Caringa Australia Limited

ABN: 57 250 634 865

Financial Statements

For the Year Ended 30 June 2023

Caringa Australia Limited

ABN: 57 250 634 865

Contents

For the Year Ended 30 June 2023

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
Sales revenue	5	**1,249,614**	872,820
Operating income	5	**934,056**	616,949
Commonwealth government revenue (including grants)	5	**17,090,667**	16,536,645
Other income	5	**412,778**	761,704
		19,687,115	18,788,118
Employment expenses		**(16,529,263)**	(15,666,302)
Operating expenses		**(1,039,898)**	(1,049,310)
Cost of goods sold		**(412,180)**	(224,717)
Depreciation & amortisation expense		**(401,139)**	(438,807)
Property expenses		**(396,346)**	(326,777)
Motor vehicle expenses		**(220,949)**	(206,447)
Administration expenses		**(169,641)**	(224,588)
Surplus for the year		**517,699**	651,170
Other comprehensive income			
Other comprehensive income		**-**	-
Total comprehensive income for the year		**517,699**	651,170

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At 30 June 2023

	Note	2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	**3,448,797**	2,338,492
Trade and other receivables	8	**447,063**	456,737
Inventories	9	**138,907**	70,854
Other financial assets	10	**3,098,930**	2,930,187
Other assets	12	**28,450**	468,698
TOTAL CURRENT ASSETS		**7,162,147**	6,264,968
NON-CURRENT ASSETS			
Property, plant and equipment	11	**7,757,927**	7,909,275
TOTAL NON-CURRENT ASSETS		**7,757,927**	7,909,275
TOTAL ASSETS		**14,920,074**	14,174,243
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	**1,271,643**	1,031,644
Borrowings	15	**54,313**	58,732
Employee benefits	16	**1,633,187**	1,565,680
Lease liabilities	13	**35,660**	47,484
TOTAL CURRENT LIABILITIES		**2,994,803**	2,703,540
NON-CURRENT LIABILITIES			
Borrowings	15	**793,274**	844,352
Employee benefits	16	**236,666**	213,059
Lease liabilities	13	**-**	35,660
TOTAL NON-CURRENT LIABILITIES		**1,029,940**	1,093,071
TOTAL LIABILITIES		**4,024,743**	3,796,611
NET ASSETS		**10,895,331**	10,377,632
EQUITY			
Retained earnings		**10,895,331**	10,377,632
TOTAL EQUITY		**10,895,331**	10,377,632

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2023

2023

	Retained Earnings	Total
	$	$
Balance at 1 July 2022	**10,377,632**	**10,377,632**
Surplus attributable to members	**517,699**	**517,699**
Balance at 30 June 2023	**10,895,331**	**10,895,331**

2022

	Retained Earnings	Total
	$	$
Balance at 1 July 2021	9,726,462	9,726,462
Surplus attributable to members	651,170	651,170
Balance at 30 June 2022	10,377,632	10,377,632

Statement of Cash Flows

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from government sources		**17,221,996**	16,042,236
Cash receipts in course of operations		**2,588,621**	1,926,082
Payments to suppliers and employees		**(18,226,786)**	(17,741,834)
Interest received		**10,588**	1,207
Interest paid		**(28,552)**	(26,819)
Net cash provided by/(used in) operating activities	24	**1,565,867**	200,872
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property, plant and equipment net		**-**	400,555
Purchase of buildings, property, plant and equipment		**(249,791)**	(158,263)
Proceeds from disposals of investment		**853,555**	1,058,122
Purchase of financial assets		**(956,345)**	(914,186)
Net cash provided by/(used in) investing activities		**(352,581)**	386,228
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		**(55,497)**	(54,958)
Principal repayments of lease liabilities		**(47,484)**	(47,420)
Net cash provided by/(used in) financing activities		**(102,981)**	(102,378)
Net increase/(decrease) in cash and cash equivalents held		**1,110,305**	484,722
Cash and cash equivalents at beginning of year		**2,338,492**	1,853,770
Cash and cash equivalents at end of financial year	7	**3,448,797**	2,338,492

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2023

1 Introductions

The financial report covers Caringa Australia Limited as an individual entity. Caringa Australia Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Caringa Australia Limited is Australian dollars.

