

# **McPHERSON FAMILY SUPER FUND**

**A.B.N. 23 614 750 357**

## **Financial Statements**

**For the Year Ended 30<sup>th</sup> June 2019**

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**McPherson Family Super Fund**  
**Operating Statement**  
**For the period 1 July 2018 to 30 June 2019**

	Note	2019 \$	2018 \$
<b>Income</b>			
Member Receipts			
Contributions			
Employer		142.54	805.76
Investment Income			
Distributions	7A	1,911.59	1,058.57
Dividends	7B	48,048.15	21,743.09
Interest	7C	2,447.85	2,601.01
Other Income		-	2.52
		<u>52,550.13</u>	<u>26,210.95</u>
<b>Expenses</b>			
Member Payments			
Pensions Paid		51,070.00	44,320.00
Other Expenses			
Accountancy Fee		2,420.00	2,970.00
Actuarial Fee		102.50	121.00
Auditor Fee		330.00	275.00
Bank Fees		84.30	52.20
Investment Management Fee		4,067.74	4,754.65
SMSF Supervisory Levy		259.00	259.00
Investment Losses			
Realised Capital Losses	8A	31,763.15	(13,886.01)
Realised Traditional Security Losses	8B	661.10	-
Decrease in Market Value	8C	10,767.65	2,585.07
		<u>101,525.44</u>	<u>41,450.91</u>
<b>Benefits Accrued as a Result of Operations before Income Tax</b>		<b>(48,975.31)</b>	<b>(15,239.96)</b>
<b>Income Tax</b>			
Income Tax Expense		(20,452.36)	(9,132.47)
		<u>(20,452.36)</u>	<u>(9,132.47)</u>
<b>Benefits Accrued as a Result of Operations</b>		<b><u>(28,522.95)</u></b>	<b><u>(6,107.49)</u></b>

*The accompanying notes form part of these financial statements.  
This report should be read in conjunction with the accompanying compilation report.*

**McPherson Family Super Fund**  
**Statement of Financial Position**  
**as at 30 June 2019**

	Note	2019 \$	2018 \$
<b>Assets</b>			
Investments			
Other Fixed Interest Securities	6A	39,755.47	34,491.84
Shares in Listed Companies	6B	282,407.00	278,141.28
Shares in Unlisted Companies	6C	164.70	-
Units In Listed Unit Trusts	6D	46,507.92	31,050.00
Other Assets			
Cash At Bank		44,557.38	84,883.63
Receivables		303.70	139.85
Current Tax Assets		20,452.36	9,132.47
Other Taxes Refundable		351.84	-
<b>Total Assets</b>		<b><u>434,500.37</u></b>	<b><u>437,839.07</u></b>
<b>Liabilities</b>			
Unsettled Trades		25,184.25	-
Other Creditors and Accruals		259.00	259.00
<b>Total Liabilities</b>		<b><u>25,443.25</u></b>	<b><u>259.00</u></b>
<b>Net Assets Available to Pay Benefits</b>		<b><u>409,057.12</u></b>	<b><u>437,580.07</u></b>
<i>Represented by:</i>			
<b>Liability for Accrued Benefits</b>	2		
Mrs Marcia McPherson		147,574.06	147,895.24
Rev James McPherson		261,483.06	289,684.83
<b>Total Liability for Accrued Benefits</b>		<b><u>409,057.12</u></b>	<b><u>437,580.07</u></b>

*The accompanying notes form part of these financial statements.  
This report should be read in conjunction with the accompanying compilation report.*

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**McPherson Family Super Fund**  
**Notes to the Financial Statements**  
**As at 30 June 2019**

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**Note 1 - Statement of Significant Accounting Policies**

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements. They have been consistently applied in the current and previous periods unless otherwise stated to ensure the financial information satisfies the concept of relevance and reliability.

**(a) Statement of Compliance**

The trustees have prepared the financial statements on the basis that the superannuation fund is a non-reporting entity because the members are able to command the preparation of tailored reports so as to satisfy specifically all of their information needs and there are no other users dependent on the financial statements. The financial statements are therefore special purpose financial statements that have been prepared in accordance with the legislative requirements of the *Superannuation Industry (Supervision) Act 1993* and *Regulations 1994* and the provisions of the Trust Deed. The trustees have determined that the accounting policies adopted are appropriate to meet their needs.

**(b) Basis of Preparation**

The financial statements have been prepared on a cash basis using historical costs convention unless stated otherwise. For investments and financial liabilities, they are measured at market values.

The financial statements are presented in Australian dollars, which is the functional currency of the fund.

**(c) Use of Accounting Estimates and Judgments**

The preparation of financial statements requires the trustees to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. 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.

**(d) Cash and Cash Equivalents**

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

**(e) Foreign Currency**

Any foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in the operating statement in the period in which they arise.

**(f) Valuation of Assets**

*Investment*

An investment is initially recognised when as a result of past transactions or events, the Fund controls the future economic benefits expected to flow from the asset.

The investment assets are firstly recorded at cost, being the fair value of the consideration given. After initial recognition, they are measured at market value. Gains or losses arising from changes in market value are recognised on the Operating Statement in the periods in which they occur.

Market value as defined in s10 of *SISA 1993*, in relation to an asset, means the amount that a willing buyer of the asset could reasonably be expected to pay to acquire the asset from a willing seller if the following assumptions were made:

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

As disposal costs are generally immaterial unless otherwise stated, market value approximates fair value.

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## McPherson Family Super Fund

### Notes to the Financial Statements

#### As at 30 June 2019

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Market values for various types of investment have been determined as follows:

- i. listed securities, government and other fixed interest securities for which there is a readily available market quotation, the valuation is recorded as the last quoted sale price as at the close of business on reporting date. If the listed securities are foreign, they are also converted to Australian dollars using the exchange rate at the close of business on the reporting date;
- ii. unit trusts and managed funds are stated by reference to the unit redemption price quoted by the fund manager at the end of the reporting period;
- iii. unlisted investments are stated at the Trustees' valuation based on estimated market value at balance date; or where necessary, upon external valuers' expert opinions;
- iv. Investment properties are carried at market value and are held for the purpose of generating long-term rental yields and capital appreciation. The Trustees give consideration to the value of the investment property each financial year and revalue when a significant event occurs or when deemed appropriate. Where an external valuation has been obtained, the valuation is based on objective and supportable data and has been carried out by a property valuation service provider or qualified independent valuer as appropriate.

#### *Financial Liabilities*

The Fund initially recognises a financial liability on the date it becomes a party to the contractual provisions of the instrument.

Financial liabilities including credit balances of hedging instruments and derivatives are measured at market values as at the reporting date. Any change in market values of the financial liabilities since the beginning of the reporting period shall be included in the profit or loss for the reporting period. As disposal costs are generally immaterial, unless otherwise stated, market value approximates fair value.

#### *Receivables and Payables*

Current assets such as accounts receivable, which are expected to be recovered within twelve months after the reporting period, are carried at nominal amounts which approximate the fair values.

Accounts payable are recognised when the Fund becomes obliged to make future payments resulting from the goods and services received, whether or not billed to the Fund and are carried at nominal amounts which are equivalent to fair values.

### **(g) Revenue Recognition**

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 measured at the fair value of consideration received or receivable. The following recognition criteria relate to the specific items of revenue the Fund receives:

#### *Interest*

The interest revenue is recognised by the Fund on a cash receipt basis, unless the Fund chooses the accrual method and the amount can be reliably measured by reference to the principal outstanding and using the effective interest rate of the instrument calculated at the acquisition or origination date.

#### *Dividend Revenue*

The entitlement to a dividend is based on the date the shares are quoted ex-dividend; the actual dividend revenue is recognised by the Fund when it is received.

#### *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 market value.

#### *Rental Income*

Rent from investment properties is recognised by the Fund on a cash receipt basis.

#### *Movement in market values*

Changes in the market value of investments are determined as the difference between the market value at balance date or consideration received (if sold during the year) and the market value as at the prior year end or cost (if the investment was acquired during the period). All movements are recognised in the Operating Statement.

*This report should be read in conjunction with the accompanying compilation report.*

**McPherson Family Super Fund**  
**Notes to the Financial Statements**  
**As at 30 June 2019**

*Contributions and Rollovers In*

Contributions and rollovers 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.

The financial report was authorised for issue on 02 September 2019 by the directors of the trustee company.

**Note 2 – 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. Changes in the Liability for Accrued Benefits are as follows:

	<b>Current</b>	<b>Previous</b>
<b>Liability for Accrued Benefits at beginning of period</b>	437,580.07	443,687.56
Benefits Accrued during the period	22,547.05	38,212.51
Benefits Paid during the period	(51,070.00)	(44,320.00)
<b>Liability for Accrued Benefits at end of period</b>	<b>409,057.12</b>	<b>437,580.07</b>

Any amount in the Unallocated Contributions account represent amounts that have been received by the fund from either the members of the fund or a third party but have not been allocated to any specific member as at the reporting date. It is the intention of the trustee to allocate any such amounts recorded as unallocated contributions within 28 days following the end of the month to specific fund member, which will increase the liability for members accrued benefits.

**Note 3 – Vested Benefits**

Vested benefits are benefits which 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 reporting period.

	<b>Current</b>	<b>Previous</b>
<b>Vested Benefits at beginning of period</b>	437,580.07	443,687.56
Benefits Accrued during the period	22,547.05	38,212.51
Benefits Paid during the period	(51,070.00)	(44,320.00)
<b>Vested Benefits at end of period</b>	<b>409,057.12</b>	<b>437,580.07</b>

**Note 4 – Guaranteed Benefits**

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

**Note 5 – Funding Arrangements**

No fixed funding arrangements were in place for the Fund as at year end.

**Note 6A – Other Fixed Interest Securities**

	<b>Current</b>	<b>Previous</b>
At market value:		
AGL Energy Limited. - Hybrid 3-Bbsw+3.80% 08-06-39 Sub Step T-06-19	0.00	19,708.80
Iag Finance (New Zealand) Limited - Convert Bond 3-Bbsw+4.00% Perp Sub Non-Cum Ex Res	14,598.72	14,783.04
Qube Holdings Limited - Hybrid 3-Bbsw+3.90% 05-10-23 Sub Cum	25,156.75	0.00
	<b>39,755.47</b>	<b>34,491.84</b>

**McPherson Family Super Fund**  
**Notes to the Financial Statements**  
**As at 30 June 2019**

**Note 6B – Shares in Listed Companies**

	<b>Current</b>	<b>Previous</b>
At market value:		
Adelaide Brighton Limited	22,644.20	38,954.75
AGL Energy Limited.	24,512.25	27,538.00
Australia And New Zealand Banking Group Limited	30,664.27	30,696.88
BHP Billiton Limited	14,899.92	0.00
Hearts And Minds Investments Limited	11,800.00	0.00
Macquarie Group Limited	31,347.50	0.00
Magellan Financial Group Limited	10,200.00	0.00
National Australia Bank Limited - Capital Notes Deferred Settlement	14,752.30	14,761.00
Qrxpharma Ltd	0.00	164.70
Rio Tinto Limited	26,977.60	43,055.04
Suncorp Group Limited - Ordinary Fully Paid	0.00	25,226.11
Westpac Banking Corporation	94,608.96	97,744.80
	<b>282,407.00</b>	<b>278,141.28</b>

**Note 6C – Shares in Unlisted Companies**

	<b>Current</b>	<b>Previous</b>
At market value:		
QRxPharma Ltd	164.70	0.00
	<b>164.70</b>	<b>0.00</b>

**Note 6D – Units In Listed Unit Trusts**

	<b>Current</b>	<b>Previous</b>
At market value:		
Mcp Income Opportunities Trust - Ordinary Units Fully Paid	15,300.00	0.00
Mcp Master Income Trust - Ordinary Units Fully Paid	31,207.92	31,050.00
	<b>46,507.92</b>	<b>31,050.00</b>

**Note 7A – Distributions**

	<b>Current</b>	<b>Previous</b>
Mcp Income Opportunities Trust - Ordinary Units Fully Paid	152.25	0.00
Mcp Master Income Trust - Ordinary Units Fully Paid	1,759.34	1,058.57
	<b>1,911.59</b>	<b>1,058.57</b>

