carinity

A Charter Group of The Baptist Union of Queensland

General Purpose – Simplified Disclosure

FINANCIAL STATEMENTS

For the year ended 30th June 2024

Contents

Corporate information

Board of Management

Board members of Carinity ("the Entity") during or since the end of the financial year were as follows:

Mr (Linden) Richard Wray (Chair)
Mr Stewart Pieper
Ms Lisa Stay
Mr James Tan (Resigned 30 May 2024)
Mr David Newton
Mr Peter Strimaitis
Mr Robert Howells
Mr Kevin Griffiths (Appointed 7 May 2024)
Mr David Angell (Retired 17 May 2024)
Mr Mark Hodgson (Resigned 30 May 2024)
Ms Fran Mayer (Appointed 1 February 2024)

Registered office and principal place of business

53 Prospect Road
Gaythorne QLD 4051

ABN 46 909 844 617

Principal Activities

To achieve its mission of providing a quality Christian ministry of welfare services to Queensland Baptists and the wider community, the Entity operates the following services:

Residential aged care
The Entity owns and operates eleven aged care facilities and activities involve the provision of residential care to older Australians.

Community aged care
The Entity provides home care by way of Home Care packages and Commonwealth Home Support Program (CHSP) delivered to aged persons within their own home in the community.

Retirement villages
The Entity owns and operates six retirement villages providing independent living dwellings managed under the Retirement Villages Act 1999, and rental accommodation based on the affordable housing model, for older Australians.

Education
The Entity owns and operates four schools for disengaged youth, and additionally, one prep to grade nine school with a majority of Indigenous students.

Community programmes and ministries
The Entity owns and operates Ministries in Counselling, Chaplaincy, Disability support, and Youth Accommodation.

CARINITY
A Charter Group of The Baptist Union of Queensland

Statement of Comprehensive Income
for the year ended 30th June 2024

	Notes	2024	2023
		$	$
Continuing operations			
Revenue			
Government payments		136,516,712	108,868,729
Client fees		18,765,338	17,137,727
Grants received		404,148	39,915
Retentions and accommodation charges		6,099,100	5,405,679
Interest income	8	1,512,851	185,749
Donations		460,532	244,952
Bequests		125	(125)
Gain on asset disposal		772,706	392,917
Rent received		1,495,044	1,738,540
Subcontractors, recharge, brokerage		7,192,712	5,409,059
Revaluation of investment properties	14	9,745,000	4,548,764
Other income		11,817,362	9,958,910
Revenue from ordinary activities	**5**	**194,781,630**	**153,930,815**
Expenditure			
Wages and associated costs		123,335,939	95,820,848
Client services		8,267,203	9,754,044
Depreciation expense		10,935,150	11,012,322
Repairs and Maintenance		4,314,285	4,124,378
Motor Vehicles and Travel		1,639,190	1,320,636
Impairment Expense		472,517	31,061
Interest paid	6	11,882,661	9,708,487
Finance costs		449,439	283,040
Audit services	7	141,125	403,166
Rates and Insurance		2,613,956	2,286,890
Goods/Services purchased for clients		6,361,555	4,791,018
Rent paid and impact from lease modification		466,340	198,506
Software and Licences		1,694,805	1,447,764
Subscriptions & Publications		141,729	176,345
Electricity, gas and telephone		3,040,774	3,330,570
Grants paid		451,159	289,990
Covid Protective Clothing and Cleaning		679,854	1,110,237
Other		8,405,193	6,829,457
Expenses from ordinary activities		**185,292,874**	**152,918,760**
Operating surplus/(deficit) for the year from continuing operations		**9,488,756**	**1,012,055**
Total comprehensive income/(loss) for the year		**9,488,756**	**1,012,055**

These financial statements should be read in conjunction with the accompanying notes