The financial report was authorised for issue by the Directors as dated in the Directors Declaration.

Comparatives are consistent with prior years, unless otherwise stated.

2 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures 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.

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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Servicing NDIS participants

Revenue is recognised on transfer of goods or services to the client 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. Payments are received in arrears after the care has already been provided, and there is no specific ongoing performance obligation connected to the revenue received. A receivable in relation to these services is recognised when a bill or claim has been invoiced or submitted, as this is the point in time that the

Notes to the Financial Statements
For the Year Ended 30 June 2023

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams
consideration is unconditional because only the passage of time is required before the payment is due.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Sales of manufactured goods

The manufacturing division of the Company generates revenue from building and selling timber products. Sales are on demand with no long term contracts.

Revenue is recognised upon transfer of control to the customer upon completion and collection. The sale is transferred to receivables when the entitlement to payment becomes unconditional.

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.

Gain on disposal of non-current assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) 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 payable are stated inclusive of GST.

3 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

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.

(d) 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 is net of any rebates and discounts received. 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.

(e) 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.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Buildings	2-5%
Plant and Equipment	10-20%
Motor Vehicles	20%

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.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

3 Summary of Significant Accounting Policies

(f) Financial instruments

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Interest income, and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 90 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

(g) Impairment of non-financial assets

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

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

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.

(h) 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.

3 Summary of Significant Accounting Policies

(h) Cash and cash equivalents

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.

(i) Leases

At inception of a contract, the Company assesses whether a lease exists.- i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3 Summary of Significant Accounting Policies

(j) Employee benefits

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year 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 high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

4 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described 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 3, 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 2023

5 Revenue and Other Income

	2023	2022
	$	$
Sales Revenue		
- Garden produce	**2,575**	8,355
- Manufacture	**991,489**	653,930
- Lawn mowing	**255,550**	210,535
	1,249,614	872,820
Operating income		
- Transport income	**377,479**	7,000
- Board income	**227,520**	218,640
- Rent income	**299,948**	391,309
- Tenancy management fees	**29,109**	-
-	**934,056**	616,949
Commonwealth Government Revenue (including grants)		
- NDIS income	**16,900,230**	15,698,388
- NDIS 2022 One Off Payment	**-**	464,308
- Department of Social Services - Grant	**36,006**	32,588
- Department of Health - Grant	**154,431**	341,361
	17,090,667	16,536,645
Total Revenue	**19,274,337**	18,026,414
Other Income		
- Gain on disposal of assets	**-**	186,906
- Gain on sale of financial assets	**48,747**	143,716
	48,747	330,622
- Workers compensation recoveries	**178,136**	168,849
- Interest and dividends	**133,550**	126,614
- Tea tree oil income	**-**	43,516
- Salary subsidies	**27,090**	62,216
- Donations	**16,263**	17,154
- Other income	**8,992**	12,733
	412,778	761,704
Total Revenue and Other Income	**19,687,115**	18,788,118

6 Result for the Year

The result for the year includes the following specific expenses:

Superannuation	**1,397,050**	1,281,269

Notes to the Financial Statements

For the Year Ended 30 June 2023

7 Cash and Cash Equivalents

	2023	2022
	$	$
Cash on hand	**1,160**	643
Bank balances	**2,445,013**	1,834,376
Short-term deposits	**1,002,624**	503,473
	3,448,797	2,338,492

8 Trade and Other Receivables

	2023	2022
CURRENT		
Trade receivables	**406,728**	558,658
Allowance for expected credit loss	**(2,025)**	(123,680)
	404,703	434,978
Other receivables	**42,360**	21,759
Total current trade and other receivables	**447,063**	456,737

