

SMITH FAMILY SUPERANNUATION FUND

**FINANCIAL REPORT
FOR THE YEAR ENDED
30-JUN-2008.**

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**SMITH FAMILY SUPERANNUATION FUND
OPERATING STATEMENT
FOR THE YEAR ENDED 30-JUN-2008**

	Note	2008	2007
Capital Gains-Taxable		\$25,855.43	\$0.00
Employer Contributions-Concessional-Sue Smith		\$4,164.46	\$0.00
Employer Contributions-Concessional-John Smith		\$3,108.61	\$0.00
Member Contributions-Concessional-Sue Smith		\$9,135.77	\$0.00
Member Contributions-NonConcessional-Sue Smith		\$700.00	\$0.00
Member Contributions-Concessional-John Smith		\$15,424.10	\$0.00
Member Contributions-NonConcessional-John Smith		\$700.00	\$0.00
Gov Co-Contributions-Preserved-Sue Smith		\$1,183.75	\$0.00
Transfers In-Preserved/Tax-Sue Smith		\$2,555.02	\$0.00
Transfers In-Preserved/TaxFree-Sue Smith		\$77,275.59	\$0.00
Transfers In-Preserved/Tax-John Smith		\$13,812.50	\$0.00
Transfers In-Preserved/TaxFree-John Smith		\$95,599.01	\$0.00
Dividends Received		\$1,731.32	\$0.00
Dividends Reinvestment		\$2,211.44	\$0.00
Interest Received		\$7,259.84	\$0.00
Imputation Credits		\$693.87	\$0.00
<u>Total Income</u>		<u>\$261,410.71</u>	<u>\$0.00</u>
Permits, Licences & Fees		\$212.00	\$0.00
ATO Supervisory Levy		\$45.00	\$0.00
Legal & Accounting		\$350.00	\$0.00
Bank Charges Paid		\$76.00	\$0.00
<u>Total Expenses Before Tax</u>		<u>\$683.00</u>	<u>\$0.00</u>
<u>Benefits Accrued As A Result Of Operations Before Tax</u>		<u>\$260,727.71</u>	<u>\$0.00</u>
Tax Expense	5	\$252.45	\$0.00
<u>Benefits Accrued As A Result Of Operations</u>	2	<u>\$260,475.26</u>	<u>\$0.00</u>

**SMITH FAMILY SUPERANNUATION FUND
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30-JUN-2008**

	Note	2008	2007
BOQ Websavings		\$104,969.01	\$0.00
Perth Mint Account		\$0.35	\$0.00
Shares		\$140,063.87	\$0.00
Reinvest balance		\$0.96	\$0.00
Imputation Credits Paid		\$693.87	\$0.00
Gold		\$14,999.65	\$0.00
<u>Total Assets</u>		<u>\$260,727.71</u>	<u>\$0.00</u>
PAYG Withholdings		\$252.45	\$0.00
<u>Total Liabilities</u>		<u>\$252.45</u>	<u>\$0.00</u>
Current Year Earnings		\$260,475.26	\$0.00
<u>Net Assets Available To Pay Benefits</u>		<u>\$260,475.26</u>	<u>\$0.00</u>
<u>Allocated To Member Accounts</u>	2	<u>\$260,475.26</u>	<u>\$0.00</u>

**SMITH FAMILY SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
AS AT 30-JUN-2008.**

1. Statement of Significant Accounting Policies

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

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

- AASB 112: Income Taxes
- AASB 1031: Materiality
- AASB 110: Events After the Balance Sheet Date.