CARINITY
A Charter Group of The Baptist Union of Queensland

Statement of Financial Position
as at 30th June 2024

	Notes	2024 $	2023 $
Assets			
Current assets			
Cash and bank balances	8	39,718,152	28,053,526
Trade and other receivables	9	4,918,200	4,279,551
Inventories	10	479,901	410,260
Other Assets	11	1,324,602	1,437,521
Total current assets		46,440,855	34,180,857
Non-current assets			
Property, plant and equipment	12	238,611,176	239,774,637
Leased Assets	13	1,045,590	1,844,249
Investment property	14	95,169,155	85,338,682
Investments	15	12,703	12,771
Total non-current assets		334,838,624	326,970,339
Total assets		381,279,479	361,151,196
Liabilities			
Current liabilities			
Trade and other payables	16	8,207,750	6,747,210
Contract Liabilities	17	3,874,232	4,945,761
Accommodation payables	18	13,018,499	12,625,137
Accommodation payables not expected to be payable within 12 months	18	170,675,272	163,663,874
Lease liabilities	13	181,676	388,908
Borrowings	19	703,950	703,950
Provisions	20	11,842,448	9,049,997
Total current liabilities		208,503,827	198,124,837
Non-current liabilities			
Lease liabilities	13	900,513	1,596,617
Borrowings	19	6,276,888	6,980,838
Provisions	20	571,818	846,225
Total non-current liabilities		7,749,219	9,423,679
Total liabilities		216,253,046	207,548,516
Net assets		165,026,433	153,602,680
Equity			
Accumulated funds		120,003,334	110,514,578
Asset revaluation reserve	21	45,023,102	43,088,102
Accumulated equity		165,026,436	153,602,680

These financial statements should be read in conjunction with the accompanying notes

CARINITY
A Charter Group of The Baptist Union of Queensland

Statement of Changes in Equity
for the year ended 30th June 2024

	Notes	Accumulated Funds $	Revaluation reserve $	Total $
2023				
Opening Balance		**109,502,523**	**41,648,360**	**151,150,883**
Surplus for the year		1,012,055	-	1,012,055
Revaluation - Land	21	-	1,439,742	1,439,742
Balance at 30 June 2023		**110,514,578**	**43,088,102**	**153,602,680**
2024				
Opening Balance		**110,514,578**	**43,088,102**	**153,602,680**
Surplus for the year		9,488,756	-	9,488,756
Revaluation - Land	21	-	1,935,000	1,935,000
Balance at 30 June 2024		**120,003,333**	**45,023,102**	**165,026,435**

These financial statements should be read in conjunction with the accompanying notes

Statement of Cash Flows
for the year ended 30th June 2024

	Notes	2024 $	2023 $
Cash flows from operating activities			
Surplus for the year		9,488,756	1,012,055
Fixed assets written-off		472,517	31,061
Investments fair value change		(68)	-
Revaluation on investment property		(9,745,000)	(4,548,764)
Loss/(gain) on asset disposal		(772,706)	(392,917)
Depreciation		10,935,150	11,012,322
		10,378,649	7,113,757
Movements in working capital			
(Increase)/decrease in trade and other receivables		(638,648)	5,451,354
Increase in inventories		(69,641)	(32,952)
Increase in prepayments		112,918	(429,683)
Increase in trade and other payables		389,012	(4,707,455)
Increase in provisions		2,518,044	23,734
Increase in accommodation bonds and entry contributions		7,349,759	14,934,720
Cash generated from operations		20,040,089	22,353,475
Cash flows from investing activities			
Purchase of property, plant and equipment and work in progress		(8,954,902)	(7,823,745)
Proceeds from the disposal of property, plant and equipment		1,731,210	969,349
Net cash used in investing activities		(7,223,692)	(6,854,396)
Cash flows from financing activities			
Repayment of borrowings		(703,950)	(703,949)
Repayment of lease liabilities		(447,821)	(456,508)
Net cash used in financing activities		(1,151,771)	(1,160,456)
Net increase/(decrease) in cash and cash equivalents		11,664,626	14,338,622
Cash and cash equivalents at the beginning of the year		28,053,526	13,714,904
Cash and cash equivalents at the end of the year	8	39,718,152	28,053,526

These financial statements should be read in conjunction with the accompanying notes

For the year ended 30th June 2024

Notes to and forming part of the financial statements

1. General information and statement of compliance

Carinity ("the Entity") is a Charter Group of The Baptist Union of Queensland, incorporated and domiciled in Australia. Its registered and principal place of business are:

Registered office and principal place of business
53 Prospect Road
Gaythorne
Brisbane QLD 4051

A description of the nature of the entity's operations and its principal activities are included in the corporation information section (see page 1), which is not part of the financial statements.

These financial statements are general purpose financial statements, which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures requirements, and the Australian Charities and Not-for-profits Commission Act 2012. Carinity is a not-for-profit entity for the purposes of preparing the financial statements.

The financial statements for the year ended 30 June 2024 were approved and authorised for issue by the Board of Management on 17 October 2024.

2. New and amended standards adopted by the Entity

The Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

3. Material Accounting policies

3.1. Basis of preparation

The financial statements have been prepared in accordance with the Australian Accounting Standards – Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') based on historical cost, except for land, intangibles, and investment properties, which are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

3.2. Going Concern

Under the provisions of the Aged Care Act 1997, an approved Aged Care Provider must comply with certain prudential standards and responsibilities under the User Rights Principles of the Act. One of the standards is to develop, implement and adhere to a Liquidity Management strategy. The purpose of this standard is for providers to apply a systematic approach and a level of rigour to determine the level of funding that will be required to meet expected refundable accommodation deposit refunds as they fall due.

