CareFlight Limited
2024 CONSOLIDATED FINANCIAL REPORT



ABN 18 210 132 023

Registered Office:

4-6 Barden Street

Northmead NSW

CareFlight

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Directors' Report

The Directors present their report together with the consolidated financial report of CareFlight Limited ("CareFlight"), for the year ended 30 April 2024 and the Auditor's report thereon.

Acknowledgement of Country

CareFlight recognises and respects Indigenous Australians as the Traditional Owners of these lands. In the spirit of reconciliation, we acknowledge and pay respects to the Traditional Owners and Elders – past, present, and emerging – of all the lands on which CareFlight operates.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Name, qualifications, and independence status	Experience and special responsibilities
The Hon Brad HAZZARD BA (Science) DipEd LLB LLM *Chair (as at 9 February 2024)* *Deputy Chair (20 Oct 2023 to 09 Feb 2024)*	• Appointed 20 October 2023. • Previously NSW Minister for Health, Minister for Medical Research Minister for Family and Community Services and Minister for Social Housing, Minister for Planning and Infrastructure, Minister for Justice, Attorney General. • Non-Executive Director of Sony Foundation. • Advisor to EG Funds Management. • Advisor to Cerebral Palsy Alliance. • Solicitor of Supreme Court of NSW.
Michael FREWEN BA, MMgt, GAICD *Chief Executive Officer* *Executive Director*	• Appointed 20 August 2018. • Extensive management career with a major medical and travel security assistance company. • Former member of the Australian Army. Retired from the Army in 2007, having attained the rank of Lieutenant Colonel. • Director of ACHS International. • Member of the Investment Committee.
Susan BAILEY GradDipMktg, MAICD *Independent Non-Executive Director*	• Appointed 2 September 2020. • Extensive experience in the telecommunications industry and in marketing, large-scale business transformation and project management. • Director of Chorus Limited. • Member of Audit and Risk Committee. • Member of People, Safety & Environment Committee.
Joanne (Jodie) BAKER B. Comm, GAICD *Independent Non-Executive Director* *Chair of Audit and Risk Committee* *Chair of Investment Committee*	• Appointed 23 October 2022. • Broad and deep senior executive experience in financial services, with a focus on risk management. • Non-Executive Director, and Chair of Audit and Risk Committee of APRA regulated Beyond Bank Australia. • Member of Spaceship Capital's Managed Investment Scheme Compliance Committee. • Formerly Non-Executive Director, and Chair of Audit and Risk Committee of Federal Government statutory body, Export Finance Australia.

Name, qualifications, and independence status	Experience and special responsibilities
The Hon Michael GUNNER BA GAICD *Deputy Chair (as at 13 April 2024)* *Chair of People, Safety and Environment Committee (as at 26 April 2024)*	• Appointed 9 February 2024. • Former Chief Minister and Treasurer of the NT. • Inaugural Member of the National Cabinet. • Northern Territory resident Director. • Extensive leadership experience in delivering complex and highly strategic outcomes, effectively managing crises and delivering change. • Member of Audit and Risk Committee.
Edward MALLAN Adv Dip HospMan, BComm, MBA, Grad Dip WHS, GAICD *Independent Non-Executive Director*	• Appointed 26 May 2023. • Northern Territory resident Director. • Extensive executive experience in the private and public sectors in a range of industries including infrastructure, mining, supply chain, logistics, manufacturing, technology, and utilities. • Strong commercial focus, with particular interest in risk management, business improvement, safety, and cyber security. • Current General Manager Commercial at Power & Water Corporation. • Non-executive Director of Asthma Foundation Northern Territory. • Member of Audit and Risk Committee. • Member of Investment Committee.
Dr Robert TURNER MBBS (Hons), FANZCA (ANZCA), DHM (SPUMS), Dip Advanced DHM *Independent Non-Executive Director*	• Appointed 20 October 2019. • Senior Staff Specialist in Anaesthesia, Diving and Hyperbaric Medicine at Prince of Wales Hospital. • Co-Chair of the Prince of Wales Hospital Clinical Council. • Former CareFlight Registrar and Specialist who completed more than 300 missions with the organisation. • Commander in the Royal Australian Navy. • Member of the People, Safety & Environment Committee.
Ian VANDERBEEK BBus, GAICD *Independent Non-Executive Director*	• Appointed 13 December 2016. • A seasoned executive leader and Non-Executive Director, with over 30 years' experience in Australia and Europe in the transport and logistic sectors, including appointments as Managing Director and CEO of fixed wing and rotary aviation companies. • Director of Tasmanian Railway Pty Ltd. • Director of Edward Street Property Pty Ltd. • Director of Whivan Capital Pty Ltd. • Director of Birrong Investments (NSW) Pty Ltd. • Director of Metro Tasmania. • Volunteer Ambulance Officer – Tasmanian Ambulance Service.
The Hon Dr Andrew REFSHAUGE MBBS, FAICD *Former Chair* *(Resigned on 9 February 2024)*	• Appointed 18 December 2007. • Extensive experience at the highest levels of government. • Former Deputy Premier of NSW, former Treasurer and Minister for Health, Planning, Housing, Education, Training, State Development and Aboriginal Affairs. • Director of John Curtin House Limited. • Former medical practitioner.
Patricia ANGUS PSM, MTH *Former Independent Non-Executive Director* *(Resigned on 30 August 2023)*	• Appointed 24 June 2013. • Extensive experience as a senior executive in the Northern Territory Public Service in health and housing policy, and programs and services to indigenous people. • Former registered nurse, midwife, and public health practitioner.

Name, qualifications, and independence status	Experience and special responsibilities
	• Director of various statutory and commercial bodies.

Company Secretary

Ms. Erin McMullen was appointed as Company Secretary on 1 February 2022. With over 15 years of experience in company secretarial positions for various publicly listed, unlisted entities, and not-for-profit organisations, Erin brings a wealth of expertise to the role. Prior to this appointment, she held executive support and managerial roles across multiple sectors.

Directors' Meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year was as follows:

	Board		Audit & Risk Committee (ARC)		Investment Committee (IC)		People, Safety and Environment Committee (PSEC)	
	Eligible to Attend	Meetings Attended	Eligible to Attend	Meetings Attended	Eligible to Attend	Meetings Attended	Eligible to Attend	Meetings Attended
Andrew Refshauge[1]	9	9	-	-	3	3	-	-
Michael Frewen	12	12	-	-	4	4	-	-
Patricia Angus	5	5	-	-	-	-	-	-
Susan Bailey	12	11	5	5	-	-	2	2
Robert Turner	12	10	-	-	-	-	2	2
Ian Vanderbeek[2]	12	10	3	3	-	-	2	2
Jodie Baker	12	12	5	5	4	4	-	-
Eddie Mallan[3]	11	11	3	3	2	2	-	-
Brad Hazzard[4]	7	7	-	-	-	-	-	-
Michael Gunner[5]	4	3	-	-	-	-	-	-

1 Resigned from Board on 9 February 2024
2 Resigned as PSEC Chair and ARC Member on 5 March 2024
3 Appointed as Director 26 May 2023, joined as ARC and IC Member 20 October 2023
4 Appointed as Director 20 October 2023
5 Appointed as Director 9 February 2024, joined as ARC Member and PSEC Chair 26 April 2024

The Board had responsibility of all matters relating to remuneration and nomination during the financial year.

