



KARAGI COURT
LIMITED

ANNUAL REPORT 2020

Board of Directors

Geoff Bown
President

Jim Noble
Vice President

Stuart Butler
Secretary

Chris Matthews
Treasurer

Graeme Ingall

Steve Hart

David Leggett

Simon Pierce

David Levesque

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



2020 DONATIONS

IN 2020, FREEMASONS ON THE CENTRAL COAST DONATED TO –

THE SMITH FAMILY

TUMBI UMBI SCOUTS

TERRIGAL SLSC

1ST AVOCA BEACH SCOUTS

ANGLICAN CARE

CITY OF GOSFORD PIPE BAND

CENTRAL COAST SLSC SURF LIFESAVING

WALLARAH COMMUNITY BAND – LODGE WYONG TUGGERAH LAKES

KILLCARE SLS CLUB – LODGE MORNING STAR

THE GLEN – LODGE WYONG TUGGERAH LAKES

CAMP BREAKAWAY – DISTRICT 21

ROTARY CLUB OF NORTH GOSFORD – SOKS – DISTRICT 21

CENTRAL COAST KIDS IN NEED – DISTRICT 21

TOTAL \$ 91,816.00



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



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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 29th April 2021 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 16th April 2021**.

For and on behalf of the Board

Stuart Butler, Secretary
25 March 2021.

1. AGENDA

Declared open at ____pm.

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)

4. **Apologies.**

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

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

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

Resolution: *‘That the Minutes of the 2020 Annual General Meeting held on 23rd May 2020 as contained in the 2020 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. 11)**

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

Moved:	James Noble	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 2021 - 2022.'*

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 2022.'*

Moved: Chris Matthews 2nd:

Carried: Yes / No

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:

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

now have the opportunity to be our Guest Speakers.

Together, Lorraine and Rhonda have combined to spend more than 30 years of dedicated service to this worthwhile organisation based on the Central Coast.

Lorraine has served as secretary for 15 plus years whilst her sister, Rhonda, has served 17 plus years as Treasurer. Their combined efforts of service have ensured its continuation.

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

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

Stuart Butler
Secretary of Karagi Court Ltd
25th March 2021.



2. MINUTES OF THE ANNUAL GENERAL MEETING

The 2020 Annual General Meeting was advertised to be held on Thursday 30 April 2020 at the Ourimbah RSL Club, Ourimbah commencing at 7:00 pm, but due to Covid 19, it was cancelled on 30 March 2020, as the NSW Government gazetted that gatherings could not be more than 2 persons. As the Board has already advertised and released the 2019 Annual Report with agenda, minutes, and financial statements, permission was obtained verbally from ASIC on 27.04.2020 – Reference No. 1-38353816669, to conduct our Annual General Meeting by direct voting.

Persons replied:

Ron Arnott; Geoff Bown; Jeff Carey; Richard Collins; John Cooper; Derek Crawford; Denis Dean, John Edgington; Steve Hart; Noel Higgs; Max Hiron; Graeme Ingall; Brendon Johnson; Andrew Kfoury; Fred Koch; David Leabeater; David Leggett; David Levesque; Rex McCormick; Chris Matthews; Ian Mumford; James Noble; Simon Pierce; Stephen Sullivan; Ian Todd; David Walker; Roger Whitehead; David Williams; Gary Young. (29 responded / 44 members)

1. Quorum was satisfied.

2. Minutes of the 2019 Annual General Meeting held on 23rd April 2019.

Resolution: *'That the Minutes of the 2019 Annual General Meeting held on 23rd April 2019 as contained in the Annual Report be received and accepted.'*

Moved: Graeme Ingall **2nd:** Chris Matthews **Carried.** (16 / 13A)

3. Any Matters arising from those Minutes.

Nil matters raised.