The Board of Management has complied with this standard and continuously monitors prudential compliance including reporting to the Department of Health and Ageing and to all residents on prudential matters as required by the Act. At the date of this statement, there are reasonable grounds to believe that Carinity will be able to pay its debts as and when they fall due.

Carinity's net current asset deficiency position is due to refundable accommodation deposits $184m (2023: $176m) being recorded as a current liability. However, no expectation exists that the $184m will be refundable within twelve months. Refer to note 18 for further disclosure on the amount expected to be paid within twelve months.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

Material accounting policies (cont.)

3.3. Revenue Recognition

The Entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Fees from aged care residents
Fees charged for aged care provided to residents are recognised when the services are provided by the Entity.

Retentions from residents of independent living units
Retentions are recognised as earned and calculated on a daily basis over the period of 10 years where services are provided by the Entity. The service period is indefinite and is best estimated by the average stay for residents of 10 years.

Donations and bequests
Donations and bequests are recognised as revenue when the Entity gains control or right to receive economic benefits are probable, and the amount of the donation or bequest can be reliably measured. Non-cash donations are recognised at fair value when received.

Government subsidies and funding
The Entity receives various forms of government funding for its residential aged care. home care, Commonwealth home support packages, special assistance schools and community programmes. Revenue from government subsidies and funding relating to costs are deferred and recognised in profit or toss over the period necessary to match them with the costs that they are intended to compensate.

Grants
Grant revenue is recognised in profit or loss when the Entity satisfies the performance obligations stated within the funding agreements.
If conditions are attached to the grant which must be satisfied before the Entity is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest income
Interest income is recognised on a time basis as it accrues.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

Material accounting policies (cont.)

3.4. Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

3.5. Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except were included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

3.6. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits at call with banks and other financial institutions and other short-term fixed deposits with original maturities of six months or less.

3.7. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Entity commits itself to either the purchase or the sale of the asset (i.e., trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through comprehensive income", in which case transaction costs are expensed to comprehensive income immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in paragraph 63 of AASB 15 Revenue from Contracts with Customers.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

Material accounting policies (cont.)

3.7 Financial Instruments – Initial recognition and measurement (cont.)

Classification and subsequent measurement

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss.

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 Business Combinations applies;
- held for trading; or
- initially designated as at fair value through comprehensive income.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e., when the obligation in the contract is discharged, cancelled, or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in comprehensive income.

Material accounting policies (cont.)

3.7 Financial Instruments - Classification and subsequent measurement (cont.)

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for derecognition of financial assets:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Entity no longer controls the asset (i.e., no practical ability to make unilateral decision to sell the asset to a third party).

Impairment

The Entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g., amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through comprehensive income; and
- financial guarantee contracts that are not measured at fair value through comprehensive income.

Loss allowance is not recognised for:

- financial assets measured at fair value through comprehensive income; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due, and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Recognition of expected credit losses in financial statements

At each reporting date, the Entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of comprehensive income and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to comprehensive income at every reporting period.

For financial assets that are unrecognised (e.g., loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

Material accounting policies (cont.)

3.8. Property, plant and equipment

Property, plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation or amortisation.

Any property, plant and equipment donated to the Entity or acquired for nominal cost is recognised at fair value at the date the Entity obtains control of the assets.

a) Revaluation of land – aged care facilities

Land is treated as a class of assets. When the carrying amount of this class of asset is increased or decreased because of a revaluation, the change in value is recognised in “Other comprehensive income” flowing to the revaluation reserve, except where it reverses a revaluation decrement previously recognised as an expense of continuing operations, in which case it is credited as revenue from continuing operations in the Statement of comprehensive income.

To ensure land is not recorded in excess of its recoverable amount, management will continue to obtain professional external valuations for the Entity’s residential aged care facilities. This process was followed with respect to a valuation dated 30 June 2024. The valuations at 30 June 2024 did not indicate that land was carried at more than its recoverable amounts.

b) Depreciation

Fixed assets with the exception of land are depreciated over their useful life commencing from the time the asset is commissioned for use. Estimates of remaining useful life are made on a regular basis for all assets, with annual assessments for major items. The calculation of depreciation is based on the following useful lives:

Buildings	40 years
Plant and equipment	10 years
Computer equipment	3 – 5 years
Furniture and fittings	10 – 13 years
Motor vehicles	5 – 8 years

3.9. Investment properties

Investment properties provide low-cost accommodation for older Australians and are held to earn rental income. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value.