Operating and Financial Review

Our Mission and Ethos

CareFlight's Mission is "to save lives, speed recovery and serve the community." Our operational delivery is focused on patient care first and foremost, and this flows through into everything we do as an organisation. Our operations occur in some of the most challenging remote and regional areas, as well as in heavily built-up cities. We continually review and assess how we operate to ensure that innovation and best practice guide our thinking on fleet decisions and equipment.

Environmental, Social and Governance

All companies face growing expectations to ensure they are effectively managing, measuring, and reporting on Environmental, Social and Governance (ESG) issues. CareFlight is committed to the transparency required to demonstrate how we are meeting or moving toward these ESG expectations. We see that ESG management is both essential for CareFlight's long term success and the health of our planet.

Environmental -

CareFlight aims to minimise the impact of its activities and supply chain, with a focus on carbon emissions reduction toward net zero. It is centred on driving improvements across our operations, while also looking to how we can continue to innovate and evolve. This will enable us to transition to a lower-carbon footprint in our aeromedical operations. CareFlight's main generators of carbon emissions include the electricity needed in its buildings and hangars, and the fuel consumed by its aircraft and ground assets. CareFlight has already implemented actions to reduce the impacts in buildings and hangars where possible. Low energy lighting, slow flow taps and fittings and other items have been installed where possible.

The emissions footprint from fuel consumed is more difficult. Sustainable Aviation Fuel (SAF), whilst technically feasible, is prohibitively expensive (3.5X the rate for traditional JET fuel). Innovation is core to tackling this issue with CareFlight engaging with a manufacturer of EVTOL (Electric Vertical Take off and Landing) Aircraft with the potential to revolutionise aeromedical operations. The technology is still in development as are operational regulations. CareFlight has developed an innovative approach to decanting aircraft fuel in the Northern Territory that significantly reduces the amount of fuel discarded and the cost of replacing that fuel. This approach has both an economic and environmental benefit.

Social - As a for-purpose organisation, CareFlight is committed to delivering our social purpose of building resilience across communities, and in providing best in class aeromedical care to meet our Mission. CareFlight is committed to ensuring we provide a safe and inclusive work environment, and we aspire to be an Employer of Choice who invests in people because our people are our greatest strength.

Governance - CareFlight has a strong tradition of transparency between the Executive, the Board and our stakeholders, and seeks to comply with best practice application of financial accounting standards and disclosures for not-for-profit organisations. CareFlight encourages external audit and accreditation of our operations to ensure we are meeting industry benchmarks and setting the standard in our industry in terms of Clinical Governance and Aviation Safety and operational excellence.

Board diversity and the skills and experience this brings is a key aspect of our approach to governance.

In recognising the importance of ESG and to reflect the complex operations of CareFlight, the People, Safety and Environment Committee (PSEC) provides the lead on governance for all People, Safety and Environment issues, and complements the work done by the Audit and Risk Committee (ARC), where the focus is on Organisational Governance, Financial and Audit oversight and management of Organisational Risks. The Investment Committee, which includes the CEO and CFO as Committee members, ensures CareFlight's investment strategy for surplus funds aligns with its financial investment goals, risk tolerance and timeframe.

Responding to Challenges

CareFlight has been challenged in the last year by the global economic conditions that have resulted in high costs of fuel and aircraft parts as well as volatility in the USD exchange rate. This global challenge, has been further extended with very difficult conditions domestically from the cost-of-living crisis and inflation being felt by all parts of the economy. Combined these factors have impacted CareFlight's financial position. Management's response has been to closely review all costs to assure our activities are fit for purpose and efficient. Our aircraft availability has been impacted by poor performing global and domestic supply chains resulting in high cost and scarcity of parts. Very high rates of effort culminating in record high flying hours across ageing aircraft fleets has necessitated real focus from staff to ensure acceptable patient outcomes. The team has responded extraordinarily well and have ensured CareFlight continues to deliver for the community whenever and wherever we are needed.

Yet again we emphasise that our people are our greatest strength. Our CareFlighters have retrieved and moved more patients than any previous year, have delivered more resilience building courses for first responders right across Australia, and have kept a focus on delivering the best patient outcomes regardless of the challenges presented to the team.

Our ongoing investment in the depth of key roles has ensured we have been able to fill gaps and deliver care. We have worked hard to build pipelines for pilots and engineers and for clinicians to ensure we can meet our organisational staffing requirements at a time of competition from the airline industry and staff shortages, particularly in regional and remote areas for clinical staff.

Strategic Focus

The Strategic Plan is reviewed annually and guides our effort to ensure we continue to deliver our social purpose. This plan reflects our charitable charter and our status as a for-purpose enterprise. It provides us with a benchmark against which to measure our progress year-on-year. The Strategic Plan informs both the annual Business Plan and our individual Business Unit Plans, ensuring all parts of the business are working toward achieving the Strategic Vision set by the Board.



Growth and Sustainability

CareFlight continues to seek growth in areas that represent the best opportunity for strong revenue growth such as Education and Training, Jet aeromedical retrieval and in our support to Federal Government Agencies. Over the past year, our focus has remained on ensuring we are efficient and sustainable, and we have concentrated on an organisation-wide review of our systems and processes to ensure we are well placed for the future. We have worked hard in every part of the business to ensure our cost base is sustainable, that our processes are efficient and fit for purpose, and that we are better using technology to assist in the management of our business. Significant investment in our Systems during the year will ensure we have far greater visibility of key cost and revenue drivers across the business moving forward.

We have a very deliberate approach to assessing what aligns with our social purpose and our core strengths, so that any growth provides a benefit across the organisation in terms of our sustainability and depth. Growth, as part of the strategy, is to both offset the risk of losing key contracts in an increasingly commercially competitive industry, addressing the increased cost of operations, and ensuring we have the depth in our team to enable staff to take leave and develop their skills. In doing this we continue to ensure CareFlight becomes stronger for the challenges ahead.

Diversification

CareFlight has for many years focused on diversification to ensure we are resilient to impacts in any single part of the business. This has included both our revenue streams and our fundraising channels. We have experienced how unforeseen events can significantly disrupt forecast performance, and constantly monitor and look for new ways to address impacts to the business.

CareFlight secured $19.95m Federal Government Funding in the 2023 budget and have since delivered an additional AW139 and an additional G150 jet into service in the Northern Territory, directly ensuring improved year-round support to all Territorians in need. By rapidly purchasing and introducing these aircraft into service we have demonstrated to the Federal Government that we are a trusted partner, and we continue to engage closely with all Governments at Federal, State and Territory level. We have continued to invest in our Partnerships team to ensure we are well positioned to continue this engagement, and this investment has seen far improved engagement and success in developing new revenue streams with the US Military and Australian Defence Force, as well as in the Energy and Resources sector.

CareFlight has also continued its investment in commercial operations in Education and Training and in its Air Ambulance capability.

Controlling Costs

Cost reduction and assuring efficient operations remains a key priority for Management. We are committed to being good stewards of the funding entrusted to us by our supporters, partners and sponsors. This year we have been focusing on improving our systems and processes to get far greater visibility of our data and from that an improved ability to manage our costs across the organisation. This has seen significant investment in new IT systems and in the depth of our teams to enable greater analysis in support of our managers. This investment in IT systems will continue over the next few years as part of our IT Strategic Plan.

Enterprise Risk, Safety and Quality

Risk Management, Safety and quality are core components of CareFlight's operational DNA. Key governance activities focus on the safety of our aircraft, our people, and our patients. The broad elements associated with Risk, Safety, Health, Environment, and Quality are assured by CareFlight's Integrated Management System (IMS), a contemporary assurance approach designed to identify risks and assure each is appropriately managed.

