



KARAGI COURT
LIMITED

ANNUAL REPORT 2022

Board of Directors

Geoff Bown
President

Jim Noble
Vice President

Graeme Ingall
Secretary

Chris Matthews
Treasurer

Simon Pierce

David Levesque

Alex Mountain

SUPPORTED BY



FREEMASONS
ON THE CENTRAL COAST

Karagi Court Limited (ABN 92 002 044 500)
trading as Freemasons on the Central Coast
PO Box 6232, West Gosford NSW 2250





2022 DONATIONS:

In 2022, Freemasons on the Central Coast donated to –

CAMP BREAKAWAY

CENTRAL COAST BULLDOGS

THE ENTRANCE NEIGHBOURHOOD CENTRE

CENTRAL COAST SURF LIFE SAVING

MARY MACS

LONG JETTY OVER 50's CAMERA CLUB

CENTRAL COAST LOCAL HEALTH DISTRICT

CENTRAL COAST KIDS IN NEED

THE SMITH FAMILY

TOTAL \$ 73,648.64 *

* The audit will show \$5,495.00 less. In 2018, a racing wheelchair was ordered but placed on hold due to a medical emergency. This emergency ultimately became complicated resulting in the wheelchair being cancelled and the money returned in 2022.



Dust Extraction Unit at Manno Men's Shed



2021 DONATIONS:

IN 2021, FREEMASONS ON THE CENTRAL COAST DONATED TO –

TAHLIA BLANSHARD

CENTRAL COAST HEALTH DISTRICT

CENTRAL COAST BULLDOGS

MANNERING PARK MEN'S SHED

THE GLEN DRUG & ALCOHOL REHABILITATION CENTRE BUS

CENTRAL COAST KIDS IN NEED RACE DAY

CENTRAL COAST SURF LIFE SAVING

MARY MACS

CENTRAL COAST VOLUNTEERS RESCUE ASSOCIATION

TOTAL \$79,767.00



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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 6th April 2023 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, please forward your question/s in writing by **5:00 pm on Friday 24th March 2023.**

For and on behalf of the Board

Graeme Ingall
Honorary Secretary and Director
9 February 2023.

1. AGENDA:

1. Welcome to guests, life members and members by the President – Mr Geoff Bown.

2. Proxies.

Secretary to declare all proxies received under Rule 13.

Resolution: *‘That all proxies received be accepted.’*

Moved:	Graeme Ingall	2nd:
Carried:	Yes / No	

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

(Constitution 8.2.1 – eight (8) financial members present)

Declared open at _____pm.

4. Apologies.

Resolution: *‘That all apologies received be accepted.’*

Moved:	Graeme Ingall	2nd:
Carried:	Yes / No	

5. Minutes of the 2022 Annual General Meeting held on 5th May 2022. (p. 9)

Resolution: *‘That the Minutes of the 2022 Annual General Meeting held on 5th May 2022 as contained in the 2021 Annual Report be received and accepted.’*

Moved:	Graeme Ingall	2nd:
Carried:	Yes / No	

6. Any Matters arising from those Minutes.

7. The President’s Report – Mr Geoff Bown. (p. 12)

Resolution: *‘That the President’s Report be accepted.’*

Moved:	Geoff Bown	2nd:
Carried:	Yes / No	

8. Review Report from Fortunity Assurance. (p. 14)

Resolution: *‘That the Review Report and notes, if any, from Fortunity Assurance be received and adopted.’*

Moved:	Chris Matthews	2nd:
Carried:	Yes / No	

9. Confirmation of the Capital Investment. (p. 34)

Resolution: *That the report by Mr Adrian Thompson be adopted.'*

Moved: Chris Matthews **2nd:**

Carried: Yes / No

10. Treasurer's Report – Mr Chris Matthews. (p. 36)

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

Moved: Chris Matthews **2nd:**

Carried: Yes / No

11. Charity Report – Mr James Noble. (p. 37)

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

Moved: James Noble **2nd:**

Carried: Yes / No

12. Appointment of Auditor.

Resolution: *That Mr Adrian Thompson from Fortunity Assurance be retained as the auditor for the 2023 financial year.'*

Moved: Chris Matthews **2nd:**

Carried: Yes / No

13. Appointment of Solicitor.

Resolution: *That Mr Peter Kernan of Aubrey Brown Lawyers be retained as our solicitor until the next Annual General Meeting in 2024.'*

Moved: Chris Matthews **2nd:**

Carried: Yes / No

14. Joining Fee and Annual Subscription for 2023 – 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 2024.'*

Moved: Chris Matthews **2nd:**

Carried: Yes / No

15. Any questions of the Board.

16. Election of Directors.

In accordance with the Constitution, all positions will be declared vacant.
The Board has appointed Mr Denis Dean, as Returning Officer.