The fair value of investment property units is determined with reference to the current list price for each unit, provided these values can be supported by recent sales in the villages.

Annual changes in the fair value of retirement village investment property are recognised in operating surplus/deficit.

3.10. Inventories

Inventories consist of food and consumables, which are used in the Entity’s various operations and are stated at the lower of cost and replacement cost.

3.11. Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, and long service leave, when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in other payables in respect of employees’ services up to the reporting date.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

Material accounting policies (cont.)

3.11 Employee benefits (cont.)

Liabilities for annual leave in respect of employees' services up to the reporting date, which are expected to be settled within 12 months of balance date, are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

The liability for long service leave is recognised in the provision for employee benefits and measured on an actuarial basis in respect of all employees and majors on those with more than four years' service (for teachers) or with more than six years' service (for all other staff) with the Entity.

The liability for long service leave is recognised in the provision for employee benefits and measured on an actuarial basis in respect of all employees and majors on those with more than four years' service (for teachers) or with more than six years' service (for all other staff) with the Entity.

The Entity pays superannuation contributions to employee-nominated superannuation funds in accordance with legislation. Contributions are recognised in the statement of comprehensive income when they are due. The Entity has no obligation to pay contributions above the legislated contribution, which is currently 11.0%, and has since changed to 11.5% from 1 July 2024.

3.12. Accommodation refundables

a) Resident entry contribution liabilities
This represents amounts paid by residents to occupy independent living units in a retirement village, which are classified as investment property. Resident liabilities are measured at face value, representing the principal amount, less deferred management fees. Resident liabilities are non-interest bearing and are classified as current liabilities because any resident may depart within 12 months, notwithstanding that history has shown that residents stay for an average period of 10 years.

b) Refundable Accommodation Deposit liabilities
A resident entering care and having the financial capacity may choose to make a Refundable Accommodation Deposit (RAD) payment. Such payments are non-interest bearing liabilities of the Entity. If full payment from the resident is not received at settlement date, the receivable becomes interest bearing. The interest rate varies according to the agreement and is recognised on an accrual basis over the period it is earned. RAD's are also classified as current liabilities because they are repayable following departure of the resident from the facility, notwithstanding that history has shown that residents stay for an average period of between 1 and 3 years.

Under AASB 101 Presentation of Financial Statements - Structure and Content: in the absence of an unconditional right to defer settlement and repayment for at least twelve months, these liabilities must be classified as current liabilities.

However, as the majority of residents are accommodated for an extended period, the Board of Management considers that a majority of the liabilities for the repayment of RAD's will not be payable within 12 months. The Entity also continues to enjoy high occupancy levels and remains very confident that it will continue to attract new residents to fill vacancies as they become available.

The case history for the Entity over many years of planned and proper liquidity management would indicate that any refund of liability is closely followed by a new replacing contribution and records indicate a reasonable expectation would be a net repayment deficit of no more than $13,018,499 (2023: $12,625,137) in the next twelve months. This deficit is closely managed and monitored under the Prudential provisions of the Age Care Act 1997 as described in Note 3.2 above. However, under the provisions of AASB 101, the whole of the outstanding amount must be classified as current liabilities.

Notes to and forming part of the financial statements

Material accounting policies (cont.)

3.12 Accommodation refundables - Refundable Accommodation Deposit liabilities (cont.)

The Board of Management has complied with this provision but has indicated separately in Note 18 the net amount expected to be paid out in the next twelve months and the balance not expected to be paid out.

3.13. Maintenance reserve fund / Capital replacement fund

Under the provisions of the Retirement Village Act 1999, the Entity is required to maintain separate bank accounts for the specific purpose of setting aside cash to provide the total of the estimated maintenance and replacement of Retirement Village facilities over a period of ten years.

3.14. Trade and other payables

Trade and other payables represent the liability outstanding at the reporting date for goods and services received by the organisation during the reporting period, which remain unpaid. The balance is recognised as a current liability.

3.15. Taxation

The Entity is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. The Australian Taxation Office has confirmed this exemption and no provision for income tax (including Capital Gains Tax) has been taken up in these accounts. The Entity also holds deductible gift recipient status.

3.16. Goods and Services Tax (‘GST’)

Revenues, 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. Receivables and payables are shown in the statement of financial position inclusive of GST.

Cash flows are included in the cash flow statement on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

3.17. Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs, and minimising the use of unobservable inputs.

4. Critical accounting estimates, judgements, and assumptions

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.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

Material accounting policies (cont.)

4. Critical accounting estimates, judgements, and assumptions (cont.)

Investment properties
Investment properties are measured at fair value, being the estimated price that would be received on sale in an orderly transaction between market participant at the reporting date. Details of investment properties and key assumptions made in estimating fair value are given in Note 14.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue. and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets
The Entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives. or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined. an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the tease liability at the lease commencement date. Such a rate is based on what the Entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security, and economic environment.