We developed a new intranet site to improve accessibility and visibility of the IMS and provide an all of business view of how we meet our legislative and other obligations. We also reviewed our safety and quality systems with the aim of improving access, simplifying workflow and improving the quality of data captured to support the analysis of operational performance across all disciplines.

The internal audit program was reset to better align with the structure of the IMS and the nature of operations at each CareFlight location, leading to an all of business approach rather than a department specific approach.

To ensure that CareFlight operations comply with regulatory and standards requirements and that we uphold our own stringent standards, we conducted 83 internal audits and compliance checks. Additionally, we performed 16 supplier audits to verify that the highest quality and service standards are maintained across all areas of our operations. Our commitment to excellence was further confirmed through external audits carried out by external organisations, including Ernst & Young, the U.S. Department of Defense (DOD), and SAI Global. These efforts ensure that we consistently meet and exceed the expectations of our valued customers.

Meanwhile, in collaboration with the Civil Aviation Safety Authority (CASA), CareFlight delivered a series of impactful workshops focused on Safety Culture for our operational aviation personnel. This initiative has not only strengthened our safety culture but also reinforced our commitment to maintaining the highest standards of operational safety and quality.

Brand and Reputation

We have continued to focus on ensuring our work is well understood and supported in the community. We remain one of the most trusted charities in Australia, and we have engaged with several partners and sponsors to further broaden our community impact and awareness of what we do. The support from the Federal Government is testament to our reputation and trust in our brand. Brand awareness across Australia has improved significantly in the last two years and we will continue to work on increasing this awareness of the work CareFlight does in and for the communities in which we operate.

The success of this work has been shown through the ongoing support from our major sponsors: Mounties Care and the Mounties Group, who are providing direct support to the Mounties Care CareFlight Helicopter based in Sydney, and Viva Energy Australia, who are providing direct support to the CareFlight NT Rescue Helicopter powered by Viva Energy, as well as community education for remote communities in the Top End. Viva Energy and Mounties Care have been passionate supporters beyond their sponsorship. We greatly appreciate our ongoing relationship, which helps us

continue saving lives and serving the community. We have continued an important partnership with Nutrien Ag Solutions in providing Emergency Trauma Training and building resilience in agricultural communities across Australia. We have also partnered with several organisations to grow our media exposure, including Channel 10 Darwin, Foxtel, JCDecaux, TVSN and Smooth FM.

Financial Strength

CareFlight continues to experience cost pressure due to exchange rates, aviation supply chain delays, wage pressures, an inflationary economy and high fuel prices.

The surplus for the year was $18,621,061 and closing cash increased by $5,646,245 to $9,357,665. The surplus of $18,621,061 and positive cash flow from operations before investing and financing activities of $29,075,257, were driven by a Federal government grant of $19,950,000 for two aircraft and renegotiated pricing of several key contracts which came into effect during the year.

The net asset position significantly increased by $18,722,963 primarily due to the $19,950,000 Federal Government funding received on 29 June 2023 for the purchase of two additional aircraft. The net current asset position at year end is a deficit of $2,530,021, reflecting the drawdown of some investments during the year to fund significant systems investment, including cyber security and projects across finance, payroll and HR. These projects will benefit CareFlight by providing greater visibility of key cost and revenue drivers to enhance operational decision making.

Dividends

Under the Constitution of the Company, no portion of the income of the Company has been paid or can be paid by way of dividend to the Members.

Significant Changes in the State of Affairs

CareFlight purchased a second AW-139 aircraft in the prior year following approval of $10m of Federal Government grant funding. The purchase was temporarily funded with a short-term interest-bearing loan facility which was fully repaid during the year following receipt of the grant funding. This aircraft is based in the Northern Territory and became operational in August 2023.

CareFlight also purchased a second G-150 aircraft in October 2023 funded by a $9.95m Federal Government grant. This aircraft is also based in the Northern Territory and became operational in February 2024.

During the year, it was determined by the Board and Management that we would not seek to renew the NSW Rural Fire Service Contract that was going to Tender for services post contract expiration on 31 July 2024. Costs of $0.2m associated with the decision to exit this contract have been provided for in the financial year.

Renegotiated pricing on several major contracts came into effect during the year which helped mitigate some of the cost pressures from exchange rates, aviation supply chain delays, wage pressures, inflation and fuel price. The ageing of some of CareFlight's aircraft has meant growing maintenance costs which have negatively impacted the results.

Events Subsequent to Reporting Date

The following events occurred subsequent to year end:

- On 12 June 2024, NSW Health proposed to extend the grant agreement for the CareFlight Rapid Response Helicopter Service for a further four years to 30 June 2028. Under the proposal, the current grant agreement would be extended for a period of six months to 31 December 2024 to allow sufficient time to finalise the terms of the new grant agreement.
- On 26 June 2024, Mounties agreed to continue their support of CareFlight for a further five years. This next five-year sponsorship agreement commences upon expiration of the existing agreement in June 2026. Additionally, Mounties has undertaken to provide a donation to CareFlight to enable our ongoing Rapid Response capability for the people of NSW.
- CareFlight has been requested by NSW Health to consider a 12-month extension to the Patient Transport Services (PTS) contract from 30 November 2024 and is currently working with NSW Health on how to support this request.

Likely Developments

During the year ahead, CareFlight will continue its efforts to further diversify revenue streams, manage costs, seek further efficiencies and further invest in system and process transformation.

Environmental Regulation

CareFlight are subject to a range of Commonwealth, State and Territory environmental legislation. The Board places particular focus on the environmental aspects of its operations and is certified for ISO14001 Environmental Management Systems. The Directors are satisfied that systems are in place for the management of CareFlight's environmental exposures. The Directors are also satisfied that relevant licences and permits are held and that appropriate monitoring procedures are in place to ensure compliance with those licences and permits. Any significant environmental incidents are reported to the Board.

Indemnification of Auditors

To the extent permitted by law, the Group has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young Australia during the year ended 30 April 2024.

Indemnification and Insurance of Officers

The Group has provided for and paid premiums during the year for Directors and Officers Liability Insurance. The insurance is in respect of legal liability for damages and legal costs arising from claims made by reason of any acts or omissions (other than dishonesty) by directors and officers, while acting in their individual or collective capacity as directors or officers of the Group.

Auditor's Independence Declaration

The auditor's independence declaration is set out on page 37.

Board

- On 30 August 2023, Patricia (Trish) Angus retired from the Board after serving since 2013. Trish was a valuable Board member and a great advocate for the Northern Territory (NT). Trish assisted with providing the Board and organisation with a deeper understanding of culture in the NT.
- On 9 February 2024, Andrew Refshauge retired as Chair and Board member after serving since 2007. When Andrew commenced in 2007 the organisation treated 1,600 patients annually, operated two helicopters, had 81 full-time staff, and generated $21M in revenue per year. Under his leadership, CareFlight now assists over 9,000 patients annually, employs more than 600 staff, and generates well over $100M in revenue annually.

  Andrew oversaw the acquisition of the current fleet of aircraft and the expansion of the CareFlight national footprint. He has been involved in nearly every aspect of the organisation as Board Chair and via the various Board sub-committees, leading through significant growth and change.