No other Australian Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. The financial statements are prepared on an accruals basis. They are based on historical costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

- a. Measurement of Investments Investments of the fund have been measured at net market values after allowing for costs of realisation. Changes in the net market value of assets are brought to account in the income statement in the periods in which they occur.
Net market values have been determined as follows:
 - i. shares and other securities listed on the Australian Stock Exchange by reference to the relevant market quotations at the reporting date;
 - ii. mortgage loans by reference to the outstanding principal of the loans;
 - iii. units in managed funds by reference to the unit redemption price at the reporting date;
 - iv. insurance policies by reference to the surrender value of the policy; and
 - v. property, plant and equipment at trustees' assessment of their realisable value.
- b. Liability for Accrued Benefits The liability for accrued benefits is the fund's present obligation to pay benefits to members and beneficiaries and has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the sundry liabilities and income tax liabilities as at reporting date.
- c. Income Tax Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the superannuation fund will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.
- d. Superannuation Contributions Surcharge The superannuation fund is recognising the superannuation contributions surcharge as an expense at the time of receipt of an assessment from the Australian Taxation Office. The cost of the surcharge is charged to the relevant member's account.

2. Liability for Accrued Benefits

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

Changes in the Liability for Accrued Benefits are as follows:

Liability for Accrued Benefits at beginning of period	\$0.00
<i>Add:</i>	
- Increase in Accrued Benefits	\$260,475.26
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	
<i>Less:</i>	
- Benefits Paid	
Liability for Accrued Benefits at end of period	\$260,475.26

4. Changes in Net Market Values

Investments and other assets of the fund are valued at the end of the reporting period as described in Note 1 - Summary of Significant Accounting Policies.

A summary of the change in Net Market Values is as follows:

AMP	- \$4,674.33
WOR	\$985.60
BHP	\$8,356.63
BBP	- \$3,608.22
BBW	- \$343.38
WOW	- \$2,482.67
RIO	\$9,299.31
MQG	- \$7,784.20
WBC	- \$1,221.00
ASX	- \$6,316.92
TPI	- \$2,310.00
OST	\$2,573.23
AGF	- \$16,867.41
CFX	- \$2,288.00
MAFCA	- \$3,575.00
MPF	- \$4,476.00
nws	- \$1,363.48
IDL	- \$2,302.50
Total	- \$38,398.34

5. Income Tax

Income Tax is payable by the superannuation fund at the rate of 15% on the contributions received and the income of the fund. There has been no change in the Income Tax rate during the year.

The prima facie tax payable on benefits accrued as a result of operations before income tax is reconciled to the income provided in the accounts as follows:

The income tax expense comprises amounts set aside as:

Provision for income tax attributable to the current year	- \$1.00
Income tax expense	- \$1.00

**SMITH FAMILY SUPERANNUATION FUND
SELF MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITORS REPORT**

Auditors Details

Name of Auditor
Address of Auditor
Name of auditing firm
Professional association
Professional registration number

Self Managed Superfund Details

Name of SMSF	SMITH FAMILY SUPERANNUATION FUND
ABN/TFN of SMSF	
Address of SMSF	
Year of income being audited	30-JUN-2008

To the Trustees

To the Trustees of	SMITH FAMILY SUPERANNUATION FUND
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**SMITH FAMILY SUPERANNUATION FUND
SELF MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITORS REPORT**

PART A - FINANCIAL REPORT

SCOPE

I have audited the special purpose financial report the Statement of Financial Position, Operating Statement and a summary of significant accounting policies and other explanatory notes of the superannuation fund for the year ended [dateto].

The trustee is responsible for the financial reports and has determined that the accounting policies used are consistent with the financial reporting requirements of the superannuation fund's governing rules, comply with the requirements of the Superannuation Industry (Supervision) Act 1993 (the SIS Act) and the Superannuation Industry (Supervision) Regulations (the SIS Regulations) are appropriate to meet the needs of the members.

I have conducted an independent audit of the financial reports in order to express an opinion on them to the trustee. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the trustee's financial reporting requirements under the superannuation fund's governing rules and regulatory requirements.

I disclaim any assumption of responsibility for any reliance on this report, or on the financial statements to which it relates, to any person other than the members, or for any purpose other than that for which it was prepared.