Independent living units service period
Retentions from resident of independent living units are recognised over the period in which the service is rendered. The estimated periods of service, based on historical Entity average, are estimated to be ten years.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

5. Revenue

	2024 $	2023 $
Revenue from contracts with customers		
Government payments	136,516,712	108,868,729
Client fees	18,765,338	17,137,727
Grants received	404,148	39,915
Retentions and accommodation charges	6,099,100	5,405,679
Rent received	1,495,044	1,738,540
Subcontractors, recharge, brokerage	7,192,712	5,409,059
	170,473,054	138,599,649
Other revenue		
Interest income	1,512,851	185,749
Donations	460,532	244,952
Bequests	125	(125)
Gain on asset disposal	772,706	392,917
Revaluation of investment properties	9,745,000	4,548,764
Other income		
Input interest on RAC lump sums	10,885,705	8,658,905
Sundry income	931,657	1,300,004
	24,308,576	15,331,166
Revenue	**194,781,630**	**153,930,815**

(i) Other income includes imputed income from the provision of accommodation, which is accounted for as a lease under AASB 16 Leases. Under AASB Leases, the fair value of non-cash consideration (in the form of an interest-free loan) received from a resident that has elected to pay a RAD or Accommodation bond is required to be recognised as income and correspondingly, interest expense (refer to note 6 below) with no net impact on profit and loss.

6. Finance costs

	2024 $	2023 $
Interest on RAC lump sums	10,885,705	8,658,905
Interest paid/payable on lease liabilities	(85,454)	92,536
Interest paid/payable on bond base	482,833	289,969
Other interest	213,307	122,473
Interest paid/payable on loan	386,270	544,605
	11,882,661	9,708,487

For the year ended 30th June 2024

Notes to and forming part of the financial statements

7. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by PKF Brisbane Audit, the financial statement auditor of the entity. During last financial year fees were also paid or payable for services provided by Grant Thornton to conduct independent financial review:

	2024 $	2023 $
PKF Brisbane Audit		
Audit services	99,000	96,705
Audit services - FY23 Fee Variation	17,191	-
Other assurance services (ii)	9,350	7,650
	125,541	104,355
Other		
Grant Thornton - Independent financial review	-	298,811
Other assurance services (ii)	15,584	-
	15,584	298,811
Total	141,125	403,166

(ii) Other services include prudential compliance and various grant acquittals.

8. Cash and bank balances

	2024 $	2023 $
Cash on hand and at bank	16,227,585	10,818,863
Investments at call and on short term deposit	23,490,567	17,234,663
	39,718,152	28,053,526
Made up as follows:		
Restricted: Government subsidies, donations and bequests	3,799,259	4,844,955
Unrestricted	35,918,893	23,208,571
	39,718,152	28,053,526
Income recognition in statement of comprehensive income		
Interest earned on term deposits	1,512,851	185,749

At 30 June 2024, the amount of $1,455,606 (2023: $1,532,201) has been set aside in special bank accounts for the retirement villages' capital replacement funds and maintenance reserve funds. As the amount is held 100% for that specific purpose, neither the cash nor the estimated provision required has been included in the Financial Statements.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

9. Trade receivables

	2024 $	2023 $
Current		
Government Subsidies	940,538	1,104,559
Debtors	3,977,662	3,174,992
Less: Provision for impairment of receivables	-	-
	4,918,200	4,279,551

Following adoption of the AASB 9 expected credit loss model, the Entity measures the provision for impairment of receivables at lifetime expected credit losses instead of incurred credit losses. The Entity typically considers debtors that are over 90 days past due to have significantly increased credit risk. Following a review of the Entity's historical observed default rates over the preceding 5 years, no provision has been made for impairment of debtors at the reporting date given the historical immaterial quantum of bad debts involved over this review period.

Ageing and impairment losses
The ageing of receivables at the reporting date was:

	2024 $	2023 $
Not past due	4,108,054	3,329,655
Past due 30 days	82,396	121,796
Past due 60 days	68,456	77,098
Past due over 60 days	659,294	751,002
	4,918,200	4,279,551

10. Inventories

	2024 $	2023 $
Current		
Food and consumables	479,901	410,260

11. Other assets

	2024 $	2023 $
Current		
Prepayments	1,324,602	1,437,521

For the year ended 30th June 2024

Notes to and forming part of the financial statements

12. Property, plant and equipment

	2024 $	2023 $
Non-current		
Land	61,556,874	59,789,251
Buildings	122,985,470	123,268,867
Plant and equipment	16,215,787	17,806,191
Computer Equip & Software	4,356,428	3,506,426
Furniture Fixtures & Equip	6,405,498	7,256,366
Motor vehicles	5,037,955	4,440,885
CWIP	22,053,164	23,692,651
	238,611,176	239,760,637

