



KARAGI COURT
LIMITED

ANNUAL REPORT 2019

Board of Directors

Robert Bedwell
President

Geoff Bown
Vice President

Graeme Ingall
Secretary

Chris Matthews
Treasurer

Stuart Butler

Steve Hart

David Leggett

Jim Noble

Simon Pierce

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





2019 DONATIONS

IN 2019, FREEMASONS ON THE CENTRAL COAST DONATED TO -

5 LANDS WALK

CENTRAL COAST BULLDOGS

CENTRAL COAST KIDS IN NEED

CENTRAL COAST LOCAL HEALTH DISTRICT

MANNERING PARK MEN'S SHED

SURF LIFE SAVING – CENTRAL COAST

ROTARY CLUB OF NORTH GOSFORD - SOKs

TUGGERAH LAKES DISTRICT BAND

NARARA VALLEY MODEL STEAM TRAINS – THE CENTRAL COAST LODGE

KINCUMBER PUBLIC SCHOOL - LODGE SARATOGA

WOODPORT PUBLIC SCHOOL - LODGE SARATOGA

DEFIBRILLATOR - LODGE WYONG TUGGERAH LAKES

TOTAL \$ 89,216.00



Geoff Bown with
Central Coast Bulldogs



2018 DONATIONS

IN 2018, FREEMASONS ON THE CENTRAL COAST DONATED TO -

1ST AVOCA BEACH SCOUTS

5 LANDS WALK

BRAD PEMBERTON (RACING WHEELCHAIR)

CAMP BREAKAWAY

CENTRAL COAST BULLDOGS

SURF LIFE SAVING CENTRAL COAST

DISTRICT 21 DROUGHT APPEAL

GREG TUNN (AUTHOR)

RFBI LAKE HAVEN MASONIC VILLAGE - WHEELCHAIRS

SAVE OUR KIDS (SOKs)

THE SMITH FAMILY

WALLARAH COMMUNITY BAND

HEADSPACE, LAKE HAVEN - YOUTH MENTAL HEALTH - LODGE JAMES KIBBLE

GOSFORD HOSPITAL - AGED CARE UNIT - LODGE SARATOGA

GLENVALE SCHOOL - LODGE MORNING STAR

CENTRAL COAST KIDS IN NEED - LODGE MORNING STAR

NORAVILLE SCOUTS - LODGE TOUKLEY

MARINE RESCUE - LODGE TOUKLEY

WYONG CREEK PUBLIC SCHOOL - LODGE WYONG TUGGERAH LAKES

TOUKLEY OLD BOY'S FOOTBALL TEAM - LODGE WYONG TUGGERAH LAKES

CENTRAL COAST SHELTER - LODGE WYONG TUGGERAH LAKES

MEGAN KING – EQUIPMENT FOR SPECIAL NEEDS CHILDREN - LODGE WYONG TUGGERAH LAKES

NARARA VALLEY MODEL STEAM TRAINS - THE CENTRAL COAST LODGE

TOTAL \$ 105,874

DISTRICT 21 DROUGHT APPEAL - \$ 480



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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 30th April 2020 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 17th April 2020**.

For and on behalf of the Board

Graeme Ingall, Secretary
26 March 2020.



1. AGENDA

Declared open at ____pm.

1. Welcome to guests, life members and members by the President – Mr Robert Bedwell.

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)

4. Apologies.

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

Moved: Graeme Ingall **2nd:**

Carried: Yes / No

5. Minutes of the 2018 Annual General Meeting held on 23rd April 2020. (p. 9)

Resolution: *‘That the Minutes of the 2019 Annual General Meeting held on 23rd May 2018 as contained in the 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 Robert Bedwell OAM. (p. 12)

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

Moved: Robert Bedwell **2nd:**

Carried: Yes / No

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

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 Steve Hart. (p. 37)

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

Moved: Steve Hart 2nd:

Carried: Yes / No

12. Appointment of Auditor.

Resolution: *That Mr Adrian Thompson from Fortunity Assurance be retained as the auditor for the financial year 2020.'*

Moved: Chris Matthews 2nd:

Carried: Yes / No

13. Appointment of Solicitor.

Resolution: *That Mr Warren Richardson from Richardson Legal be retained as our solicitor until the next Annual General Meeting in 2021.'*

Moved: Graeme Ingall 2nd:

Carried: Yes / No

14. Joining Fee and Annual Subscription for 2021 – 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 2021.'*

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, if available, as Returning Officer.