**McPherson Family Super Fund**  
**Notes to the Financial Statements**  
**As at 30 June 2019**

**Note 7B – Dividends**

	<b>Current</b>	<b>Previous</b>
Iag Finance (New Zealand) Limited - Convert Bond 3-Bbsw+4.00% Perp Sub Non-Cum Ex Res	604.15	294.70
Adelaide Brighton Limited	1,569.40	1,373.23
AGL Energy Limited.	1,445.50	1,274.00
Australia And New Zealand Banking Group Limited	1,739.20	308.00
Australia And New Zealand Banking Group Limited - Cap Note Deferred Settlement	0.00	112.56
BHP Billiton Limited	8,372.34	0.00
CBAPF	0.00	481.27
Commonwealth Bank of Australia	0.00	3,035.80
Commonwealth Bank Of Australia. - Cap Note 3-Bbsw+2.80% Perp Non-Cum Red T-12-24	0.00	158.63
Magellan Financial Group Limited	147.60	0.00
National Australia Bank Limited - Cap Note 2 Deferred Settlement	0.00	237.51
Rio Tinto Limited	17,838.46	9,452.42
Suncorp Group Limited - Ordinary Fully Paid	1,417.78	1,008.57
Telstra Corporation Limited. - Ordinary Fully Paid	0.00	543.12
Wesfarmers Limited - Ordinary Fully Paid	0.00	274.80
Westpac Banking Corporation	9,407.52	3,188.48
Woolworths Limited - Ordinary Fully Paid	5,506.20	0.00
	<b>48,048.15</b>	<b>21,743.09</b>

**Note 7C – Interest**

	<b>Current</b>	<b>Previous</b>
CBA TD Mat 22.05.2018	0.00	496.44
Cash at Bank	330.73	234.15
CommSec Bank Account	397.43	246.15
AGL Energy Limited. - Hybrid 3-Bbsw+3.80% 08-06-39 Sub Step T-06- 19	1,114.52	537.86
Westpac Banking Corporation - Unsec.Red.Sub Frn Note Maturing 23- Aug-2022	0.00	791.35
National Australia Bank Limited - Capital Notes Deferred Settlement	605.17	295.06
	<b>2,447.85</b>	<b>2,601.01</b>

**Note 8A – Realised Capital Losses**

	<b>Current</b>	<b>Previous</b>
<b>Shares in Listed Companies</b>		
Australia And New Zealand Banking Group Limited - Cap Note Deferred Settlement	0.00	(333.50)
BHP Billiton Limited	9,250.68	0.00
CBAPF	0.00	(631.30)
Commonwealth Bank of Australia	0.00	4,653.72
Commonwealth Bank Of Australia. - Cap Note 3-Bbsw+2.80% Perp Non-Cum Red T-12-24	0.00	301.40
Hub24 Limited	0.00	(26,102.97)
National Australia Bank Limited - Cap Note 2 Deferred Settlement	0.00	(807.50)
Rio Tinto Limited	16,142.47	9,523.36
Suncorp Group Limited - Ordinary Fully Paid	688.70	0.00
Telstra Corporation Limited. - Ordinary Fully Paid	0.00	1,832.24
Wesfarmers Limited - Ordinary Fully Paid	0.00	(2,321.46)
Woolworths Limited - Ordinary Fully Paid	5,681.30	0.00
	<b>31,763.15</b>	<b>(13,886.01)</b>

*This report should be read in conjunction with the accompanying compilation report.*

**McPherson Family Super Fund**  
**Notes to the Financial Statements**  
**As at 30 June 2019**

**Note 8B – Realised Traditional Security Losses**

	Current	Previous
<b>Other Fixed Interest Securities</b>		
AGL Energy Limited. - Hybrid 3-Bbsw+3.80% 08-06-39 Sub Step T-06-19	661.10	0.00
	<b>661.10</b>	<b>0.00</b>

**Note 8C – Decrease in Market Value**

	Current	Previous
<b>Other Fixed Interest Securities</b>		
AGL Energy Limited. - Hybrid 3-Bbsw+3.80% 08-06-39 Sub Step T-06-19	(152.30)	152.30
Iag Finance (New Zealand) Limited - Convert Bond 3-Bbsw+4.00% Perp Sub Non-Cum Ex Res	184.32	188.78
Qube Holdings Limited - Hybrid 3-Bbsw+3.90% 05-10-23 Sub Cum	25.62	0.00
Westpac Banking Corporation - Unsec.Red.Sub Frn Note Maturing 23-Aug-2022	0.00	532.00
<b>Shares in Listed Companies</b>		
Adelaide Brighton Limited	16,310.55	(7,398.60)
AGL Energy Limited.	3,025.75	3,699.50
Australia And New Zealand Banking Group Limited	32.61	1,017.04
Australia And New Zealand Banking Group Limited - Cap Note Deferred Settlement	0.00	237.50
BHP Billiton Limited	(2,777.72)	0.00
CBAPF	0.00	351.36
Commonwealth Bank of Australia	0.00	3,688.12
Commonwealth Bank Of Australia. - Cap Note 3-Bbsw+2.80% Perp Non-Cum Red T-12-24	0.00	(350.00)
Hearts And Minds Investments Limited	(1,800.00)	0.00
Hub24 Limited	0.00	6,927.00
Macquarie Group Limited	(1,022.68)	0.00
Magellan Financial Group Limited	(5,050.51)	0.00
National Australia Bank Limited - Cap Note 2 Deferred Settlement	0.00	599.00
National Australia Bank Limited - Capital Notes Deferred Settlement	8.70	232.21
Qrxpharma Ltd	(4,835.30)	0.00
Rio Tinto Limited	(2,481.67)	(12,610.20)
Suncorp Group Limited - Ordinary Fully Paid	1,188.67	(8.66)
Telstra Corporation Limited. - Ordinary Fully Paid	0.00	1,195.22
Wesfarmers Limited - Ordinary Fully Paid	0.00	1,409.63
Westpac Banking Corporation	3,135.84	3,772.87
<b>Shares in Unlisted Companies</b>		
QRxPharma Ltd	4,835.30	0.00
<b>Units In Listed Unit Trusts</b>		
Mcp Income Opportunities Trust - Ordinary Units Fully Paid	(300.00)	0.00
Mcp Master Income Trust - Ordinary Units Fully Paid	440.47	(1,050.00)
	<b>10,767.65</b>	<b>2,585.07</b>

*This report should be read in conjunction with the accompanying compilation report.*

**McPherson Family Super Fund**  
Investment Summary as at 30 June 2019

Investment	Units	Average Cost Price	Market Price	Accounting Cost	Market Value	Unrealised Accounting Gain/(Loss)	Accounting Gain/(Loss) (%)	Portfolio Weight (%)
<b><u>Bank</u></b>								
Cash at Bank				34,382.48	34,382.48			8.32%
CommSec Bank Account				10,174.90	10,174.90			2.46%
				<b>44,557.38</b>	<b>44,557.38</b>			<b>10.78%</b>
<b><u>Listed Securities Market</u></b>								
Adelaide Brighton Limited (ASX:ABC)	5,605.00000	3.0768	4.0400	17,245.64	22,644.20	5,398.56	31.30%	5.48%
AGL Energy Limited. (ASX:AGL)	1,225.00000	13.9214	20.0100	17,053.68	24,512.25	7,458.57	43.74%	5.93%
Australia And New Zealand Banking Group Limited (ASX:ANZ)	1,087.00000	29.1756	28.2100	31,713.92	30,664.27	(1,049.65)	(3.31)%	7.42%
BHP Billiton Limited (ASX:BHP)	362.00000	33.4867	41.1600	12,122.20	14,899.92	2,777.72	22.91%	3.60%
Hearts And Minds Investments Limited (ASX:HM1)	4,000.00000	2.5000	2.9500	10,000.00	11,800.00	1,800.00	18.00%	2.85%
lag Finance (New Zealand) Limited - Convert Bond 3-Bbsw+4.00% Perp Sub Non-Cum Ex Res (ASX:IANG)	144.00000	103.9710	101.3800	14,971.82	14,598.72	(373.10)	(2.49)%	3.53%
Magellan Financial Group Limited (ASX:MFG)	200.00000	25.7474	51.0000	5,149.49	10,200.00	5,050.51	98.08%	2.47%
Mcp Income Opportunities Trust - Ordinary Units Fully Paid (ASX:MOT)	7,500.00000	2.0000	2.0400	15,000.00	15,300.00	300.00	2.00%	3.70%
Macquarie Group Limited (ASX:MQG)	250.00000	121.2993	125.3900	30,324.82	31,347.50	1,022.68	3.37%	7.58%
Mcp Master Income Trust - Ordinary Units Fully Paid (ASX:MXT)	15,298.00000	2.0002	2.0400	30,598.39	31,207.92	609.53	1.99%	7.55%
National Australia Bank Limited - Capital Notes Deferred Settlement (ASX:NABPE)	145.00000	103.4014	101.7400	14,993.21	14,752.30	(240.91)	(1.61)%	3.57%
Qube Holdings Limited - Hybrid 3-Bbsw+3.90% 05-10-23 Sub Cum (ASX:QUBHA)	235.00000	107.1590	107.0500	25,182.37	25,156.75	(25.62)	(0.10)%	6.09%
Rio Tinto Limited (ASX:RIO)	260.00000	41.7220	103.7600	10,847.72	26,977.60	16,129.88	148.69%	6.53%
Westpac Banking Corporation (ASX:WBC)	3,336.00000	30.7161	28.3600	102,469.01	94,608.96	(7,860.05)	(7.67)%	22.89%
				<b>337,672.27</b>	<b>368,670.39</b>	<b>30,998.12</b>	<b>9.18%</b>	<b>89.18%</b>
<b><u>Unlisted Market</u></b>								
QRX:Pharma Ltd	5,882.00000	0.8501	0.0280	5,000.00	164.70	(4,835.30)	(96.71)%	0.04%
				<b>5,000.00</b>	<b>164.70</b>	<b>(4,835.30)</b>	<b>(96.71)%</b>	<b>0.04%</b>

**McPherson Family Super Fund**  
**Investment Summary as at 30 June 2019**

Investment	Units	Average Cost Price	Market Price	Accounting Cost	Market Value	Unrealised Accounting Gain/(Loss)	Accounting Gain/(Loss) (%)	Portfolio Weight (%)
				387,229.65	413,392.47	26,162.82	6.76%	100.00%

The accounting cost is the original cost base adjusted by any subsequent capital call/improvement or capital return transactions. In many cases, it is not the same as the adjusted or reduced cost base, or the reset cost base resulting from the CGT relief. To view the tax cost base and unrealised gain/(loss) for tax purposes refer to the Unrealised Capital Gains Report or change the report parameter to tax cost base.