Movement in carrying value
2024

	Land at fair value	Buildings at cost	Plant and equipment at cost	Computer equip & software at cost	Furniture, fixtures & equip at cost	Motor vehicles at cost	Capital works in progress	Total
Cost or valuation								
Balance at 30 June 2023	59,789,251	152,112,477	29,854,778	12,452,016	17,705,954	7,358,925	23,692,654	302,966,055
Adjustment prior year	-	-	-	-	-	-	-	-
Additions / transfers		38,510	9,377	107,332	48,941	185,163	8,581,658	8,970,981
Transfer from CWIP to assets	135,824	4,736,268	573,653	1,944,716	975,528	1,838,685	(10,221,148)	(16,474)
Disposals	(303,201)	(518,588)	(730,253)	(54,005)	(3,580,013)	(843,711)		(6,029,770)
Revaluation decrease on sale of asset	-	-	-	-	-	-	-	-
Revaluation increase	1,935,000							1,935,000
Balance at 30 June 2024	61,556,874	156,368,667	29,707,555	14,450,059	15,150,410	8,539,063	22,053,164	307,825,792
Accumulated depreciation and impairment								
Balance at 30 June 2023	-	28,843,611	12,048,587	8,945,590	10,449,589	2,918,040	-	63,205,417
Adjustment prior year	-	-	-	-	-	-	-	-
Depreciation expense	-	4,691,757	2,126,063	1,198,504	1,546,923	1,093,504	-	10,656,751
Reversals on disposal of asset	-	(152,171)	(682,882)	(50,463)	(3,251,600)	(510,437)	-	(4,647,553)
Balance at 30 June 2024	-	33,383,197	13,491,768	10,093,631	8,744,912	3,501,107	-	69,214,615
Carrying value at 30 June 2024	**61,556,874**	**122,985,470**	**16,215,787**	**4,356,428**	**6,405,498**	**5,037,955**	**22,053,164**	**238,611,176**

12.1 Freehold land carried at fair value
For the year ended 30 June 2024, the balance of the Residential Aged Care facilities land was revalued, giving rise to a land revaluation increase of $1,935,000 (2023 revaluation increase: $1,462,743) and there is no revaluation offset during the year. The Entity's Aged Care Facility land portfolio will continue to be revalued every 3-5 years.

12.2 Registered owner of freehold land and buildings
All freehold land, owned by the Entity, is registered in the name of The Baptist Union of Queensland, of which the Entity is a Charter Group.

12.3 Assets pledged as security
Freehold land and buildings with a carrying amount of $0 (2023: $27,591,182) and investment property with a carrying amount of $0 (2023: $4,471,182) is held as security by the Entity’s financiers for all amounts payable under all facilities, by way of a naked deed of deposit.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

12. Property, plant and equipment (Cont.)

12.4 Capital works in progress

Capital work in progress is progressively transferred to the relevant asset when projects are completed and ready for use or occupation. When a project is completed during the financial year, it becomes part of an asset and subjected to the fair value assessment as described in Note 3.8. All remaining costs in capital work in progress are subjected to the same fair value and impairment test and valued accordingly.

13. Leases

	2024 $	2023 $
Right-of-use assets		
Buildings - right-of-use	777,285	2,546,618
Less: accumulated depreciation	(139,805)	(742,938)
	637,480	1,803,680
Plant and equipment - right-of-use	470,897	405,693
Less: accumulated depreciation	(62,787)	-365,123
	408,110	40,569
	1,045,590	1,844,249

Additions to the right-of-use assets during 2024 were $451,897.

Lease liabilities	2024 $	2023 $
Current	181,676	388,908
Non-Current	900,513	1,596,617
	1,082,189	1,985,524

Lease liabilities		
Maturity analysis - contractual cash flows		
Not later than 1 year	181,676	388,908
Later than 1 year and not later than 5 years	789,420	1,596,617
Later than 5 years	111,093	-
	1,082,189	1,985,524

Reductions to the overall lease liabilities during 2024 were due to lease modifications.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

14. Investment properties

	2024	2023
	$	$
Non-current		
At fair value		
Completed investment properties	95,169,155	85,338,682
At fair value		
Balance at beginning of year	85,338,682	80,789,918
Additions	30,473	-
Disposal	-	-
Gain/(Loss) on revaluation	9,745,000	4,548,764
Gain/(Loss) on revaluation - Payable to Residents	55,000	14,000
Balance at end of year	95,169,155	85,338,682

The Entity's investment property consists of 6 established retirement village communities.