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

At the conclusion of the Annual General Meeting,

This year, we have several guest speakers –

Ms Barbara Galvin, Founder of the Shirley Shuttle
In 2009, Freemasons on the Central Coast and Lodge Wyong Tuggerah Lakes were joint sponsors
of Shirley Shuttle # 2.

Mr Craig Nash, Mr Paul Pafumi, Mr George Cefia, and Mr Greg James
from the Central Coast Bulldogs

Craig, in conjunction with the Department of Corrective Services & Mrs Liz Young, re-vitalised
blankets which were donated to Camp Breakaway and Domestic Violence Shelters on the Central
Coast.

Whereas Paul, George and Greg are often the first to arrive, to lend the Freemasons a hand.

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

Graeme Ingall
Honorary Secretary of Karagi Court Ltd
9 February 2023.



2. MINUTES OF THE ANNUAL GENERAL MEETING:

Held on Thursday 5th May 2022 at the Ourimbah RSL Club, Ourimbah at 7:00 pm.

Present:

Geoff Bown; Derek Crawford; Denis Dean; Graeme Ingall; Fred Koch; David Levesque; Chris Matthews; Alex Mountain; Craig Nash; James Noble; Simon Pierce; Stephen Sullivan; Gary Young. (13)

1. The President, Mr Geoff Bown, gave a very warm welcome to our life members, members and our guests lead by Mr Scott Wilkins, Deputy Captain of the Central Coast Volunteer Rescue Squad.

2. **Proxies:**

The following proxies were received –

David Leabeater to Geoff Bown; Andrew Kfoury to Graeme Ingall;
Roger Whitehead to Graeme Ingall; Ian Mumford to Graeme Ingall.

Resolution: *‘That the proxies be accepted.’*

Moved: S. Sullivan **2nd:** C. Matthews **Carried.**

3. **Quorum was satisfied and the AGM declared open at 7:03 pm.**

4. **Apologies:**

Apologies - David Leabeater, Andrew Kfoury, Roger Whitehead, Ian Mumford, David Walker, Steve Hart, John Eddington and Max Hiron

Resolution: *‘That the above apologies be accepted –,’*

Moved: S. Sullivan **2nd:** J. Noble **Carried.**

5. **Minutes of the 2022 Annual General Meeting held on 5th May 2022.**

Resolution: *‘That the Minutes of the 2022 Annual General Meeting held on 5th May 2022 as contained in the 2021 Annual Report be received and accepted.’*

Moved: S. Sullivan **2nd:** G. Ingall **Carried.**

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

Nil matters raised.

7. **The President’s Report – Mr Geoff Bown.**

Resolution: *‘That the President’s Report be accepted.’*

Moved: Geoff Bown **2nd:** Chris Matthews **Carried.**

8. **Review Report from Fortunity Assurance.**

Resolution: *‘That the Review Report and notes, if any, from Fortunity Assurance be received and adopted.’*

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

9. **Confirmation of the Capital Investment.**

Resolution: *'That the report by Mr Adrian Thompson be adopted.'*

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

10. **Treasurer's Report – Mr Chris Matthews.**

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

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

11. **Charity Report – Mr Steve Hart.**

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

Moved: Steve Hart **2nd:** Garry Young **Carried.**

12. **Appointment of Auditor.**

Resolution: *'That Mr Adrian Thompson from Fortunity Assurance be retained as the auditor for the financial year 2022 - 2023.'*

Moved: Chris Matthews **2nd:** Simon Pierce **Carried.)**

13. **Appointment of Solicitor.**

Due to the retirement of Mr Warren Richardson, it was suggested that Karagi Court Limited contact Aubrey Brown Lawyers.

Resolution: *'That Mr Peter Kernan of Aubrey Brown Lawyers be appointed as our solicitor until the 2022 Annual General Meeting.'*

Moved: Chris Matthews **2nd:** Craig Nash **Carried.**

14. **Joining Fee and Annual Subscription for 2022 – 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 2022.'*

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

15. **Any questions of the Board.**

There were no questions of the Board.