**McPherson Family Super Fund**  
**Investment Movement Summary**  
**For the period 1 July 2018 to 30 June 2019**

Investment	Opening Balance			Acquisitions			Disposals			Closing Balance		
	Qty	Cost		Qty	Cost		Qty	Proceeds	Profit/(Loss)	Qty	Cost	Market Value
<b>Bank</b>												
Cash at Bank		59,021.86			130,821.60			155,460.98	0.00		34,382.48	34,382.48
CommSec Bank Account		25,861.77			397.43			16,084.30	0.00		10,174.90	10,174.90
		84,883.63			131,219.03			171,545.28	0.00		44,557.38	44,557.38
<b>Listed Securities Market</b>												
Adelaide Brighton Limited (ASX:ABC)	5,605	17,245.64		0	0.00		0	0.00	0.00		17,245.64	22,644.20
AGL Energy Limited. - Hybrid 3-Bbsw+3.80% 08-06-39 Sub Step T-06-19 (ASX:AGLHA)	192	19,861.10		0	0.00		192	19,200.00	(661.10)	0	0.00	0.00
AGL Energy Limited. (ASX:AGL)	1,225	17,053.68		0	0.00		0	0.00	0.00		17,053.68	24,512.25
Australia And New Zealand Banking Group Limited (ASX:ANZ)	1,087	31,713.92		0	0.00		0	0.00	0.00		31,713.92	30,664.27
BHP Billiton Limited (ASX:BHP)	0	0.00		640	21,478.52		278	105.64	(9,250.68)		12,122.20	14,899.92
Hearts And Minds Investments Limited (ASX:HM1)	0	0.00		4,000	10,000.00		0	0.00	0.00		10,000.00	11,800.00
Iag Finance (New Zealand) Limited - Convert Bond 3-Bbsw+4.00% Perp Sub Non-Cum Ex Res (ASX:IANG)	144	14,971.82		0	0.00		0	0.00	0.00		14,971.82	14,598.72
Macquarie Group Limited (ASX:MQG)	0	0.00		250	30,324.82		0	0.00	0.00		30,324.82	31,347.50
Magellan Financial Group Limited (ASX:MFG)	0	0.00		200	5,149.49		0	0.00	0.00		5,149.49	10,200.00
Mcp Income Opportunities Trust - Ordinary Units Fully Paid (ASX:MOT)	0	0.00		7,500	15,000.00		0	0.00	0.00		15,000.00	15,300.00
Mcp Master Income Trust - Ordinary Units Fully Paid (ASX:MXT)	15,000	30,000.00		298	598.39		0	0.00	0.00		30,598.39	31,207.92
National Australia Bank Limited - Capital Notes Deferred Settlement (ASX:NABPE)	145	14,993.21		0	0.00		0	0.00	0.00		14,993.21	14,752.30
Qrxpharma Ltd (ASX:QRX)	5,882	5,000.00		0	0.00		5,882	5,000.00	0.00	0	0.00	0.00
Qube Holdings Limited - Hybrid 3-Bbsw+3.90% 05-10-23 Sub Cum (ASX:QUBHA)	0	0.00		235	25,182.37		0	0.00	0.00		25,182.37	25,156.75
Rio Tinto Limited (ASX:RIO)	516	29,406.83		0	0.00		256	2,416.64	(16,142.47)		10,847.72	26,977.60

**McPherson Family Super Fund**  
**Investment Movement Summary**  
**For the period 1 July 2018 to 30 June 2019**

Investment	Opening Balance		Acquisitions		Disposals		Closing Balance			
	Qty	Cost	Qty	Cost	Qty	Proceeds	Profit/(Loss)	Qty	Cost	Market Value
Suncorp Group Limited - Ordinary Fully Paid (ASX:SUN)	1,729	24,037.44	0	0.00	1,729	23,348.74	(688.70)	0	0.00	0.00
Westpac Banking Corporation (ASX:WBC)	3,336	102,469.01	0	0.00	0	0.00	0.00	3,336	102,469.01	94,608.96
Woolworths Limited - Ordinary Fully Paid (ASX:WOW)	0	0.00	490	15,181.25	490	9,499.95	(5,681.30)	0	0.00	0.00
		<u>306,752.65</u>		<u>122,914.84</u>		<u>59,570.97</u>	<u>(32,424.25)</u>		<u>337,672.27</u>	<u>368,670.39</u>
<b>Unlisted Market</b>										
MXT_R (ASX:MXT_R)	0	0.00	8,421	0.00	8,421	0.00	0.00	0	0.00	0.00
QRXPharma Ltd	0	0.00	5,882	5,000.00	0	0.00	0.00	5,882	5,000.00	164.70
		<u>0.00</u>		<u>5,000.00</u>		<u>0.00</u>	<u>0.00</u>		<u>5,000.00</u>	<u>164.70</u>
		<u><u>391,636.28</u></u>		<u><u>259,133.87</u></u>		<u><u>231,116.25</u></u>	<u><u>(32,424.25)</u></u>		<u><u>387,229.65</u></u>	<u><u>413,392.47</u></u>

**Fund Total**

**McPherson Family Super Fund**  
(ABN: 23 614 750 357)

**Consolidated Member Benefit Totals**

Period	Member Account Details
<b>1 July 2018 - 30 June 2019</b>	Residential Address: 39 Lagoda Drive Mount Coolum, QLD 4573
<b>Member</b>	Date of Birth: 23 August 1946
Number: MCPHEJ0	Date Joined Fund: 12 October 2006
<b>Rev James McPherson</b>	Eligible Service Date: 12 October 2006
	Tax File Number Held: Yes

*Note: this report provides a consolidated view of the Member's interests in the SMSF  
Refer to the Member Benefit Statements produced for each member account for further details*

**Your Accounts**

<b>Withdrawal Benefit as at 1 Jul 2018</b>	
Accumulation	794.87
Pension Account 01.07.14	234,812.70
Pension Account 01.07.15	53,587.82
Pension Account 01.07.17	489.44
Pension Account 01.07.18	-
<b>Total as at 1 Jul 2018</b>	<b>289,684.83</b>

<b>Withdrawal Benefit as at 30 Jun 2019</b>	
Accumulation	150.09
Pension Account 01.07.14	207,413.75
Pension Account 01.07.15	53,770.35
Pension Account 01.07.17	79.60
Pension Account 01.07.18	69.27
<b>Total as at 30 Jun 2019</b>	<b>261,483.06</b>

**Your Tax Components**

Tax Free	126,841.87
Taxable - Taxed	134,641.19
Taxable - Untaxed	-

**Your Preservation Components**

Preserved	-
Restricted Non Preserved	-
Unrestricted Non Preserved	261,483.06

**Your Insurance Benefits**

No insurance details have been recorded

**Your Beneficiaries**

**Binding Beneficiary Nomination\***

100% Marcia McPherson

\* Nomination in effect from **25 November 2010**

**For Enquiries:**

phone 0292328211

mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

**McPherson Family Super Fund**  
(ABN: 23 614 750 357)

**Member Benefit Statement**

<b>Period</b>	<b>Member Account Details</b>
<b>1 July 2018 - 30 June 2019</b>	Residential Address: 39 Lagoda Drive Mount Coolum, QLD 4573
<b>Member</b>	Date of Birth: 23 August 1946
Number: MCPHEJ0	Date Joined Fund: 12 October 2006
<b>Rev James McPherson</b>	Eligible Service Date: 12 October 2006
<b>Accumulation Account</b>	Tax File Number Held: Yes
<b>Accumulation</b>	Account Start Date: 12 October 2006

<b>Your Account Summary</b>	
<b>Withdrawal Benefit</b> as at 1 Jul 2018	<b>794.87</b>
<i>Increases to your account:</i>	
Employer Contributions	142.54
Share Of Net Fund Income	4.26
Tax on Net Fund Income	24.67
<b>Total Increases</b>	<b>171.47</b>
<i>Decreases to your account:</i>	
Contributions Tax	21.38
Transfers Out	794.87
<b>Total Decreases</b>	<b>816.25</b>
<b>Withdrawal Benefit</b> as at 30 Jun 2019	<b>150.09</b>

<b>Your Tax Components</b>	
Tax Free	0.0000 % -
Taxable - Taxed	150.09
Taxable - Untaxed	-
<b>Your Preservation Components</b>	
Preserved	-
Restricted Non Preserved	-
Unrestricted Non Preserved	150.09

**Your Insurance Benefits**  
No insurance details have been recorded

**Your Beneficiaries**  
**Binding Beneficiary Nomination\***  
100% Marcia McPherson  
\* Nomination in effect from **25 November 2010**

**For Enquiries:**  
phone 0292328211  
mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

**McPherson Family Super Fund**  
(ABN: 23 614 750 357)

**Member Benefit Statement**

<b>Period</b>	<b>Member Account Details</b>
1 July 2018 - 30 June 2019	Residential Address: 39 Lagoda Drive Mount Coolum, QLD 4573
<b>Member</b>	Date of Birth: 23 August 1946
Rev James McPherson	Date Joined Fund: 12 October 2006
<b>Pension Account</b>	Eligible Service Date: 12 October 2006
Pension Account 01.07.14	Tax File Number Held: Yes
	Account Start Date: 1 July 2014

<b>Your Account Summary</b>	
<b>Withdrawal Benefit</b> as at 1 Jul 2018	<b>234,812.70</b>
<i>Increases to your account:</i>	
Share Of Net Fund Income	822.13
Tax on Net Fund Income	10,848.92
<b>Total Increases</b>	<b>11,671.05</b>
<i>Decreases to your account:</i>	
Pension Payments	39,070.00
<b>Total Decreases</b>	<b>39,070.00</b>
<b>Withdrawal Benefit</b> as at 30 Jun 2019	<b>207,413.75</b>

<b>Your Tax Components</b>		
Tax Free	47.2465 %	97,995.69
Taxable - Taxed		109,418.06
Taxable - Untaxed		-
<b>Your Preservation Components</b>		
Preserved		-
Restricted Non Preserved		-
Unrestricted Non Preserved		207,413.75
<b>Your Insurance Benefits</b>		
No insurance details have been recorded		
<b>Your Beneficiaries</b>		
Marcia McPherson has been selected as the Reversionary Beneficiary for this Pension Account.		

**For Enquiries:**  
phone 0292328211  
mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

**McPherson Family Super Fund**  
(ABN: 23 614 750 357)

**Member Benefit Statement**

<b>Period</b>	<b>Member Account Details</b>
1 July 2018 - 30 June 2019	Residential Address: 39 Lagoda Drive Mount Coolum, QLD 4573
<b>Member</b>	Date of Birth: 23 August 1946
Rev James McPherson	Date Joined Fund: 12 October 2006
	Eligible Service Date: 12 October 2006
<b>Pension Account</b>	Tax File Number Held: Yes
Pension Account 01.07.15	Account Start Date: 1 July 2015

<b>Your Account Summary</b>	
<b>Withdrawal Benefit</b> as at 1 Jul 2018	<b>53,587.82</b>
<i>Increases to your account:</i>	
Share Of Net Fund Income	337.25
Tax on Net Fund Income	2,525.28
<u>Total Increases</u>	<u>2,862.53</u>
<i>Decreases to your account:</i>	
Pension Payments	2,680.00
<u>Total Decreases</u>	<u>2,680.00</u>
<b>Withdrawal Benefit</b> as at 30 Jun 2019	<b>53,770.35</b>

<b>Your Tax Components</b>		
Tax Free	53.6036 %	28,822.82
Taxable - Taxed		24,947.53
Taxable - Untaxed		-
<b>Your Preservation Components</b>		
Preserved		-
Restricted Non Preserved		-
Unrestricted Non Preserved		53,770.35
<b>Your Insurance Benefits</b>		
No insurance details have been recorded		

**Your Beneficiaries**

**Binding Beneficiary Nomination\***

100% Marcia McPherson  
\* Nomination in effect from **25 November 2010**

**For Enquiries:**  
phone 0292328211  
mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

**McPherson Family Super Fund**  
(ABN: 23 614 750 357)

**Member Benefit Statement**

<b>Period</b>	<b>Member Account Details</b>
1 July 2018 - 30 June 2019	Residential Address: 39 Lagoda Drive Mount Coolum, QLD 4573
<b>Member</b>	Date of Birth: 23 August 1946
Rev James McPherson	Date Joined Fund: 12 October 2006
<b>Pension Account</b>	Eligible Service Date: 12 October 2006
Pension Account 01.07.17	Tax File Number Held: Yes
	Account Start Date: 1 July 2017

<b>Your Account Summary</b>	
<b>Withdrawal Benefit</b> as at 1 Jul 2018	<b>489.44</b>
<i>Increases to your account:</i>	
Tax on Net Fund Income	16.23
<u>Total Increases</u>	<u>16.23</u>
<i>Decreases to your account:</i>	
Pension Payments	420.00
Share Of Net Fund Income	6.07
<u>Total Decreases</u>	<u>426.07</u>
<b>Withdrawal Benefit</b> as at 30 Jun 2019	<b>79.60</b>

<b>Your Tax Components</b>		
Tax Free	29.3467 %	23.36
Taxable - Taxed		56.24
Taxable - Untaxed		-
<b>Your Preservation Components</b>		
Preserved		-
Restricted Non Preserved		-
Unrestricted Non Preserved		79.60
<b>Your Insurance Benefits</b>		
No insurance details have been recorded		

**Your Beneficiaries**

Marcia McPherson has been selected as the Reversionary Beneficiary for this Pension Account.