14.1 Investment properties carried at fair value

Investment properties provide low-cost accommodation for older Australians and are held to earn rental income. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value.

Annual changes in the fair value of investment properties are recognised in operating surplus. For the year ended 30 June 2024 an amount of $9,745,000 (2023: $4,562,764) was recognised after making provision for the share of capital gains of $55,000 (2023: $14,000) enjoyed by certain residents.

14.2 Registered owner of freehold land

All freehold land is registered in the name of The Baptist Union of Queensland of which the Entity is a Charter Group.

15. Investments

	2024	2023
	$	$
Community Foundation	12,703	12,771

The Entity was bequeathed this investment with the Queensland Community Foundation, which invests 60% of the capital in the Public Trustee of Queensland Growth Fund and 40% in the Public Trustee of Queensland Conservative Fund.

16. Trade and other payables

	2024	2023
	$	$
Current		
Trade payables & accruals	5,015,476	4,668,766
Employee-related payables	3,012,274	1,953,444
Retirement Village Capital Gains Share	180,000	125,000
	8,207,750	6,747,210

For the year ended 30th June 2024

Notes to and forming part of the financial statements

17. Contract liabilities

	2024 $	2023 $
Current		
Residents prepaid fees	74,973	100,806
Government subsidies in advance - Commonwealth	3,281,247	4,225,697
Unspent government subsidies - State	188,436	181,569
Private grants unspent	329,576	437,689
	3,874,232	4,945,761

18. Accommodation refundables

	2024 $	2023 $
Current		
Expected to be paid within 12 months		
Refundable accommodation deposits expected to be paid within 12 months	13,018,499	12,625,137
Not expected to be paid within 12 months		
Refundable accomodation deposits not expected to be paid within 12 months	117,166,487	113,626,233
Entry contributions not expected to be paid within 12 months	53,508,785	50,037,641
	170,675,272	163,663,874
Total	183,693,770	176,289,011

Residents entering aged care and having the financial capacity may choose to make a Refundable Accommodation Deposit (RAD) payment. The case history for the Entity over many years of planned and proper liquidity management would indicate that any refund of liability is closely followed by a new replacing contribution and records indicate a reasonable expectation would be a net repayment deficit of no more than $13,018,499 (2023: $12,625,137) in the next twelve months.

Entry contributions represent an amount paid by residents to occupy independent living units in a retirement village, and these assets are classified as investment property. Resident liabilities are measured at face value, representing the principal amount, less deferred management fees, are non-interest bearing, notwithstanding that history has shown that residents stay for an average period of 10 years.

19. Borrowings

	2024 $	2023 $
Current:		
Loan from government, unsecured	703,950	703,950
	703,950	703,950
Non-Current:		
Loan from government, unsecured	6,276,888	6,980,838
	6,276,888	6,980,838
Total	6,980,838	7,684,788

On 17 December 2015, the Entity received the fourth and final instalment of a loan from the Government of Australia to partly finance the construction of a new residential aged care facility at Townsville. The loan attracts interest, which is payable monthly at the rate of CPI, and at 30 June 2024 the interest rate was 3.6% (2023: 7.0%). The loan principal is repayable in equal instalments over 20 years commencing from 16 May 2015.

For the year ended 30th June 2024

Notes to and forming part of the financial statements

20. Provisions

	2024 $	2023 $
Current:		
Annual leave	8,262,820	6,563,304
Long service leave	3,579,628	2,486,693
	11,842,448	9,049,997
Non-Current:		
Long service leave	571,818	846,225
	571,818	846,225
Total	12,414,266	9,896,222

Amounts not expected to be settled within the next 12 months:

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current since the Entity does not have an unconditional right to defer settlement. However, based on past experience. the Entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

21. Asset revaluation reserve

	2024 $	2023 $
Balance at beginning of year	43,088,102	41,625,360
Current year revaluation	1,935,000	1,462,742
Balance at end of year	45,023,102	43,088,102

The asset revaluation reserve arises on the revaluation of land. When revalued assets are sold, the portion of the property’s revaluation reserve that relates to the asset is transferred directly to retained earnings.