4. The President's Report – Mr Robert Bedwell OAM.

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

Moved: Robert Bedwell **2nd:** Geoff Bown **Carried.** (25 / 4A)

5. 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:** Graeme Ingall **Carried.** (25 / 4A)

6. Confirmation of the Capital Investment.

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

Moved: Chris Matthews **2nd:** Graeme Ingall **Carried.** (25 / 4A)

7. Treasurer's Report – Mr Chris Matthews.

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

Moved: Chris Matthews **2nd:** James Noble **Carried.** (24 / 5A)

8. Charity Report – Mr Steve Hart.

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

Moved: Steve Hart **2nd:** Simon Pierce **Carried.** (23 / 6A)

9. 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:** Stuart Butler **Carried.** (25 / 4A)

10. Appointment of Solicitor.

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

Moved: Graeme Ingall **2nd:** Geoff Bown **Carried.** (26 / 3A)

11. 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:** Graeme Ingall **Carried.** (25 / 4A)

12. Any questions of the Board.

There were no questions of the Board.

13. Election of Directors.

In accordance with the Constitution, all positions vacated and the following Directors were elected for the year 2020 –

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

14. The votes were counted by Graeme Ingall, secretary at that time and substantiated by Stuart Butler, incoming secretary.

Signed as a true and correct record.

Mr Geoff Bown,
President
29th April 2021.

3. PRESIDENT'S REPORT – MR GEOFF BOWN.

It is with pleasure that I present the 2020 Annual Report showing Karagi Court Limited (Karagi) performance for the year.

As you know 2020 was seriously impacted by the effect of the COVID 19 pandemic and Karagi was not immune from the effects of this pandemic. Nonetheless, we were able to undertake a limited number of activities on behalf of charities on the Central Coast.

The success of Karagi could not be achieved without the assistance of our Directors and members. In particular I would like to give a special thanks to Robert Bedwell, our immediate Past President who had performed his role with distinction and was an outstanding leader of the organisation. I would also like to thank Graeme Ingall who had been our Secretary for a number of years. Graeme not only developed effective reporting procedures, but had been an essential point of contact for our Charities, Regulators and community representative. While Graeme has handed over responsibility to Stuart Butler, he continues to support Stuart in the transition of secretarial responsibilities.

A big thankyou to our Treasurer Christ Matthews, who has ensured that our financial records are in good shape. I also take the opportunity to thank Steve Hart and the Charity Committee for ensuring that applications for assistance are properly assessed and managed.

I am grateful for the technical assistance from Shanae Williams of BeeCee Web Services who has developed our web pages and Ipads. Simon Pierce has been an enormous support using his creative skills in the development and promotion of media releases as well as giving some greater visibility of Freemasons on the Central Coast on our website and Facebook page.

Following a workshop, we developed a prototype promotional brochure, which provides an overview of Freemasons on the Central Coast and its contribution to local charities. With Graeme Ingall's historical knowledge of Karagi and Simon Pierce's publishing skills, a brochure featuring Surf Lifesaving as a focus, was developed and has now been distributed to Surf Life Saving Clubs along the coast. The theme of the brochure can be changed to meet and promote the needs of any of our local charities.

Central Coast Kids In Need (CCKIN) is one of the local charities that Karagi supports. During the year we were fortunate to gain support from 'A Current Affair' on Channel 9 and hosted by Simon Bouda, who ran a segment on CCKIN. At that time CCKIN were struggling to gain financial support due to the impact of COVID, and were close to closing their operations. Following the airing of the segment, CCKIN received an enormous amount of short and long term financial commitments and they are now able to continue with their support of Central Coast families.

While Karagi supports a number of charities on the coast, we must acknowledge the work done by the Central Coast Bulldogs (Masters Team). While they are beneficiaries of Karagi donations, they give back to the community more than they receive. Whenever there is a suggestion of fundraising activity for local charities is mentioned, they are only too happy to contribute and that always involves the entire team and their supporters. They are a credit to themselves and their community. Club members proudly wear their jerseys, which display the Freemasonry logo.

I would also like to thank the Management Team of the Ourimbah RSL club for allowing us to use their facilities to conduct our regular meetings.

A special thanks also to Shaun O'Farrell and his team from Fortunity Chartered Accountants and Financial Planners from Erina for their guidance and assistance.

Geoff Bown
President
25 March 2021.



4. AUDITOR'S REVIEW BY FORTUNITY ASSURANCE.

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

**Financial Report
For The Financial Year Ended
31 December 2020**



**'Freemason Young Athlete of the Year'
Lachlan Braddish**

Financial Report
For The Financial Year Ended 31 December 2020

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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 31 December 2020 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 (resigned 30 April 2020)
Geoffrey Burnett Brown
Stuart Austin Butler
Steven Douglas Hart
Graeme Kenneth Ingall
Christopher William Matthews
James Arthur Noble
David Leggett
Simon Pierce
David Levesque (appointed 30 April 2020)

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 2020 has been received and can be found on page 5 of the financial report.