**For Enquiries:**  
phone 0292328211  
mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

**McPherson Family Super Fund**  
(ABN: 23 614 750 357)

**Member Benefit Statement**

<b>Period</b>	<b>Member Account Details</b>
1 July 2018 - 30 June 2019	Residential Address: 39 Lagoda Drive Mount Coolum, QLD 4573
<b>Member</b>	Date of Birth: 23 August 1946
Rev James McPherson	Date Joined Fund: 12 October 2006
	Eligible Service Date: 12 October 2006
<b>Pension Account</b>	Tax File Number Held: Yes
Pension Account 01.07.18	Account Start Date: 1 July 2018

<b>Your Account Summary</b>	
<b>Withdrawal Benefit</b> as at 1 Jul 2018	-
<i>Increases to your account:</i>	
Tax on Net Fund Income	26.26
Transfers In	794.87
<u>Total Increases</u>	<u>821.13</u>
<i>Decreases to your account:</i>	
Pension Payments	740.00
Share Of Net Fund Income	11.86
<u>Total Decreases</u>	<u>751.86</u>
<b>Withdrawal Benefit</b> as at 30 Jun 2019	<b><u>69.27</u></b>

<b>Your Tax Components</b>	
Tax Free	0.0000 %
Taxable - Taxed	69.27
Taxable - Untaxed	-
<b>Your Preservation Components</b>	
Preserved	-
Restricted Non Preserved	-
Unrestricted Non Preserved	69.27
<b>Your Insurance Benefits</b>	
No insurance details have been recorded	
<b>Your Beneficiaries</b>	
Marcia McPherson has been selected as the Reversionary Beneficiary for this Pension Account.	

**For Enquiries:**  
phone 0292328211  
mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

## Trustee

The Trustee of the Fund is as follows:

McPherson J&M Pty Ltd

The directors of the Trustee company are:

James McPherson and  
Marcia McPherson

## Availability of Other Fund Information

Additional information regarding your membership is available on request. What your Fund can do is governed by the provisions of its Trust Deed, which is available for inspection. If you require further information or clarification of any aspect of your membership of the Fund, please contact your Fund's Administrator or Trustee.

## Trustee Disclaimer

This statement has been prepared by the Trustee for the member whose name appears at the top of this statement. While 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 errors, omissions or misprints.

Signed on behalf of the Trustee of the Fund



James McPherson  
Director - McPherson J&M Pty Ltd



Marcia McPherson  
Director - McPherson J&M Pty Ltd

Statement Date: 30 June 2019

### For Enquiries:

phone 0292328211

mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

**McPherson Family Super Fund**  
(ABN: 23 614 750 357)

**Consolidated Member Benefit Totals**

Period	Member Account Details
<b>1 July 2018 - 30 June 2019</b>	Residential Address: 39 Lagoda Drive Mount Coolum, QLD 4573
<b>Member</b>	Date of Birth: 24 September 1948
Number: MCPHEM0	Date Joined Fund: 12 October 2006
<b>Mrs Marcia McPherson</b>	Eligible Service Date: 12 October 2006
	Tax File Number Held: Yes

*Note: this report provides a consolidated view of the Member's interests in the SMSF  
Refer to the Member Benefit Statements produced for each member account for further details*

Your Accounts	
<b>Withdrawal Benefit as at 1 Jul 2018</b>	
513: McPherson, Marcia	147,895.24
<b>Total as at 1 Jul 2018</b>	<b>147,895.24</b>
<b>Withdrawal Benefit as at 30 Jun 2019</b>	
513: McPherson, Marcia	147,574.06
<b>Total as at 30 Jun 2019</b>	<b>147,574.06</b>

Your Tax Components	
Tax Free	108,808.90
Taxable - Taxed	38,765.16
Taxable - Untaxed	-

Your Preservation Components	
Preserved	-
Restricted Non Preserved	-
Unrestricted Non Preserved	147,574.06

**Your Insurance Benefits**

No insurance details have been recorded

**Your Beneficiaries**

**Binding Beneficiary Nomination\***

100% James McPherson (Spouse)

\* Nomination in effect from **24 November 2010**

**For Enquiries:**  
phone 0292328211  
mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

**McPherson Family Super Fund**  
(ABN: 23 614 750 357)

**Member Benefit Statement**

<b>Period</b>	<b>Member Account Details</b>
<b>1 July 2018 - 30 June 2019</b>	Residential Address: 39 Lagoda Drive Mount Coolum, QLD 4573
<b>Member</b>	Date of Birth: 24 September 1948
Number: MCPHEM0	Date Joined Fund: 12 October 2006
<b>Mrs Marcia McPherson</b>	Eligible Service Date: 12 October 2006
<b>Pension Account</b>	Tax File Number Held: Yes
<b>513: McPherson, Marcia</b>	Account Start Date: 1 July 2013

<b>Your Account Summary</b>	
<b>Withdrawal Benefit as at 1 Jul 2018</b>	<b>147,895.24</b>
<i>Increases to your account:</i>	
Share Of Net Fund Income	806.44
Tax on Net Fund Income	7,032.38
<u>Total Increases</u>	<u>7,838.82</u>
<i>Decreases to your account:</i>	
Pension Payments	8,160.00
<u>Total Decreases</u>	<u>8,160.00</u>
<b>Withdrawal Benefit as at 30 Jun 2019</b>	<b><u>147,574.06</u></b>

<b>Your Tax Components</b>		
Tax Free	73.7317 %	108,808.90
Taxable - Taxed		38,765.16
Taxable - Untaxed		-
<b>Your Preservation Components</b>		
Preserved		-
Restricted Non Preserved		-
Unrestricted Non Preserved		147,574.06
<b>Your Insurance Benefits</b>		
No insurance details have been recorded		
<b>Your Beneficiaries</b>		
James McPherson has been selected as the Reversionary Beneficiary for this Pension Account.		

**For Enquiries:**  
phone 0292328211  
mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

## Trustee

The Trustee of the Fund is as follows:

McPherson J&M Pty Ltd

The directors of the Trustee company are:

James McPherson and  
Marcia McPherson

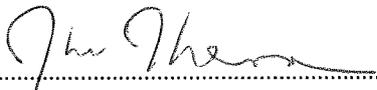
## Availability of Other Fund Information

Additional information regarding your membership is available on request. What your Fund can do is governed by the provisions of its Trust Deed, which is available for inspection. If you require further information or clarification of any aspect of your membership of the Fund, please contact your Fund's Administrator or Trustee.

## Trustee Disclaimer

This statement has been prepared by the Trustee for the member whose name appears at the top of this statement. While 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 errors, omissions or misprints.

Signed on behalf of the Trustee of the Fund



.....  
James McPherson  
Director - McPherson J&M Pty Ltd



.....  
Marcia McPherson  
Director - McPherson J&M Pty Ltd

Statement Date: 30 June 2019

**For Enquiries:**  
phone 0292328211  
mail McPherson Family Super Fund, Suite 7 Level 5 66 Hunter Street, Sydney NSW 2000

# McPherson Family Super Fund

## Trustee Declaration

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In the opinion of the Trustees of the McPherson Family Super Fund.

The Fund is not a reporting entity and this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to these financial statements.

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2019 present fairly the financial position of the Fund at 30 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 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 McPherson J&M Pty Ltd by:

  
..... Dated: 12/9/19  
**James McPherson**  
Director: McPherson J&M Pty Ltd

  
..... Dated: 12/9/19  
**Marcia McPherson**  
Director: McPherson J&M Pty Ltd

# APPENDICES

P O Box 3376  
RUNDLE MALL SA 5000

2 September 2019

The Directors  
McPherson J&M Pty Ltd  
McPherson Family Super Fund  
39 Lagoda Drive  
MOUNT COOLUM QLD 4573

Dear Sirs

### **Scope**

You have requested that we audit the financial report of McPherson Family Super Fund, which comprises the balance sheet as at 30 June 2019, and the income statement for the year then ended a summary of significant accounting policies, other explanatory notes and the trustees' declaration. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter. Our audit will be conducted with the objective of expressing an opinion on the financial report and compliance with the *Superannuation Industry Supervisory Act 1993*.

We will conduct our audit in accordance with Australian Auditing Standards. Those Auditing Standards require that we 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 audit 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. An audit also includes evaluating the appropriateness of the financial reporting framework, accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial report.

Because of the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material misstatements may remain undiscovered.

In making our risk assessments, we consider internal control relevant to the entity's preparation 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 entity's internal control.

We take this opportunity to remind you that the responsibility for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Superannuation Industry Supervisory Act 1993* is that of the trustees. Our auditor's report will explain that the trustees are responsible for the preparation and the fair presentation of the financial report in accordance with the applicable financial reporting framework and this responsibility includes:

- designing, implementing and maintaining internal control relevant to the preparation of a financial report that is free from misstatement, whether due to fraud or error;
- selecting and applying appropriate accounting policies; and
- making accounting estimates that are reasonable in the circumstances.

As part of our audit process, we will request from the trustees written confirmation concerning representations made to us in connection with the audit.

**Other Matters under the *Corporations Act 2001***

*Independence*

We confirm that, to the best of our knowledge and belief, we currently meet the independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report. In conducting our audit of the financial report, should we become aware that we have contravened the independence requirements of the *Corporations Act 2001*, we shall notify you on a timely basis.

We look forward to your full co-operation and make available to us whatever records, documentation and other information we request in connection with our audit.

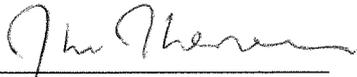
Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements for our audit of the financial report.

Yours faithfully,

---

A.W. Boys  
SAN: 100014140  
Registered Company Auditor 67793  
Dated:

Acknowledged on behalf of,  
McPherson Family Super Fund by



---

James McPherson, Trustee  
Dated: 12.9.2019

The Trustees  
McPherson Family Super Fund  
Suite 7 Level 5 66 Hunter Street  
Sydney, NSW 2000

02 September 2019

Anthony Boys  
PO Box 3376  
RUNDLE MALL, SA 5000

Dear Sir/Madam,

**Representation Letter From the Trustees  
McPherson Family Super Fund  
Year Ended 30 June 2019**

In connection with your examination of the financial statements of the above Superannuation Fund for the year ended 30 June 2019, the following representations are made which are true to the best of our knowledge and belief.

**Legislative Requirements**

The fund is being conducted in accordance with the *Superannuation Industry (Supervision) Act 1993*, and the *Superannuation Industry (Supervision) Regulations 1994*, (SIS legislation) in particular the relevant requirements of the following provisions:

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

for the year ended 30 June 2019.

There are no breaches or possible breaches of laws or regulations whose effects should be considered for disclosure in the financial statements and to the Australian Taxation Office.

**Governing Rules**

The fund has been conducted in accordance with its governing rules at all times during the year and there were no amendments to the same during the financial year except as notified to you.

**Sole Purpose**

The fund is maintained for the sole or primary purpose of providing benefits to members upon their retirement, ill-health, or their dependants in the case of death prior to retirement.

**Trustee Covenants, Trustees and Fund Conduct**

- a) The trustees have complied with all the Trustee Covenants set out in s52 of the SIS legislation.
- b) If the trustee of the fund is a corporate trustee, we as the directors of the trustee company confirm that all members of the fund are directors of the trustee company and all directors of the trustee company are members of the fund. Further, all representations said to be given by the trustees of the fund are given by us in the capacity as directors of the trustee company.
- c) The trustees are not disqualified persons under s126K of the SIS legislation.
- d) No trustee receives any remuneration from the fund.
- e) There have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.

## **Accounting Policies**

The trustees have determined that the Fund is not a reporting entity for the financial year ended 30 June 2019 and that the requirement to apply Australian Accounting Standards and other mandatory reporting requirements do not apply to the Fund. Accordingly, the financial report prepared is a special purpose financial report which is for distribution to members of the Fund and to satisfy the requirements of the SIS legislation.

We are responsible for the presentation (in the financial statements) of the operating statement / changes in net assets for the period and the presentation of the statement of financial position / statement of net assets at balance date, in conformity with generally accepted accounting principles and in accordance with the relevant statutory requirements and applicable Accounting Standards.

All the significant accounting policies of the fund are adequately described in Note 1 to the accounts and are consistent with the policies adopted in the previous year.

## **Books, Records and Minutes**

All financial books, records and related data have been accurately maintained and made available to you, including minutes of the trustees' meetings, the Trust Deed and Fund Rules.

We acknowledge our responsibility for the design and implementation of internal control to prevent and detect error. We have established and maintained an adequate internal control structure to facilitate the preparation of reliable financial reports, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.

All accounting records and financial reports have been kept for 5 years, minutes and records of the corporate trustee meetings have been kept for 10 years and trustee declarations in the approved form have been signed and kept for each trustee appointed after 30 June 2007.

