Caringa Enterprises Ltd

57 250 634 865

Financial Statements

For the Year Ended 30 June 2017

Caringa Enterprises Ltd

57 250 634 865

Contents

For the Year Ended 30 June 2017

General information

The financial statements cover Caringa Enterprises Ltd as an individual entity The financial statements are presented in Australian dollars, which is Caringa Enterprises Ltd's functional and presentation currency

Caringa Enterprises Ltd is a not-for-profit unlisted public company limited by guarantee

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 August 2017 The directors have the power to amend and reissue the financial statements

Caringa Enterprises Ltd

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Directors' Report

30 June 2017

The directors present their report on Caringa Enterprises Ltd for the financial year ended 30 June 2017

General information

Directors

The names of the directors in office at any time during, or since the end of, the year (in no particular order) are

Names	**Position**	**Appointed/Resigned**
Vince Castle	Chair	Continuing
Robert Fletcher	Vice Chair	Continuing
Debbie Vlastaras	Director	Continuing
Kenn Payne	Director / Company Secretary	Continuing
Stephen McKimm	Director	Continuing
Collen Pritchard	Director	Continuing
Coralie Hall	Director	Continuing

Objectives

The Company's short term objectives are to continue to offer specialist disability services to children and adults that

- are person centred,
- develop life skills which promote independence, and,
- promote community inclusion for all our client groups

The Company's long term objectives are to

- maintain sustainability and fiscal responsibility in the provision of all services,
- strive for continuous improvement so as to offer the best possible outcomes for the children and adults we support, and
- retain all relevant and required accreditations, and maintain quality standards

Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies

- offer creative new opportunities for the people we support that will enhance their social inclusion and independence,
- strive to attract and retain quality staff and volunteers who are committed to working with children and adults with disability,
- ensure the organisation is always accountable and ethical in our behaviour and transparent in our actions,
- work in partnership with a wide range of community stakeholders,

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Directors' Report
30 June 2017

General information

Strategy for achieving the objectives

- support the rights of people with disability, and
- make decisions that align with the organisational objectives and strategic plan

Principal activities

The principal activity of Caringa Enterprises Ltd during the financial year was the provision of accommodation, employment support, respite, mentoring, activities and training for children and adults with disability

No significant changes in the nature of the Company's activity occurred during the financial year

Performance measures

The following measures are used within the Company to monitor performance

- outcomes from ongoing reviews of the services implemented to meet the individual needs and wishes of people who use our services,
- results from the analysis of formal feedback questionnaires provided to all stakeholders,
- reports on the residential services from the community visitor,
- *feedback from the Office of the Children's Guardian on the nature and quality of our children's services*,
- outcomes from staff supervision and annual performance management reviews,
- monthly review of income and expenditure against budget,
- ratio of current assets to current liabilities,
- results from audit and management reports from external service and financial auditors

Members guarantee

Caringa Enterprises Ltd is a company limited by guarantee In the event of the company being wound up, ordinary members are required to contribute a maximum of $10 each Honorary members are not required to contribute

The total amount that members of the company are liable to contribute if the company is wound up is $410 (2016 $450), based on 41 (2016 45) current ordinary members

Directors' Report
30 June 2017

General information

Information on directors

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

Vince Castle	
Qualifications	Cane farmer
Experience	Director 8 years
Robert Fletcher	
Qualifications	Surveyor
Experience	Director 8 years
Debbie Vlastaras	
Qualifications	Retail business manager
Experience	Director 6 years
Kenn Payne	
Qualifications	Consultant
Experience	Director 5 years
Stephen McKimm	
Qualifications	Principal - Real estate agency
Experience	Director 4 years
Collen Pritchard	
Qualifications	Retired Counsellor
Experience	Director 3 years
Coralie Hall	
Qualifications	Retired - Administrator
Experience	Director 2 years

Caringa Enterprises Ltd

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Directors' Report

30 June 2017

Meetings of directors

During the financial year, 11 general meetings of directors were held (excluding the AGM) Attendances by each director during the year were as follows

	Directors' Meetings	
	Number eligible to attend	Number attended
Vince Castle	11	11
Robert Fletcher	11	11
Debbie Vlastaras	11	10
Kenn Payne	11	7
Stephen McKimm	11	10
Collen Pritchard	11	11
Coralie Hall	11	9

