

MCGOVERN SUPERANNUATION FUND
Statement of Financial Position

As at 30 June 2019

	Note	2019 \$	2018 \$
Assets			
Investments			
Fixed Interest Securities (Australian)	2	128,653.23	0.00
Fixed Interest Securities (Australian) - Unitised	3	30,900.00	30,150.00
Shares in Listed Companies (Australian)	4	1,184,224.27	1,069,157.17
Units in Listed Unit Trusts (Australian)	5	197,808.04	187,983.66
Units in Unlisted Unit Trusts (Australian)	6	331,484.14	338,958.71
Total Investments		<u>1,873,069.68</u>	<u>1,626,249.54</u>
Other Assets			
Distributions Receivable		6,070.29	51,893.95
Macquarie Cash Management A/c 818		47,358.38	21,448.24
ANZ Cash Investment A/c 629		0.00	0.02
NAB Term Deposit 7792		0.00	126,260.20
Income Tax Refundable		25,859.57	22,989.54
Total Other Assets		<u>79,288.24</u>	<u>222,591.95</u>
Total Assets		<u>1,952,357.92</u>	<u>1,848,841.49</u>
Net assets available to pay benefits		<u>1,952,357.92</u>	<u>1,848,841.49</u>
Represented by:			
Liability for accrued benefits allocated to members' accounts			
	8, 9		
Mcgovern, Graham - Pension (Account Based Pension 1)		639,311.16	613,392.49
Mcgovern, Graham - Accumulation		22,822.67	11,595.49
Mcgovern, Graham - Pension (Account Based Pension 4)		0.00	307,735.35
Mcgovern, Graham - Pension (Account Based Pension 5)		333,798.37	0.00
Mcgovern, Susanne - Pension (Account Based Pension 1)		535,551.56	512,967.57
Mcgovern, Susanne - Pension (Account Based Pension 2)		420,874.16	403,150.59
Total Liability for accrued benefits allocated to members' accounts		<u>1,952,357.92</u>	<u>1,848,841.49</u>

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Operating Statement

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Income			
Investment Income			
Trust Distributions	12	55,855.54	82,933.16
Dividends Received	11	58,915.67	56,340.10
Interest Received		5,220.97	6,354.05
Investment Gains			
Changes in Market Values	13	35,312.60	22,480.64
Contribution Income			
Employer Contributions		863.58	872.81
Personal Concessional		4,350.00	0.00
Personal Non Concessional		5,650.00	10,000.00
Other Contributions		0.00	652.35
Transfers In		12,267.52	0.00
Total Income		<u>178,435.88</u>	<u>179,633.11</u>
Expenses			
Accountancy Fees		5,467.00	2,673.00
Administration Costs		546.00	546.00
ATO Supervisory Levy		259.00	259.00
Auditor's Remuneration		1,507.00	1,507.00
Advisor Fees		0.00	550.00
Bank Charges		0.02	30.00
General Expenses - Non Deductible		0.00	550.00
Member Payments			
Pensions Paid		93,000.00	88,000.00
Total Expenses		<u>100,779.02</u>	<u>94,115.00</u>
Benefits accrued as a result of operations before income tax			
		<u>77,656.86</u>	<u>85,518.11</u>
Income Tax Expense	14	(25,859.57)	(22,989.54)
Benefits accrued as a result of operations		<u>103,516.43</u>	<u>108,507.65</u>

Notes to the Financial Statements

For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies

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

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

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

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

a. Measurement of Investments

The fund initially recognises:

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

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

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

Market value has been determined as follows:

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

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

b. Cash and Cash Equivalents

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

c. Revenue

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

Interest revenue

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

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Notes to the Financial Statements

For the year ended 30 June 2019

Dividend revenue

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

Rental revenue

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

Distribution revenue

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

Remeasurement changes in market values

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

d. Liability for Accrued Benefits

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

e. Critical Accounting Estimates and Judgements

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

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

Note 2: Fixed Interest Securities (Australian)