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

At the conclusion of the Annual General Meeting,

Mrs. Lorraine Churchill and Mrs Rhonda Doyle, Central Coast Kids In Need

have accepted an invitation to be our Guest Speakers.

Lorraine and Rhonda, now both retired, have spent more than 30 years of dedicated service to this worthwhile organisation based on the Central Coast.

Lorraine has served as secretary for 14 plus years whilst her sister, Rhonda, has served 15 plus years as Treasurer. Their combined efforts of service put many others of note to shame.

Please joins us in listening to two stalwarts of the Central Coast.

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

Graeme Ingall
Secretary of Karagi Court Ltd
26th March 2020.



Rhonda Doyle &
Lorraine Churchill,
CCKIN; Lance
Harrigan & Lester
Pearson, Rotary Club of
North Gosford;
Troy McLister from
Central Coast Bulldogs

2. MINUTES OF THE ANNUAL GENERAL MEETING

Held on Tuesday 23rd April 2019 at the Ourimbah RSL Club, Ourimbah commencing at 7:00 pm.

Present: Robert Bedwell, Chris Matthews, Graeme Ingall, Stuart Butler, Ian Todd, Geoff Bown, David Williams, Max Hiron, Jim Noble, Denis Dean, Simon Pierce, & Stephen Sullivan (12)

1. The President, Mr Robert Bedwell, firstly welcomed and thanked all members for attendance and then introduced the Life Members.
Robert then presented our guest speakers – Ms Helen Isenhour, Manager of Headspace, Gosford and Lake Haven, together Silas and Corey.
2. **Quorum being satisfied, the President declared the AGM open at 7:09 pm.**
3. **Apologies.**
The following apologies were received – John Edgington, Steve Hart, Terry Jones, Fred Koch, David Leabeater, David Leggett, & David Walker.

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

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

4. **Minutes of the 2018 Annual General Meeting held on 3rd May 2018.**

Resolution: *‘That the Minutes of the 2018 Annual General Meeting held on 3rd May 2018 as contained in the Annual Report be received and accepted.’*

Moved: Graeme Ingall **2nd:** Ian Todd **Carried.**

5. **Any Matters arising from those Minutes.**
Nil matters raised.

6. **The President’s Report – Mr Robert Bedwell OAM.**

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

Moved: Robert Bedwell **2nd:** Stuart Butler **Carried.**

7. **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:** Max Hiron **Carried.**

8. **Confirmation of the Capital Investment.**

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

Moved: Chris Matthews **2nd:** Denis Dean **Carried.**



9. Treasurer's Report – Mr Chris Matthews.

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

Moved: Chris Matthews **2nd:** Ian Todd **Carried.**

10. Charity Report – Mr Steve Hart.

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

Moved: Ian Todd **2nd:** Chris Matthews **Carried.**

11. Appointment of Auditor.

Resolution: *'That Mr Tim Davidson from Fortunity Assurance be retained as the auditor for the financial year 2019.'*

Moved: Chris Matthews **2nd:** Ian Todd **Carried.**

12. Appointment of Solicitor.

Resolution: *'That Mr Warren Richardson from Richardson Legal be retained as our solicitor until the 2020 Annual General Meeting.'*

Moved: Graeme Ingall **2nd:** Ian Todd **Carried.**

13. Joining Fee and Annual Subscription for 2019 /2020 – 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 2020.'*

Moved: Chris Matthews **2nd:** Ian Todd **Carried.**

14. Nomination for Life Membership.

Resolution: *'That Mr Maxwell Robert Hiron be approved as a Life Member of Karagi Court Limited.'*

Moved: Graeme Ingall **2nd:** Ian Todd **Carried.**

15. Any questions of the Board.

There were no questions of the Board.

16. Election of Directors.

Mr Denis Dean acted as returning Officer and accordingly, declared all positions vacant.

The following Directors were elected for the year 2019 –

President:	Robert Bedwell
Vice President:	Geoff Bown
Secretary:	Graeme Ingall
Treasurer:	Chris Matthews
Directors:	Stuart Butler; Steve Hart; David Leggett; James Noble; Simon Pierce.

17. Mr Bedwell again thanked the members for attending the Annual General Meeting and declared the meeting closed at 8:10 p.m.

At the conclusion of the AGM and after a short break, Mr Ian Todd introduced –

Ms Helen Isenhour, Manager of Headspace, Gosford & Lake Haven.

