



KARAGI COURT LTD
 CHARITY ABN: 92 002 044 500

PO Box 6232
 WEST GOSFORD NSW 2250

BOARD OF DIRECTORS:

PRESIDENT:	GRAEME INGALL
VICE PRESIDENT:	DAVID WILLIAMS
SECRETARY:	SCOTT HINKS
TREASURER:	CHRIS MATTHEWS

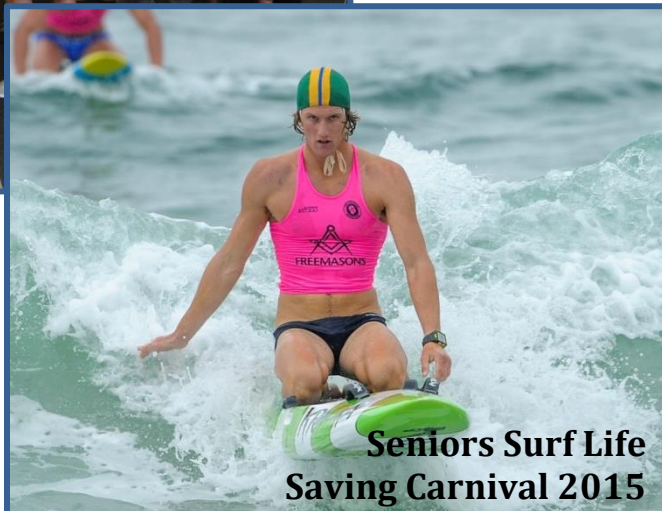
DIRECTORS:

ROBERT BEDWELL
ANDREW KFOURY

DEREK CRAWFORD
REX MCCORMICK



Central Coast Bulldogs



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Karagi Court Ltd

ABN 92 002 044 500

PO Box 6232, WEST GOSFORD NSW 2250

NOTICE OF ANNUAL GENERAL MEETING

Karagi Court Ltd
A Company Limited by Guarantee

Notice is hereby given that the

Annual General Meeting

of

Karagi Court Limited
(ABN 92 002 044 500)

will be held at the

Ourimbah RSL Club

Pacific Highway, Ourimbah

on

Thursday 28th April, 2016 commencing at 7:00 pm

Please Note:

If you have any questions of a financial nature arising from the Annual Report or of the Board, could please forward your question in writing so that the questions are received by **5:00 pm on Friday 15th April, 2015.**

For and on behalf of the Board

Scott Hinks, Secretary
31st March, 2016.

Karagi Court Ltd

ABN 92 002 044 500

PO Box 6232, WEST GOSFORD NSW 2250

AGENDA

Declared open at ____pm.

1. **Welcome to guests, life members and members by the President – Mr Graeme Ingall.**

2. **Proxies.**

Secretary to declare all proxies received under Rule 13.

Resolution: *'That all proxies received be accepted.'*

Moved: Scott Hinks **2nd:**

Carried: Yes / No

3. **Quorum being satisfied, the President declares the AGM open.**

(Constitution 8.2.1 –8 financial members or proxies present – p. 12)

4. **Apologies.**

Resolution: *"That all apologies received be accepted."*

Moved: Scott Hinks **2nd:**

Carried: Yes / No

5. **Minutes of the 2014 Annual General Meeting held on 30th April, 2015. (p. 8)**

Resolution: *'That the Minutes of the 2014 Annual General Meeting held on 30th April, 2015 as contained in the Annual Report be received and accepted.'*

Moved: Derek Crawford **2nd:**

Carried: Yes / No

6. **Any Matters arising from those Minutes.**

7. **The President's Report – Mr Graeme Ingall. (p. 12)**

Resolution: *'That the President's Report be accepted.'*

Moved: Graeme Ingall **2nd:**

Carried: Yes / No

8. **Review Report from Fortunity Assurance. (p. 13)**

15. Any questions of the Board.

16. Election of Directors.

In accordance with the Constitution, all positions will be declared vacant including the President's.

Mr Denis Dean, if available, has been appointed as Returning Officer by the Board.