Signed in accordance with a resolution of the Board of Directors

Director

Vince Castle

Dated 29 August 2017

Caringa Enterprises Ltd

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2017

	Note	2017 $	2016 $
Revenue from trading	3	**967,633**	891,919
Cost of goods sold		**(345,366)**	(334,752)
Gross profit from trading		**622,267**	557,167
Other revenue	3	**10,333,580**	9,737,209
Net loss on disposal of assets	4	**(122,855)**	-
Employee benefits expense		**(6,965,320)**	(6,499,366)
Superannuation		**(631,094)**	(597,867)
Training		**(40,636)**	(45,668)
Insurance		**(176,266)**	(188,749)
Program & support costs		**(1,184,265)**	(976,103)
Repairs & maintenance		**(200,939)**	(107,998)
Transport & motor vehicle costs		**(144,045)**	(141,770)
Electricity & gas		**(75,608)**	(64,072)
Telephone & internet costs		**(29,932)**	(37,314)
Employee amenities & uniforms		**(42,896)**	(53,533)
Depreciation & amortisation expense		**(284,166)**	(247,771)
Interest expense		**(489)**	(20,073)
Other expenses		**(637,187)**	(580,705)
Profit before income tax		**420,149**	733,387
Income tax expense		**-**	-
Profit for the year		**420,149**	733,387
Other comprehensive income			
Other comprehensive income		**-**	-
Total comprehensive income for the year		**420,149**	733,387

The accompanying notes form part of these financial statements

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Statement of Financial Position
30 June 2017

	Note	2017 $	2016 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	**2,416,734**	590,111
Trade and other receivables	6	**138,039**	181,578
Inventories	7	**84,997**	108,706
Other assets	8	**-**	146
TOTAL CURRENT ASSETS		**2,639,770**	880,541
NON-CURRENT ASSETS			
Property, plant and equipment	9	**4,443,312**	5,344,338
Intangible assets	10	**10,000**	10,000
TOTAL NON-CURRENT ASSETS		**4,453,312**	5,354,338
TOTAL ASSETS		**7,093,082**	6,234,879
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	**380,429**	272,653
Borrowings	12	**5,297**	17,709
Employee benefits	14	**850,387**	680,462
Other liabilities	13	**515,614**	343,506
TOTAL CURRENT LIABILITIES		**1,751,727**	1,314,330
NON-CURRENT LIABILITIES			
Employee benefits	14	**327,268**	326,611
TOTAL NON-CURRENT LIABILITIES		**327,268**	326,611
TOTAL LIABILITIES		**2,078,995**	1,640,941
NET ASSETS		**5,014,087**	4,593,938
EQUITY			
Retained earnings		**5,014,087**	4,593,938
TOTAL EQUITY		**5,014,087**	4,593,938

The accompanying notes form part of these financial statements

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Statement of Changes in Equity
For the Year Ended 30 June 2017

2017

	Retained Earnings $	Total $
Balance at 1 July 2016	**4,593,938**	**4,593,938**
Profit or loss attributable to members	**420,149**	**420,149**
Balance at 30 June 2017	**5,014,087**	**5,014,087**

2016

	Retained Earnings $	Total $
Balance at 1 July 2015	3,860,551	3,860,551
Profit or loss attributable to members	733,387	733,387
Balance at 30 June 2016	4,593,938	4,593,938

The accompanying notes form part of these financial statements

Statement of Cash Flows
For the Year Ended 30 June 2017

	Note	2017 $	2016 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**12,591,584**	11,685,741
Payments to suppliers and employees		**(11,424,986)**	(10,639,509)
Interest received		**27,696**	36,247
Net cash provided by (used in) operating activities		**1,194,294**	1,082,479
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property, plant and equipment net		**881,619**	204,124
Purchase of buildings, property plant & equipment		**(236,878)**	(1,176,367)
Net cash used by investing activities		**644,741**	(972,243)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of facility/borrowings		**(12,412)**	(1,600,209)
Net cash used by financing activities		**(12,412)**	(1,600,209)
Net increase (decrease) in cash and cash equivalents held		**1,826,623**	(1,489,973)
Cash and cash equivalents at beginning of year		**590,111**	2,080,084
Cash and cash equivalents at end of financial year	5	**2,416,734**	590,111

1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below These policies have been consistently applied to all the years presented, unless otherwise stated

(a) 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'), the *Australian Charities and Not-for-profits Commission Act 2012*, as appropriate for not-for-profit oriented entities

Historical cost convention

The financial statements have been prepared under the historical cost convention

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates It also requires management to exercise its judgement in the process of applying the company's accounting policies The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2

(b) Revenue and other income

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 entity and specific criteria relating to the type of revenue as noted below, has been satisfied

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates

All revenue is stated net of the amount of goods and services tax (GST)

Sale of goods

Revenue is recognised on transfer of goods to the customer 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