22. Related party transactions

	Sales of goods and services		Purchases of goods and services	
	2024 $	2023 $	2024 $	2023 $
Commercial				
Queensland Baptists	-	-	913,727	889,991
Non Commercial				
Queensland Baptists	41,258	57,981	384,328	494,172
Baptist Churches	2,815	600	18,703	7,471
Other related Parties	106,561	139,758	77,104	59,361
	150,634	198,339	1,393,861	1,450,994

The following balances were outstanding at the end of the reporting period:

	Amounts owed by related parties		Amounts owed to related parties	
	2024 $	2023 $	2024 $	2023 $
Queensland Baptists	8,505	2,308	-	-
Malyon College	3,489	1,380	-	-
QCCC	14,334	19,594	-	-
	26,328	23,283	-	-

For the year ended 30th June 2024

Notes to and forming part of the financial statements

23. Non-cancellable, low-value and short-term leases

	2024	2023
	$	$
Related landlords	494,435	206,014
Other non-related landlords	18,550	61,604
	512,985	267,619

Operating leases contracted for but not recognised in the financial statements:

24. Capital expenditure commitments

	2024	2023
	$	$
Land and buildings	2,335,744	254,860
Plant and equipment	-	98,991
	2,335,744	353,851

Capital commitments under Land and Buildings relates predominantly to Gladstone School BGA Project and Clifford House RAC Refurbishment

25. Contingent liabilities

Grants received
An unquantified contingent liability exists in respect of the capital grants received from the Commonwealth and State Governments. These contingent liabilities recognise conditions of the Capital Grants Recipient School Agreements between Carinity and the Queensland Independent Schools Block Grant Authority, whereby the Commonwealth and the State Government retain a right of repayment of the Capital Grants if the Schools cease to use the facilities in respect of which the grants have been paid, on a pro rata basis over 20 years from the day of practical completion.

Historical Abuse Allegation
As at 30 June 2024, Carinity is involved in a historical abuse claim. A conciliation conference is scheduled for September 2024, and while the outcome remains uncertain, there is a possible financial exposure. At this stage, the financial impact is not considered probable, and therefore, no provision has been made. The potential range of financial impact is yet to be fully determined, however based on current information, it is not expected to have a material adverse effect on the financial position of Carinity.

26. Key management personnel compensation

Key management personnel are defined as those people who have the authority and responsibility for planning, directing, and controlling the Entity's activities, and includes the Entity's executive managers. The aggregate compensation made to key management personnel of the Entity is set out below:

	2024	2023
	$	$
Total compensation paid or payable	2,714,532	2,517,548

For the year ended 30th June 2024

Notes to and forming part of the financial statements

27. Post-reporting date events

27.1 Other

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Entities operations, the results of those operations, or the entities state of affairs in future financial years.

HEAD OFFICE
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Visit carinity.org.au

DECLARATION BY MEMBERS OF THE BOARD OF MANAGEMENT

The Board of Management has determined that Carinity ('the Entity') is a reporting Entity and that the General Purpose Financial Statements and notes, as set out on pages 2 to 23, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

In the opinion of the Board of Management:

(a) The financial statements give a true and fair view of the Entity's financial position as at 30 June 2024 and of its performance for the year ended on that date;

(b) The financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and

(c) there are reasonable grounds to believe that the Entity 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 Management and is signed for and on behalf of the Board by

Chairperson ……………………………………………………………………………
Richard Wray

Chief Executive Officer ………………………………………………………………
Kevin Griffiths

Dated this 17th day of October 2024

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60 – 40 OF THE AUSTRALIAN CHARITIES AND NOT FOR PROFIT COMMISSION ACT 2012
TO THE DIRECTORS OF CARINITY

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been no contraventions of:

(a) the auditor independence requirements of section 60 – 40 of the Australian Charities and Not -for-profit Commission Act 2012 in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

PKF

PKF BRISBANE AUDIT

C Bradley

CAMERON BRADLEY
PARTNER

BRISBANE
17 OCTOBER 2024

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CARINITY

Opinion

We have audited the accompanying financial report, of Carinity ("the Entity"), which comprises the statement of financial position as at 30 June 2024, 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 material accounting policy information, and the Board of Management's declaration.

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

a) Giving a true and fair view of the Company's financial position as at Sunday, 30 June 2024 and of its performance for the year ended on that date; and

b) Complying with Australian Accounting Standards – Simplified Disclosures, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

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

Independence

We are independent of the Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Information other than the Financial Report and Auditor's Report Thereon

Those charged with governance are responsible for the other information. The other information comprises the information included in the Entity's annual report for the year ended 30 June 2024 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 regard.

Board of Management' Responsibilities for the Financial Report

The Board of Management are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the ACNC Act, and for such internal control as the Board of Management 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 Board of Management are responsible for assessing the 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 Board of Management either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from 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, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this 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 http://www.auasb.gov.au/ Home.aspx. This description forms part of our auditor's report.

PKF

PKF BRISBANE AUDIT

C Bradley

CAMERON BRADLEY
PARTNER

17 OCTOBER 2024
BRISBANE