17. Annual General Meeting declared closed at _____ p.m.

After the conclusion of the AGM, and at the invitation of the Board, there will be two guest speakers –

Mr Chris Parker, CEO Surf Life Saving Central Coast

and

Mr Lester Pearson, Chairperson of the SOKs (Save our Kids), North Gosford Rotary Project.

Light refreshments will be served at the conclusion of the AGM.

**Scott Hinks
Secretary of Karagi Court Ltd
31st March, 2016.**



ABN 92 002 044 500

PO Box 6232, WEST GOSFORD NSW 2250

5. MINUTES OF THE ANNUAL GENERAL MEETING

Held on Thursday 30th April, 2015 at the Ourimbah RSL Club, Ourimbah.

Present: As per Attendance Book.

1. The President, Mr Graeme Ingall, welcomed and thanked members for attending and gave a particular welcome to our guests –Ms Jan Richens, Fund Raising & Donation Manager and Mr Adam Chandler, Chief Radiation Therapist, both from Central Coast Local Health District and Mrs Yvonne Crestani, Crestani Scholarships.

2. Proxies.

The secretary declared that two proxies under Rule 13 had been received – Mr. Leigh Pollard allocated to Mr. Chris Matthews; Mr Andrew Kfoury allocated to Mr. Graeme Ingall.

Resolution: *'That all proxies received be accepted.'*

Moved: Michael Sharpe **2nd:** Derek Crawford **Carried.**

3. **Quorum being satisfied, the President declares the AGM open at 7:10 pm.**

4. Apologies.

The following apologies were received – Leigh Pollard, Ben Crockett, Stephen Zellar and Andrew Kfoury.

Resolution: *"That all apologies received be accepted.'*

Moved: Michael Sharpe **2nd:** Robert Bedwell **Carried.**

5. **Minutes of the 2014 Annual General Meeting held on 30th April, 2015.**

Resolution: *'That the Minutes of the 2014 Annual General Meeting held on 30th April, 2015 as contained in the Annual Report be received and accepted.'*

Moved: Michael Sharpe **2nd:** David Leabeater **Carried.**

6. **Any Matters arising from those Minutes.**

Nil matters raised.

7. **The President's Report – Mr Graeme Ingall.**

Resolution: *'That the President's Report be accepted.'*

Moved: Graeme Ingall **2nd:** Chris Matthews **Carried.**

8. Review Report from Fortunity Assurance.

Moved: Chris Matthews **2nd:** Rex McCormick **Carried.**

Mr David Leabeater and Mr Ray Benton both advised that there was an incorrect figure in the financial statements. Mr Ingall advised the meeting that he had made a mistake in transferring the figures from PDF to Word - it was an incorrect addition of figures.

9. Confirmation of the Capital Investment.

Resolution: *'That the report by Mr Tim Davidson be adopted.'*

Moved: Chris Matthews **2nd:** Rex McCormick **Carried.**

10. Treasurer's Report – Mr Chris Matthews.

Resolution: *'That the Treasurer's Report be received and adopted.'*

Moved: Chris Matthews **2nd:** Derek Crawford **Carried.**

11. Charity Report – Mr Robert Bedwell OAM.

Resolution: *'That the Charity Chairman's Report be received and adopted.'*

Moved: Robert Bedwell **2nd:** Chris Matthews **Carried.**

12. Appointment of Auditor.

Resolution: *'That Mr Tim Davidson from Fortunity Assurance be retained as the auditor for the financial year 2015.'*

Moved: Chris Matthews **2nd:** David Walker **Carried.**

13. Appointment of Solicitor.

Resolution: *'That Mr Warren Richardson from Richardson Legal be retained as our solicitor for the financial year 2015.'*

Moved: Ben Crockett **2nd:** Chris Matthews **Carried.**

14. Joining Fee and Annual Subscription for 2016 – Constitution Rule 6.8.3.

Resolution: *'That the Joining Fee and Annual Subscription Fee remain at five dollars (\$5.00) each until the next Annual General Meeting 2015.'*

Moved: Chris Matthews **2nd:** Derek Crawford **Carried.**

15. Any questions of the Board.

There were no questions of the Board.