## **Contributions**

We confirm that the contributions, if any, received by the fund are within the limits imposed by the legislation, taking into account contributions paid to other superannuation funds.

## **Investment Strategy**

The trustees have formulated and given effect to an investment strategy as perceived by the trustees to be beneficial to the fund in fulfilling its sole objective of providing retirement benefits to its members in accordance with the SIS legislation and the trust deed.

In case the investment strategy has already been formulated and given effect by the trustees in the prior years, the trustees confirm that it has been updated by a resolution of all the members and trustees of the fund. We have provided you with a signed copy of this resolution.

## **Asset Form**

The assets of the fund are being held in a form suitable for the benefit of the members of the fund, and are in conformity with the trust deed and the updated investment strategy perceived by the trustees.

## **Ownership and Pledging of Assets**

- a) The fund has satisfactory title to all assets appearing in the balance sheet. Investments are registered in the name of the Superannuation Fund or in the name of the Trustees of the Superannuation Fund.
- b) In case the investments are registered in the name of the individual trustees or a corporate trustee, the trustees of the fund or the directors of the trustee company confirm that all such investments held by them as appearing on the balance sheet of the fund are held by them in trust for the fund.
- c) No assets of the fund have been pledged to secure liabilities of the fund or of others, or for any other purpose.
- d) All investments, held by the fund or by us in trust for the fund, have not been encumbered during the financial year ending 30 June 2019.

## Investments

- a) Investments are carried in the books at cost or market value. Such amounts are considered reasonable in the light of present circumstances. For investments carried at cost, there has not been any significant permanent diminution in value below the amounts as recorded.
- b) There are no commitments, fixed or contingent, for the purchase or sale of long-term investments.
- c) Investment transactions and investments held are in accordance with the investment strategy, which complies with SIS legislation investment restrictions and has been determined with due regard to risk, return, liquidity, diversification and the insurance needs of fund members.
- d) All rental properties (if any) owned by the fund or held by us in trust for the fund have:
  - i. Not been leased to a member or a related party of the fund, unless the property is a business real estate property and therefore excluded from the definition of an In-House Asset.
  - ii. Been rented out on an arm's length basis
- e) In the event that the fund has made investments in assets such as wines or artwork we as the trustees of the fund confirm that:
  - i. The fund has not contravened the sole purpose test and the in-house asset rules of the SIS Legislation in respect of these investments.
  - ii. These investments are not held or displayed at the residence of the members or their relatives and are stored at external premises such that no related party of the fund derives any personal benefit from these investments.
  - iii. These investments are adequately insured against theft, fire or other form of destruction.
  - iv. The investments exist, are properly valued, and have been acquired in accordance with the investment strategy.
- f) In the event that the fund has investments in unlisted related entities (either companies or unit trusts), which exceed 5% of the funds' total assets we confirm, that the related entities:
  - i. Have not lent any monies or rendered any financial assistance to any related party of the fund.
  - ii. Do not have any borrowings or loans.
  - iii. Do not have any investments in any other entity including the standard employer-sponsor of the fund or an associate of theirs.
  - iv. Do not have any assets with an encumbrance or a charge over them.
  - v. Have not acquired any assets from a related party of the fund except business real properties.
  - vi. Have not entered into a binding lease agreement with a related party of the fund unless the lease relates to business real property.
  - vii. Have conducted all transactions on an arm's length basis.
- g) In the event that the fund has investments in a pre 11 August 1999 related unit trust, we confirm the following:
  - i. The investment in the unit trust was made by the super fund prior to 11 August 1999 and was not an in-house asset then.
  - ii. Reinvestment of earnings or additional investments into the unit trust are made by the super fund in accordance with Sections 71D & 71E of the SIS legislation as applicable.

## Borrowings

The trustees have **not** borrowed money on behalf of the superannuation fund with the exception of borrowings which were allowable under the SIS legislation.

## Safeguarding Assets

We have considered the importance of safeguarding the assets of the fund, and we confirm we have the following procedures in place to achieve this:

- a) Authorised signatories on bank and investment accounts are regularly reviewed and considered appropriate; and
- b) Tangible assets are, where appropriate, adequately insured and appropriately stored.

## Significant Assumptions

We believe that significant assumptions used by us in making accounting estimates are reasonable.

## Members and Related Parties

- a) No assets have been acquired from a member or a related party other than as permitted under the SIS legislation.
- b) The fund has **not** lent money to, or given financial assistance to a member or relative of a member.
- c) Related party transactions and related amounts receivable or payable have been properly recorded or disclosed in the financial statements.
- d) In case any of the members of the fund are more than 65 years of age we as the trustees of the fund confirm that the provisions of Regulations 7.04 of the SIS legislation relating to the contribution acceptance standards have not been contravened in view of the members' age.

## **Subsequent Events**

No events or transactions have occurred since 30 June 2019 (other than normal movements in the value of listed shares, managed funds, public unit trusts or property investments), or are pending, which would have a material effect upon the fund's state of affairs at the date, or which are of such significance in relation to the fund's affairs as to require mention in notes to the financial statements in order to ensure they are not misleading as to the state of affairs or its gains or losses or movement in member's funds.

## **Legal Matters**

We confirm you have been advised of all significant legal matters, and that all known actual or possible litigation and claims have been adequately accounted for, and been appropriately disclosed in the financial report.

There have been no communications from the ATO concerning a contravention of SIS legislation which has occurred, is occurring, or is about to occur.

## **Material Misstatement**

We understand and acknowledge that we did not engage the approved SMSF auditor of the superannuation fund for the purpose of detecting fraud or error. We acknowledge that the work undertaken to form an opinion is permeated by judgment, in particular regarding the nature, timing and extent of the audit procedures for gathering of audit evidence and the drawing of conclusions based on the audit evidence gathered. In addition, there are inherent limitations in any audit, and these include the use of testing, the inherent limitations of any internal control structure, the possibility of collusion and the fact that most audit evidence is persuasive rather than conclusive. As a result, the audit can only provide reasonable, not absolute, assurance that the financial report is free of material misstatement.

## **Risk of Fraud and Procedures for Identifying and Responding to Fraud**

The risk that the financial report is materially misstated due to fraud is considered to be low as a result of the following:

- a) The trustees are signatories on all transactions and no other party has the authority to act on behalf of the trustees and
- b) Reconciliations are undertaken by the fund's accountant for both investments held and all bank accounts maintained by the fund.

We have not identified any specific risks of fraud.

As trustees we believe that the procedures in place reduce the risk of fraud, however should fraudulent activity be identified, the trustees would ensure all trustees are aware of the situation and the fund's accountant and approved SMSF auditor would be informed.

We confirm that we have no knowledge of any actual, suspected or alleged fraud affecting the fund.

## **Going Concern**

We confirm we have no knowledge of any events or conditions that would cast significant doubt on the fund's ability to continue as a going concern.

## **Other**

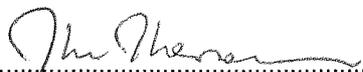
We, the trustees of McPherson Family Super Fund acknowledge that during the course of your audit, it is sometimes necessary for you to request information from third parties including share registries, managed fund and wrap account providers, financial institutions etc to verify information required solely to satisfy your audit function. This information will not be disclosed to any other parties. We further acknowledge that by signing this letter we consent to your authority to request and directly receive such information which shall remain confidential.

## **Acknowledgement of Outstanding Matters Letter**

We acknowledge that we will be provided with an outstanding matters letter from you stating if any, the outstanding issues, non-compliance with SIS legislation, and the corrected and uncorrected misstatements in the financial report.

We have considered the effect of the uncorrected misstatements (if applicable) in the financial report and confirm that we consider the misstatements to be immaterial both individually and in aggregate to the financial report when taken as a whole.

Yours faithfully,  
McPherson Family Super Fund



James McPherson  
Director



Marcia McPherson  
Director

# Investment Strategy

## For the McPherson Family Super Fund

### Details of the Fund

<b>Name of Fund:</b>	McPherson Family Super Fund
<b>Date Established:</b>	12 October 2006
<b>Details of Trustees:</b>	McPherson J&M Pty Ltd
<b>Details of Auditor:</b>	Anthony Boys
<b>Details of Investment Manager:</b>	Andrew Murray, Ord Minnett Ltd
<b>Location of Trust Deed and Minutes of Fund:</b>	C/- Roach & Bruce Consulting Pty Ltd Suite 7, Level 5 66 Hunter Street SYDNEY NSW 2000

### General Objectives

The Trustee will act prudently to pursue the maximum rate of return, subject to satisfying the funds specific objectives, staying within acceptable risk parameters and maintaining acceptable levels of diversification.

The Trustee will ensure that all investments are authorised under the trust deed, are made for the sole purpose of providing benefits to members and dependants of members, and are made in accordance with the legislative requirements applicable to complying superannuation funds.

The Trustee will consider suggestions from members and their advisers for specific investments in relation to members generally or individually and may make investments in accordance with those suggestions provided that they fall within the investment strategy of the Fund.

### Specific Objectives

Having considered the profile of the Fund, the Trustee has adopted the following objectives for the investment of the assets of the Fund:

- To provide real long-term returns of at least 4% pa above CPI over a period of at least 5 years when using a diversified portfolio of asset classes.

The fund will use investment strategies consistent with the sole purpose test of maximising retirement benefits for members, including a focus on investments which provide a good fully franked yield.

In addition the Fund will use, from time to time, derivatives such as Options & Warrants as a defensive strategy or as a means of generating additional income for the portfolio.

The Trustee has implemented this strategy taking into account the age of the members, their retirement age, the expressed intention of the members to receive their benefits as allocated pensions upon retirement, future contributions and Fund liabilities.

## Asset Allocation

The associated investment strategy to achieve the stated objectives is to invest in a diversified portfolio providing exposure to the following major asset classes:

Asset Class	Range	Benchmark
Australian Equities	15% - 90%	89%
International Equities	0% - 40%	0%
Property Trusts	0% - 35%	0%
Direct Property	0% - 35%	0%
Fixed Interest	0% - 45%	0%
Cash	0% - 100%	11%
Insurance policies	0% - 10%	0%
Hedged funds	0% - 15%	0%

## Insurance

The Trustees have considered and consulted Professional Advice where necessary to ensure that all fund members have the correct type and level of insurance. Insurance may be held within or outside the SMSF.

## Review

To monitor the success of the investment strategy in achieving the investment objectives, the Trustee will take the following action;

- Compare investment returns against investment objectives on at least a six-monthly basis;
- Will review the strategy at such other times as a significant event occurs which affects the Fund.

## Benchmark for performance

On an on-going basis the Trustees should reference the performance of the fund on a half-yearly basis to the following indices:

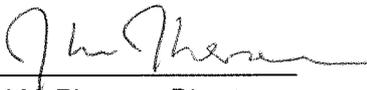
- CBA Cash Management Trust
- All Ordinaries 200

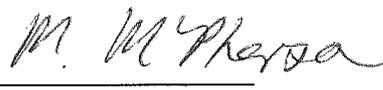
## Liquidity

The Trustees will maintain cash and other liquid assets to allow the Trustees to pay all expected income tax assessments, benefit transfers and member benefits.

## Confirmation

Agreed by the Trustees of the McPherson Family Super Fund

Signed   
J McPherson, Director

Signed   
M McPherson, Director

Date: 12 Sept 2019

**MINUTES OF THE MEETING OF THE DIRECTOR(S) OF THE CORPORATE TRUSTEE  
MCPHERSON J&M PTY LTD ATF  
MCPHERSON FAMILY SUPER FUND  
HELD ON 02 SEPTEMBER 2019 AT  
39 LAGODA DRIVE, MOUNT COOLUM QLD**

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**PRESENT**

James McPherson

Marcia McPherson

**APPROVAL OF  
PREVIOUS MINUTES:**

It was resolved that the minutes of the previous meeting had been signed as a true and correct record.

**ALLOCATION OF  
CONTRIBUTION:**

It was resolved that the contributions received during the year be allocated to members as follows:

<b>Member Name/Contribution type</b>	<b>Amount</b>
<i>Rev James McPherson</i> Employer	142.54

The contributions will be subject to normal preservation and payment rules under the *Superannuation Industry (Supervision) Regulations 1994 (SISR)*

**PAYMENT OF BENEFITS:**

The trustee has ensured that any payment of benefits made from the fund meet the requirement of the fund's deed and do not breach the superannuation laws in relation to:

1. making payment to members; and
2. breaching the fund's or the member's investment strategy.

