40
Tax Losses Deducted	0.00	(904.05)
Realised Accounting Capital Gains	0.00	1,165.50
Accounting Trust Distributions	2,428.11	1,336.50
Tax Adjustment – Investment Expenses (I1)	0.00	0.00
Other Non-Taxable Income	0.00	158.85

Add:

Tax effect of:

Decrease in MV of Investments	22,069.93	0.00
Franking Credits	231.00	0.00
Foreign Credits	20.85	0.00
Net Capital Gains	699.45	569.70
Taxable Trust Distributions	687.90	0.00
Distributed Foreign Income	161.10	0.00
Rounding	0.20	(1,808.10)

Income Tax on Taxable Income or Loss

2,029.20

4,643.70

Notes to the Financial Statements

For the year ended 30 June 2017

Less credits:		
Franking Credits	1,540.00	1,541.00
Foreign Credits	139.00	134.00
Current Tax or Refund	350.20	4,643.70

## Trustees Declaration

---

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

The directors of the trustee company declare that:

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2017 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2017 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 30 June 2017.

Signed in accordance with a resolution of the directors of the trustee company by:

.....  
Michael Edward Bernays  
Earthbridge 2 Pty Ltd  
Director

.....  
Stephanie Jane Bernays  
Earthbridge 2 Pty Ltd  
Director

Dated this ..... day of .....2018

Members Statement

Michael Edward Bernays  
43 Strathfield Street  
Tarragindi, Queensland, 4121, Australia

Your Details

Date of Birth :	25/10/1956
Age:	60
Tax File Number:	Provided
Date Joined Fund:	28/06/1992
Service Period Start Date:	29/06/1988
Date Left Fund:	
Member Code:	BERMIC00001A
Account Start Date	28/06/1992
Account Type:	Accumulation
Account Description:	Accumulation

Nominated Beneficiaries	Stephanie Jane Bernays
Vested Benefits	369,680.98
Total Death Benefit	1,419,680.98
Current Salary	0.00
Previous Salary	0.00
Disability Benefit	0.00

Your Balance

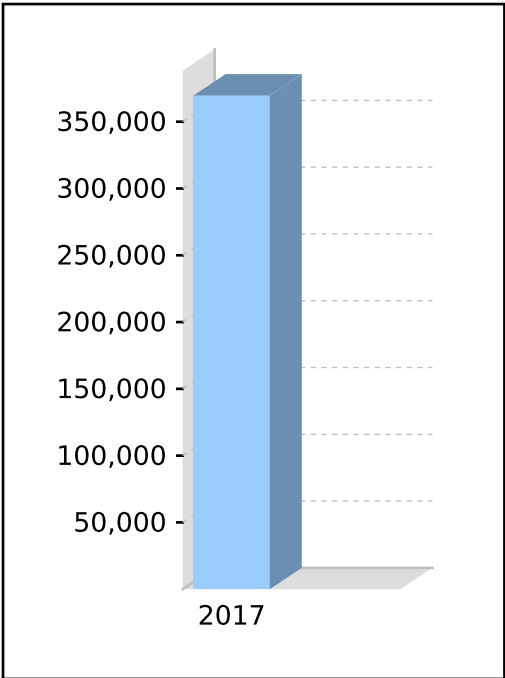
Total Benefits 369,680.98

Preservation Components

Preserved	369,680.97
Unrestricted Non Preserved	0.01
Restricted Non Preserved	

Tax Components

Tax Free	
Taxable	369,680.98



Your Detailed Account Summary

	This Year
Opening balance at 01/07/2016	424,662.66
<u>Increases to Member account during the period</u>	
Employer Contributions	28,500.60
Personal Contributions (Concessional)	
Personal Contributions (Non Concessional)	
Government Co-Contributions	
Other Contributions	
Proceeds of Insurance Policies	
Transfers In	
Net Earnings	(73,877.67)
Internal Transfer In	
<u>Decreases to Member account during the period</u>	
Pensions Paid	
Contributions Tax	4,275.09
Income Tax	(1,530.23)
No TFN Excess Contributions Tax	
Excess Contributions Tax	
Refund Excess Contributions	
Division 293 Tax	
Insurance Policy Premiums Paid	6,859.75
Management Fees	
Member Expenses	
Benefits Paid/Transfers Out	
Superannuation Surcharge Tax	
Internal Transfer Out	
Closing balance at 30/06/2017	369,680.98

Members Statement

Stephanie Jane Bernays  
43 Strathfield Street  
Tarragindi, Queensland, 4121, Australia

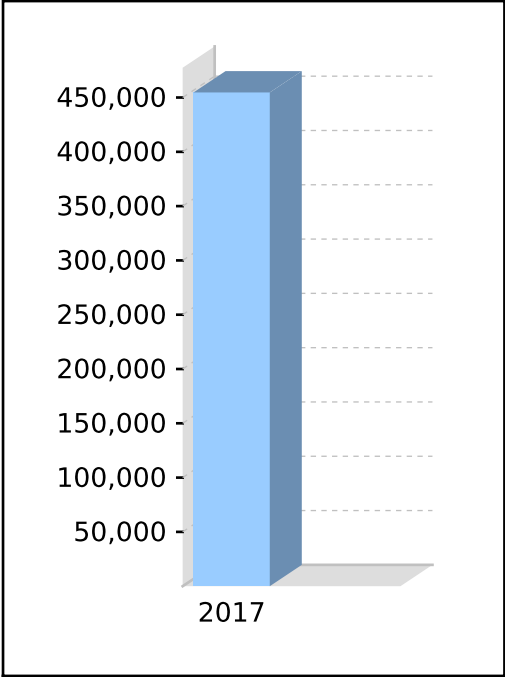
Your Details

Date of Birth :	04/05/1963
Age:	54
Tax File Number:	Provided
Date Joined Fund:	13/01/2003
Service Period Start Date:	04/02/1997
Date Left Fund:	
Member Code:	BERSTE00001A
Account Start Date	13/01/2003
Account Type:	Accumulation
Account Description:	Accumulation