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



C W Matthews
Director



S K Ingall
Director

Dated this 25 February 2021

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 2020, 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: 25 February 2020

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Revenue	2	457	505
Other income	2	15,541	272,317
Audit, legal and consultancy expense		(3,800)	(3,750)
Administration expense		(130)	(130)
Other expenses		(30,719)	(28,078)
Profit before income tax		<u>(18,651)</u>	<u>240,864</u>
Income tax expense		-	-
Profit for the year		<u>(18,651)</u>	<u>240,864</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>(18,651)</u>	<u>240,864</u>

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Current Assets			
Cash and cash equivalents	4	782,066	835,269
Trade and other receivables	5	6,324	26,237
Financial assets	6	3,222,956	3,260,257
Total Current Assets		<u>4,011,346</u>	<u>4,121,763</u>
Total Assets		<u>4,011,346</u>	<u>4,121,763</u>
Current Liabilities			
Accrued expenses	7	3,800	3,750
Total Current Liabilities		<u>3,800</u>	<u>3,750</u>
Total Liabilities		<u>3,800</u>	<u>3,750</u>
Net Assets		<u>4,007,546</u>	<u>4,118,013</u>
Members' Funds			
Retained earnings		(26,542)	147,660
Capital reserve		4,034,088	3,970,353
Total Members Funds		<u>4,007,546</u>	<u>4,118,013</u>

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN MEMBERS FUNDS
 FOR THE YEAR ENDED 31 DECEMBER 2020

	Capital Reserve	Retained Earnings	Total
Balance at 1 January 2019	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
Total comprehensive income for the year	-	(18,651)	(18,651)
Donations to charities	-	(91,816)	(91,816)
Transfers from/to reserves	63,735	(63,735)	-
Balance at 31 December 2020	4,034,088	(26,542)	4,007,546

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Cash flows from Operating Activities			
Interest/ Distributions received		55,442	145,443
Subscriptions and other receipts		457	505
Administration and investment expenses		(21,042)	(19,006)
Net cash provided by (used in) operating activities	8(b)	34,857	126,942
Cash flows from Investing Activities			
Donations to charities		(91,816)	(89,216)
Investments Disposed		469,641	107,208
Investments Made		(465,885)	(132,555)
Net cash (used in) investing activities		(88,060)	(114,563)
Net increase/(decrease) in cash held		(53,203)	12,379
Cash at beginning of the financial year		835,269	822,890
Cash at the end of the financial year	8(a)	782,066	835,269

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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 25 February 2021 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.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2020

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

Basis of Preparation (cont'd)

Revenue (cont'd)

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.

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%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

Basis of Preparation (cont'd)

Depreciation (cont'd)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2020

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

Basis of Preparation (cont'd)

Critical Accounting Estimates and Judgments

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

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.

	2020 \$	2019 \$
Note 2. Revenue and Other Income		
Revenue		
Subscriptions & joining fees	285	195
Plaque sales	-	240
Mask sales	113	70
Other income	59	-
	<hr/> 457	<hr/> 505
Other Income		
Interest received	11,269	20,330
Distributions received	89,332	125,687
Movement in market value / loss on sale	(85,060)	126,300
	<hr/> 15,541	<hr/> 272,317
Total revenue and other income	<hr/> 15,999	<hr/> 272,822

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2020

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

Basis of Preparation (cont'd)

	2020 \$	2019 \$
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Note 3. Profit before income tax

(a) Expenses:

Insurance expense (property, vehicle & property)	2,450	2,335
	<hr/>	<hr/>

Note 4. Cash and Cash Equivalents

Cash at bank	51,677	105,269
Term deposits	730,389	730,000
	<hr/>	<hr/>
	782,066	835,269
	<hr/>	<hr/>

Note 5. Other Receivables

Accrued interest on term deposits	1,701	3,852
Accrued Distributions	4,623	22,385
	<hr/>	<hr/>
	6,324	26,237
	<hr/>	<hr/>