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment

1 *Summary of Significant Accounting Policies*

(c) Income Tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax

(d) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification

An asset is current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, it is held primarily for the purpose of trading, it is expected to be realised within twelve months after the reporting period, or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period All other liabilities are classified as non-current

(e) 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 of change in value

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position

(f) Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment

(g) Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost as specified below

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable

Land and buildings

Land and buildings are measured using the cost model

Plant and equipment

Plant and equipment are measured using the cost model

1 Summary of Significant Accounting Policies

(g) Property, Plant and Equipment

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight-line method from the date that management determine that the asset is available for use

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life

The depreciation rates used for each class of depreciable asset are shown below

Fixed asset class	Depreciation rate
Buildings	2 5%
Plant and Equipment	11 25 - 40%
Furniture, Fixtures and Fittings	11 25 - 40%
Motor Vehicles	18 18 - 18 75%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed Any revisions are accounted for prospectively as a change in estimate

(h) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid Due to their short-term nature they are measured at amortised cost and are not discounted The amounts are unsecured and are usually paid within 30 days of recognition

(j) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled

1 Summary of Significant Accounting Policies

(j) Employee benefits

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows Changes in the measurement of the liability are recognised in profit or loss

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119

Termination benefits

Termination benefits are those benefits paid to an employee as a result of either the entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment

Termination benefits are recorded as a provision at the earlier of the following dates

- When the entity can no longer withdraw the offer of those benefits, and
- When the entity recognises costs for a restructuring that is within the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and involves the payment of termination benefits

(k) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO)

Receivables and payables are stated inclusive of GST

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows

(l) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented

(m) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(m) Leases

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset or over the term of the lease

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term

(n) Inventories

Inventories are measured at the lower of cost and net realisable value Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary

2 Critical Accounting Estimates and Judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances The resulting accounting judgements and estimates will seldom equal the related actual results The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment If an impairment trigger exists, the recoverable amount of the asset is determined This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account

Notes to the Financial Statements
For the Year Ended 30 June 2017

3 Revenue

	2017	2016
	$	$
Sales revenue		
- Sale of goods & services	**967,633**	891,919
Other revenue		
Government grants	**9,626,219**	9,107,251
Board received	**362,608**	367,590
Commissions	**456**	41,089
Royalties	**66,863**	-
Interest & dividends received	**27,696**	36,247
Recoveries	**472**	2,327
Wages subsidies	**4,500**	13,065
Sales services	**105,614**	100,915
Other income	**139,152**	68,725
	10,333,580	9,737,209

4 Result for the Year

The result for the year includes the following specific expenses

	2017	2016
Other expenses		
Net loss on disposal of property, plant and equipment	**122,855**	-

5 Cash and cash equivalents

	2017	2016
Cash on hand	**1,250**	1,250
Cash at bank	**1,295,777**	585,753
Short-term bank deposits	**1,119,457**	2,858
Shares	**250**	250
	2,416,734	590,111

Notes to the Financial Statements
For the Year Ended 30 June 2017

6 Trade and other receivables

		2017	2016
		$	$
CURRENT			
Trade receivables		**139,039**	145,711
Provision for impairment	(a)	**(1,000)**	(1,000)
		138,039	144,711
Other receivables		**-**	36,867
		138,039	181,578

(a) Impairment of receivables

Reconciliation of changes in the provision for impairment of receivables is as follows

	2017	2016
Balance at beginning of the year	**1,000**	1,000
Receivables written off during the year as uncollectable	**(1,266)**	-
Additional provisions recognised	**1,266**	-
Balance at end of the year	**1,000**	1,000

7 Inventories

	2017	2016
CURRENT		
At cost		
Stock on hand	**84,997**	108,706

8 Current assets other

	2017	2016
CURRENT		
Accrued income	**-**	146

Notes to the Financial Statements
For the Year Ended 30 June 2017

9 Property, plant and equipment

	2017 $	2016 $
LAND AND BUILDINGS		
Land		
At cost	**791,166**	971,166
Buildings		
At cost	**4,054,411**	5,071,330
Accumulated depreciation	**(1,098,151)**	(1,208,973)
	2,956,260	3,862,357
Total land and buildings	**3,747,426**	4,833,523
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	**334,928**	542,573
Accumulated depreciation	**(186,177)**	(462,719)
	148,751	79,854
Furniture, fixtures and fittings		
At cost	**46,022**	157,984
Accumulated depreciation	**(37,612)**	(147,014)
	8,410	10,970
Motor vehicles		
At cost	**845,859**	716,532
Accumulated depreciation	**(307,134)**	(296,541)
	538,725	419,991
Total plant and equipment	**695,886**	510,815
Total property, plant and equipment	**4,443,312**	5,344,338