Nominated Beneficiaries	Michael Edward Bernays
Vested Benefits	454,682.11
Total Death Benefit	1,091,142.11
Current Salary	0.00
Previous Salary	0.00
Disability Benefit	0.00

Your Balance

Total Benefits	454,682.11
<u>Preservation Components</u>	
Preserved	454,675.24
Unrestricted Non Preserved	6.87
Restricted Non Preserved	
<u>Tax Components</u>	
Tax Free	418,260.09
Taxable	36,422.02



Your Detailed Account Summary

		This Year
Opening balance at	01/07/2016	100,644.29
<u>Increases to Member account during the period</u>		
Employer Contributions		
Personal Contributions (Concessional)		
Personal Contributions (Non Concessional)		300,000.00
Government Co-Contributions		
Other Contributions		112,000.00
Proceeds of Insurance Policies		
Transfers In		16,827.11
Net Earnings		(74,084.81)
Internal Transfer In		
<u>Decreases to Member account during the period</u>		
Pensions Paid		
Contributions Tax		
Income Tax		(715.66)
No TFN Excess Contributions Tax		
Excess Contributions Tax		
Refund Excess Contributions		
Division 293 Tax		
Insurance Policy Premiums Paid		1,420.14
Management Fees		
Member Expenses		
Benefits Paid/Transfers Out		
Superannuation Surcharge Tax		
Internal Transfer Out		
Closing balance at	30/06/2017	454,682.11

Earthbridge Pty Ltd Superannuation Fund

# Contributions Breakdown Report

For The Period 01 July 2016 - 30 June 2017

Summary

Member	D.O.B	Age (at 30/06/2016)	Concessional	Non-Concessional	Other	Reserves	Total
Bernays, Michael Edward	25/10/1956	59	28,500.60	0.00	0.00	0.00	28,500.60
Bernays, Stephanie Jane	04/05/1963	53	0.00	300,000.00	112,000.00	0.00	412,000.00
All Members			28,500.60	300,000.00	112,000.00	0.00	440,500.60

Contribution Caps

Member	Contribution Type	Contributions	Cap	Current Position
Bernays, Michael Edward	Concessional	28,500.60	35,000.00	6,499.40 Below Cap
	Non-Concessional	0.00	180,000.00	180,000.00 Below Cap
Bernays, Stephanie Jane	Concessional	0.00	35,000.00	35,000.00 Below Cap
	Non-Concessional	300,000.00	540,000.00 (until 30/06/2017)	240,000.00 Below Cap
	(Bring Forward Cap triggered)		380,000.00 (until 30/06/2019)	

NCC Bring Forward Caps

1, 2, 3 Year in the bring forward period.

Member	Bring Forward Cap	2014	2015	2016	2017	Total	Current Position
Bernays, Michael Edward	N/A	0.00	0.00	0.00	0.00	N/A	Bring Forward Not Triggered
Bernays, Stephanie Jane	540,000.00(until 30/06/2017) 380,000.00(until 30/06/2019)	0.00	0.00	2,900.00	300,000.00 1	300,000.00	240,000.00 Below Cap

Bernays, Michael Edward

Date	Transaction Description	Ledger Data					SuperStream Data				
		Contribution Type	Concessional	Non-Concessional	Other	Reserves	Contribution Type	Employer	Concessional	Non-Concessional	Other
17/08/2016	Animal Eye Servi AES MB	Employer	1,710.00								
07/09/2016	Animal Eye Servi AES MB	Employer	1,710.00								

05/10/2016	Animal Eye Servi AES MB	Employer	1,710.00									
11/11/2016	Animal Eye Servi AES MB	Employer	1,710.00									
17/01/2017	Animal Eye Servi AES Dec MB	Employer	1,710.00									
17/01/2017	Animal Eye Servi AES Nov MB	Employer	1,710.00									
01/02/2017	Animal Eye Servi AES MB	Employer	1,710.00									
31/03/2017	Animal Eye Servi AES MB	Employer	2,660.60									
10/04/2017	Animal Eye Servi AES MB	Employer	3,800.00									
26/06/2017	Animal Eye Servi AES MB	Employer	1,710.00									
26/06/2017	Animal Eye Servi AES MB	Employer	3,800.00									
26/06/2017	Animal Eye Servi AES MB	Employer	4,560.00									
<b>Total - Bernays, Michael Edward</b>			<b>28,500.60</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

Bernays, Stephanie Jane

Date	Transaction Description	Contribution Type	Ledger Data				SuperStream Data				
			Concessional	Non-Concessional	Other	Reserves	Contribution Type	Employer	Concessional	Non-Concessional	Other
16/09/2016	ANNERLEY QLD [CGT SBE Contbn - Jane]	Small Business CGT - Retirement Exemption			112,000.00						
16/09/2016	ANNERLEY QLD	Personal - Non-Concessional		300,000.00							
<b>Total - Bernays, Stephanie Jane</b>			<b>0.00</b>	<b>300,000.00</b>	<b>112,000.00</b>	<b>0.00</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total for all members</b>			<b>28,500.60</b>	<b>300,000.00</b>	<b>112,000.00</b>	<b>0.00</b>					