	2019 \$	2018 \$
NAB Term Deposit 792	128,653.23	0.00
	128,653.23	0.00

Note 3: Fixed Interest Securities (Australian) - Unitised

	2019 \$	2018 \$
Mercantile Investment Company Ltd - Bond Maturing 10-07-21	30,900.00	30,150.00
	30,900.00	30,150.00

Note 4: Shares in Listed Companies (Australian)

2019 \$	2018 \$
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Notes to the Financial Statements

For the year ended 30 June 2019

Alita Resources Limited	3,696.00	0.00
Australia And New Zealand Banking Group Limited	28,210.00	28,240.00
Ap Eagers Limited	199,263.40	173,440.49
ASX Limited	45,550.61	35,607.67
Bendigo and Adelaide Bank Limited	39,256.20	36,747.60
Benjamin Hornigold Limited	0.00	28,400.00
BHP Group Limited	65,032.80	29,128.69
Bank of Queensland Limited	32,649.78	34,910.94
Beach Energy Limited	24,812.50	21,937.50
Commonwealth Bank Of Australia	147,845.08	130,145.82
Commonwealth Bank Of Australia PERLS VII	25,187.50	24,125.00
Data#3 Limited	141,107.20	106,496.00
Henry Morgan Limited	12,003.75	24,875.00
Medibank Private Limited	12,564.00	10,512.00
National Australia Bank Limited	88,763.84	91,056.02
Oz Minerals Limited	35,105.00	32,970.00
Senex Energy Limited	21,300.00	0.00
Tawana Resources NI	0.00	10,080.00
Telstra Corporation Limited	56,787.50	38,645.00
Westpac Banking Corporation	44,411.76	45,883.80
Wesfarmers Limited	78,177.92	106,716.32
Wagners Holding Company Limited	18,000.00	0.00
Woolworths Group Limited	64,499.43	59,239.32
	1,184,224.27	1,069,157.17

Note 5: Units in Listed Unit Trusts (Australian)

	2019	2018
	\$	\$
APN Convenience Retail REIT	31,200.00	0.00
Cromwell Property Group	47,932.50	46,480.00
Convenience Retail REIT	0.00	27,100.00
Gdi Property Group	70,225.04	65,408.16
Betashares Aus Top20 Equity Yield Max Fund	48,450.50	48,995.50

Refer to compilation report

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Notes to the Financial Statements

For the year ended 30 June 2019

	197,808.04	187,983.66
Note 6: Units in Unlisted Unit Trusts (Australian)		
	2019	2018
	\$	\$
Charter Hall Direct Workzone Trust	0.00	48,781.50
Cromwell Property Trust 12	67,173.10	65,500.00
Cromwell Ipswich City Heart Trust	29,000.00	28,400.00
Gdi No. 42 Office Trust	33,500.00	52,000.00
GDI No.43 Property Trust	50,000.00	50,000.00
Charter Hall Direct Office Fund - Retail	13,486.28	13,470.49
Charter Hall Direct Office Fund - Whls	3,888.46	3,716.72
Charter Hall Direct PFA Fund	46,736.30	0.00
Gdi No 38 Diversified Property Trust	23,200.00	23,200.00
Newmark Como Property Trust	64,500.00	50,000.00
Newmark Capital (St Kilda Road) Property Trust	0.00	3,890.00
	331,484.14	338,958.71

Note 8: Liability for Accrued Benefits		
	2019	2018
	\$	\$
Liability for accrued benefits at beginning of year	1,848,841.49	1,740,333.84
Benefits accrued as a result of operations	103,516.43	108,507.65
Current year member movements	0.00	0.00
Liability for accrued benefits at end of year	1,952,357.92	1,848,841.49