16. Nomination for Life Membership.

Resolution: *'Mr David Bowring Walker be approved as a Life Member of Karagi Court Limited.'*

Moved: Chris Matthews **2nd:** Robert Bedwell **Carried.**

17. Proposed Special Resolutions – (Amendments to the Constitution).**6.2 ELIGIBILITY OF ORDINARY MEMBERSHIP.**

6.2.2 *All members except those mentioned in Rule 6.1.1 shall reside within the Central Coast community. (Current rule)*

ADDITION SENTENCE TO THAT RULE –

Where a member has two (2) years or more consecutive years of membership and consequently moves residence to outside the Central Coast community, their membership may continue if that member so desires. However, they cannot be elected or appointed to the Board.

Moved: Robert Bedwell **2nd:** David Williams **Carried.**

18. Election of Directors.

Unfortunately, the nomination of Mr David Walker as a Director was rejected because his nominator was an honorary member.

In accordance with the Constitution, Mr Dennis Dean, Returning Officer, declared all positions vacant and conducted the election -

The following Directors were elected for the year 2015 –

President: Graeme Ingall
Vice President: David Williams
Secretary: Michael Sharpe
Treasurer: Chris Matthews
Directors: Robert Bedwell; Derek Crawford, Scott Hinks, Andrew Kfoury; and Rex McCormick.

19. Mr Ingall thanked all for attending the Annual General Meeting and declared the meeting closed at 7:40 p.m.

At the conclusion of the AGM, David Williams invited
 - Mr Adam Chandler, the Chief Radiation Therapist of the Central Coast Local Health District, gave a most informative and educational talk concerning the use of the equipment at the Radiology Unit.

At the conclusion of his talk, Ms Jan Richens representing the Central Coast Local Health District and Mrs Yvonne Crestani, were presented a cheque totalling \$10,000 by Mr Gary Young and Mr David Walker, Life Members. The donation will be used to provide scholarships to the interns attached to the Radiology Unit.

Members and guests joined together for light refreshments.

Signed as a true and correct record.

Dated: 28th April, 2016.

Mr Graeme Ingall, President

7. PRESIDENT'S REPORT – MR GRAEME INGALL.

With the sale of Karagi Court Retirement Units at Bateau Bay, the Board resolved to invest the capital and use the dividends to promote Freemasonry on the Central Coast (Gosford and Wyong LGAs) and assist individual Lodges by an allocation of funds to assist worthwhile organisations on the Central Coast. This assistance to the many Lodges has proved very successful and has resulted in an increase of their membership and an awareness of Freemasonry in their area; but to other Lodges, it was too difficult, even to arrange a presentation.

With Karagi Court promoting Freemasonry, the role of membership belongs to the Lodges. It is worth noting, that many MAS candidates are fully aware of the charitable role that Freemasonry plays in providing assistance to youth services, youth suicide prevention, women's health, arts scholarship, men's activities, sport, aged care, community (5 Lands Walk) activities.

During the year, the Board chose to support

- North Gosford Rotary with its 'Save Our Kids' program. The purpose is to have trained staff available at all time to assist children and young adults with their many and varied problems.
- Central Coast Bulldogs are a Rugby League team who play for fun and fitness for themselves and raise money their efforts to donate to charity. The team competition allows the Masonic logo to be displayed at the various venues – from Wollongong, western Sydney and the Coast.

The Board has continued to support Surf Life Saving – Central Coast with the provision of safety vests and the University of Newcastle – Ourimbah Campus. Due to changes in University policy, we now provide two scholarships of \$2,500 each to second year students in the same areas previously agreed to.

During the year, each Lodge received \$5,000 each to purchase equipment for a worthy organisation. The organisations included – Sea Scouts, Scouts, Men's Sheds, Headspace, Brisbane Water Legacy, Baseball and Rugby Union teams. This was much appreciated by the recipients and from these recipients, membership has been gained.

As mentioned before, we have taken further steps to improve communication between all Directors by purchasing an iPad for each Director and hereby establishing a domain to assist communications. Currently, this is still in its infancy and later this year, we hope to have the website fully operational.

And finally, this is the end of my three year term as President of a very prestigious organisation on the Central Coast. I thank the Directors for their selfless attitude in assisting with all facets of the organisation, particularly the financial role which has been difficult due to the current times. It has been a pleasure and a delight to stand before audiences promoting the charitable work of Freemasonry.