Note 6. Financial Assets

Macquarie Investment Consolidator	3,222,956	3,260,257
	<hr/>	<hr/>
	3,222,956	3,260,257
	<hr/>	<hr/>

As at 31 December 2020 the market value of available for sale financial assets was as follows:

Macquarie Investment Consolidator	3,222,956	3,260,257
	<hr/>	<hr/>
	3,222,956	3,260,257
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2020

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

Basis of Preparation (cont'd)

	2020 \$	2019 \$
Note 7. Accrued expenses		
Accrued audit fees	3,800	3,750
	<hr/> 3,800 <hr/>	<hr/> 3,750 <hr/>

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	51,677	105,269
Term deposits	730,389	730,000
	<hr/> 782,066 <hr/>	<hr/> 835,269 <hr/>

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

Operating profit after Income Tax	(18,651)	240,864
Non-cash flows in operating profit		
Distributions re-invested	118,605	-
Net change in market value / loss on sale of investment	(85,060)	(126,300)

Changes in net assets and liabilities:

Decrease in other receivables	19,913	12,228
Increase in accrued expenses	50	150
Cash Flows from Operations	<hr/> 34,857 <hr/>	<hr/> 126,942 <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

Basis of Preparation (cont'd)

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:

58 Cape Road, WYONG. NSW 2259



DIRECTORS' DECLARATION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

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 2020 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



G K Ingall
Director

Dated this 25 February 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KARAGI COURT LIMITED
ABN 92 002 044 500

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 2020, 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, 2020 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, 2020, 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.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF KARAGI COURT LIMITED
ABN 92 002 044 500

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.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF KARAGI COURT LIMITED
ABN 92 002 044 500

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

- 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: 25 February 2021

ADDITIONAL FINANCIAL INFORMATION - PROFIT AND LOSS STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
Income		
Interest received/ distributions	113,955	146,017
Bequests	-	-
Subscriptions and joining fees	285	195
Plaque Sale	-	240
Mask sale	113	70
Other income	59	-
Movement in market value	(98,413)	126,300
Donations	--	
	<hr/> 15,999	<hr/> 272,822
Less: Expenses		
Auditors remuneration	3,800	3,750
Bank charges	2	-
Connectivity costs	1,125	1,125
Directors expenses	7,332	3,713
Insurance	2,450	2,335
Investment advice	13,608	13,187
Plaques & presentation costs	1,260	294
Printing, postage & stationery	130	130
Storage costs	1,134	994
Sundry expenses	3,809	6,430
	<hr/> 34,650	<hr/> 31,958
Net (deficit) / Surplus for the financial year	<hr/> (18,651)	<hr/> 240,864
Retained profits at the beginning of the financial year	147,660	43,713
Total available for appropriation	<hr/> 129,009	<hr/> 284,577
Less: Donations to charities	(91,816)	(89,216)
Transfer to capital reserve	(63,735)	(47,701)
Retained profits at the end of the financial year	<hr/> (26,542)	<hr/> 147,660

5. CONFIRMATION OF CAPITAL INVESTMENT.

ATH/LMT



3 March 2021

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

Dear Sirs

2020 Financial Report

We have completed our audit of the company's books and records for the year ended 31 December 2020.

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 (deficit) for the year ended 31 December 2020	(\$18,651)
	<hr/>
	(\$18,651)
	<hr/>
70% available for donations	(\$13,056)
20% available for reinvestment	(\$3,730)
10% available for overheads	(\$1,865)
	<hr/>
	(\$18,651)
	<hr/>

We have set out below details of the current amounts available in respect of the year ended 31 December 2020.

(a) Base Capital

Available donations brought forward	\$48,173
Balance as at 31 December 2020	\$3,970,653
2020 Allocation	(\$3,730)
	<hr/>
	\$4,015,096
Balance as at 31 December 2020	\$4,034,088
	<hr/>
Surplus base capital	\$18,992
	<hr/>

(b) Donations

Available 31 December 2019	\$79,587
2020 Allocation	(\$13,056)
	<hr/>
	\$66,531
Donations – 2020	(\$91,816)
	<hr/>
Excess donations made	(\$25,285)
	<hr/>

(c) Overheads

Available 31 December 2019	\$21,649
2020 allocation	(\$1,865)
	<hr/>
	\$19,784
Overheads – 2020	(\$21,041)
	<hr/>
Excess overheads expenses	(\$1,257)

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

29 March 2021

6. TREASURER'S REPORT – MR CHRIS MATTHEWS

Well, what can we say about the past year 2020 that has not already been expressed by a vast number of people. In short, it was a devastating year both in the way of health, travel and the state of the money markets. The coronavirus has led to markets across the globe to be affected, with little hope of a recovery until a suitable vaccine can be found and administered.