The trustees have reviewed the payment of benefits 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 following benefits on behalf of the members:

<b>Member Name/Payment Type</b>	<b>Amount</b>
<i>Rev James McPherson</i> Pension	42,910.00
<i>Mrs Marcia McPherson</i> Pension	8,160.00

**PURCHASE OF ASSETS:**

It was resolved that having regard to the composition, risk and return of the fund's existing investments, the fund's investment objectives and its present liquidity, the purchase of the assets identified below during the year ended 30 June 2019 hereto be confirmed and are in line with the investment strategy of the fund.

<b>Asset / Date</b>	<b>Price</b>	<b>Units</b>	<b>Consideration</b>
<i>Listed Securities Market</i>			
<i>BHP Billiton Limited</i>			
01 Nov 2018	33.6558	440.00	14,808.56
17 Dec 2018	33.3498	200.00	6,669.96
<i>Hearts And Minds Investments Limited</i>			
06 Nov 2018	2.5000	4000.00	10,000.00
<i>Magellan Financial Group Limited</i>			
29 Oct 2018	25.7474	200.00	5,149.49
<i>Mcp Income Opportunities Trust - Ordinary Units Fully Paid</i>			
15 Apr 2019	2.0000	7500.00	15,000.00
<i>Macquarie Group Limited</i>			
28 May 2019	121.2993	250.00	30,324.82
<i>Mcp Master Income Trust - Ordinary Units Fully Paid</i>			
08 Mar 2019	2.0282	71.00	144.00
08 Apr 2019	1.9802	86.00	170.30
08 May 2019	2.0209	75.00	151.57
11 Jun 2019	2.0079	66.00	132.52
<i>Qube Holdings Limited - Hybrid 3-Bbsw+3.90% 05-10-23 Sub Cum</i>			
28 Jun 2019	107.1590	235.00	25,182.37
<i>Woolworths Limited - Ordinary Fully Paid</i>			
01 Apr 2019	30.9821	490.00	15,181.25
<i>Unlisted Market</i>			
<i>MXT_R</i>			
07 May 2019	0.0000	8334.00	0.00
07 May 2019	0.0000	48.00	0.00
07 May 2019	0.0000	39.00	0.00
<i>QRxPharma Ltd</i>			
22 Oct 2018	0.8501	5882.00	5,000.00

**DISPOSAL OF ASSETS:**

It was resolved that having regard to the composition, risk and return of the fund's existing investments, the fund's investment objectives and its present liquidity, the disposal of the assets identified below during the year ended 30 June 2019 hereto be confirmed and are in line with the investment strategy of the fund.

<b>Asset / Date</b>	<b>Price</b>	<b>Units</b>	<b>Consideration</b>
<i>Listed Securities Market</i>			
<i>AGL Energy Limited. - Hybrid 3-Bbsw+3.80%</i>			
<i>08-06-39 Sub Step T-06-19</i>			
11 Jun 2019	100.0000	192.00	19,200.00
<i>BHP Billiton Limited</i>			
17 Dec 2018	0.3800	278.00	105.64
<i>Qrxpharma Ltd</i>			
22 Oct 2018	0.8501	5882.00	5,000.00
<i>Rio Tinto Limited</i>			
12 Nov 2018	9.4400	256.00	2,416.64
<i>Suncorp Group Limited - Ordinary Fully Paid</i>			
28 May 2019	13.5042	1729.00	23,348.74
<i>Woolworths Limited - Ordinary Fully Paid</i>			
27 May 2019	4.7900	228.00	1,092.12
28 May 2019	32.0910	262.00	8,407.83
<i>Unlisted Market</i>			
<i>MXT_R</i>			
04 Jun 2019	0.0000	8421.00	0.00

**ALLOCATION OF NET INCOME:**

It was resolved that the income of the fund be proportionally allocated to members based on the members' daily weighted average balances. The following amounts of income, and related amounts of tax, are to be credited to / debited from member accounts:

	<b>Income</b>	<b>Fund Tax</b>	<b>Conts Tax</b>	<b>Direct Tax</b>
<i>Rev James McPherson</i>				
Accumulation	4.26	(24.67)	21.38	0.00
Pension Account 01.07.14	822.13	(10,848.92)	0.00	0.00
Pension Account 01.07.15	337.25	(2,525.28)	0.00	0.00
Pension Account 01.07.17	(6.07)	(16.23)	0.00	0.00
Pension Account 01.07.18	(11.86)	(26.26)	0.00	0.00
<i>Mrs Marcia McPherson</i>				
513: McPherson, Marcia	806.44	(7,032.38)	0.00	0.00

**REPORTING ENTITY CONCEPT:**

It was resolved that, in the opinion of the trustee, the fund is not a reporting entity because it is unlikely that users exist who are unable to command the preparation of reports tailored so as to satisfy specifically all their information needs.

Therefore, the financial statements for the fund are to be prepared on the basis of the fund being a "non-reporting entity", and will therefore take the form of Special Purpose Financial Reports.

**REPORTS AND STATEMENTS:**

The Financial Reports consisting of Statement of Financial Position, Operating Statement and Notes to the Financial Statements, Trustee's Declaration, Compilation Report, Auditor's Report and Member Statement for the period ended 30 June 2019 were tabled for consideration at the meeting.

It was resolved that the financial statements be adopted in their present format and that the statement by the trustees attached to the financial reports be signed by the Trustees, stating that:

1. the financial statements are drawn up so as to present fairly the financial position of the fund as at 30 June 2019, the benefits accrued as a result of operations and its cash flow for the year then ended;
2. the financial statements have been prepared in accordance with the requirements of the trust deed and Australian Accounting Standards as noted in Note 1 to the Financial Statements and
3. the fund has operated substantially in accordance with the trust deed and the requirements of the *Superannuation Industry (Supervision) Act 1993 (SISA)*, during the year ended 30 June 2019.

**INCOME TAX RETURN:**

The completed Self-Managed Superannuation Fund Annual Return for the financial year ended 30 June 2019 was tabled for consideration at the meeting.

It was resolved that:

1. the particulars contained in the 2019 income tax return and the relevant records used to ascertain the taxable income, as shown, derived by the fund from all sources in and out of Australia during the year of income are true and correct and;
2. the fund satisfies the statutory requirements and conditions applicable to be classified as a 'Regulated Superannuation Fund/Complying Superannuation Fund' for the year of income and;
3. the income tax return be adopted in its present format and that the Return be signed by the Trustees.

**REVIEW OF INVESTMENT  
STRATEGY:**

The fund's investment performance for the year ended 30 June 2019 and existing investment strategy have been reviewed by the Trustees, after considering:

1. 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;
2. 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;
3. the liquidity of the fund's investments having regard to its expected cash flow requirements;
4. the ability of the fund to discharge its existing and prospective liabilities;
5. whether the fund should hold a contract of insurance that provides insurance cover for members of the fund; and
6. the effect of the fund's investments on the above requirements and all matters relating to the prudential nature of the investment being continuously monitored, regularly reviewed and to make sure they adhere to fund's investment objectives and relevant legislation.

It was resolved that the aims and objectives of the investment strategy were being achieved and that the said investment strategy requires no further modification or adoption at this time.

**TRUSTEE AND MEMBER  
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 120 of the *S/SA*.

Each of the member(s) confirmed that they are a member of the fund and agreed to be bound by the provisions contained within the Trust Deed of the fund (and any subsequent amendments).

**AUDITOR:**

It was resolved that

Anthony Boys  
of

PO Box 3376  
RUNDLE MALL, SA 5000

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

**TAX AGENT:**

It was resolved that

Mr Anthony Bruce  
of  
Roach & Bruce Consulting Pty Ltd  
Suite 7 Level 5  
66 Hunter Street  
SYDNEY, NSW 2000

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

**CLOSURE:**

There being no further business the meeting was closed.

  
..... Dated: 12/9/2019  
James McPherson  
Chairperson

01 July 2018

McPherson Family Super Fund  
C/- Rev James McPherson  
39 Lagoda Drive  
Mount Coolum, QLD 4573

Dear James

**McPherson Family Super Fund  
Commencement of Account Based Pension**

I wish to commence an Account Based Pension effective 01 July 2018.

I confirm that I have met the Condition of Release of Attaining Age 65.

The purchase price for the pension is to be the entire balance of my Accumulation account. Marcia McPherson is added as the Reversionary Beneficiary.

I understand that the current balance of my Accumulation account is approximately \$794.87, which is comprised of the following components:

Taxable - Taxed Element:                 \$794.87

I authorise my tax agent to lodge the Transfer Balance Account Report in relation to the Pension Establishment for this Account Based Pension to the ATO.

If you have any queries with regard to the above, please do not hesitate to contact me.

Yours sincerely



Rev James McPherson  
39 Lagoda Drive  
Mount Coolum, QLD 4573

**MINUTES OF THE MEETING OF THE DIRECTOR(S) OF THE CORPORATE TRUSTEE  
MCPHERSON J&M PTY LTD ATF  
MCPHERSON FAMILY SUPER FUND  
HELD ON 01 JULY 2018 AT  
39 LAGODA DRIVE, MOUNT COOLUM QLD**

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**PRESENT:** James McPherson  
Marcia McPherson

**PENSION COMMENCEMENT:** An application to start a pension received from Rev James McPherson was TABLED as follows:

Type of Pension:	Account Based Pension
Pension Start Date:	01 July 2018
Purchase Amount:	\$794.87
Reversionary Beneficiary:	Marcia McPherson

**CONDITION OF RELEASE:** It was RESOLVED that the member has satisfied the Condition of Release of Attaining Age 65, and was entitled to access their benefits as an Account Based Pension

**REVIEW OF TRUST DEED:** It was RESOLVED that the payment of benefits as an Account Based Pension was allowed under the fund's trust deed.

**INVESTMENT STRATEGY:** Given that the fund's current investment strategy provides sufficient liquidity to enable the Trustee(s) to meet all pension payments, the Trustee(s) resolved that the fund's strategy remains unchanged following the commencement of the pension.

It was NOTED that the pension is expected to be paid for a number of years, and as such the retention of long term growth assets is appropriate for the pension.

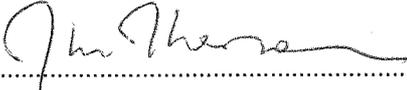
**REVERSIONARY BENEFICIARY:** It was NOTED that Rev James McPherson had requested that their pension be reversionary.

It was RESOLVED to accept the pension member's request to make the relevant pension reversionary to the nominated recipients

**PAPERWORK:** It was RESOLVED to request the fund administrators to attend to the completion of the following paperwork to give effect to the establishment of the pension:

1. Register the fund for PAYG withholding tax for the purpose of withholding any relevant amounts from pension payments if required, and
2. Complete requests and arrange for Actuarial Certificates if required.

**CLOSURE:** There being no further business the meeting was closed.

  
..... Dated: 12/9/19

James McPherson  
Chairperson

01 July 2018

Rev James McPherson  
39 Lagoda Drive  
Mount Coolum, QLD 4573

Dear James

**McPherson Family Super Fund  
Commencement of Account Based Pension**

We confirm that the commencement of your Account Based Pension has been completed.

The account has been established with a balance of \$794.87, with Marcia McPherson as the Reversionary Beneficiary, and which is comprised of the following components:

Taxable - Taxed Element:                 \$794.87

If you have any queries with regard to the above, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'James McPherson', written in a cursive style.