This organisation has every right to be proud of its work.

Graeme Ingall
President
31st March, 2016.

8. AUDITOR'S REVIEW BY FORTUNITY ASSURANCE.

**Karagi Court Ltd
ABN 92 002 044 500**

**Financial Report
For The Financial Year Ended
31 December 2015**

**Financial Report
For The Financial Year Ended 31 December 2015**

Page Number

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Directors' Report

Your directors present their report on the company for the financial year ended 31 December 2015 in order to comply with the provisions of the Australian Charities and Not-for-profits Commission Act 2012, the directors report as follows:-

Directors

The names of each person who has been a director during the year and to the date of this report are:

Graeme Kenneth Ingall
Christopher William Matthews
Derek Crawford
Michael Douglas Sharpe – resigned 30 July, 2015
Robert Anthony Bedwell
Rex McCormick
David Douglass Edward Williams
Andrew Kfoury
Scott Anthony Hinks – appointed 30 April 2015

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the company during the financial year was to support charitable organisations on the Central Coast.

Short-term and Long-term Objectives

The company's short-term objectives are to:

- provide relief to necessitous persons within the Central Coast community
- provide relief to aged persons within the Central Coast community
- provide relief of sickness or disabilities of person within the Central Coast Community
- assist in the advancement of education within the Central Coast community; and
- any other purpose to the Central Coast community

The company's long-term objectives are to:

- maintain its capital base and to use the earnings from the invested capital to support the charitable organisations on the Central Coast.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- invested all monies received from the sale of Karagi Court Retirement Village in the Capital Account
- a minimum of twenty percent (20%) of the income received from the investment

**Auditor's Independence Declaration
To the Directors of Karagi Court Ltd
ABN 92 002 044 500**

As lead auditor for the audit of Karagi Court Ltd for the year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

FORTUNITY ASSURANCE

T R Davidson

Partner

155 The Entrance Road

Erina NSW 2250

Dated: _____

**Statement of Comprehensive Income
For The Year Ended 31 December 2015**

	Note	2015 \$	2014 \$
Revenue	2	463	466
Other income	2	291,677	212,276
Audit, legal and consultancy expense		(3,600)	(3,600)
Administration expense		(115)	(107)
Other expenses		(217,859)	(115,843)
Profit before income tax	3	70,566	93,192
Income tax expense	- -		
Profit for the year		70,566	93,192
Other comprehensive income for the year	- -		
Total comprehensive income for the year		70,566	93,192

The accompanying notes form part of these financial statements.

**Statement of Financial Position
As At 31 December 2015**

	Note	2015 \$	2014 \$
Current Assets			
Cash and cash equivalents	4	872,841	1,650,613
Trade and other receivables	5	6,307	-
Financial assets	6	2,998,326	2,270,130
Total Current Assets		<u>3,877,474</u>	<u>3,920,743</u>
Non Current Assets			
Plant & Equipment	7	2,710	8,817
Total Non Current Assets		<u>2,710</u>	<u>8,817</u>
Total Assets		<u>3,880,184</u>	<u>3,929,560</u>
Current Liabilities			
Payables	8	3,600	3,600
Total Current Liabilities		<u>3,600</u>	<u>3,600</u>
Total Liabilities		<u>3,600</u>	<u>3,600</u>
Net Assets		<u>3,876,584</u>	<u>3,925,960</u>
Members' Funds			
Retained earnings		(28,416)	35,960
Capital reserve		3,905,000	3,890,000
Total Members Funds		<u>3,876,584</u>	<u>3,925,960</u>

The accompanying notes form part of these financial statements.

**Statement of Changes in Members Funds
For The Year Ended 31 December 2015**

	Capital Reserve	Retained Earnings	Total
Balance at 1 January 2014	3,870,000	64,219	3,934,219
Total comprehensive income for the year		93,192	93,192
Donations to charities		(101,451)	(101,451)
Transfers from/to reserves	20,000	(20,000)	-
Balance at 31 December 2014	3,890,000	35,960	3,925,960
Total comprehensive income for the year		70,566	70,566
Donations to charities		(119,942)	(119,942)
Transfers from/to reserves	15,000	(15,000)	-
Balance at 31 December 2015	3,905,000	(28,416)	3,876,584

The accompanying notes form part of these financial statements.