Note 9: Vested Benefits

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

	2019	2018
	\$	\$
Vested Benefits	1,952,357.92	1,848,841.49

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 10: Guaranteed Benefits

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

Note 11: Dividends

	2019 \$	2018 \$
ASX Limited	1,235.95	1,144.71
Ap Eagers Limited	7,421.55	7,319.89
Australia And New Zealand Banking Group Limited	1,600.00	1,600.00
BHP Group Limited	4,226.40	1,061.16
Bank of Queensland Limited	2,466.72	2,877.84
Beach Energy Limited	250.00	250.00
Bendigo and Adelaide Bank Limited	2,373.00	2,339.10
Benjamin Hornigold Limited	0.00	4,800.00
Commonwealth Bank Of Australia	7,697.66	7,679.80
Commonwealth Bank Of Australia.	833.24	1,042.78
Data#3 Limited	6,789.12	4,759.04
Healthscope Limited	0.00	268.00
Medibank Private Limited	464.40	441.00
National Australia Bank Limited	6,577.56	6,577.56
Oz Minerals Limited	805.00	700.00
Telstra Corporation Limited	2,802.50	3,908.75
Wesfarmers Limited	6,918.40	4,821.26
Westpac Banking Corporation	4,416.12	2,944.08
Woolworths Group Limited	2,038.05	1,805.13
	58,915.67	56,340.10

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 12: Trust Distributions	2019	2018
	\$	\$
Gdi No 38 Diversified Property Trust	2,939.84	2,279.68
Betashares Aus Top20 Equity Yield Max Fund	4,514.10	4,994.20
Charter Hall Direct Office Fund - Retail	782.46	743.25
APN Convenience Retail REIT	2,090.00	0.00
Gdi No. 42 Office Trust	20,273.44	4,375.00
Charter Hall Direct Office Fund - Whls	216.96	210.40
Charter Hall Direct Workzone Trust	1,530.00	49,980.24
GDI No.43 Property Trust	4,000.00	1,965.10
Newmark Como Property Trust	3,500.00	3,081.52
Cromwell Property Group	3,008.76	3,461.12
Charter Hall Direct PFA Fund	2,645.50	0.00
Cromwell Property Trust 12	4,374.96	4,250.04
Gdi Property Group	3,929.56	3,929.56
Cromwell Ipswich City Heart Trust	2,049.96	1,850.04
Convenience Retail REIT	0.00	1,813.01
	55,855.54	82,933.16
 Note 13: Unrealised Movements in Market Value		
	2019	2018
	\$	\$
 Fixed Interest Securities (Australian) - Unitised		
Mercantile Investment Company Ltd - Bond Maturing 10-07-21	750.00	450.00
	750.00	450.00
 Shares in Listed Companies (Australian)		
ASX Limited	9,942.94	5,961.34
Alita Resources Limited	(6,396.00)	0.00
Ap Eagers Limited	25,822.91	3,456.61
Australia And New Zealand Banking Group Limited	(30.00)	(480.00)
BHP Group Limited	10,824.06	9,131.17
Bank of Queensland Limited	(2,261.16)	(4,316.76)
Beach Energy Limited	2,875.00	14,750.00

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Notes to the Financial Statements

For the year ended 30 June 2019

Bendigo and Adelaide Bank Limited	2,508.60	(813.60)
Benjamin Hornigold Limited	(28,400.00)	(11,400.00)
Benjamin Hornigold Limited Options Expiring April-2020	0.00	(3,800.00)
Commonwealth Bank Of Australia	17,699.26	(17,752.84)
Commonwealth Bank Of Australia PERLS VII	1,062.50	(1,501.66)
Cromwell Property Group	0.00	1,482.59
Data#3 Limited	34,611.20	(8,320.00)
Healthscope Limited	0.00	1,212.00
Henry Morgan Limited	(12,871.25)	0.00
Medibank Private Limited	2,052.00	432.00
National Australia Bank Limited	(2,292.18)	(7,241.96)
Oz Minerals Limited	2,135.00	2,892.75
Senex Energy Limited	(2,162.10)	0.00
South32 Limited	0.00	(6,964.68)
Tawana Resources NI	12.00	(12.00)
Telstra Corporation Limited	18,142.50	(24,780.00)
Wagners Holding Company Limited	(1,390.16)	0.00
Wesfarmers Limited	(10,826.96)	19,976.88
Westpac Banking Corporation	(1,472.04)	(1,894.86)
Woolworths Group Limited	5,260.11	9,666.18
	64,846.23	(20,316.84)
Units in Listed Unit Trusts (Australian)		
APN Convenience Retail REIT	1,200.00	0.00
Betashares Aus Top20 Equity Yield Max Fund	(545.00)	(545.00)
Convenience Retail REIT	2,900.00	(2,900.00)
Cromwell Property Group	1,452.50	5,572.41
Gdi Property Group	4,816.88	13,436.56
	9,824.38	15,563.97
Units in Unlisted Unit Trusts (Australian)		
Charter Hall Direct Office Fund - Retail	15.79	1,266.97