16. **Election of Directors.**

In accordance with the Constitution, all positions vacated and the following Directors were elected for the year 2022 –

President: Geoff Bown
Vice President: James Noble
Secretary: Graeme Ingall
Treasurer: Chris Matthews
Directors: Alex Mountain; David Levesque; & Simon Pierce.

Mr Bown thanked Messrs Steve Hart, David Leggett and Stephen Sullivan for their contribution to Karagi Court Limited and welcomed the new Board.

17. The Annual General Meeting was closed at 7:16 pm.

After a short break, Mr Geoff Bown invited Mr Scott Wilkins, Deputy Captain, Central Coast Volunteer Rescue Squad.

Scott, with other members, spoke of the actions undertaken by the Central Coast Volunteer Rescue Squad. He showed and demonstrated some of mobile equipment that was supplied by the Freemasons on the Central Coast and of the necessary training undertaken by their members.

In short, his talk was most enlightening to the members present.

Tea and coffee with sandwiches were available at the conclusion of Scott's presentation.

Signed as a true and correct record.

**Mr Geoff Bown
President
6 April 2023.**



3. PRESIDENT’S REPORT – MR GEOFF BOWN.

It is with pleasure that I present the 2022 Annual Report showing Karagi Court Limited (Karagi) performance for the year. This is my third and final year as President of the organisation (as required by the Constitution).

Like 2020, 2021 the activities of Karagi were again impacted by the impact of the COVID 19 pandemic. Nonetheless we still managed to assist a number of charitable activities including the support of the Central Coast Kids in Need, the Smith Family (in conjunction with District 21 Freemasons), the Central Coast Rescue Squad based at Wyong and Central Coast Surf Life Saving. Incidentally, Karagi has renewed its assistance programme with Central Coast Surf Life Saving for the 2022/2023 season which has provided excellent publicity for Freemasonry with the logo being prominently displayed on lifesavers pink ‘rashies’. Likewise, we continue to support the Central Coast Bulldogs (Masters Team) who are great ornaments of the community. This team prominently displays the Freemason’s Logo on their playing outfits as well as their casual attire. They also contribute a great deal to local charities and are ready to support any initiatives of FoCC.

Our success during the year cannot be achieved without assistance from the Directors of Karagi. In particular I would like to thank our secretary, Graeme Ingall, who is crucial to the effective and efficient operation of the Board of Karagi. Given the Secretary has considerable responsibilities, I would be proposing that a position of Assistant Secretary be appointed to ease the burden of the Secretary.

Once again Chris Matthews has effectively managed the finances of Karagi and has ensured our financial record keeping is compliant. I would also like to thank Jim Noble and the Charity Committee for their management of applications for assistance from local charities.

Our web pages and information technical support has again been managed by Shanae Williams of BeeCee Services. Simon Pierce has been of great assistance with his creative writing and publishing skills in the development and promotion of media releases as well as the management of our Facebook and websites.

Late in 2021 a discussion paper was sent to Directors and Members of Karagi to review the effectiveness of the organisation’s activities and how we can highlight our activities and better align this as a means of promoting Freemasonry. During the year, we have had some constructive discussion using these discussion points. While I believe we are heading in a positive direction, I still believe there is an opportunity for a ‘non-mason’ to be appointed to the board. I also believe we need to develop a suitable succession plan that includes the identification of suitable candidates with skills and abilities that would enhance our board.

A charity race day at the Wyong Race Club had been proposed for 23 January 2022. However due restrictions imposed as a result of the COVID pandemic, it was finally moved to Saturday 5 November 2022. This event was an initiative of the Central Coast Bulldogs (who were assisted and supported by FoCC) and in aid of the Central Coast Kids in Need. Both FoCC and the Gosford Masonic Centre sponsored races at this event. This marquee event was a great success (and all tables were sold out) and provided a platform to promote Freemasonry as well as the work of Freemasons on the Central Coast.

FoCC also supported a fundraising event hosted by Lodge Morning Star in aid of the Country Women’s Association which was to be held in November 2021. Owing to restrictions imposed as



a result of COVID 19, the event was abandoned (owing to the venue becoming unavailable) but raffle ticket sales were completed and drawn.

On behalf of Karagi, I take this opportunity to thank the Board and Employees of the Ourimbah RSL Club for allowing Karagi to use their facilities for board and other meetings.