Signed as a true and correct record.

Mr Robert Bedwell,
President
30th April 2020.



Paul Lemmon
Master Athlete 2019

3. PRESIDENT'S REPORT – MR ROBERT BEDWELL OAM.

“LOCALS ASSISTING LOCALS”

On behalf of Karagi Court which is also known within the community as ‘Freemasons on the Central Coast’ welcome to the 2020 Annual General meeting.

I particularly give welcome our guest Speakers - Mrs. Lorraine Churchill and Mrs. Rhonda Doyle from the Central Coast Kids In Need, a local charity which is much appreciated by those who call upon its services.

Equally, I welcome our life Members who have given devoted service which continues today.

Now to the year 2019; it was particularly challenging. Firstly, I must commend the directors for their assiduousness and secondly, those directors being elected to or appointed to a task, particularly the finance committee and the Facebook and website executive.

Briefly, the first six months of the year was made extremely difficult due the fluctuating and conflicting valuations within the financial environment which made budgeting very trying. Fortunately, the second six months, was more forthcoming with the prospect of decent dividends emerging plus an increased value of our portfolio. Hence the year ended well. I must give an unreserved thank you to the finance committee for their thoroughness and their frankness in their discussions with Mr. Shaun O’Farrell.

The Facebook and website executive have undertaken a tremendous mission to raise our profile within the community. They should be congratulated. Lastly, the Charity Committee for their sterling effort.

And finally, to Graeme Ingall who is not standing for re-election as our secretary. Thank you, Graeme, for your unswerving commitment to Karagi Court Limited - Nulli Sucundus.

Robert Bedwell OAM
President
26 March 2020.



4. AUDITOR'S REVIEW BY FORTUNITY ASSURANCE.



KARAGI COURT
LIMITED



Freemason Young
Athlete of the Year
2019 – Bailey Johns
of Umina SLS



Financial Report
For the Financial Year Ended
31 December 2019

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Your directors present their report on the company for the financial year ended 31 December 2019 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:

Robert Anthony Bedwell
Geoffrey Burnett Brown
Stuart Austin Butler
Steven Douglas Hart
Graeme Kenneth Ingall
Christopher William Matthews
James Arthur Noble
David Leggett (appointed 23 April 2019)
Simon Pierce (appointed 23 April 2019)
David Douglass Edward Williams (resigned 23 April 2019)

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 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 2019 has been received and can be found on page 17 of the financial report.

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

R A Bedwell
Director

C W Matthews
Director

G K Ingall
Director

Dated:

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 2019, 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:

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019



KARAGI COURT
LIMITED

	Note	2019 \$	2018 \$
Revenue	2	505	759
Other income	2	272,317	61,117
Audit, legal and consultancy expense		(3,750)	(3,600)
Administration expense		(130)	(127)
Other expenses		(28,078)	(28,621)
Profit before income tax		<u>240,864</u>	<u>29,258</u>
Income tax expense		-	-
Profit for the year		<u>240,864</u>	<u>29,258</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>240,864</u>	<u>29,258</u>

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019



KARAGI COURT
LIMITED

	Note	2019 \$	2018 \$
Current Assets			
Cash and cash equivalents	4	835,269	822,890
Trade and other receivables	5	26,237	38,465
Financial assets	6	3,260,257	3,108,610
Total Current Assets		<u>4,121,763</u>	<u>3,969,965</u>
Non Current Assets			
Plant & Equipment	7	-	-
Total Non Current Assets		<u>-</u>	<u>-</u>
Total Assets		<u>4,121,763</u>	<u>3,969,965</u>
Current Liabilities			
Accrued expenses	8	3,750	3,600
Total Current Liabilities		<u>3,750</u>	<u>3,600</u>
Total Liabilities		<u>3,750</u>	<u>3,600</u>
Net Assets		<u>4,118,013</u>	<u>3,966,365</u>
Members' Funds			
Retained earnings		147,660	43,713
Capital reserve		3,970,353	3,922,652
Total Members Funds		<u>4,118,013</u>	<u>3,966,365</u>

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN MEMBERS FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2019



KARAGI COURT
LIMITED

	Capital Reserve	Retained Earnings	Total
Balance at 1 January 2018	3,905,000	137,711	4,042,711
Total comprehensive income for the year	-	29,528	29,528
Donations to charities	-	(105,874)	(105,874)
Transfers from/to reserves	17,652	(17,652)	-
Balance at 31 December 2018	3,922,652	43,713	3,966,365
Total comprehensive income for the year	-	240,864	240,864
Donations to charities	-	(89,216)	(89,216)
Transfers from/to reserves	47,701	(47,701)	-
Balance at 31 December 2019	3,970,353	147,660	4,118,013

