

Carmel Impact Limited

ABN: 72 626 911 377

Financial Statements

For the Year Ended 31 December 2022

Carmel Impact Limited

ABN: 72 626 911 377

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For the Year Ended 31 December 2022

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2022

	2022	2021
	\$	\$
Income		
Donations, grants and bequests	348,359	446,053
Interest income	337	9
	<u>348,696</u>	<u>446,062</u>
Expenses		
Development Expenses	(276,875)	(396,519)
Administration Expenses	(8,358)	-
Fundraising Expenses	(26,037)	-
Bank fees	(474)	(622)
	<u>(311,744)</u>	<u>(397,141)</u>
Surplus/(deficit) for the year	<u>36,952</u>	<u>48,921</u>
Total comprehensive income for the year	<u>36,952</u>	<u>48,921</u>

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As at 31 December 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	<u>137,743</u>	49,752
TOTAL CURRENT ASSETS		<u>137,743</u>	49,752
TOTAL ASSETS		<u><u>137,743</u></u>	<u>49,752</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	3	<u>51,039</u>	-
TOTAL CURRENT LIABILITIES		<u>51,039</u>	-
TOTAL LIABILITIES		<u>51,039</u>	-
NET ASSETS		<u><u>86,704</u></u>	<u>49,752</u>
EQUITY			
Retained earnings		<u>86,704</u>	49,752
TOTAL EQUITY		<u><u>86,704</u></u>	<u>49,752</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 31 December 2022

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2022	49,752	49,752
Surplus/(deficit) for the year	36,952	36,952
Balance at 31 December 2022	86,704	86,704

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2021	831	831
Surplus/(deficit) for the year	48,921	48,921
Balance at 31 December 2021	49,752	49,752

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from donors	348,359	446,053
Donations paid	-	(396,519)
Payments to suppliers and employees	(260,705)	(622)
Interest received	337	9
Net cash provided by/(used in) operating activities	5 <u>87,991</u>	<u>48,921</u>
Net increase/(decrease) in cash and cash equivalents held	87,991	48,921
Cash and cash equivalents at beginning of the period	<u>49,752</u>	831
Cash and cash equivalents at end of the period	2 <u><u>137,743</u></u>	<u><u>49,752</u></u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

(a) Basis of preparation

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

In the Directors opinion the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Statement of Compliance

The financial statements have been prepared in accordance with the recognition and measurement requirements of all applicable Australian Accounting Standards, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

The Company has concluded that the requirements set out in AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures* are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures.

(b) Revenue

Donations, grants and bequests

When the Company receives donations, grants and bequests it assesses whether a contract exists and whether that contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15. When these conditions are satisfied, the Company:

- identifies each performance obligation relating to the donation, grant or bequest;
- recognises a contract liability for its obligations under the contract; and
- recognises revenue as it satisfied its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the donation, grant or bequest is recognised immediately in profit or loss.

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Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

(c) Income Tax

The Company is a charity registered with the Australian Charities and Not-for-profits Commission. Accordingly, it is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The Company is also endorsed Public Benevolent Institution and is a Deductible Gift Recipient covered under Item 1 of the table in section 30-15 of the *Income Tax Assessment Act 1997*.

(d) 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.

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.

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank	137,743	49,752
	<u>137,743</u>	<u>49,752</u>

3 Trade and Other Payables

CURRENT

Related party payable to The Carmelite Fathers Incorporated (Vic)

51,039	-
<u>51,039</u>	<u>-</u>

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.

4 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2022.

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Notes to the Financial Statements

For the Year Ended 31 December 2022

5 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

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

	2022	2021
	\$	\$
Surplus/(deficit) for the year	36,952	48,921
Cash flows excluded from profit attributable to operating activities		
- increase/(decrease) in trade and other payables	51,039	-
Cashflows from operations	<u>87,991</u>	<u>48,921</u>

6 Events Occurring After the Reporting Date

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.

7 Statutory Information

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

Carmel Impact Limited
75 Wright Street
Middle Park VIC 3206

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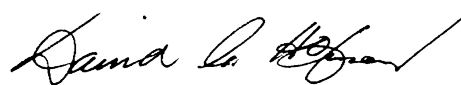
Directors' Declaration

The directors declare that in the directors' opinion:

- there are reasonable grounds to believe that the Company is able to pay all of its debts, as and when they become due and payable;
- the financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2022 and of its financial performance for the year ended on that date; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022*.

Director 

Director 

Date: 16 MAY 2023

Carmel Impact Limited

ABN: 72 626 911 377

Auditor's Independence Declaration to the Directors of Carmel Impact Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Saward Dawson

Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Date: 14 June 2023

Carmel Impact Limited

ABN: 72 626 911 377

Independent Audit Report to the members of Carmel Impact Limited

Opinion

We have audited the financial report of Carmel Impact Limited, which comprises the statement of financial position as at 31 December 2022, 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 financial report of Carmel Impact Limited has been prepared 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 31 December 2022 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 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 are independent of the Company 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* (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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Company's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Independent Audit Report to the members of Carmel Impact Limited

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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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Independent Audit Report to the members of Carmel Impact Limited

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Date: 14 June 2023