As you know Fortunity Chartered Accountants and Financial Planners have provided guidance, advice and assistance throughout the year and to that end, I thank Adrian Thompson, auditor, and Shaun O'Farrell and his financial team for their assistance.

While we have a great deal of appreciation for the founding board, our success will only be judged on our ability to move with the times. I believe there are other opportunities to target various community and sporting groups which may be better aligned to the ideals of Freemasonry. I see this as an important step in FoCC's future allowing for an injection of new blood with new ideas and enthusiasm.

Geoff Bown
President
9 February 2023





4. AUDITOR'S REVIEW BY FORTUNITY ASSURANCE.

Karagi Court Ltd
ABN 92 002 044 500

Financial Report
For The Financial Year Ended
31 December 2022



**Freemason Young Athlete of the Year
Ryan Green -**



**FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 31 December 2022 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:

Geoffrey Burnett Bown
Graeme Kenneth Ingall
Christopher William Matthews
James Arthur Noble
David Leggett (resigned 6 May 2022)
Simon Pierce
David Ian Levesque
Alex Mountain (appointed 26 May 2022)

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.

DIRECTORS' REPORT

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 of the Capital Account to be reinvested in the Capital Account
- that the remainder of the income earned be distributed in accordance with the resolution of the directors. The Directors endeavour to distribute 70% of the income earned.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 December 2022 has been received and can be found on page 18 of the financial report.

Signed in accordance with a resolution of the Board of Directors.



C.W Matthews
Director



G.K Ingal
Director



D I Levesque
Director

Date: 21/2/23



**Auditor's Independence Declaration
To the Directors of Karagi Court Ltd**

As lead auditor for the audit of Karagi Court Ltd for the year ended 31 December 2022, 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

Adrian Thompson
Partner

155 The Entrance Road
Erina NSW 2250

Dated: 21 February 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 \$	2021 \$
Revenue	2	305	345
Other income	2	215,950	176,324
Movement in Investments	2	(269,960)	70,114
Audit, legal and consultancy expense	3	(4,390)	(4,230)
Administration expense		(13,845)	(7,955)
Other expenses		(15,303)	(17,793)
(Deficit) / profit before income tax		<u>(87,243)</u>	<u>216,805</u>
Income tax expense	- -		
Profit for the year		<u>(87,243)</u>	<u>216,805</u>
Other comprehensive income for the year	- -		
Total comprehensive income for the year		<u>(87,243)</u>	<u>216,805</u>

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 \$	2021 \$
Current Assets			
Cash and cash equivalents	4	881,625	808,748
Trade and other receivables	5	48,707	6,921
Financial assets	6	3,062,854	3,332,814
Total Current Assets		<u>3,993,186</u>	<u>4,148,483</u>
Total Assets		<u>3,993,186</u>	<u>4,148,483</u>
Current Liabilities			
Accrued expenses	7	4,000	3,900
Total Current Liabilities		<u>4,000</u>	<u>3,900</u>
Total Liabilities		<u>4,000</u>	<u>3,900</u>
Net Assets		<u>3,998,186</u>	<u>4,144,583</u>
Members' Funds			
Retained earnings		126,162	48,142
Capital reserve		3,863,024	4,096,441
Total Members Funds		<u>3,998,186</u>	<u>4,144,583</u>

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN MEMBERS FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Capital Reserve	Retained Earnings	Total
Balance at 1 January 2021	4,034,088	(26,542)	4,007,546
Total comprehensive income for the year	-	216,804	216,804
Donations to charities	-	(79,767)	(79,767)
Transfers from/to reserves	62,353	(62,353)	-
Balance at 31 December 2021	4,096,441	48,142	4,144,583
Total comprehensive income for the year	-	(87,243)	(87,243)
Transfer of Capital Losses	(269,960)	269,960	-
Donations to charities	-	(68,154)	(68,153)
Transfers from/to reserves	36,543	(36,543)	-
Balance at 31 December 2021	3,863,024	126,162	3,989,186

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 \$	2021 \$
Cash flows from Operating Activities			
Interest/ Distributions received		224,165	191,880
Subscriptions and other receipts		305	345
Administration and investment expenses		(33,439)	(16,791)
			<hr/>
Net cash provided by (used in) operating activities	8(b)	191,031	175,434
		<hr/>	<hr/>
Cash flows from Investing Activities			
Donations to charities		(68,153)	(79,767)
Investments Disposed		-	631,874
Investments Made		(50,000)	(700,859)
		<hr/>	<hr/>
Net cash (used in) investing activities		(118,153)	(148,752)
		<hr/>	<hr/>
Net increase/(decrease) in cash held		72,877	26,682
Cash at beginning of the financial year		808,748	782,066
		<hr/>	<hr/>
Cash at the end of the financial year	8(a)	881,625	808,748
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

The financial report is a special purpose financial report in order to satisfy the financial reporting requirements of the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations. In the Board's opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

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.