  Andrew's approach enabled him to represent CareFlight exceptionally well. He provided consistent and thoughtful guidance from both political and clinical perspectives. CareFlight are truly grateful for his time and energy in helping shape CareFlight into a sustainable, community-centred organisation along with Andrew's insight, ideas, dedication and advocacy for CareFlight during his time as Chair. Although he has resigned from the Board, he will be staying on as a Member of CareFlight.
- On 26 May 2023 Eddie Mallan joined the Board and became a Member of both the Audit and Risk Committee and the Investment Committee. Eddie has over 15 years of executive experience in the private and public sectors, spanning industries such as infrastructure, mining, supply chain, logistics, manufacturing, technology, and utilities. He has a strong commercial focus, particularly in risk management, business improvement, safety, and cyber security.

Eddie has lived in Northern Australia for nearly 15 years and currently serves as General Manager Commercial at Power & Water Corporation. In his previous role at North Queensland Bulk Ports, he negotiated a rotary aviation services contract, enhancing his awareness of air safety. His career includes time in remote mining camps and international locations, giving him a deep appreciation for air ambulance and medical retrieval services.

- On 20 October 2023, CareFlight were very fortunate to have The Hon Brad Hazzard join the Board as Director and Deputy Chair and then appointed as Chair of the Board on 9 February 2024. A former Australian politician, Brad served as the Member for Wakehurst for 32 years until his retirement in March 2023. Throughout his distinguished career, he held senior roles, including 12 years as a Cabinet Minister and 16 years as a Shadow Minister. He managed 17 portfolios, notably serving as NSW Minister for Health during the COVID-19 pandemic. Before politics, Brad was a science teacher and lawyer.

  Brad is highly respected across political, corporate, and community sectors. He is passionate about Indigenous issues and has actively participated in projects within First Nations communities.

- On 9 February 2024, The Hon Michael Gunner joined the Board as a Director and was then appointed as Deputy Chair on 13 April 2024. CareFlight values the appointment of Michael which will bring strong representation from the Territory on the Board, ensuring a strong voice for Territorians and our operations in the Top End. Michael, former Chief Minister of the Northern Territory (2016-2022), led the Territory's world-leading COVID-19 health and economic response.

  During his tenure, Michael oversaw record investments in infrastructure, logistics, remote communities, health, and education. He focused on intergenerational social issues by implementing the largest investment in remote housing in the Territory's history, empowering Aboriginal communities through Local Decision Making Agreements, developing the Aboriginal Justice Agreement, and establishing the Northern Territory's Treaty process.

  A long-term Territorian, Michael is a passionate advocate for remote and regional Australians, emphasizing connectivity, quality service delivery, and local decision-making. He brings a valuable skill set that complements our Board.

Board Recognition of Staff

With the speed of change in the community and the global challenges presented in recent times, it is particularly rewarding and comforting that the CareFlight family continue to deliver on the mission established decades ago by those visionaries who saw the value of helicopter led medical retrieval services.

Over the life of CareFlight, the Board has changed membership many times, the technical aspects of our services have evolved, our fleet has expanded to include fixed wing as well as rotary aircraft, the evolution and delivery of our medical services has evolved ensuring continued world class retrieval services and the regulatory frameworks have become ever more complex.

But the one constant has been that CareFlight continues to have dedicated staff committed to delivering for our community in often the most challenging and difficult circumstances.

The Board is proud of the incredible contribution of our staff who have continued to reflect the commitment that has been part of the culture passed down from our founding visionaries to each generation of the Careflight family.

The Board also acknowledges and thanks the commitment of our entire Northern and Eastern teams who have faced very substantial challenges arising from ever increasing workloads and high community expectations amongst the aftermath of bushfires, floods and COVID-19.

Thank you to all of our CareFlight family for ensuring our aeromedical service truly delivers world-class services time and time again for our community.

Our Commitment

The Board and CareFlight Management are committed to ensuring CareFlight will always deliver on our mission for our community and our stakeholders. Since its inception, CareFlight's charitable status has been the foundation for CareFlight to always seek to deliver for our community above and beyond statutory and contractual obligations.

This commitment reflects our partnership with our stakeholders, our donors and supporters. To deliver on our mission, we are dependent on the contribution of our thousands of donors, supporters and volunteers who are vital in ensuring we are able to deliver our world class CareFlight aeromedical retrieval services. We thank each of you for your support.

In the words of one of CareFlight's founding visionaries, Dr Ken Wishaw:

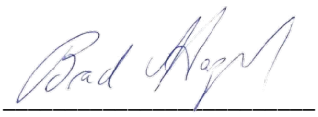
'Without your help, CareFlight would never leave the ground".*

Helicopter Rescue by Ken Wishaw. Macmillan,

2004. p262

This directors' report is signed in accordance with a resolution of directors made pursuant to s298(2) of the Corporations Act 2001.

On behalf of the Directors



The Hon Brad Hazzard
Chair



Mick Frewen
Chief Executive Officer

Sydney, 8 August 2024

Income Statement

for the year ended 30 April 2024

	Note	2024 $	2023 $
Revenue	2	**135,937,327**	**101,760,913**
Operations and administration - costs of personnel		(70,600,924)	(62,405,506)
Direct costs of aeromedical operations		(25,080,015)	(23,175,842)
Fundraising costs - donations and sponsorship	3a)	(3,673,855)	(4,189,894)
Fundraising costs - merchandising and events	3b)	(1,167,250)	(1,452,878)
Depreciation expense – property, plant, and equipment	10b)	(2,801,003)	(2,410,116)
Depreciation expense – right-of-use assets	14b)	(4,075,391)	(4,296,327)
Impairment and revaluation adjustment	10c)	-	3,808,455
Insurance expense		(1,417,050)	(1,261,576)
Support costs		(7,228,558)	(5,857,467)
Gain on sale of assets		84,549	26,690
Foreign exchange gain/(loss)		50,550	(28,696)
Finance expense	4	(1,407,318)	(1,024,830)
Total surplus/(deficit) for the year		**18,621,061**	**(507,074)**
Other comprehensive income/(expense) items that may be reclassified to surplus			
Gain/(loss) on revaluation of investments		301,849	(4,701)
(Loss)/gain on revaluation of non-current assets	10c)	(199,947)	562,149
Total comprehensive income for the year		**18,722,963**	**50,374**

The Income Statement should be read in conjunction with the accompanying notes.

Balance Sheet

as at 30 April 2024

	Note	2024 $	2023 $
Current assets			
Cash and cash equivalents	6	9,357,665	3,711,420
Trade and other receivables	7	7,948,238	14,201,828
Inventories	8	1,227,528	976,821
Investments	9	5,191,981	6,965,750
Total current assets		**23,725,412**	**25,855,819**
Non-current assets			
Trade and other receivables	7	243,643	469,594
Property, plant, and equipment	10b)	33,998,951	24,518,386
Right-of-use assets	14b)	30,340,182	33,592,550
Total non-current assets		**64,582,776**	**58,580,530**
Total assets		**88,308,188**	**84,436,349**
Current liabilities			
Loan and borrowings	11	-	8,523,176
Trade and other payables	12	9,439,035	9,823,208
Income received in advance	13	6,412,738	6,344,415
Lease liabilities	14c)	4,409,505	4,086,541
Employee benefits	17	5,994,155	5,784,233
Total current liabilities		**26,255,433**	**34,561,573**
Non-current liabilities			
Trade and other payables	12	233,333	433,333
Lease liabilities	14c)	18,536,243	22,503,838
Provisions	16	-	2,690,070
Employee benefits	17	1,088,351	775,670
Total non-current liabilities		**19,857,927**	**26,402,911**
Total liabilities		**46,113,360**	**60,964,484**
Net assets		**42,194,828**	**23,471,865**
Equity			
Reserves	18	6,776,283	6,674,381
Retained surplus		35,418,545	16,797,484
Total equity		**42,194,828**	**23,471,865**

The Balance Sheet should be read in conjunction with the accompanying notes.