On Thursday 25th February, the Finance Committee consisting of Mr Graeme Ingall and Mr Chris Matthews, (Mr Geoff Bown and Mr David Levesque were apologies) 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 2020 audit and our wealth portfolio.

Because of the state of the market, 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. Added to the above, the Finance Committee decided to rid ourselves of some of the portfolio that are not delivering good returns. It was decided to wait until a little later in the year when markets have settled down before we re-invest.

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.

During the year of 2020 we made a nett profit of \$117,054-16. The Company donated \$91,816-00 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 \$3,943,388-29. Some of the recipients of our donations were: The Smith Family, Terrigal SLSC, Tumby Scouts, Avoca Sea Scouts, City of Gosford Pipe Band, CC Surf Lifesaving, The Glen, Camp Breakaway, CC Kids in Need and SOKS.

Directors were reimbursed for out-of-pocket expenses only and no Director has received fees or consultation fees in 2020 as all Directors work on a voluntary basis. During 2020, the Company paid a premium of \$2,450-00 for Directors Indemnity, Public Liability, Volunteers Insurance as well as Car Insurance for all Directors and Members whilst on official business.

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
25 March 2021

7. CHARITY REPORT – MR STEVE HART.

This was a very difficult year as it was difficult to provide donations to the community. The reason being the unpredictability of income from the investments which fell quite considerably. However, I really need to thank the Directors for their input and assistance in particular, presentations to the various recipients. This was really helpful.

But the donations provided did assist the many varied organisations on 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. Emphasis is being made by promotion on the website and our Facebook page. Promotion via presentation was hazardous due to Covid 19.

Karagi Court Limited provided \$ 91,816 to the Central Coast community, covering the Central Coast Health, Sporting Organisations, Surf Life Saving – Central Coast, Central Coast Kids in Need, Camp Breakaway, Save Our Kids, and community activities.

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
25 March 2021.



8. DIRECTOR'S ATTENDANCE AT BOARD MEETINGS

(from 30th April 2020 to 29th April 2021)

	DOB	Elected	2020	2020	2020	2020	2020	2021	2021	
			4 th	30 th	25 th	24 th	26 th	28 th	25 th	
			June	July	Aug.	Sep.	Nov.	Jan.	Mar.	Total
					Zoom					
Butler; Stuart Austin	19.19.73	30.04.20	#	#	A	#	#	#	A	5/7
Bown; Geoffrey Burnett	30.07.51	30.04.20	#	#	#	#	#	#	#	7/7
Hart; Steven Douglas	25.01.59	30.04.20	#	#	#	#	#	#	#	7/7
Ingall; Graeme Kenneth	25.09.48	30.04.20	#	#	#	#	#	#	#	7/7
Matthews; Christopher William	03.01.47	30.04.20	#	#	#	#	#	#	#	7/7
Leggett; David Bruce Wallace	10.05.73	30.04.20	A	#	#	#	#	#	#	6/7
Levesque; David Ian	13.10.46	30.04.20	#	#	#	#	#	#	#	7/7
Noble; James Arthur	04.11.61	30.04.20	#	#	#	#	#	#	#	7/7
Pierce; Simon	02.04.69	30.04.20	#	A	#	#	#	#	#	6/7
			8/9	8/9	8/9	9/9	9/9	9/9	8/9	

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

9. LIFE MEMBERS

(as of 31.12.2020)

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

10. LIST OF MEMBERS

(as of 31.12.2020)

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	Campbell	PAGE
Robert	PAYNE	Simon	PIERCE
Leigh	POLLARD	Joseph	SCICLUNA
Michael	SHARPE	Steve	SULLIVAN
Ian	TODD	David	WALKER *
Jim	WESTBROOK	Roger	WHITEHEAD
David	WILLIAMS	Gary	YOUNG *

Total = 44

* Life Member





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