These are special purpose financial statements that have been prepared for the purpose of complying with the *Australian Charities and Not-for-profits Commissions Act 2012* and associated regulations. The Board have determined that the accounting policies adopted are appropriate to meet the needs of the members of the Karagi Court Limited.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the AASB and the disclosure requirements of AASB 101 'Presentation of Financial Statements'; AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors'; AASB 1048 'Interpretations of Standards' as appropriate for not-for-profit oriented entities.

The financial statements were authorised for issue on 21 February 2023 by the directors of the company.

Income Tax

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

Revenue

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, have been satisfied. Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Sale of goods

Revenue is recognised on transfer of goods to the purchaser as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Basis of Preparation (cont'd)

Revenue (cont'd)

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk change in value.

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 2022**

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

Basis of Preparation (cont'd)

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.

Financial assets

Financial assets that are within the scope of the accounting standards are required to be subsequent measured at amortised or fair value on the basis of the business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The Company holds no fair value financial asset at balance date.

Financial liabilities

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

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.

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.

Goods and Services Tax (GST)

The Company is not currently registered for GST.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**Note 1. Summary of Significant Accounting Policies (cont'd)****Basis of Preparation (cont'd)****Comparative Figures**

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

	2022	2021
	\$	\$
Note 2. Revenue and Other Income		
Revenue		
Subscriptions & joining fees	305	295
Mask sales	-	50
	<hr/> 305	<hr/> 345
Other Income		
Interest received	4,571	4,370
Distributions received	211,379	171,954
	<hr/> 215,950	<hr/> 176,324
Movement in Investment		
Movement in market value / loss on sale	(269,960)	70,114
	<hr/> (53,705)	<hr/> 246,783

Note 3. Profit before income tax

(a) Expenses:

Audit Expenses	4,390	4,230
Legal and Consultancy Expenses	-	-
	<hr/> 4,390	<hr/> 4,230

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	\$	\$
Note 4. Cash and Cash Equivalents		
Cash at bank	148,548	76,546
Term deposits	733,077	732,202
	<u>881,625</u>	<u>808,748</u>
Note 5. Other Receivables		
Accrued interest on term deposits	970	1,528
Accrued Distributions – Imputation Credits	47,737	5,393
	<u>48,707</u>	<u>6,921</u>
Note 6. Financial Assets		
Macquarie Investment Consolidator	3,062,854	3,332,814
	<u>3,062,854</u>	<u>3,332,814</u>
As at 31 December 2022 the market value of available for sale financial assets was as follows:		
Macquarie Investment Consolidator	3,062,854	3,332,814
	<u>3,062,854</u>	<u>3,332,814</u>
Note 7. Accrued expenses		
Accrued audit fees	4,000	3,900
	<u>4,000</u>	<u>3,900</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	\$	\$
Note 8. 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	148,548	76,546
Term deposits	733,077	732,202
	<u>881,625</u>	<u>808,748</u>
(b) Net cash provided by (used in) Operating activities		
Operating profit after Income Tax	(87,243)	137,037
Non-cash flows in operating profit		
Distributions re-invested	50,000	109,008
Net change in market value / loss on sale of investment	269,960	(70,114)
Changes in net assets and liabilities:		
Decrease in other receivables	(41,786)	(597)
Increase in accrued expenses	100	100
Cash Flows from Operations	<u>191,031</u>	<u>175,434</u>

Note 9. 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:

40 Etna Street, NORTH GOSFORD NSW 2250



**DIRECTORS' DECLARATION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

The directors declare that:

1. The financial statements and notes are in accordance with *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a) Comply with Australian Accounting Standards; and
 - b) Give a true and fair view of the financial position as at 31 December 2022 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.60-15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

C.W Matthews
Director

Date: 21/2/23

G.K. Ingall
Director

D.I. Levesque
Director



Independent Auditor's Report To The Members Of Karagi Court Limited

Opinion

We have audited the accompanying financial report of Karagi Court Limited (the company), which comprises the statement of financial position as at 31 December 2022, 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.