Statement Of Cash Flows
For The Year Ended 31 December 2015

	Note	2015 \$	2014 \$
Cash flows from Operating Activities			
Interest/ Distributions received		166,635	212,276
Subscriptions and other receipts		463	466
Administration expenses		(30,539)	(16,152)
		<hr/>	<hr/>
Net cash provided by (used in) operating activities	9(b)	136,559	196,590
		<hr/>	<hr/>
Cash flows from Investing Activities			
Donations to charities		(119,942)	(101,451)
Investments Disposed		2,203,937	-
Investments Made		(2,998,326)	(2,370,130)
Purchase of Plant & Equipment		-	(12,215)
		<hr/>	<hr/>
Net cash provided by (used in) investing activities		(914,331)	(2,483,796)
		<hr/>	<hr/>
Net increase/ (decrease) in cash held		(777,772)	(2,287,206)
Cash at beginning of the financial year		1,650,613	3,937,819
		<hr/>	<hr/>
Cash at the end of the financial year	9(a)	872,841	1,650,613
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

Note 1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are for Karagi Court Limited as an individual entity, incorporated and domiciled in Australia. Karagi Court Limited is a company limited by guarantee.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-profits Act 2012, as appropriate for not-for-profit oriented entities.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements, except for the cash flow information have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 31st March, 2016 by the directors of the company.

(a) Income Tax

The Company is exempt from income tax under Division 50 of the Income Tax Assessment Act.

(b) Revenue

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and term deposits.

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

Note 1. Summary of Significant Accounting Policies (cont'd)

Basis of Preparation (cont'd)

(d) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(e) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(f) Property, Plant & Equipment

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when the impairment indicators are present (refer to note 1(e) for details of impairment).

Plant and equipment that have been contributed at no cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	25 – 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

Note 1. Summary of Significant Accounting Policies (cont'd)

Basis of Preparation (cont'd)

(g) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at cost which includes transaction costs when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Available-for-sale financial assets

Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are recognised in other comprehensive income.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

(h) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, to the assets carrying amount. An excess of the assets carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

	2015	2014
	\$	\$
Note 2. Revenue and Other Income		
Revenue		
Subscriptions & joining fees	115	215
Plaque sales	200	240
Donations	148	11
	463	466
Other Income		
Interest received	172,942	204,815
Reversal of provision for impairment of financial assets	100,000	-
Other income	18,735	7,461
	291,677	212,276
Total revenue and other income	292,140	212,742
Note 3. Profit before income tax		
(a) Expenses:		
Depreciation	6,107	3,398
Provision for impairment of financial assets	-	100,000
Loss on disposal of investment	166,193	-
Insurance expense (property, vehicle & property) 2,317	2,325	-
	174,625	103,398
Note 4. Cash and Cash Equivalents		
Cash at bank	87,841	130,613
Term deposits	785,000	1,520,000
	872,841	1,650,613

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

	2015	2014
	\$	\$
Note 5. Trade and Other Receivables		
Accrued interest on term deposits	6,307	-
	6,307	-
Note 6. Financial Assets		
BT Balanced Equity Income Fund – at cost	-	1,370,130
FirstChoice Wholesale Investment – at cost	-	1,000,000
Macquarie Investment Consolidator	2,998,326	-
Less: impairment provision	-	(100,000)
	2,998,326	2,270,130

As at 31 December 2015 the market value of available for sale financial assets was as follows:

Macquarie Investment Consolidator	3,001,033	-
BT Balanced Equity Income Fund	-	1,254,128
FirstChoice Wholesale Investment	-	1,016,153
	3,001,033	2,270,181

Note 7. Plant & Equipment

Plant & Equipment – at cost	12,215	12,215
Accumulated depreciation	(9,505)	(3,398)
	2,710	8,817
Total Plant and Equipment	2,710	8,817

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

2015
\$

2014
\$

Note 7. Plant & Equipment (cont'd)

(a) Movements in Carry Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year.