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019



	Note	2019 \$	2018 \$
Cash flows from Operating Activities			
Interest/ Distributions received		145,443	140,347
Subscriptions and other receipts		505	759
Administration expenses		(19,006)	(32,348)
Net cash provided by (used in) operating activities	9(b)	126,942	108,758
Cash flows from Investing Activities			
Donations to charities		(89,216)	(105,874)
Investments Disposed		107,208	-
Investments Made		(132,555)	-
Net cash provided by (used in) investing activities		(114,563)	(105,874)
Net increase/(decrease) in cash held		12,379	2,884
Cash at beginning of the financial year		822,890	820,006
Cash at the end of the financial year	9(a)	835,269	822,890

The accompanying notes form part of these financial statements.

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 27 February 2020 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.

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 comprise 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.

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 subsequently 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 asset's fair value less costs to sell and value in use, to the asset's carrying amount. An excess of the asset's 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.

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

Basis of Preparation (cont'd)

Goods and Services Tax (GST)

The Company is not currently registered for GST.

Comparative Figures

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

	2019 \$	2018 \$
Note 2. Revenue and Other Income		
Revenue		
Subscriptions & joining fees	195	240
Plaque sales	240	40
Mug sales	70	479
Donations	-	-
	<hr/> 505	<hr/> 759
Other Income		
Interest received	146,017	134,113
Movement in market value	126,300	(90,648)
Other income	-	17,652
	<hr/> 272,317	<hr/> 61,117
Total revenue and other income	<hr/> 272,822	<hr/> 61,876

Note 3. Profit before income tax

(a) Expenses:

Insurance expense (property, vehicle & property)	2,335	2,335
	<hr/>	<hr/>



	2019 \$	2018 \$
Note 4. Cash and Cash Equivalents		
Cash at bank	105,269	92,890
Term deposits	730,000	730,000
	<u>835,269</u>	<u>822,890</u>

Note 5. Other Receivables

Accrued interest on term deposits	3,852	5,951
Accrued Distributions	22,385	32,514
	<u>26,237</u>	<u>38,465</u>

Note 6. Financial Assets

Macquarie Investment Consolidator	3,260,257	3,108,610
	<u>3,260,257</u>	<u>3,108,610</u>

As at 31 December 2019 the market value of available for sale financial assets was as follows:

Macquarie Investment Consolidator	3,260,257	3,108,610
	<u>3,260,257</u>	<u>3,108,610</u>

	2019 \$	2018 \$
Note 7. Plant & Equipment		
Plant & Equipment – at cost	12,215	12,215
Accumulated depreciation	(12,215)	(12,215)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Total Plant and Equipment	-	-
	<hr/>	<hr/>

(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	-	-
Additions at cost	-	-
Disposals	-	-
Depreciation expense	-	-
Carrying amount at end of year	<hr/> -	<hr/> -
	<hr/>	<hr/>

Note 8. Accrued expenses

Accrued audit fees	3,750	3,600
	<hr/>	<hr/>
	3,750	3,600
	<hr/>	<hr/>



2019
\$

2018
\$

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	105,269	92,890
Term deposits	730,000	730,000
	<hr/>	<hr/>
	835,269	822,890
	<hr/>	<hr/>

(b) Net cash provided by (used in) Operating activities

Operating profit after Income Tax	240,864	29,528
Non-cash flows in operating profit		
Depreciation	-	-
Change in market value of investment	(126,300)	90,648
Changes in net assets and liabilities:		
(Increase)/Decrease in other receivables	12,228	(11,418)
Increase in accrued expenses	150	-
	<hr/>	<hr/>
Cash Flows from Operations	126,942	108,758
	<hr/>	<hr/>

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:

40 Etna Street, North Gosford. NSW 2250

DIRECTORS' DECLARATION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

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 2019 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*.

R A Bedwell
Director

C W Matthews
Director

G K Ingall
Director

Dated this



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 2019, 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, 2019 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for Opinion

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.

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, 2019, but does not include the financial report and our auditor's report thereon.

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 – 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 gives a true and fair view and 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.

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.