Rev James McPherson  
Director  
39 Lagoda Drive  
Mount Coolum, QLD, 4573

**McPherson Family Super Fund**  
**Contribution Caps**  
**For the Period From 1 July 2018 to 30 June 2019**

**Mrs Marcia McPherson**

**Date of Birth:** 24 Sep 1948  
**Age:** 70 (at 30/06/2019)  
**Status:** Member must meet work test criteria, other conditions apply

**Contributions Summary**

**Non-Concessional**

**Prior Year Contributions**

The 'Bring Forward Rule' was unavailable in previous 2 years; member was 65 or older  
 3-year cap in effect from previous years  
 Total non-concessional contributions in previous 2 years

N/A  
 N/A

<b>Current Year Contributions</b>	<b>Note</b>	<b>Concessional</b>	<b>Non-Concessional</b>
Caps	1, 2	25,000.00	100,000.00
Contributions made (to this fund)	3	0.00	0.00
Contributions made (to other funds)		0.00	0.00
Contributions as allocated		0.00	0.00
Amount above caps	4	0.00	0.00
Available		25,000.00	100,000.00

**Notes**

1. 'Bring Forward Rule' can NOT be triggered this year; member was 65 or older
2. Non-concessional cap shown applies to current year only
3. Excludes any unmatched deposits
4. Any excess concessional contributions are treated as non-concessional

**McPherson Family Super Fund**  
**Contribution Caps**  
**For the Period From 1 July 2018 to 30 June 2019**

**Rev James McPherson**

**Date of Birth:** 23 Aug 1946  
**Age:** 72 (at 30/06/2019)  
**Status:** Member must meet work test criteria, other conditions apply

**Contributions Summary**

**Non-Concessional**

**Prior Year Contributions**

The 'Bring Forward Rule' was unavailable in previous 2 years; member was 65 or older  
 3-year cap in effect from previous years  
 Total non-concessional contributions in previous 2 years

N/A  
 N/A

<b>Current Year Contributions</b>	<b>Note</b>	<b>Concessional</b>	<b>Non-Concessional</b>
Caps	1, 2	25,000.00	100,000.00
Contributions made (to this fund)	3	142.54	0.00
Contributions made (to other funds)		0.00	0.00
Contributions as allocated		142.54	0.00
Amount above caps	4	0.00	0.00
Available		24,857.46	100,000.00

**Notes**

1. 'Bring Forward Rule' can NOT be triggered this year; member was 65 or older
2. Non-concessional cap shown applies to current year only
3. Excludes any unmatched deposits
4. Any excess concessional contributions are treated as non-concessional

**Contributions Breakdown**

<u>Income Type</u>	<u>Contribution Type</u>	<u>Amount</u>
<b>Concessional</b>	Employer	142.54
	Personal	0.00
	Family and friends	0.00
	Foreign superannuation fund	0.00
	Transfers from reserve	0.00
	<b>Contributions as allocated</b>	<b>142.54</b>
<b>NonConcessional</b>	Personal	0.00
	Spouse	0.00
	Child	0.00
	Transfers from reserve	0.00
	Foreign superannuation fund	0.00
	<b>Contributions as allocated</b>	<b>0.00</b>
<b>Other</b>	CGT small business 15-year exception	0.00
	CGT small business retirement exemption	0.00
	Government Co-Contributions	0.00
	Directed termination payment (taxed)	0.00
	Directed termination payment (untaxed)	0.00
	Personal injury election	0.00
	Downsizer Contribution	0.00
	<b>Total Other contributions</b>	<b>0.00</b>

**Transactions**

<b>Date</b>	<b>Contribution Type</b>	<b>Concessional</b>	<b>Non-Concessional</b>	<b>Other</b>
13/11/2018	Employer	142.54		
	<b>Totals:</b>	<b>142.54</b>		

# Self-managed superannuation fund annual return 2019

## Section A: Fund Information

### 1 Your tax file number

The ATO 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. See the Privacy note in the declaration.

### 2 Name of self-managed superannuation fund (SMSF)

### 3 ABN

### 4 Current postal address

Street

Suburb/State/P'code





### 5 Annual return status

Is this the first required return for a newly registered SMSF?

### 6 SMSF auditor

Auditor's name

Title

Family name

Given names

SMSF Auditor Number

Auditor's phone number

Postal address

Street

Suburb/State/P'code




Date audit was completed

Was Part A of the audit report qualified?



Was Part B of the audit report qualified?



### 7 Electronic funds transfer (EFT)

#### A Fund's financial institution account details

BSB no

Account no

Fund account name

I would like my tax refunds made to this account.

### 8 Status of SMSF

Australian superannuation fund



Fund benefit structure



Does the fund trust deed allow acceptance



of the Government's Super Co-contributions and Low Income Super-Contribution?

### 9 Was the fund wound up during the income year?

Sensitive (when completed)

ABN 23 614 750 357

---

**10 Exempt current pension income**

Did the fund pay an income stream (or super pension) that was in the retirement phase to one or more members?

Y

To claim a tax exemption for current pension income, you must pay at least the minimum benefit payment under the law. Record exempt current pension income at Label A.

Exempt current pension amount

**A** 72736

Segregated assets method

**B** Y

Unsegregated assets method

**C** Y

Was an actuarial certificate obtained?

**D** Y

Did the fund have any other income that was assessable?

**E** Y

---

ABN 23 614 750 357

**Section B: Income**  
**11 Income**

Did you have a CGT event during the year?  
 Have you applied an exemption or rollover?

<b>G</b>	<input type="checkbox"/>	<b>Y</b>	<input type="checkbox"/>
<b>M</b>	<input type="checkbox"/>	<b>Y</b>	<input checked="" type="checkbox"/>

Net capital gain  
 Gross interest  
 Unfranked dividend amount  
 Franked dividend amount  
 Dividend franking credit  
 Gross trust distributions

<b>A</b>	0
<b>C</b>	2447
<b>J</b>	326
<b>K</b>	47722
<b>L</b>	20452
<b>M</b>	1911
<b>R</b>	142

**P**

**Calculation of assessable contributions**

Assessable employer contributions  
 plus No-TFN-quoted contributions

<b>R1</b>	142
<b>R3</b>	0

**GROSS INCOME**  
 Exempt current pension income  
**TOTAL ASSESSABLE INCOME**

<b>W</b>	73000	<input type="checkbox"/>
<b>Y</b>	72736	<input type="checkbox"/>
<b>V</b>	264	<input type="checkbox"/>

**Section C: Deductions and non-deductible expenses**  
**12 Deductions and non-deductible expenses**

SMSF auditor fee  
 Investment expenses  
 Management and administration expenses  
 Other amounts

Deductions	
<b>H1</b>	
<b>I1</b>	
<b>J1</b>	5
<b>L1</b>	259 <input type="checkbox"/>
<b>N</b>	264

Non-deductible expenses	
<b>H2</b>	329
<b>I2</b>	4151
<b>J2</b>	2517
<b>L2</b>	660 <input type="checkbox"/>

**TOTAL DEDUCTIONS (A1 to M1)**

**TOTAL NON-DEDUCTIBLE EXPENSES (A2 to L2)**

<b>Y</b>	7657
----------	------

**TOTAL SMSF EXPENSES (N + Y)**

<b>Z</b>	7921
----------	------

**TOTAL INCOME OR LOSS**  
 (Total assessable income less deductions)

<b>O</b>	0	<input type="checkbox"/>
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ABN 23 614 750 357

**Section D: Income tax calculation statement**  
**13 Income tax calculation statement**

		Taxable income	<b>A</b>	0.00
		Tax on taxable income	<b>T1</b>	0.00
		Tax on no-TFN-quoted contributions	<b>J</b>	0.00
Foreign inc. tax offsets	<b>C1</b>	<b>Gross tax</b>	<b>B</b>	0.00
Rebates and tax offsets	<b>C2</b>	Non-refundable non-c/f tax offsets (C1 + C2)	<b>C</b>	0.00
ESVCLP tax offset	<b>D1</b>	<b>SUBTOTAL 1</b>	<b>T2</b>	0.00
ESVCLP tax offset c/f from previous year	<b>D2</b>	Non-refundable c/f tax offsets (D1+D2+D3+D4)	<b>D</b>	
ESIC tax offset	<b>D3</b>	<b>SUBTOTAL 2</b>	<b>T3</b>	
ESIC tax offset c/f from previous year	<b>D4</b>	Refundable tax offsets (E1 + E2 + E3 + E4)	<b>E</b>	20452.36
Complying fund's franking credits tax offset	<b>E1</b>	<b>TAX PAYABLE</b>	<b>T5</b>	0.00
No-TFN tax offset	<b>E2</b>	Section 102AAM int. charge	<b>G</b>	
NRAS tax offset	<b>E3</b>	Eligible credits (H1 + H2 + H3 + H5 + H6 + H8)	<b>H</b>	
Exploration cr. tax offset	<b>E4</b>	Tax offset refunds	<b>I</b>	20452.36
<i>Credit:</i>		PAYG installments raised	<b>K</b>	
Int. on early payments	<b>H1</b>	Supervisory levy	<b>L</b>	259.00
Foreign res. w/holding (excl. capital gains)	<b>H2</b>	Supervisory levy adj. for wound up funds	<b>M</b>	
ABN/TFN not quoted	<b>H3</b>	Supervisory levy adj. for new funds	<b>N</b>	
TFN w/held from closely held trusts	<b>H5</b>	<b>TOTAL AMOUNT REFUNDABLE</b>	<b>S</b>	20193.36
Int. on no-TFN tax offset	<b>H6</b>	(T5 + G - H - I - K + L - M + N)		
Credit for foreign res. capital gains w/holding	<b>H8</b>			

**Section E: Losses**  
**14 Losses information**

Net capital losses carried forward to later years **V** 156457

ABN 23 614 750 357

**Section F: Member information**

**MEMBER NUMBER: 1**

Title	<input type="text" value="Rev"/>	Account status	<input type="text" value="O"/>
First name	<input type="text" value="James"/>		
Other names	<input type="text" value="Murdoch"/>		
Surname	<input type="text" value="McPherson"/>		
Suffix	<input type="text"/>		
Member's TFN	<input type="text"/>	Date of birth	<input type="text" value="23/08/1946"/>
See the Privacy note in the Declaration			

**OPENING ACCOUNT BALANCE**

**Contributions**

Employer contributions  **A**

**TOTAL CONTRIBUTIONS**  **N**

(Sum of labels A to M)

**Other transactions**

Allocated earnings or losses  **Q**

Income stream payment  **R2**

Accumulation phase account balance  **S1**

Retirement phase account bal. - Non CDBIS  **S2**

Retirement phase account balance - CDBIS  **S3**

TRIS Count

**CLOSING ACCOUNT BALANCE**  **S**

**MEMBER NUMBER: 2**

Title	<input type="text" value="Mrs"/>	Account status	<input type="text" value="O"/>
First name	<input type="text" value="Marcia"/>		
Other names	<input type="text" value="Georgina"/>		
Surname	<input type="text" value="McPherson"/>		
Suffix	<input type="text"/>		
Member's TFN	<input type="text"/>	Date of birth	<input type="text" value="24/09/1948"/>
See the Privacy note in the Declaration			

**OPENING ACCOUNT BALANCE**

**TOTAL CONTRIBUTIONS**  **N**

(Sum of labels A to M)

**Other transactions**

Allocated earnings or losses  **Q**

Income stream payment  **R2**

Accumulation phase account balance  **S1**

Retirement phase account bal. - Non CDBIS  **S2**

Retirement phase account balance - CDBIS  **S3**

TRIS Count

**CLOSING ACCOUNT BALANCE**  **S**

**Section H: Assets and liabilities**

**15 ASSETS**

15a Australian managed investments  **A**

Listed trusts

Sensitive (when completed)

ABN 23 614 750 357

15b Australian direct investments

**Limited Recourse Borrowing Arrangements**

Australian residential real property	<b>J1</b>		Cash and term deposits	<b>E</b>	44557
Australian non-residential real property	<b>J2</b>		Debt securities	<b>F</b>	54507
Overseas real property	<b>J3</b>		Loans	<b>G</b>	
Australian shares	<b>J4</b>		Listed shares	<b>H</b>	267654
Overseas shares	<b>J5</b>		Unlisted shares	<b>I</b>	164
Other	<b>J6</b>		Limited recourse borrowing arrangements (J1 to J6)	<b>J</b>	
			Non-residential real property	<b>K</b>	
			Residential real property	<b>L</b>	
			Collectables and personal use assets	<b>M</b>	
			Other assets	<b>O</b>	21111

**TOTAL AUSTRALIAN AND OVERSEAS ASSETS**  
 (sum of labels A to T)

**U** 434500

**16 Liabilities**

Borrowings for limited recourse borrowing arrangements	<b>V1</b>		Borrowings	<b>V</b>	
Permissible temporary borrowings	<b>V2</b>		Total member closing account balances	<b>W</b>	409057
Other borrowings	<b>V3</b>		Reserve accounts	<b>X</b>	
			Other liabilities	<b>Y</b>	25443
			<b>TOTAL LIABILITIES</b>	<b>Z</b>	434500

**Section K: Declarations**  
**Important**

Before making this declaration check to ensure all income has been disclosed and the annual return, all attached schedules and any additional documents are true and correct in every detail. If you are in doubt about any aspect of the annual return, place all the facts before the ATO.