Cash Flow Statement

for the year ended 30 April 2024

	Note	2024 $	2023 $
Operating activities			
Cash receipts in the course of operations		151,586,900	102,541,513
Cash payments in the course of operations		(121,390,661)	(102,762,577)
Interest received		82,478	32,170
Interest paid on loans and borrowings		(169,975)	(123,941)
Interest paid on bank finance leases		(1,082,221)	(682,096)
Interest paid on non-bank finance leases		(150,600)	(148,536)
Dividends received		199,336	241,620
Net cash from operating activities		**29,075,257**	**(901,847)**
Investing activities			
Acquisition of non-current assets		(13,772,513)	(14,483,541)
Net proceeds from sale of non-current assets		149,229	26,690
Proceeds from sale of investments		2,236,010	-
Payments for investments		(160,392)	(183,486)
Net cash used in investing activities		**(11,547,666)**	**(14,640,337)**
Financing activities			
Proceeds from borrowings		8,421,212	8,523,176
Repayment of borrowings		(16,944,388)	-
Proceeds from bank finance lease liabilities		258,831	16,160,455
Repayments of bank finance lease liabilities		(3,002,172)	(19,419,838)
Repayments of non-bank finance lease liabilities		(614,829)	(539,585)
Net cash (used in)/from financing activities		**(11,881,346)**	**4,724,208**
Net increase/(decrease) in cash held		**5,646,245**	**(10,817,976)**
Cash and cash equivalents at the beginning of the year		**3,711,420**	**14,529,396**
Cash and cash equivalents at the end of the year	6	**9,357,665**	**3,711,420**

The Cash Flow Statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 April 2024

	Note	Reserves	Retained surplus	Total
		$	$	$
Balance at 1 May 2022		**6,116,933**	**17,304,558**	**23,421,491**
Total deficit for the year		-	(507,074)	**(507,074)**
Other comprehensive income/(expense)				
Loss on revaluation of investments		(4,701)	-	**(4,701)**
Gain on revaluation of non-current assets	10c)	562,149	-	**562,149**
Balance at 30 April 2023		**6,674,381**	**16,797,484**	**23,471,865**
Balance at 1 May 2023		**6,674,381**	**16,797,484**	**23,471,865**
Total surplus for the year		-	18,621,061	**18,621,061**
Other comprehensive income/(expense)				
Gain on revaluation of investments		301,849	-	**301,849**
Loss on revaluation of non-current assets	10c)	(199,947)	-	**(199,947)**
Balance at 30 April 2024		**6,776,283**	**35,418,545**	**42,194,828**

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to Financial Statements

1. Statement of Compliance and Basis of Preparation

Reporting entity

The consolidated financial statements of the Group as at and for the year ended 30 April 2024 comprise CareFlight Limited (the 'Company') and its subsidiary CareFlight (NT) Limited, together referred to as the 'Group' and individually as 'Group entities'. The Company is a not-for-profit entity limited by guarantee and is a registered charity and a Public Benevolent Institution.

In the event of the Company being wound up, a member's liability for the Company's debts and liabilities, costs, charges, and expenses of winding up and adjustment of the rights of the contributories among themselves, is limited to an amount as may be required, not exceeding ten dollars ($10.00). Members are liable on the above basis up to one year after they cease to be Members.

At 30 April 2024, the Company had 36 Members (2023: 34), of whom 8 (2023: 8) were directors of the Company.

The Group financial statements for the year ended 30 April 2024 was authorised for issue in accordance with a resolution of the Directors on 8 August 2024.

a) Statement of compliance

The Group is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored to satisfy specifically all their information needs.

This financial report has been prepared in accordance with Australian Accounting Standards – Simplified Disclosure Requirements adopted by the Australian Accounting Standards Board (AASB), the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commissions Regulation 2013.

The financial statements have been prepared on a going concern basis, which assumes the Group will be able to meet its obligations as and when they fall due.

As at 30 April 2024, the Group was in a net current liability position of $2,530,021 of which $5,420,267 are income received in advance liabilities that are expected to be recognised as revenue in the next financial year. During the financial year the Group also drew down on some investments to fund significant systems investment, including cyber security and projects across finance, payroll and HR. These projects will benefit CareFlight by providing greater visibility of key cost and revenue drivers to enhance operational decision making. With the two Federal government funded aircraft now operational it is expected, based on cash flow forecasts prepared by management for a period of 12 months from the date of signing the financial statements that the Group will have sufficient funds to continue as a going concern.

In addition, CareFlight is currently working with NSW Health to support their request for a further 12-month extension to the PTS contract.

b) Basis of Preparation

The financial statements are presented in Australian dollars, which is the Group's functional currency and have been prepared on an historical cost basis except for rotary wing aircraft, land and buildings and investments which are measured at fair value.

The Group has consistently applied the accounting policies set out in the notes to the financial statements during the reporting period.

New standards and interpretations issued and not yet effective

At the date of authorisation of the financial statements, the directors have determined there are no new standards and interpretations issued and not yet effective which would have a material impact upon the Group.

1. Statement of Compliance and Basis of Preparation (continued)

Critical accounting estimates and judgements

Preparation of these financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. It also requires the directors to exercise their judgement in the process of applying the Group's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, as appropriate to the particular circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Judgements made by Management in the application of AASBs, that have a significant effect of the Group's Financial Statements and estimates with a significant risk of material adjustment in future periods are included in the following notes:

- Note 10 – Property, Plant, and Equipment
- Note 14 – Right-of-Use Assets and Lease Liabilities
- Note 17 – Employee Benefits

2. Revenue

The various categories of Group revenue are recognised on the following basis:

Revenue	Nature	Recognition Criteria
Government revenue	• Government revenue received on the condition that specified services are delivered or conditions are fulfilled, are considered reciprocal. Such revenue is initially recognised as a liability (Note 13) and revenue is recognised as services are performed or conditions fulfilled. • Non-reciprocal revenue is recognised when received. • Grants that compensate the Group for expenses incurred.	Revenue is recognised when specific performance obligations are met. If control of a good or service is transferred over time, (i.e., satisfies a performance obligation over time) revenue is also recognised over time in line with transfer of control. Income is deferred until performance obligations are satisfied. The Group receives short-term advances from its customers. Using the practical expedient in AASB 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. Grants received to acquire and/or modify specific assets to be controlled by the Group, are initially recognised as a financial asset (cash) with a corresponding liability (obligation to acquire the specific asset) in line with AASB 1058. Subsequently, the liability is derecognised as the performance obligation is satisfied (i.e. when the relevant assets are acquired and modifications complete).
Aeromedical and other retrieval income	• Revenue is recognised following agreement of both parties regarding terms and conditions when services are provided.	
Fundraising: donations and sponsorship	• General donation revenue is measured by the amount of cash received and is brought to account in the period in which it is received.	On receipt.
	• Conditional donation revenue is initially recognised as a liability (Note 13) and is recognised as revenue when the Group has complied with the conditions attached to the donation.	Conditions of the revenue are complied with.
	• Donations in kind are recorded as revenue from fundraising at the fair value of the goods received, with an equal amount being recognised as an expense or capitalised as a fixed asset to which the donation relates.	On receipt of asset or service.
	• Sponsorship revenue is recognised as services are performed or conditions fulfilled.	Systematic basis in the periods in which conditions are fulfilled.
Fundraising: merchandising and events	• Sale of merchandise is recorded as revenue when goods are delivered. Measured at the amount of cash received.	On delivery of goods.
	• Event revenue is recognised upon completion of event.	Completion of event.