In our opinion, the accompanying financial report of Karagi Court Limited is prepared, in all material respects, in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true fair view of the company's financial position as at 31 December, 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- (c) the *Charitable Fundraising Act 1991*, including
 - (i) the financial report shows a true and fair view of the financial result of fundraising appeals for the year to which they relate; and
 - (ii) the financial report and associated records have been properly kept during the year in accordance with this Act and the regulations; and
 - (i) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with this Act and the regulations; and
 - (ii) Karagi Court Limited is solvent, as it is able to pay its debts as and when they fall due.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report*. We are independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (the Code)* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Emphasis of Matter

The financial report of Karagi Court Limited is a special purpose financial report that has been prepared in accordance with the accounting policies described in Note 1 to the financial report.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2021, but does not include the financial report and our auditor's report thereon.



Independent Auditor's Report To The Members Of Karagi Court Limited

Other Information (continued)

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this report.

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the committee members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the effectiveness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



**Independent Audit Report To The Members
Of Karagi Court Limited**

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

FORTUNITY ASSURANCE

Adrian Thompson
Partner

155 The Entrance Road
ERINA NSW 2250

Dated: 21 February 2023



ADDITIONAL FINANCIAL INFORMATION
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	\$	\$
Income		
Interest received/ distributions	215,950	176,321
Subscriptions and joining fees	305	295
Mask sale	-	53
Movement in market value	(269,960)	70,114
	<hr/>	<hr/>
	(53,705)	246,783
	<hr/>	<hr/>
Less: Expenses		
Auditors remuneration	4,390	4,230
Connectivity costs	2,130	1,125
Directors expenses	8,740	4,706
Insurance	2,732	2,589
Investment advice	12,571	13,087
Plaques & presentation costs	-	590
Printing, postage & stationery	283	253
Storage costs	1,584	1,382
Sundry expenses	1,108	2,016
	<hr/>	<hr/>
	33,538	29,978
	<hr/>	<hr/>
Net (deficit) / Surplus for the financial year	(87,243)	216,805
Retained profits at the beginning of the financial year	48,142	(26,542)
	<hr/>	<hr/>
Total available for appropriation	48,142	(26,542)
Less: Donations to charities	(68,154)	(79,767)
Transfer of Capital Losses	269,960	-
Transfer to capital reserve	(36,543)	(62,354)
	<hr/>	<hr/>
Retained profits at the end of the financial year	126,162	48,142
	<hr/>	<hr/>



5. CONFIRMATION OF CAPITAL INVESTMENT



3 March 2023

Board of Directors
Karagi Court Ltd
PO Box 6232
WEST GOSFORD NSW 2250

Dear Sirs

2022 Financial Report

We have completed our audit of the company's books and records for the year ended 31 December 2022.

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:-

Net Surplus for the year ended 31 December 2022 (excluding capital gains & losses)	\$182,717
	<u>\$182,717</u>
70% available for donations	\$127,902
20% available for reinvestment	\$ 36,543
10% available for overheads	\$ 18,272
	<u>\$182,717</u>

We have set out below details of the current amounts available in respect of the year ended 31 December 2022.

(a) Base Capital

Balance as at 31 December 2022	\$4,096,441
Less Capital losses	(\$ 269,960)
2022 Allocation	\$36,543
	<u>\$ 3,863,024</u>
Balance as at 31 December 2021	\$4,096,441
Surplus base capital carried forward	<u>\$3,863,024</u>



(b) Donations	
Available 31 December 2021	\$138,528
2022 Allocation	\$127,902
	<hr/>
	\$266,430
Donations – 2022	(\$68,154)
	<hr/>
Deficit of donations made for 2022	\$198,276
	<hr/>
(c) Overhead Expenses	
Available 31 December 2021	\$ 3,528
2022 allocation	\$18,272
	<hr/>
	\$21,800
Overhead Expenses – 2022*	(\$20,968)
	<hr/>
Surplus of overheads expenses for 2022	\$832
	<hr/>

**we advise that the Overhead Expenses includes all direct costs of operating Karagi Court Ltd, however excludes investment management fees which are charged on investments held with Macquarie Investment Management Limited.*

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

Adrian Thompson
Partner

6. TREASURER'S REPORT – MR CHRIS MATTHEWS

Once again 2022 was just as bad as the previous year 2021. The only good thing to come out of it is that at least we have a vaccine and the majority of people have been vaccinated only now to be laid low with another new strain of Covid.