	Plant & Equipment	Total
Balance at the Beginning of year	8,817	8,817
Additions at cost	-	-
Disposals	(6,107)	(6,107)
Depreciation expense		
Carrying amount at end of year	2,710	2,710

Note 8. Payables

Accrued audit fees	3,600	3,600
	3,600	3,600

Note 9. Cash Flow Information

(a) Cash

For the purpose of the statement of cash flows, cash includes:

- (i) cash on hand and in at call deposits with banks or financial institutions, net of bank overdrafts; and
- (ii) investments in money market instruments.

Cash and cash equivalents	87,841	130,613
Term deposits	785,000	1,520,000
	872,841	1,650,613

**Notes to the Financial Statements
For the Year Ended 31 December 2015**

	2015 \$	2014 \$
Note 9. Cash Flow Information (cont'd)		
(b) Net cash provided by (used in) Operating activities		
Operating profit after Income Tax	70,566	93,192
Non-cash flows in operating profit		
Depreciation	6,107	3,398
Loss on disposal of investment	166,193	-
Reversal of provision for impairment	(100,000)	-
Provision for impairment of financial assets	-	100,000
Changes in net assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(6,307)	-
Cash Flows from Operations	136,559	196,590

Note 10. Company Details

The registered office of the Company is:

Erina Business Park, 155 The Entrance Road,
ERINA NSW 2250

The principal place of business is:

8 Irwan Street,
Saratoga NSW 2251

**Directors' Declaration
For The Financial Year Ended 31 December 2015**

In accordance with a resolution of the directors of Karagi Court Ltd made pursuant to Section 60.15 of the Australian Charities and Not-for-profits Regulations 2013, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 16, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012:
 - (a) comply with Australian Accounting Standards- Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 31 December 2015 and of its performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

G K Ingall
Director

C W Matthews
Director

S A Hinks
Director

Dated this day of 2016

**Independent Auditor's Report To The Members
Of Karagi Court Ltd
ABN 92 002 044 500**

Report on the Financial Report

We have audited the accompanying financial report of Karagi Court Ltd (the company), which comprises the statement of financial position as at 31 December 2015 and the statement of comprehensive income, statement of changes in members' funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement.

Auditors Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 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. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and Australian professional ethical pronouncements.

Additional Financial Information
Profit And Loss Statement
For The Year Ended 31 December 2015

	2015 \$	2014 \$
Income		
Interest received/ distributions	146,842	204,815
Subscriptions and joining fees	115	215
Plaque Sale	200	240
Other income	18,735	7,461
Reversal of provision for impairment of financial assets	100,000	-
Donations	148	11
	266,040	212,742
Less: Expenses		
Auditors remuneration	3,600	3,600
Bank charges	56	53
Connectivity costs	2,508	-
Depreciation	6,107	3,398
Directors expenses	7,703	6,299
Increase in provision for impairment of financial assets	-	100,000
Insurance	2,317	2,325
Investment advice	4,317	3,000
Loss on disposal of investment	166,193	-
Plaques & presentation costs	1,144	-
Printing, postage & stationery	115	107
Storage costs	768	768
Sundry expenses	646	-
	195,474	119,550
Net profit for the financial year	70,566	93,192
Retained profits at the beginning of the financial year	35,960	64,219
Total available for appropriation	106,526	157,411
Less: Donations to charities	(119,942)	(101,451)
Transfer to capital reserve	(15,000)	(20,000)
Retained profits at the end of the financial year	(28,416)	35,960

9. CONFIRMATION OF CAPITAL INVESTMENT.



TRD:MAF

08 March 2016

Board of Directors
Karagi Court Ltd
c/- 9 Raintree Terrace
WADALBA NSW 2259

Dear Sirs

2015 Financial Report

We have completed our audit of the company's books and records for the year ended 31 December 2015.

As part of our audit we have in accordance with the company's constitution determined that the gross earnings of the company should be allocated as follows:-

Gross earnings for the year ended 31 December 2015	\$ 146,527
Less : loss on sale of investments (realised)	66,193
	\$ 80,334
	\$ 80,334
70% available for donations	56,234
20% available for reinvestment	16,067
10% available for overheads	8,033
	\$ 80,334
	\$ 80,334

We have set out below details of the current amounts available in respect of the year ended 31 December, 2015.