2. Revenue (continued)

	Note	2024 $	2023 $
Government revenue		91,767,806	75,065,548
Government grants*		24,436,460	4,736,487
Aeromedical and other retrieval revenue		1,350,661	3,233,165
Education revenue		404,529	399,224
Fundraising revenue: donations and sponsorship	3a)	16,004,391	15,924,471
Fundraising revenue: merchandising and events	3b)	1,691,666	2,128,228
Operational Revenue		**135,655,513**	**101,487,123**
Dividend income		199,336	241,620
Interest income		82,478	32,170
Other Revenue		**281,814**	**273,790**
Total Revenue		**135,937,327**	**101,760,913**

* Government grants for the year ended 30 April 2024 includes a $19,950,000 Federal Government grant received to fund the purchase of two additional aircraft in the Northern Territory.

At 30 April 2024, the Group has income received in advance of $6,412,738 (2023: $6,344,415), relating to contract revenue received in advance for services not yet provided and donations with specific terms or conditions which must be met before the Group is entitled to the resources (Note 13).

3. Fundraising Revenue and Expenses

The Group is an authorised fundraiser under the Charitable Fundraising Act 1991 (NSW), the Charitable Collections Act 1946 (WA), the Fundraising Act 1998 (Vic), the Charitable Collections Act 2003 (ACT), the Collections for Charities Act 2001 (Tas), the Collections for Charitable Purposes Act 1939 (SA) and the Australian Charities and Not-for-profits Commission Act 2012.

a) Fundraising - donations and sponsorship

	2024 $	2023 $
Revenue		
Bequests	3,172,884	2,104,976
General donations and sponsorship	9,864,482	10,877,757
Appeals	1,978,289	1,879,274
Regular giving investment programs	988,736	1,062,464
Total Fundraising revenue – donations and sponsorship	**16,004,391**	**15,924,471**
Expenses		
Bequests	17,898	12,821
General donations and sponsorship	2,146,786	2,479,589
Appeals	846,855	783,223
Regular giving investment programs	662,316	914,261
Total Fundraising costs – donations and sponsorships	**3,673,855**	**4,189,894**
Total Surplus – donations and sponsorship	**12,330,536**	**11,734,577**

3. Fundraising Revenue and Expenses (continued)

The Group conducted four appeals during the year (2023: four appeals).

b) Fundraising - merchandising and events

	2024	2023
Revenue	**$**	**$**
Bear merchandising	1,168,643	1,314,087
Events	523,023	814,141
Total Fundraising revenue – merchandising and events	**1,691,666**	**2,128,228**
Expenses		
Bear merchandising	872,926	1,134,032
Events	294,324	318,846
Total Fundraising costs – merchandising and events	**1,167,250**	**1,452,878**
Total surplus – merchandising and events	**524,416**	**675,350**

c) Information to be furnished under the Charitable Fundraising Act 1991 (NSW)

i) Statement showing how funds received from fundraising were applied to charitable purposes

	2024	2023
	$	**$**
Total Fundraising Revenue	17,696,057	18,052,699
Total Fundraising Costs	4,841,105	5,642,772
Total Surplus from Fundraising	**12,854,952**	**12,409,927**

The Fundraising surplus was applied to charitable purposes in the form of expenditure towards Mounties Care CareFlight Helicopter, MediSim training and aeromedical retrieval work in NSW and Northern Territory.

ii) Fundraising ratios

	2024			2023		
	Numerator $	**Denominator $**	**Ratio %**	**Numerator $**	**Denominator $**	**Ratio %**
Fundraising: donations and sponsorships - expenses / revenue	3,673,855	16,004,391	23	4,189,894	15,924,471	26
Fundraising: merchandising and events[1] - expenses / revenue	1,167,250	1,691,666	69	1,452,878	2,128,228	68
Total costs of fundraising / Gross revenue from fundraising	4,841,105	17,696,057	27	5,642,772	18,052,699	31
Net surplus from fundraising / Gross revenue from fundraising	12,854,952	17,696,057	73	12,409,927	18,052,699	69
Total costs of services / Total expenditure[2]	112,475,161	117,316,266	96	97,108,414	102,751,186	95
Total costs of services / Total revenue[3]	112,475,161	135,937,327	83	97,108,414	101,760,913	95

[1]The merchandising and events expense ratio primarily reflects the costs of retail product acquisition, sales, and distribution.
[2]Total expenditure includes finance expense
[3]Total revenue includes finance income

4. Finance Income and Expense

Finance income and expense comprise interest payable on leases and interest receivable on funds invested.

Interest income and expense are recognised using the effective interest method.

Interest income is recognised in the Income Statement on the date that the Group's right to receive payment is established.

Transactions in foreign currencies are translated to the functional currency of the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency gains and losses are reported on a net basis. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the Income Statement.

	2024 $	2023 $
Interest on cash and investments	82,478	32,170
Total finance income	**82,478**	**32,170**
Interest expense on loans and borrowings	(169,975)	(123,941)
Interest expense on bank finance lease liabilities	(1,082,221)	(689,929)
Interest expense on non-bank finance lease liabilities	(155,122)	(210,960)
Total finance expense	**(1,407,318)**	**(1,024,830)**
Net finance expense	**(1,324,840)**	**(992,660)**

5. Taxes

Income tax

The Group entities are Public Benevolent Institutions and are exempt from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997.

Goods and services tax

Revenue, expenditure, assets, and liabilities are recognised net of the amount of goods and services tax (GST), except where the amount of GST is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and trade payables are stated with GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the Balance Sheet. The GST components of cash flows arising from investing and financing activities which are recoverable from or payable to the taxation authority are classified as operating cash flows.

6. Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank, cash on hand and term deposits with maturities of three months or less. Restricted cash comprises conditional donations received. Bank overdrafts are repayable on demand and form an integral part of the Group's cash management and are included as a component of cash and cash equivalents for the purpose of the Cash Flow Statement.

	2024 $	2023 $
Cash – unrestricted	8,256,822	2,411,345
Cash – restricted	1,100,843	1,300,075
	9,357,665	**3,711,420**

7. Trade and Other Receivables

Trade and other receivables are recognised initially at the value of services provided to customers. Trade receivables are non-interest bearing and credit terms are generally 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. The Group's assessment of a provision, if required, is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Value of receivables is assessed at each reporting date to determine whether there is objective evidence that it is impaired. The Group considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics. In 2024, nil trade receivables were written off (2023: $nil).

Costs that are directly attributable to securing a contract are initially recorded as amounts due from contract customers and are included in other receivables. These amounts are expensed over the period of the contract.

	2024	2023
Current	$	$
Trade and other receivables	7,085,168	12,377,312
Prepayments	663,070	1,624,516
Contract receivables	200,000	200,000
	7,948,238	**14,201,828**
Non-current		
Prepayments	10,310	32,361
Contract receivables	233,333	437,233
	243,643	**469,594**

8. Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is based on the first-in-first-out principle and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

	2024	2023
	$	$
Engineering parts	945,602	713,400
Bear merchandising stock	183,720	151,112
First Aid Kit Stock	87,278	102,011
Fuel stock	10,928	10,298
	1,227,528	**976,821**

During the financial year, no inventory was written down to net realisable value (2023: $nil).