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

- 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:

ADDITIONAL FINANCIAL INFORMATION
 PROFIT AND LOSS STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER 2019



KARAGI COURT
 LIMITED

	2019 \$	2018 \$
Income		
Interest received/ distributions	146,017	134,113
Bequests	-	17,652
Subscriptions and joining fees	195	240
Plaque Sale	240	40
Mug sale	70	479
Other income	-	-
Movement in market value	126,300	(90,648)
Donations	-	-
	<u>272,822</u>	<u>61,876</u>
Less: Expenses		
Auditors remuneration	3,750	3,600
Bank charges	-	13
Connectivity costs	1,125	1,204
Directors expenses	3,713	3,023
Insurance	2,335	2,335
Investment advice	13,187	13,062
Plaques & presentation costs	294	572
Printing, postage & stationery	130	127
Storage costs	994	896
Sundry expenses	6,430	7,516
	<u>31,958</u>	<u>32,348</u>
Net profit for the financial year	240,864	29,528
Retained profits at the beginning of the financial year	43,713	137,711
Total available for appropriation	<u>284,577</u>	<u>167,239</u>
Less: Donations to charities	(89,216)	(105,874)
Transfer to capital reserve	-	(17,652)
Retained profits at the end of the financial year	<u>195,361</u>	<u>43,713</u>

5. CONFIRMATION OF CAPITAL INVESTMENT.

ATH/LMT



31 March 2020

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

Dear Sirs

2019 Financial Report

We have completed our audit of the company's books and records for the year ended 31 December 2019.

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 earnings for the year ended 31 December 2019	\$240,864
	<hr/>
	\$240,864
	<hr/>
70% available for donations	168,605
20% available for reinvestment	48,173
10% available for overheads	24,086
	<hr/>
	\$ 240,864
	<hr/>

We have set out below details of the current amounts available in respect of the year ended 31 December, 2019.

(a) Base Capital

Deficit brought forward	47,701
Balance as at 31 December, 2018	3,922,652
2019 Allocation	48,173
	<hr/>
	4,018,526
Balance as at 31 December 2019	3,970,653
	<hr/>
Deficit	48,173
	<hr/>



(b) Donations

Deficit 31 December 2018	198
2019 Allocation	168,605
	<hr/>
	168,803
Donations –	89,216
	<hr/>
Deficit	79,587
	<hr/>

(c) Overheads

Available 2018	16 334
2019 allocation	24 086
	<hr/>
	40,420
Overheads – 2019	18,771
	<hr/>
Available	21,649
	<hr/>

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

This was year of strengthening our portfolio. Originally, at the beginning of the year, the markets were very uncertain until the last three months of the year where our investments came to fruition. 2020 appears to have the same characteristics as last year with the market now dropping due to fears brought on the coronavirus outbreak. Unfortunately, little can be done.

On Thursday 27th February The Finance Committee consisting of Mr Graeme Ingall and Mr Chris Matthews met with Mr Adrian Thompson (auditor) and Mr Shaun O'Farrell of Premium Wealth Management Limited (Fortunity Financial Planning) to discuss the results of the 2019 audit and our portfolio.

At the above date we decided to maintain the same risk profile of Conservative to Moderately Conservative Portfolio, with an asset allocation mix of approximately 35% growth assets, such as shares and property and 65% defensive assets such as cash and fixed interest related investments. In addition, the Finance Committee, after careful consideration of the current situation of the market, also decided to rid ourselves of investments that still hold their value but are supplying poor returns. This will enable the Finance Committee to purchase investments that have been reduced in value by the current financial situation.

If at any stage that we decide that we are not comfortable with this level of risk or our circumstances change, we can contact our Portfolio Manager and make the necessary adjustments to our risk profile.

During the year of 2019 we made a nett profit of \$ 272,822.00 based on \$ 146,000 on dividends and the remainder – the increased value of our portfolio. The Company donated \$89,216.00 to worthy causes on 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 \$ 3,970,353.00 at year's end; this equates to over 7% in our profits. Some of the recipients of our donations were:

- Central Coast Bulldogs, Save Our Kids (Suicide Prevention) Central Coast Local Health District, Surf Lifesaving Central Coast, Central Coast Kids in Need, 5 Lands Walk, Anglican Care, Mannering Park Men's Shed and Tuggerah Lakes District Band plus our Lodges on the Central Coast.