(a) Base Capital

Deficit brought forward	(10,623)
Balance as at 31 December, 2014	3,890,000
2015 Allocation	16,067
	3,895,444
Balance as at 31 December 2015	3,905,000

Surplus	\$9,556
<hr/>	
(b) Donations	
Deficit 31 December 2014	26,866
2015 Allocation	56,234
	<hr/>
	83,100
Donations -	119,942
	<hr/>
Deficit	(\$36,842)
<hr/>	
(c) Overheads	
Available 2014	26,095
2015 allocation	8,033
	<hr/>
	34,128
Overheads – 2015	29,281
	<hr/>
Available	4,847

During the year ended 31 December, 2015 the Company realised a loss of \$166,193 on the sale of previously held managed investments. At 31 December, 2014 the Company made a provision for this loss so the actual loss for the year was \$66,193 which has been deducted from gross investment earnings to determine the allocation for the year.

The Company has also set an investment policy whereby they have set a trigger point for the increase and decreases in the markets to ensure that the risk of falls and increases are managed.

We have reviewed the accounting system and other records and do not recommend that any changes or improvements are required.

Should you require any further information in relation to the above please do not hesitate to contact the writer on 4304 8888.

Yours sincerely
FORTUNITY ASSURANCE

Tim Davidson
Partner

10. TREASURER'S REPORT – MR CHRIS MATTHEWS.

This was a year of turmoil in the markets plus poor term deposit rates. Our dividends available for donations were being considerably reduced.

As a result of this situation, the financial arm of the Board had discussions with Mr Tim Davidson, auditor, for financial advice in how Karagi Court can improve its situation. From these discussions, he suggested that we speak with Mr Shaun O'Farrell of Premium Wealth Management Limited (Fortunity Financial Planning).

The investment of \$1.37M in a BT Balanced Equity Income Fund (Westpac Bank) was failing – the values of the units were falling as well as a considerable decrease in the monthly dividend. As the \$1M in Colonial First State (Commonwealth Bank) had increased in unit value, we re-invested the surplus gained from its increase.

On 30th July, the Board invited Mr Shaun O'Farrell to discuss his proposal with the Board. After a lengthy discussion was held, the Board decided to accept Shaun's proposal.

The BT Balanced Equity Income Funds units were sold at a loss but the Colonial First State units were sold at a profit; this reduced the loss. All monies are currently with Premium Wealth Management with ratio of 70% low risk and 30% in medium risk. Low risk includes Term Deposits at much high return.

In addition, we have set benchmarks in relation to the amount invested and arranged for a base amount to remain with WRAP (Macquarie Bank) and all amounts above this base amount to be paid into our Charity Account. To date, our investments have slightly increased in value and the dividends are commencing to flow. These benchmarks were set in February, 2015.

The income for 2015 was \$146,527.00 and out of this sum we donated \$119,942.00 to various needy organisations on the Central Coast

Directors are reimbursed for out of pocket expenses only and no Director has received any fees or consultation fees in 2014 - all Directors act on a voluntary basis. During 2015, the Company paid a premium for insurance against Director's liability for legal costs as well as car insurance for all Directors and Members whilst on official business; being \$2,316.75.

A real big thank you to all our Members for their help over the past year as it has been quite difficult.

Chris Matthews
Treasurer
31st March, 2016.

11. CHARITY REPORT – MR ROBERT BEDWELL OAM.

It is with pleasure I present my 2015 report as Charity Committee Chair for the 2015 year. Some 30 applications were submitted directly to Karagi. Nineteen totalling close to \$70,000.00. Additionally, we have agreements that are paid in annual instalments. Unfortunately we are unable to approve all requests: for a variety of reasons we are limited by the amount we can distribute, we may only consider requests from within the Gosford/Wyong LGA and we do get involved in construction, for example. There was a wide range of projects receiving donations and some recipients presented an overview of their organisation and, particularly, demonstrated how the funds are being used in a practical manner to the board throughout the year.

A list of successful applications and donations, together with the amount received by each recipient is listed for your information. This list does not include those donations paid as part of ongoing programmes covering periodic payments under the terms of the agreement. Such as Scholarships for University of Newcastle students and our Surf Life Saving Club programme. The Treasurer's Report reveals the total amount we have been able to assist Gosford and Wyong LGA community groups.