9 Inventories

	2023	2022
CURRENT		
At cost:		
Stock on hand	**138,907**	70,854

10 Other Financial Assets

	2023	2022
CURRENT		
Other financial asset at cost	**3,098,930**	2,930,187

Notes to the Financial Statements
For the Year Ended 30 June 2023

11 Property, Plant and Equipment

	2023	2022
	$	$
LAND AND BUILDINGS		
Land		
At cost	**1,637,899**	1,637,899
Buildings		
At cost	**7,413,403**	7,163,612
Accumulated depreciation	**(1,743,429)**	(1,563,373)
Total buildings	**5,669,974**	5,600,239
Total land and buildings	**7,307,873**	7,238,138
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	**654,143**	654,143
Accumulated depreciation	**(384,334)**	(303,002)
Total plant and equipment	**269,809**	351,141
Right-of-use - Premises Leases		
Opening balance	**142,401**	142,401
Accumulated depreciation	**(106,801)**	(59,334)
Total leased premises	**35,600**	83,067
Motor vehicles		
At cost	**1,152,324**	1,152,324
Accumulated depreciation	**(1,007,679)**	(915,395)
Total motor vehicles	**144,645**	236,929
Total property, plant and equipment	**7,757,927**	7,909,275

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 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:

	Land	Buildings	Plant and Equipment	Motor Vehicles	Right-of-Use - Asset	Total
	$	$	$	$	$	$
Year ended 30 June 2023						
Balance at the beginning of year	**1,637,899**	**5,600,239**	**351,141**	**236,929**	**83,067**	**7,909,275**
Additions	**-**	**249,791**	**-**	**-**	**-**	**249,791**
Depreciation expense	**-**	**(180,056)**	**(81,332)**	**(92,284)**	**(47,467)**	**(401,139)**
Balance at the end of the year	**1,637,899**	**5,669,974**	**269,809**	**144,645**	**35,600**	**7,757,927**

Notes to the Financial Statements
For the Year Ended 30 June 2023

12 Other Non-Financial Assets

	2023	2022
	$	$
CURRENT		
Prepayments	**24,700**	640
Accrued income	**-**	464,308
Deposits & securities	**3,750**	3,750
	28,450	468,698

13 Lease Liabilities

	2023	2022
CURRENT		
Lease liabilities	**35,660**	47,484
NON-CURRENT		
Lease liabilities	**-**	35,660

Company as a lessee. The Company has a lease over office space. The office lease has 10 months remaining.

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	$	$	$	$
2023				
Lease liabilities	**35,660**	**-**	**35,660**	**35,660**
2022				
Lease liabilities	47,484	35,660	83,144	83,144

14 Trade and Other Payables

	2023	2022
CURRENT		
Trade payables	**604,325**	443,136
Other sundry payables	**60,362**	64,550
GST	**(9,317)**	(5,034)
Payroll liabilities	**116,165**	101,132
Accrued expenses	**500,108**	427,860
	1,271,643	1,031,644

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Year Ended 30 June 2023

15 Borrowings

		2023	2022
		$	$
CURRENT			
Bank loans		**54,313**	58,732
NON-CURRENT			
Bank loans		**793,274**	844,352
Total borrowings		**847,587**	903,084

Summary of borrowings

The bank loans (including 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.

Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

(a) The carrying amounts of non-current assets pledged as collateral for liabilities are:

		2023	2022
First Mortgage:			
- freehold land and buildings	11	**7,307,873**	7,238,138

The bank debt is secured by a registered first mortgage over certain freehold properties owned by the Company, as well as a general security deed over all present and after acquired property.

16 Employee Benefits

	2023	2022
Current liabilities		
Long service leave	**536,671**	537,929
Annual leave	**1,096,516**	1,027,751
	1,633,187	1,565,680
Non-current liabilities		
Long service leave	**236,666**	213,059

17 Contracted Commitments

Contracted commitments for:

	2023	2022
Installation of Lift		
Contracted Commitment	**247,000**	-
Less deposit paid	**(24,700)**	-
	222,300	-

The commitment will be funded from cash reserves.

Notes to the Financial Statements
For the Year Ended 30 June 2023

18 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is $ 341,663 (2022: $ 791,418).

19 Auditors' Remuneration

	2023	2022
	$	$
Remuneration of the auditor Moore Australia, for:		
- auditing the financial statements	**22,586**	20,760
- other services	**500**	900
Total	**23,086**	21,660

20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022:None).

21 Related Parties

The Company's main related parties are as follows:

Key management personnel - refer to Note 18.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Transactions with 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 2023 there were no related party transaction that require disclosure.