9. Investments

Investments are managed by a third party on behalf of the Company under the direction of the Investment Committee. Dividend income will be recognised when the entity's right to receive payment is established, it is probable the economic benefits will flow to the entity and the amount can be measured reliably. Dividends are recognised in Income Statement unless they represent recovery of part of the cost of the investment, in which case they are included in Other Comprehensive Income (OCI). Changes in fair value are recognised in OCI and are never recycled through to Income Statement, even if the asset is sold or impaired.

All financial assets held are categorised as level 1 on the fair value hierarchy based on the inputs used in the valuation techniques, being quoted prices in active markets.

10. Property, Plant and Equipment

a) Recognition and measurement

Fixed wing aircraft

Fixed wing aircraft are stated at cost less accumulated depreciation to reflect the long-term nature of these assets to service contracts. Cost includes expenditure that is directly attributable to the acquisition of the asset. Fixed wing aircraft are disaggregated into airframe and engine components due to differing useful lives between the two components and are depreciated separately.

Rotary wing aircraft

The fair value basis of valuation is applied to rotary wing aircraft on an annual basis as a class of assets. These assets are held at fair value at the date of revaluation less any subsequent accumulated depreciation or impairment losses.

Land and buildings

The fair value basis of valuation is applied to land and buildings every three years as a class of assets. These assets are held at fair value at the date of revaluation less any subsequent accumulated depreciation or impairment losses.

Plant and equipment

Items of plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains and losses on disposal

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within the Income Statement within net gain or loss on disposal of non-current assets.

Depreciation expense

Depreciation is based on the gross carrying amount of the asset i.e., cost, or revalued amount less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised on a straight-line basis over the estimated useful life of each component of an item. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed upon each reporting date and adjusted if appropriate.

The estimated useful lives for the current and comparative year are as follows:

	2024	2023
Fixed wing – airframe	10 to 18 years	10 to 18 years
Fixed wing - engines*	3,600 to 5,000 hours	3,600 to 5,000 hours
Rotary wing aircraft	20 years	20 years
Buildings	40 years	40 years
Plant and equipment	2.5 to 10 years	2.5 to 10 years

* For engines not covered under a power by the hour agreement.

Impairment

The carrying amounts of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment is recognised if the carrying value of an asset exceeds its recoverable amount.

Revaluation

Revaluation increments on a class of asset basis are recognised in the asset revaluation reserve except to the extent that this reverses an impairment loss which had previously been recognised in the Income Statement, in which case the reversal of that impairment loss is also recognised in the Income Statement. Revaluation decrements are only offset

10. Property, Plant and Equipment (continued)

against revaluation increments relating to the same class of asset and any excess is recognised firstly against the balance of the corresponding asset revaluation reserve. If this reserve is exhausted, then the balance is charged directly to the Income Statement. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained surplus. Fair value of the Group's assets is based on appraisals performed by independent, professionally qualified aircraft and property valuers.

Subsequent costs

The cost of replacing a component of an item for a non-current asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of a non-current asset are recognised as an expense when incurred.

b) Movement in carrying amount

	Fixed wing aircraft	Rotary wing aircraft	Land and buildings	Work in progress	Plant and Equipment	Total
	At cost	*Fair value*	*Fair value*	*At cost*	*At cost*	
	$	$	$	$	$	$
As at 30 April 2023						
Gross carrying amount	4,469,762	10,880,662	8,000,000	883,849	22,185,444	**46,419,717**
Accumulated depreciation and impairment	(3,655,895)	-	-	-	(18,245,436)	**(21,901,331)**
Net carrying amount	**813,867**	**10,880,662**	**8,000,000**	**883,849**	**3,940,008**	**24,518,386**
As at 30 April 2024						
Gross carrying amount	14,059,963	11,962,816	7,700,000	153,872	16,672,887	50,549,538
Accumulated depreciation and impairment	(4,014,614)	-	-	-	(12,535,973)	**(16,550,587)**
Net carrying amount	**10,045,349**	**11,962,816**	**7,700,000**	**153,872**	**4,136,914**	**33,998,951**
Reconciliation						
A reconciliation of the carrying amount of each class of property, plant and equipment held and used at the beginning and the end of the reporting period is set out below:						
As at 30 April 2024						
Net carrying amount at start of year	**813,867**	**10,880,662**	**8,000,000**	**883,849**	**3,940,008**	**24,518,386**
Acquisitions	9,590,200	1,348,292	-	153,872	1,041,333	**12,133,697**
Transfers within PPE	-	-	-	(883,849)	883,849	**-**
Disposals	-	-	-	-	(64,680)	**(64,680)**
Depreciation expense	(358,718)	(671,939)	(106,750)	-	(1,663,596)	**(2,801,003)**
Revaluation transferred to Income Statement	-	-	-	-	-	**-**
Revaluation transferred to reserves	-	405,801	(193,250)	-	-	**212,551**
Net carrying amount at end of year	**10,045,349**	**11,962,816**	**7,700,000**	**153,872**	**4,136,913**	**33,998,951**

10. Property, Plant and Equipment (continued)

The terms of the Federal Government grant funding for the purchase of one rotary wing and one fixed wing aircraft, require CareFlight to use the aircraft as designated under the grant terms and to seek Federal Government consent to dispose of any interest in these aircraft until 30 September 2034. In the event the aircraft cease to be used as specified under the grant terms, CareFlight may be required to repay grant funding on a pro-rata basis for the remaining designated use period.

c) Revaluation and impairment

Asset details	Effective date of revaluation	Independent valuer				Revaluation Movement	
			Revaluation for the year	Opening Balance	Transferred to Stmt. Of Income	OCI Movement	Closing Balance
			$	$	$	$	$
Rotary Wing*	30 April 2024	DavAir Group	(6,697)	383,751	-	(6,697)	377,054
Land and buildings	20 March 2024	Civil Property Valuers	(193,250)	6,015,774	-	(193,250)	5,822,524
			(199,947)	**6,399,525**	**-**	**(199,947)**	**6,199,578**

* Includes Rotary Wing Aircraft recognised as Property, Plant and Equipment and Right-of-use Assets.

The fair value of rotary wing aircraft is categorised as level 2 on the fair value hierarchy based on the inputs used in the valuation techniques, being quoted prices for similar assets in active markets.

Independent registered valuer, DavAir Group, was engaged to perform the valuation of the helicopters and Civil Property Valuers the valuation of the land and buildings in the current financial year. At the valuation dates, both valuers noted that whilst the valuations performed reflected their current opinion of value, estimated fair values may change significantly and unexpectedly over a relatively short period of time. As a consequence, less certainty and a higher degree of caution is attached to the valuation.

The Group recognises an impairment if the carrying value of an asset exceeds its recoverable amount. An increment shall be recognised in Income Statement to the extent that it reverses a previous revaluation decrement of the same asset class for not-for-profit entities previously recognised in Income Statement.