I thank our President and my fellow Directors for their support, friendship and commitment to our cause. I wish Karagi a successful year in 2016.

SUCCESSFUL APPLICANTS 2015

2014/010	Scholarship / Radiotherapy / Gosford Hospital	\$10,000.00
Completed		
2014/030	Rotary Nth Gosford SOKS – 4 x \$5,000.00	\$20,000.00
Completed		
2015		
2015/002	Manning Park Men's Shed	\$1,279.00
Completed		
2015/003	Arts Studio Co-operative	4,000.00
Completed		
2015/007	Soldier's beach SLS Club – Gallipoli 100	7,000.00
Completed		
2015/008	<u>Lodge Wyong Tuggerah Lakes</u> Ourimbah Razorbacks – lawn mower	(2,610.00) 2,500.00
Completed		
2015/011	Manning Park Men's Shed defibrillator	1,1995.60
Completed		
2015/012	Louise Beavis – Speaking Blood Monitor	149.00

Completed		
2015/013	<u>Lodge James Kibble</u> CC Marlins Baseball Team	2,500.00
Completed – 09.11.2015		
2015/016	<u>Lodge James Kibble</u> Headspace	2,500.00
Completed – 09.11.2015		
2015/017	<u>Lodge Toukley</u> 1 st Mannering Park Sea Scouts	1,250.00
Completed – 04.11.2015		
2015/018	<u>Lodge Toukley</u> Toukley Haven Scout Group	1,250.00
Completed – 04.11.2015		
2015/019	<u>Lodge Morning Star</u> Kincumber Men's Shed	1,148.00
Completed – 24.10.2015		
2015/020	<u>Lodge Morning Star</u> Woy Woy Sea Scouts	4,000.00
Completed – 24.11.2015		
2015/021	<u>Lodge Saratoga</u> Brisbane Water (NSW) Legacy	5,000.00
Completed – 07.11.2015		

Robert A Bedwell OAM
Director – Chairman of the Charity Committee
31st March, 2016.

LIFE MEMBERS (as of 31.12.2015)

+ William Henry Richards	14.04.2009.
Lester Frederick Koch	13.04.2010
Gary Robert Young	23.04.2013
David Bowring Walker	30.04.2015

+ Deceased 2012

DIRECTOR'S ATTENDANCE AT BOARD MEETINGS

(from 30th April, 2015 to 28th April, 2016)

	DOB	Elected	2015 28 th	2015 30 th	2015 10 th	2016 25 th	2016 31 st		
			May	July	Dec.	Feb.	Mar.		Total
Robert Anthony Bedwell	02.09.1946	30.04.15	#	#	#	#	A		4/5
Derek Crawford	13.08.1934	30.04.15	#	#	#	#	#		5/5
Scott Anthony Hinks	07.11.1972	30.04.15	#	#	#	#	#		5/5
Graeme Kenneth Ingall	25.09.1948	30.04.15	#	#	#	#	#		5/5
Christopher Williams Matthews	03.01.1947	30.04.15	#	#	#	#	#		5/5
Andrew Kfoury	21.04.1973	30.04.15	#	#	#	A	#		4/5
Michael Douglas Sharpe *	21.04.1970	30.04.15	#	A	-	-	-		½
Rex McCormick	04.12.1941	30.04.15	#	#	#	#	#		5/5
David Douglass Williams	25.07.1941	30.04.15	#	#	#	#	#		5/5
			9/9	8/9	8/8	7/8	/8		

A = Apology

= Present

* = Resigned 30.07.2015

LIST OF MEMBERS

(as of 31.12.2015.)

Robert Bedwell	Ray Benton
Stuart Butler	Richard Collins
John Cooper	Derek Crawford
Ben Crockett	Denis Dean
John Edgington	Bill Elliott
Aaron Henry	Noel Higgs
Scott Hinks	Max Hiron
Graeme Ingall	Andrew Kfoury
Fred Koch *	David Leabeater
Rex McCormick	Chris Matthews
Lance Nelson	Leigh Pollard
David Powell	Michael Sharpe
David Walker *	Terry Wand
Roger Whitehead	David Williams
Jim Westbrook	Gary Young *
Stephen Zeller	

Total = 31

* Life Member