My audit has been conducted in accordance with Australian Auditing Standards applicable to the audit of special purpose financial reports. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance that the financial report is free from material misstatements. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with the accounting policies described in the notes to the financial statements.

The financial report audit opinion expressed in this report has been formed on the above basis.

INDEPENDENCE

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

OPINION

In my opinion the financial statements presents presents fairly in all material respects in accordance with the accounting policies described in the notes to the financial statements the financial position of the fund at [dateto] and the results of its operations for the year then ended.

**SMITH FAMILY SUPERANNUATION FUND
SELF MANAGED SUPERANNUATION FUND
INDEPENDENT AUDITORS REPORT**

PART B - COMPLIANCE

SCOPE

Trustee's responsibility for compliance

The trustee is responsible for complying with the requirements of the SIS Act and the SIS Regulations.

Auditor's responsibility

My responsibility is to express an opinion on compliance based on the audit. I have conducted tests in accordance with Australian Auditing Standards as necessary to provide reasonable assurance whether the trustee of the fund has complied, in all material respects, with the relevant requirements of the following provisions (to the extent applicable) of the SIS Act and the SIS Regulations.

Sections: 52(2)(d),52(2)(e),62,65,66,67,69-71E,73-75,80-85,103,106,109,111,112,113(1A),121 Regulations: 4.09,5.08,6.17,7.04,13.12,13.13,13.14

My procedures included examination, on a test basis, of evidence supporting compliance with those requirements of the SIS Act and the SIS Regulations. These tests have not been performed continuously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the SIS Act and the SIS Regulations apart from those specified. My procedures with respect to section 62 included testing that the fund trust deed establishes the fund solely for the provision of retirement benefits for fund members or their dependants in the case of the member's death before retirement; a review of investments to ensure the fund is not providing financial assistance to members, unless allowed under the legislation; and that no preserved benefits have been paid before a condition of release has been met.

My procedures with respect to regulation 4.09 included testing that the fund trustee has an investment strategy, that the trustee has given consideration to risk, return, liquidity and diversification and that the fund's investments are made in line with that investment strategy. No opinion is made on the investment strategy or its appropriateness to the fund members.

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

OPINION

In my opinion, the trustee of the fund has complied, in all material respects, with the requirements of the SIS Act or the SIS Regulations specified above.

Name of firm

Name of Auditor

Signed

Address

Dated

30-JUN-2008

**SMITH FAMILY SUPERANNUATION FUND
MEMBERS INFORMATION STATEMENT
FOR THE YEAR ENDED 30-JUN-2008**

Member-Sue Smith

Account	Preserved	UnResNoPreserved	ResNoPreserved	Total
Opening Balance	\$0.00	\$0.00	\$0.00	\$0.00
Income	\$0.00	\$0.00	\$0.00	\$0.00
Employer Contributions-Concessional-Sue Smith	\$657.70	\$0.00	\$0.00	\$657.70
Employer Contributions-Concessional-Sue Smith	\$1,632.93	\$0.00	\$0.00	\$1,632.93
Gov Co-Contributions-Preserved-Sue Smith	\$1,183.75	\$0.00	\$0.00	\$1,183.75
Employer Contributions-Concessional-Sue Smith	\$1,873.83	\$0.00	\$0.00	\$1,873.83
Member Contributions-NonConcessional-Sue Smith	\$700.00	\$0.00	\$0.00	\$700.00
Total Contributions	\$6,048.21	\$0.00	\$0.00	\$6,048.21
Allocated Earnings	\$170,477.20	\$0.00	\$0.00	\$170,477.20
Total Income	\$176,525.41	\$0.00	\$0.00	\$176,525.41
Expense	\$0.00	\$0.00	\$0.00	\$0.00
Tax on Contributions	\$624.67	\$0.00	\$0.00	\$624.67
Tax on Earnings	-\$709.07	\$0.00	\$0.00	-\$709.07
Total Expense	-\$84.40	\$0.00	\$0.00	-\$84.40
Member's Balance at end of year	\$176,609.81	\$0.00	\$0.00	\$176,609.81

Your Benefit Entitlement

The amount of benefit you would receive if you were to leave the Fund is shown as your Member's Balance on this Member's Statement.