The Finance Committee consisting of Mr Graeme Ingall and Mr Chris Matthews, Mr Geoff Bown and Mr David Levesque met with Mr Shaun O'Farrell of Premium Wealth Management Limited (Fortunity Financial Planning) on Tuesday February 1st 2022 to discuss the results of the 2021 wealth portfolio. Shaun stated that due to the uncertainty of the market, the coming year looks to be just as volatile as the previous three.

Because of this statement, it was decided to maintain the same risk profile as the previous year, namely Conservative to Moderately Conservative with an asset allocation mix of approximately 35% in growth assets such as shares and property and 65% defensive assets such as cash and fixed interest related investments. If at any stage we decide that we are not comfortable with this level of risk or our circumstances change we will contact our Portfolio Manager and make the necessary adjustments. We still have approximately \$750,000 in Term Deposits and they have risen from 0.5% to 2.4% so we hope to get a better return on this amount.

During the year of 2022 we made a nett income of \$165,272.50. The Company donated \$73,648.64 to worthy causes within the Central Coast Local Government Area. As per our constitution, 20% of our dividends were reinvested into the principal giving the Company a total valuation of \$ 3,998,186. Some of the recipients of our donations were: The Smith Family, CC Surf Lifesaving, Camp Breakaway, The Entrance Neighbourhood Centre, CC Health District, Long Jetty Over 50's Club, CC Bulldogs, Sox & Soup, CC Kids in Need and Mary Mac's.

Directors were reimbursed for out-of-pocket expenses only and no Director has received fees or consultation fees in 2022. All Directors work on a voluntary basis. During 2022, the Company paid a premium of \$2,732-35 for Directors Indemnity, Public Liability, Volunteers Insurance as well as Car Insurance for all Directors and Members whilst on official business. We also paid Fortunity \$4,390.00 for audit services.

I would like to thank all members and directors for the assistance they have given me during this very trying year.

Chris Matthews
Director/Treasurer
9 February 2023



7. CHARITY REPORT – MR JAMES NOBLE.

As previously mentioned by our President in his report, the last (12) twelve months have continued to be impacted by Covid. Notwithstanding this, FOCC were still able to continue to support a number of worthy charities across our region. Along with our longstanding sponsorships of CCSLS (Central Coast Surf Lifesaving), CCKIN (Central Coast Kids in Need) and the Central Coast Bulldogs (Masters Team) we have also been able to assist the following:

The Entrance Neighbourhood Centre
Long Jetty Over 50's Club
Mary Macs Place
Camp Breakaway
Caring for the Coast Awards - Central Coast Area Health

Our assistance enabled these identities to source items such as whitegoods, medical equipment and computer equipment (hardware) to assist them in their community based institutions.

In all a total amount of just over \$73,000 was distributed to these worthy causes over the past year.

We were also able to assist Camp Breakaway in their fundraising activities by attending their trivia night, a number of the directors and partners attended and were fortunate to secure 2nd overall on the night against some strong competition.

I would also like to thank the board members for their support over the last 12 months, charity is one of the main tenets of Freemasonry and we look forward as a board to continue in assisting the community over the ensuing 12 (months).

James Noble
Director - Chairman of the
Charities Committee
9 February 2023



8. DIRECTOR'S ATTENDANCE AT BOARD MEETINGS

(from 5th May 2022 to 05th April 2023)