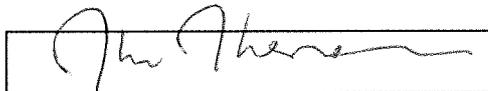
**Privacy**

The ATO is authorised by the Taxation Administration Act 1953 to request the provision of tax file numbers (TFNs). We will use the TFN to identify the entity in our records. It is not an offence not to provide the TFN. However, if you do not provide the TFN the processing of this form may be delayed. Taxation law authorises the ATO to collect information and disclose it to other government agencies. For more information about your privacy go to [ato.gov.au/privacy](http://ato.gov.au/privacy)

**TRUSTEE'S OR DIRECTOR'S DECLARATION:**

I declare that, the current trustees and directors have authorised this annual return and it is documented as such in the SMSF's records. I have received a copy of the audit report (if required) and are aware of any matters raised therein. The information on this annual return, including any attached schedules and additional documentation is true and correct.

Authorised trustee's, director's or public officer's signature



Date

12.9.2019

**Preferred trustee, director or public officer's contact details:**

Title

Family name and suffix

Given and other names

Phone number

**Time taken to prepare and complete this tax return (hours)**

**J** 0

**Sensitive (when completed)**

ABN 23 614 750 357

**TAX AGENT'S DECLARATION:**

I declare that the Self-managed superannuation fund annual return 2019 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



Date

4-10-19

**Tax agent's contact details**

Title

Mr

Family name and suffix

Bruce

Given and other names

Anthony

Tax agent's practice

ROACH & BRUCE CONSULTING PTY LTD

Tax agent's phone

02 92328211

Reference number

MCPFASF

Tax agent number

66576009

**NOTE: THIS PRINT-OUT IS NOT TO BE LODGED WITH THE ATO.**

Sensitive (when completed)

ABN 23 614 750 357

**1. Current year capital gains and capital losses**

	Capital gain	Capital loss
Shares in companies listed on an Australian securities exchange	<b>A</b> 290	<b>K</b> 14031
<b>Total current year capital gains</b>	<b>J</b> 290	

**2. Capital losses**

<b>Total current year capital losses</b>	<b>A</b> 14031
Total current year capital losses applied	<b>B</b> 290
<b>Total capital losses applied</b>	<b>E</b> 290

**3. Unapplied net capital losses carried forward**

Other net capital losses carried forward to later income years	<b>B</b> 156457
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**6. Net capital gain**

Net capital gain	<b>A</b> 0
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NOTE: THIS PRINT-OUT IS NOT TO BE LODGED WITH THE ATO.

ABN 23 614 750 357

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**Part A - Losses carried forward to the 2019-2020 income year -excludes film losses**

**2 Net capital losses carried forward to later income years**

Year of loss	
2018-2019	<b>H</b> 13741
2015-2016	<b>K</b> 8219
2014-2015	<b>L</b> 19933
2013-2014 and earlier income years	<b>M</b> 114564
Total	<b>V</b> 156457

Transfer the amount at label V to the corresponding label on your tax return

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**NOTE: THIS PRINT-OUT IS NOT TO BE LODGED WITH THE ATO.**

ABN 23 614 750 357

**Other Income**

Code	Description	Amount
O	Other income received not listed	
<b>Total</b>		

**Other deductions**

Code	Description	Deduct. Amt	Code	Non-dedn. Am
O	Other deductions not listed	259	O	660
<b>Total</b>		<b>259</b>		<b>660</b>

**PART A**

**Electronic lodgment declaration (Form P, T, F, SMSF or EX)**

This declaration is to be completed where the tax return is to be lodged via an approved ATO electronic channel. 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.

Tax File Number  Year of return

Name of Partnership, Trust, Fund or Entity

Total Income/Loss	Total Deductions	Taxable Income/Loss
<input type="text" value="264"/>	<input type="text" value="264"/>	<input type="text" value="0"/>

**Privacy**

The ATO is authorised by the Taxation Administration Act 1953 to request the provision of tax file numbers (TFNs). The ATO will use the TFNs to identify each partner or beneficiary or entity in our records. It is not an offence not to provide the TFNs. However, you cannot lodge your tax return electronically if you do not quote your TFN.

Taxation law authorises the ATO to collect information and disclose it to other government agencies, including personal information about the person authorised to sign the declaration. For information about privacy go to [ato.gov.au/privacy](http://ato.gov.au/privacy)

**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](http://www.abr.gov.au)) for further information - it outlines our commitment to safeguarding your details.

**Electronic funds transfer - direct debit**

Where you have requested an EFT direct debit some of your details will be provided to your financial institution and the Tax Office's sponsor bank to facilitate the payment of your taxation liability from your nominated account.

I authorise my tax agent to electronically transmit this tax return via an approved ATO electronic channel.

**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:

- \* all the information I have provided to my registered tax agent for the preparation of this tax return, including any applicable schedules is true and correct, and
- \* I authorise the agent to give this document to the Commissioner of Taxation.

Signature of Partner, Trustee or Director

Date

**PART B**

**ELECTRONIC FUNDS TRANSFER CONSENT**

This declaration is to be completed when an electronic funds transfer (EFT) of a refund is requested and the tax return is being lodged through an approved ATO electronic channel.

This declaration must be signed by the partner, trustee, director or public officer prior to the EFT details being transmitted to the Tax Office. If you elect for an EFT, all details below must be completed.

**Important:** Care should be taken when completing EFT details as the payment of any refund will be made to the account specified.

Account name:

I authorise the refund to be deposited directly to the specified account

Signature

Date

**PART D**

**Tax agent's certificate (shared facilities only)**

I, ROACH & BRUCE CONSULTING PTY LTD declare that:

- \* I have prepared this tax return in accordance with the information supplied by the partner, trustee, director or public officer
- \* I have received a declaration made by the entity that the information provided to me for the preparation of this tax return is true and correct, and
- \* I am authorised by the partner, trustee, director or public officer to lodge this tax return, including any applicable schedules.

Agent's Signature		Date	4-10-19
Agent's phone	02 92328211	Client's reference	MCPFASF
Agent's Contact Name	Anthony Bruce		
Agent's reference number	66576009		

Your Ref: McPherson Family SF

2 September 2019

The Trustee  
McPherson Family Super Fund  
c/- Roach & Bruce Consulting Pty Ltd  
Suite 7 Level 5  
66 Hunter Street  
**SYDNEY NSW 2000**

Dear Trustee,

**Subject: Actuarial Certificate – Tax Exempt Percentage for the 2018/19 year  
McPherson Family Super Fund**

Thank you for requesting this actuarial certificate from Verus SMSF Actuaries.

Results

We calculate that the tax exempt percentage for McPherson Family Super Fund in the 2018/19 financial year is **99.97%**.

There were one or more periods in the financial year when the Fund was entirely in retirement phase and therefore was deemed to be segregated. The tax exempt percentage shown above should only be applied to the investment income earned in the period(s) during which the Fund was *unsegregated*.

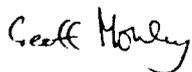
More Information

Further details regarding this actuarial certificate are contained in the appendices, including:

- Appendix 1: Data Summary
- Appendix 2: Detailed Results
- Appendix 3: Further Information

Note that the results in this certificate are based on the information provided to us. If there are any material changes to the information provided, please contact us, as the results may need to be updated.

Yours sincerely,



**Geoff Morley**, BCom, BSc, FIAA  
Consulting Actuary

Verus Reference Number: ZC12356153245

**Actuarial Certificate – Section 295-390 of the Income Tax Assessment Act**

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**Appendix 1 - Data Summary**

Contact Details

Name	Fiona Ludlam
Company	Roach & Bruce Consulting Pty Ltd
Telephone	02 9232 8211

Fund Details

Fund Name	McPherson Family Super Fund
Name of Trustee	McPherson J&M Pty Ltd
Tax Year for Actuarial Certificate	2018/19
ABN of Fund	23 614 750 357

Member Details

Members' Names	James McPherson
	Marcia McPherson

Financial Details

	Amount (\$)
Opening Balance at 1 July 2018	437,580.07
Concessional Contributions	142.54
Non-concessional Contributions	0.00
Rollovers-in	0.00
Rollovers-out	0.00
Lump Sum and Pension Benefits Paid	51,070.00
Other Net Income	22,404.51
Closing Balance at 30 June 2019	409,057.12

We understand that the Fund's financial statements have not been audited at the time this certificate has been prepared.

## Actuarial Certificate – Section 295-390 of the Income Tax Assessment Act

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### Segregation

The Fund was entirely in retirement phase during the period(s) listed below. During those periods, the Fund has been deemed to be segregated.

The tax exempt percentage shown in this actuarial certificate should only be applied to the investment income earned in the period(s) during which the Fund was *unsegregated*. That is, the periods when the Fund was *not* entirely in retirement phase (i.e. the times during the financial year, *excluding* the period(s) shown below).

### *Deemed Segregation Period(s):*

- From 1 July 2018 to 12 November 2018.

**Appendix 2 - Detailed Results**

Tax Exempt Percentage

This actuarial certificate has been prepared to provide the tax exempt percentage applying to McPherson Family Super Fund for the 2018/19 financial year.

During the 2018/19 financial year, the Fund contained only member accounts in accumulation phase and account based pensions. Therefore no assumptions about future inflation, investment returns or discount rates have been required to calculate the tax exempt percentage. Only data regarding the Fund's balances in accumulation phase and the Fund's balances in retirement phase plus details of transactions within, to and from the Fund during the year have been provided for this calculation.

Using the data supplied, we have calculated the tax exempt percentage based on the ratio below:

$$\begin{aligned} & \frac{\text{Average value of current pension liabilities}}{\text{Average value of superannuation liabilities}} \\ &= \$400,940 / \$401,061 \\ &= 99.97\% \end{aligned}$$

The values for the current pension liabilities and the superannuation liabilities shown above are time weighted average balances over the financial year. Segregated current pension assets and segregated non-current assets (if any) have been excluded from the values shown above.

Member Breakdown

To assist you, we have also calculated the breakdown of the tax exempt percentage between the Fund's members, as follows:

<b>Member Name</b>	<b>Tax Exempt Percentage</b>	<b>Taxable Percentage</b>
James McPherson	65.10%	0.03%
Marcia McPherson	34.87%	0.00%
Reserve	0.00%	0.00%
<b>Total</b>	<b>99.97%</b>	<b>0.03%</b>

This breakdown between members is not required for the Fund's tax return, but may assist in other ways, for example with allocating the Fund's tax liabilities between members.

### **Appendix 3 - Further Information**

#### Actuarial Standards

This actuarial certificate has been prepared in accordance with Professional Standard 406 of the Institute of Actuaries of Australia.

#### Other Comments

We have been informed by the trustee and/or their advisors that the relevant pension liabilities meet the requirements to be considered a retirement phase superannuation income stream. We have relied upon this information in preparing this actuarial certificate.

As required under Professional Standard 406, we are satisfied that the value of particular liabilities of the Fund at a particular time as set out in this certificate is the amount of the Fund's assets, together with any future contributions in respect of the benefits concerned and expected earnings on the assets and contributions after that time, that would provide the amount required to discharge those liabilities as they fall due.

#### Requirement for and Use of Actuarial Certification

This actuarial certificate is required so that the Fund can claim an exemption from tax on the investment income derived from the unsegregated assets supporting members' balances that are in retirement phase. The certificate should be obtained before the Fund submits its tax return. It does not need to be submitted with the Fund's tax return, but should be retained in the Fund's records.

An actuarial certificate is required for a Fund that has been partly in retirement phase and partly in accumulation phase during the year and which is not applying the segregated method throughout the year. Therefore an actuarial certificate is not required if:

- The Fund was entirely in accumulation phase for the whole of the tax year; or
- The Fund was entirely in retirement phase for the whole of the tax year; or
- The Fund's retirement phase assets and accumulation phase assets were fully segregated throughout the tax year.

The tax exempt percentage should be applied to the Fund's assessable income (excluding any non-arm's length income, concessional contributions and any income derived from segregated assets) to determine how much income is exempt from tax.