The method of determining your amount of withdrawal benefit as at the end of the reporting period is to add to your withdrawal benefit at the beginning of the reporting period:

- a. contributions made by you during the reporting period,
- b. contributions made by your employer (if any) during the reporting period which vest in accordance with the terms of the trust deed, and
- c. net earnings on these contributions.

From this amount you must deduct your proportionate share of fees charges expenses and tax (including any additional Contributions Tax payable under Superannuation Contributions Surcharge and Collection Act 1997) of the Fund determined in accordance with the terms of the Trust Deed.

Availability of Other Fund Information

Other information about the Fund is available at your request from the Trustee. If you would like any further information, please contact the Trustee.

**SMITH FAMILY SUPERANNUATION FUND
MEMBERS INFORMATION STATEMENT
FOR THE YEAR ENDED 30-JUN-2008**

Member-John Smith

Account	Preserved	UnResNoPreserved	ResNoPreserved	Total
Opening Balance	\$0.00	\$0.00	\$0.00	\$0.00
Income	\$0.00	\$0.00	\$0.00	\$0.00
Employer Contributions-Concessional-John Smith	\$532.80	\$0.00	\$0.00	\$532.80
Employer Contributions-Concessional-John Smith	\$345.60	\$0.00	\$0.00	\$345.60
Employer Contributions-Concessional-John Smith	\$108.00	\$0.00	\$0.00	\$108.00
Employer Contributions-Concessional-John Smith	\$91.35	\$0.00	\$0.00	\$91.35
Employer Contributions-Concessional-John Smith	\$267.75	\$0.00	\$0.00	\$267.75
Employer Contributions-Concessional-John Smith	\$141.75	\$0.00	\$0.00	\$141.75
Employer Contributions-Concessional-John Smith	\$342.00	\$0.00	\$0.00	\$342.00
Employer Contributions-Concessional-John Smith	\$419.18	\$0.00	\$0.00	\$419.18
Employer Contributions-Concessional-John Smith	\$174.60	\$0.00	\$0.00	\$174.60
Employer Contributions-Concessional-John Smith	\$64.80	\$0.00	\$0.00	\$64.80
Member Contributions-NonConcessional-John Smith	\$700.00	\$0.00	\$0.00	\$700.00
Employer Contributions-Concessional-John Smith	\$56.70	\$0.00	\$0.00	\$56.70
Employer Contributions-Concessional-John Smith	\$249.08	\$0.00	\$0.00	\$249.08
Total Contributions	\$3,493.61	\$0.00	\$0.00	\$3,493.61
Allocated Earnings	\$80,456.24	\$0.00	\$0.00	\$80,456.24
Total Income	\$83,949.85	\$0.00	\$0.00	\$83,949.85
Expense	\$0.00	\$0.00	\$0.00	\$0.00
Tax on Contributions	\$419.04	\$0.00	\$0.00	\$419.04
Tax on Earnings	-\$334.64	\$0.00	\$0.00	-\$334.64
Total Expense	\$84.40	\$0.00	\$0.00	\$84.40
Member's Balance at end of year	\$83,865.45	\$0.00	\$0.00	\$83,865.45

Your Benefit Entitlement

The amount of benefit you would receive if you were to leave the Fund is shown as your Member's Balance on this Member's Statement.

The method of determining your amount of withdrawal benefit as at the end of the reporting period is to add to your withdrawal benefit at the beginning of the reporting period:

- a. contributions made by you during the reporting period,
- b. contributions made by your employer (if any) during the reporting period which vest in accordance with the terms of the trust deed, and
- c. net earnings on these contributions.

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Availability of Other Fund Information

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