Directors were reimbursed for their out of pocket expenses only and no Director has received fees or consultation fees in 2019, as all Directors act on a voluntary basis. During 2019, the Company paid a premium of \$ 2,335-15 for Directors Indemnity, Public Liability, Volunteers Insurance as well as Car Insurance for all Directors and Members whilst on official business.

Once again, I would like to thank all members and directors for the assistance, they have given me during the year.

Chris Matthews
Director/Treasurer
26 March 2020



7. CHARITY REPORT – MR STEVE HART.

Firstly, I really need to thank the members of the Charity Committee for their input and diligence and particular thanks to the Directors for their attendance, advice and assistance.

This help provided gave much succour to the many varied organisations of the Central Coast. The organisations assisted were very generous in their praise and, from this assistance; promotion of Freemasonry to the community via local newspapers, our website, Facebook and especially through the many community organisations' Facebook pages, was evident. In particular, the Lodges found new community organisations to assist which the Charity Committee found was very pleasing to report to the Board.

Karagi Court Limited provided \$ 89,216 to the Central Coast community, covering the Central Coast Health, Sporting Organisations, Surf Life Saving – Central Coast, Education, Central Coast Kids in Need, Camp Breakaway, Save Our Kids, and community activities. The Lodges assist with these donations in giving to the libraries of Woodport and Kincumber Public Schools, Narara Valley Steam Model Trains and defibrillator unit. It is worth noting that the previous year over \$ 105,000 was donated to the community. One of the problems is the presentation of cheques – e.g. several cheques were approved and given in 2019 but as yet, have not been presented, hence that donation will be credited for the year 2020.

The promotion of the charitable works of Freemasonry to the community is one of the Boards' aims.

Steve Hart
Director – Chairman of the Charity Committee
26 March 2020.

8. DIRECTOR'S ATTENDANCE AT BOARD MEETINGS

(from 24th May 2019 to 26th March 2020)

	DOB	Elected	2019 23 rd May	2019 25 th July	2019 26 th Sep.	2019 28 th Nov.	2020 30 th Jan.	2020 30 th Mar.	Total
Bedwell; Robert Anthony	02.09.1946	23.04.19	#	A	A	#	#	CR	4/6
Butler; Stuart Austin	19.19.1973	23.04.19	#	#	#	#	#	CR	6/6
Bown; Geoffrey Burnett	30.07.1951	23.04.19	#	A	#	#	#	CR	5/6
Hart; Steven Douglas	25.01.1959	23.04.19	#	#	#	#	#	CR	6/6
Ingall; Graeme Kenneth	25.09.1948	23.04.19	A	#	#	#	#	CR	5/6
Matthews; Christopher Williams	03.01.1947	23.04.19	A	#	#	#	#	CR	5/6
Leggett; David Bruce Wallace	10.05.1973	23.04.19	A	#	#	A	#	CR	4/6
Noble; James Arthur	04.11.1961	23.04.19	#	#	#	#	#	CR	6/6
Pierce; Simon	02.04.1969	23.04.19	#	#	#	#	#	CR	6/6
			6/9	7/9	8/9	8/9	9/9	9/9	

= Present A = Apology CR = Circular Resolution (Board Meeting by email)



9. LIST OF MEMBERS

(as of 31.12.2019)

Ron	ARNOTT	Robert	BEDWELL
Geoff	BOWN	Stuart	BUTLER
Jeffrey	CAREY	Richard	COLLINS
John	COOPER	Derek	CRAWFORD
Denis	DEAN	John	EDGINGTON
Michael	GRANDE	Steve	HART
Noel	HIGGS	Max	HIRON *
David	HOLDING	Graeme	INGALL *
Brendon	JOHNSON	Terry	JONES
Paul	KELLY	Andrew	KFOURY
Fred	KOCH *	David	LEABEATER
David	LEGGETT	David	LEVESQUE
Rex	MCCORMICK	Chris	MATTHEWS
Ian	MUMFORD	Craig	NASH
Lance	NELSON	James	NOBLE
Colin	O'MALLEY	Robert	PAYNE
Simon	PIERCE	Leigh	POLLARD
Steve	RING	Michael	SHARPE
Steve	SULLIVAN	Ian	TODD
David	WALKER *	Jim	WESTBROOK
Roger	WHITEHEAD	David	WILLIAMS
Gary	YOUNG *		

Total = 43

* Life Member

10. LIFE MEMBERS

(as of 31.12.2019)

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



Presentation to
Killcare SLS Club
at Lodge Morning Star.



KARAGI COURT
LIMITED



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