Refer to compilation report

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Notes to the Financial Statements

For the year ended 30 June 2019

Charter Hall Direct Office Fund - Whls	171.74	335.59
Charter Hall Direct PFA Fund	836.30	0.00
Charter Hall Direct Workzone Trust	1,218.50	3,559.80
Cromwell Ipswich City Heart Trust	600.00	3,037.66
Cromwell Property Trust 12	1,673.10	1,941.75
Gdi No 38 Diversified Property Trust	0.00	3,600.00
Gdi No. 42 Office Trust	(18,500.00)	2,000.00
Newmark Capital (St Kilda Road) Property Trust	46,110.00	3,890.00
Newmark Como Property Trust	14,500.00	0.00
	<u>46,625.43</u>	<u>19,631.77</u>
Total Unrealised Movement	122,046.04	15,328.90
Realised Movements in Market Value		
	2019	2018
	\$	\$
Shares in Listed Companies (Australian)		
Coles Group Limited.	7,413.06	0.00
Commonwealth Bank Of Australia PERLS VII	0.00	1,911.11
Healthscope Limited	0.00	(2,714.00)
South32 Limited	0.00	7,954.63
	<u>7,413.06</u>	<u>7,151.74</u>
Units in Unlisted Unit Trusts (Australian)		
Charter Hall Direct Workzone Trust	(48,036.50)	0.00
Newmark Capital (St Kilda Road) Property Trust	(46,110.00)	0.00
	<u>(94,146.50)</u>	<u>0.00</u>
Total Realised Movement	(86,733.44)	7,151.74
Total Market Movement	35,312.60	22,480.64

Note 14: Income Tax Expense

The components of tax expense comprise	2019	2018
	\$	\$

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Notes to the Financial Statements

For the year ended 30 June 2019

Current Tax	(25,859.57)	(22,989.54)
Income Tax Expense	(25,859.57)	(22,989.54)

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

Prima facie tax payable on benefits accrued before income tax at 15%	11,648.53	12,827.72
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Less:

Tax effect of:

Non Taxable Contributions	847.50	1,597.85
Non Taxable Transfer In	1,840.13	0.00
Increase in MV of Investments	18,306.91	2,299.34
Exempt Pension Income	15,751.65	17,624.70
Realised Accounting Capital Gains	(13,010.02)	1,072.76
Accounting Trust Distributions	8,378.33	12,439.97

Add:

Tax effect of:

Other Non-Deductible Expenses	0.00	82.50
SMSF Non-Deductible Expenses	923.10	724.20
Pension Payments	13,950.00	13,200.00
Franking Credits	3,963.04	3,453.56
Foreign Credits	0.00	0.29
Net Capital Gains	21.60	2,772.00
Taxable Trust Distributions	2,168.27	1,999.60
Distributed Foreign Income	0.94	9.30
Rounding	(0.28)	(0.35)

Income Tax on Taxable Income or Loss	560.70	34.20
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Less credits:

Franking Credits	26,420.27	23,023.74
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Current Tax or Refund	(25,859.57)	(22,989.54)
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