In the previous financial year ended 30 June 2022 Rachel Choy's (CEO) partner was employed by Caringa Australia Limited, and also was used for photographic services by the entity. Transactions were in accordance with the company's policies, and were no more favourable than other participants. Given the personal nature of transactions they have not been disclosed here. If required, members can obtain full details of transactions made during any financial year from management of Caringa Australia Limited.

22 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each financial member is required to contribute a maximum of $ 10 each towards meeting any outstanding obligations of the Company. At 30 June 2023 the number of members was 21 (2022: 24).

Notes to the Financial Statements

For the Year Ended 30 June 2023

23 Retrospective Restatement

During the year, the workers compensation insurance provider issued adjusted premium notices in respect of the years ended 30 June 2021 and 30 June 2022 to replace previously incorrect notices issued in error. The additional amounts payable as a result have been adjusted in their respective years as set out below

	30 June 2022			30 June 2021		
	Previously stated	Adjustments	Restated	Previously stated	Adjustments	Restated
	$	$	$	$	$	$
Statement of Profit or Loss and Other Comprehensive Income						
Employment expenses	15,409,516	256,786	**15,666,302**	13,783,781	155,020	**13,938,801**
Surplus for the year	907,956	(256,786)	**651,170**	825,538	(155,020)	**670,518**
Total comprehensive income for the year	907,956	(256,786)	**651,170**	825,538	(155,020)	**670,518**
Statement of Financial Position						
Accounts payable	619,838	411,806	**1,031,644**	573,188	155,020	**728,208**
Total current liabilities	2,291,734	411,806	**2,703,540**	2,203,149	155,020	**2,358,169**
Total liabilities	3,384,805	411,806	**3,796,611**	3,580,145	155,020	**3,735,165**
Net assets	10,789,438	(411,806)	**10,377,632**	9,881,482	(155,020)	**9,726,462**
Equity / Retained earnings	10,789,438	(411,806)	**10,377,632**	9,881,482	(155,020)	**9,726,462**
Statement of Changes in Equity						
Opening balance retained earnings	9,881,482	(155,020)	**9,726,462**	9,055,944	-	**9,055,944**
Surplus attributable to members	907,956	(256,786)	**651,170**	825,538	(155,020)	**670,518**
Closing balance retained earnings	10,789,438	(411,806)	**10,377,632**	9,881,482	(155,020)	**9,726,462**

Notes to the Financial Statements
For the Year Ended 30 June 2023

24 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	$	$
Profit for the year	**517,699**	651,170
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	**47,467**	47,467
- depreciation	**353,672**	390,340
- net gain on disposal of property, plant and equipment	**-**	(186,906)
- net (gain)/loss on disposal of investments	**(48,747)**	(143,716)
- interest capitalised to investments and loans	**(17,206)**	(3,623)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**151,930**	(356,876)
- (increase)/decrease in other debtors	**(20,602)**	(6,221)
- (increase)/decrease in prepayments	**440,248**	(463,448)
- (increase)/decrease in inventories	**(68,053)**	(6,823)
- increase/(decrease) in income in advance	**-**	(131,311)
- increase/(decrease) in trade and other payables	**239,999**	303,435
- increase/(decrease) in allowance for ECL	**(121,655)**	115,684
- increase/(decrease) in employee benefits	**91,115**	(8,300)
Cashflows from operations	**1,565,867**	200,872

25 Events After the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

26 Statutory Information

The registered office and principal place of business of the company is:

Caringa Australia Limited
91 Victoria St
Grafton NSW 2460

Directors' Declaration

In the Directors' opinion:

1. The financial statements and notes, as set out on pages 1 - 20, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including:

   a. complying with Australian Accounting Standards - Simplified Disclosure Standard and the *Australian Charities and Not-for-profits Commission Regulation 2022*; and

   b. giving a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.

2. 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.

Director ....

Timothy White

Dated 30 August 2023

MOORE

Independent Audit Report to the members of Caringa Australia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Caringa Australia Limited (the Company), which comprises the statement of financial position as at 30 June 2023, 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 2023 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards to the extent described in Note 1 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 - Simplified Disclosure Standard 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 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.

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pd. This description forms part of our auditor's report.

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Murray McDonald
Director, Audit & Assurance

Moore Australia

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Moore Australia Audit (QLD/NNSW) Chartered Accountants

30 August 2023

Grafton