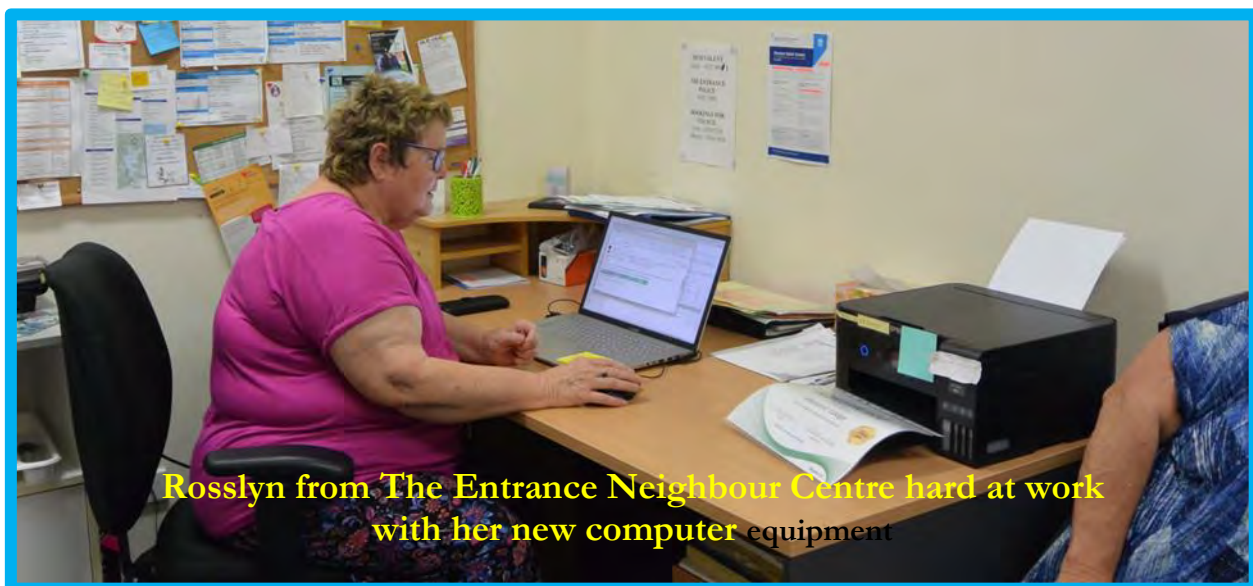
	DOB	Elected	2022 26 th May	2022 28 th Jul.	2022 22 nd Sep.	2022 24 th Nov.	2023 9 th Feb.	Total
Bown: Geoffrey Burnett	30.07.51	05.05.22	#	A	#	#	A	3/5
Ingall: Graeme Kenneth	25.09.48	05.05.22	#	#	#	#	#	5/5
Matthews: Christopher William	03.01.47	05.05.22	#	#	#	#	#	5/5
Levesque: David Ian	13.10.46	05.05.22	#	#	#	#	#	5/5
Noble: James Arthur	04.11.61	05.05.22	#	#	#	#	#	5/5
Mountain: Alex John	17.08.91	28.07.22		#	#	#	#	4/4
Pierce: Simon	02.04.69	05.05.22	#	A	#	A	#	3/5
			6/6	5/7	7/7	6/7	6/7	

= Present A = Apology

9. LIFE MEMBERS

(as of 31.12.2022)

William Henry RICHARDS	14.04.2009 (Deceased 2012)
Lester Frederick KOCH	13.04.2010
Gary Robert YOUNG	23.04.2013
David Bowring WALKER	30.04.2015
Graeme Kenneth INGALL	03.05.2018
Maxwell Robert HIRON	23.04.2019
Christopher William MATTHEWS	05.05.2021





10. LIST OF MEMBERS

(as of 31.12.2022)

Marcelo	AGUANTA	Ron	ARNOTT
Robert	BEDWELL	Geoffrey	BOWN
Stuart	BUTLER	Jeffrey J	CAREY
Richard K	COLLINS	John	COOPER
Derek	CRAWFORD	Denis B	DEAN
Cornelio	DE LOS SANTOS	John	EDGINGTON
Michael	GRANDE	Steven	HART
Noel L	HIGGS	Max R	HIRON (*)
David	HOLDING	Graeme K	INGALL (*)
Brendan	JOHNSON	Paul A	KELLY
Andrew	KFOURY	Fred	KOCH (*)
David	LEABEATER	David Ian	LEVESQUE
Rex A	McCORMICK	Christopher W	MATTHEWS (*)
Alex J	MOUNTAIN	Ian	MUMFORD
Craig A	NASH	Lance	NELSON
James A	NOBLE	Campbell	PAGE
Simon	PIERCE	Leigh	POLLARD
Joseph	SCICLUNA	Michael	SHARPE
Stephen J	SULLIVAN	Ian	TODD
David B	WALKER (*)	Roger J	WHITEHEAD
David	WILLIAMS	Simon	WOODS
Gary R	YOUNG (*)		

Total = 43

(*) Life Member



Presentation to Long Jetty Over 50's Camera Club



KARAGI COURT
LIMITED

Karagi Court Limited (ABN 92 002 044 500)
trading as Freemasons on the Central Coast
PO Box 6232, West Gosford NSW 2250