Notes to the Financial Statements
For the Year Ended 30 June 2017

9 Property, plant and equipment

9 Property, plant and equipment

(a) Movements in Carrying Amounts

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

Parent	Land $	Buildings $	Plant and Equipment $	Furniture, Fixtures and Fittings $	Motor Vehicles $	Total $
Year ended 30 June 2017						
Balance at the beginning of year	971,166	3,862,357	79,854	10,970	419,991	5,344,338
Additions	-	9,085	96,966	-	267,432	373,483
Disposals	(180,000)	(783,247)	(536)	-	(26,560)	(990,343)
Depreciation expense	-	(131,935)	(27,533)	(2,560)	(122,138)	(284,166)
Balance at the end of the year	791,166	2,956,260	148,751	8,410	538,725	4,443,312

Notes to the Financial Statements
For the Year Ended 30 June 2017

10 Intangible Assets

	2017	2016
	$	$
Goodwill		
Cost	**10,000**	10,000

11 Trade and other payables

	2017	2016
CURRENT		
Trade payables	**68,573**	150,893
Sundry payables	**2,099**	5,719
Other creditors and accruals	**309,757**	116,041
	380,429	272,653

12 Borrowings

	2017	2016
CURRENT		
Bank loans	**5,297**	17,709

(a) Assets pledged as security

The bank loans (line of credit) are secured by first mortgages over some of the entity's land and buildings There are no bank covenants attached to loans

(b) Bank loan facility

There is an agreement with the Company's bankers Bendigo Bank, and the Company signed a letter of offer for a loan facility which commenced on 24 August 2015 The facility term is for a 20-year period

The position of this facility as at 30 June 2017 is as follows

(c) Bank loan facility

	2017	2016
Total available facility	**1,841,465**	1,992,765
Amounts used	**(5,297)**	(17,709)
Total unused facility	**1,836,168**	1,975,056

Notes to the Financial Statements
For the Year Ended 30 June 2017

13 Other liabilities

	2017	2016
	$	$
CURRENT		
Unexpended funds	**515,614**	343,506

14 Employee Benefits

Current liabilities		
Employee benefits	**850,387**	680,462
Non-current liabilities		
Employee benefits	**327,268**	326,611

15 Leasing Commitments

(a) Other expenditure commitments

Minimum payments		
- not later than one year	**49,607**	-
- between one year and five years	**90,946**	-
	140,553	-

The company has a non-cancellable contract for the provision of key software which expires in 34 months

(b) Operating leases

Minimum lease payments under non-cancellable operating leases		
- not later than one year	**60,547**	58,783
- between one year and five years	**121,244**	181,791
	181,791	240,574

The company has a non-cancellable rental lease for the premises at Grafton Shopping World which expires in 35 Months

16 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Company is $ 648,956 (2016 $ 548,601)

17 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2017 (30 June 2016 None)

Notes to the Financial Statements
For the Year Ended 30 June 2017

18 Related Party Transactions

Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated

Transaction with related parties

In the current financial year ended 30 June 2017 there were related party transactions with a Caringa director Stephen McKimm, who is a principal of McKimms Real Estate who were the agents involved in assisting Caringa sell its two properties at Wharf St & Weemala Drive Commissions paid to McKimms Real Estate in the sale of the properties were $13,860 & $11,820 including GST respectively The commissions paid were per sale agreements and on normal commercial terms and conditions no more favourable than those available to other parties

During the previous financial year end 30 June 2016 year ended Caringa Enterprises Ltd had no related party transactions

Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel

For details of remuneration disclosures relating to key management personnel, refer to Note 16 Key Management Personnel Disclosures

19 Events After the Reporting Date

As from 1 July 2017 the Company's principal revenue of government grants has been replaced under the National Disability Insurance Scheme by fee-for-service payments for most services

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years

Caringa Enterprises Ltd
57 250 634 865

Directors' Declaration

In the directors' opinion

(a) The financial statements and notes, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* including

   (i) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*, and

   (ii) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date, and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable

This declaration is made in accordance with a resolution of the Board of Directors

On behalf of the directors

Director V. J. Castle

Vince Castle

Dated 29 August 2017

DKM GROUP

Davies Knox Maynards

"Helping you create and manage your wealth"

Caringa Enterprises Ltd

57 250 634 865

Independent Audit Report to the members of Caringa Enterprises Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Caringa Enterprises Ltd (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013.*

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* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, and 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 ethical 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.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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 the Company'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 Company 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 material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the 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 for one resulting 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- 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 Company'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 Company 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.

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Murray McDonald
Direct - Audit
Davies Knox Maynards
Coffs Harbour NSW 2450

29 August 2017

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