	2024	2023
	$	$
Impairment and revaluation adjustment transferred to Income Statement	-	3,808,455
	-	**3,808,455**

11. Loans and Borrowings

At 30 April 2023, the Group had a short term twelve-month interest-bearing bank loan facility of $18,000,000 for the purchase of a rotary wing and a fixed wing aircraft underpinned by approved Federal Government grant funding of $19,950,000 for the purchases. The utilised amount of the facility at 30 April 2023 was $8,523,176 and was classified as current. During the year, the Group increased its borrowings under this loan facility by a further $8,421,212 before repaying the balance in full following receipt of the Federal Government grant funding. The Group maintains a line of credit of $1,000,000 that is unsecured and undrawn at year end (2023: undrawn).

	2024	2023
Current	$	$
Loans and borrowings	-	8,523,176

12. Trade and Other Payables

Trade payables are recognised at the fair value of goods and services received. An accrual is recorded when an expense has been incurred by the Group, prior to the related invoice being received.

The Group derecognises a financial liability when its contractual obligation is discharged or cancelled or expires.

	2024	2023
Current	**$**	**$**
Trade payables	6,909,085	5,287,685
Accrued expenses	2,329,950	4,335,523
Contract liability	200,000	200,000
	9,439,035	**9,823,208**
Non-current		
Contract liability	**233,333**	**433,333**

13. Income Received in Advance

Conditional donations and income received in advance are initially recognised in the Balance Sheet as income received in advance until the Group has complied with the conditions attached to the income (Note 2).

	2024	2023
	$	**$**
Conditional donations	992,471	1,300,075
Payments received in advance for contracts	5,420,267	5,044,340
	6,412,738	**6,344,415**

14. Right-of-use Assets and Lease Liabilities

a) Recognition and measurement

Right-of-use Assets

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The carrying amounts of right-of-use assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment is recognised if the carrying value of an asset exceeds its recoverable amount.

The Group has elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Set out below are the carrying amounts under lease arrangements.

Lease Liabilities

The Group assesses at contract inception whether a contract is, or contains, a lease- i.e., whether the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

The Group applied the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

14. Right-of-use Assets and Lease Liabilities (continued)

The Group recognises lease liabilities to make lease payments representing the right to use the underlying assets.

The Group has concessionary leases for hangar space and property which are necessary for its day-to-day operations. The Group has applied the temporary relief provisions available under the standard to postpone the requirement for not-for-profit (NFP) entities to recognise concessionary leases at fair value. Accordingly, these leases are accounted for at cost, being zero.

The fair value of the lease liabilities is calculated based on the present value of future principal and interest cash flows discounted at the market rate of interest at the reporting date. Market rate of interest is determined by reference to similar lease agreements.

b) Right-of-Use Assets Movement in carrying amount

	Fixed wing aircraft	Rotary wing aircraft	Land and buildings	Plant and equipment	Total
	$	$	$	$	$
As at 30 April 2023					
Gross carrying amount	20,742,873	16,263,238	11,694,494	182,038	**48,882,643**
Accumulated depreciation and impairment	(7,117,892)	-	(8,164,954)	(7,247)	(15,290,093)
Net carrying amount	**13,624,981**	**16,263,238**	**3,529,540**	**174,791**	**33,592,550**
As at 30 April 2024					
Gross carrying amount	20,742,873	15,544,041	5,301,732	654,957	42,243,604
Accumulated depreciation and impairment	(8,923,892)	-	(2,890,706)	(88,823)	(11,903,422)
Net carrying amount	**11,818,981**	**15,544,041**	**2,411,026**	**566,134**	**30,340,182**

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment held and used at the beginning and the end of the reporting period is set out below:

As at 30 April 2024					
Net carrying amount at start of year	**13,624,981**	**16,263,238**	**3,529,540**	**174,791**	**33,592,550**
Acquisitions	-	776,532	-	472,919	**1,249,451**
Remeasurement	-	-	(13,930)	-	**(13,930)**
Depreciation expense	(1,806,000)	(1,083,231)	(1,104,584)	(81,576)	**(4,075,391)**
Revaluation transferred to Income Statement	-	-	-	-	-
Revaluation transferred to Reserves	-	(412,498)	-	-	**(412,498)**
Net carrying amount at end of year	**11,818,981**	**15,544,041**	**2,411,026**	**566,134**	**30,340,182**

14. Right-of-use Assets and Lease Liabilities (continued)

c) Lease Liabilities

	2024 $	2023 $
Current		
Bank finance lease liabilities	3,720,892	2,979,424
Non-bank finance lease liabilities	688,613	1,107,117
Total current lease liabilities	**4,409,505**	**4,086,541**
Non-current		
Bank finance lease liabilities	16,153,057	19,637,868
Non-bank finance lease liabilities	2,383,186	2,865,970
Total non-current lease liabilities	**18,536,243**	**22,503,838**
Total lease liabilities	**22,945,748**	**26,590,379**

Terms and conditions of outstanding loans are as follows:

	2024			2023
	Nominal interest rate	Year of maturity	Carrying amount $	Carrying amount $
Bank finance lease liabilities	2.57-7.37%	2024-2028	19,873,949	22,617,292
Non-bank finance leases liabilities	4.45-7.21%	2023-2028	3,071,799	3,973,087
Total finance leases			**22,945,748**	**26,590,379**

Payments for short term leases are recognised as an expense on a straight-line basis over the lease term. $1,090,362 (2023: $954,695) has been recognised in the Income Statement relating to short term leases.

14. Right-of-use Assets and Lease Liabilities (continued)

d) Future lease payments

	2024			2023		
	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments
	$	$	$	$	$	$
Future bank lease payments:						
Within one year	4,649,806	928,914	3,720,892	4,053,545	1,074,121	2,979,424
One year or later and no later than five years	16,554,763	401,706	16,153,057	20,928,587	1,290,720	19,637,868
Later than five years	-	-	-	-	-	-
	21,204,569	**1,330,620**	**19,873,949**	**24,982,132**	**2,364,841**	**22,617,292**
Future non-bank lease payments:						
Within one year	816,633	128,020	688,613	1,253,611	146,494	1,107,117
One year or later and no later than five years	2,558,788	175,602	2,383,186	3,134,077	268,107	2,865,970
Later than five years	-	-	-	-	-	-
	3,375,421	**303,622**	**3,071,799**	**4,387,688**	**414,601**	**3,973,087**

15. Financial Instruments

a) Introduction

The Group's principal financial instruments comprise cash, receivables, investments, payables, loans and borrowings and lease liabilities.

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk, credit risk, liquidity risk and market risk. The Board has overall responsibility for the establishment and oversight of the Company's risk management. The Investment Committee ensures CareFlight's investment strategy for surplus funds aligns with its financial investment goals, risk tolerance and timeframe. The Audit and Risk Committee is responsible for developing the Group's risk management policies, overseeing how management monitors compliance with risk management policies and procedures, and modifying its risk management should risk profiles change. Both Committees report regularly to the Board on their activities.

b) Interest rate Risk

The Group's exposure to the risk of changes in market interest rates arises when aircraft finance leases are entered into. The main consequence of adverse changes in market interest rates is higher interest costs over the life of the aircraft finance lease, which may or may not be recovered through operational contracts, thus reducing the Group's financial results.

The Group manages the risk of changes in market interest rates by entering, where possible, into aircraft finance leases with tenures that align with the tenure of the underlying revenue contract that the aircraft are supporting. This ensures the interest rate costs have been appropriately priced into the contractual revenue funding and the finance lease repayments.

15. Financial Instruments (continued)

Refer Note 14 Right-of-Use Assets and Lease Liabilities for interest rate risk exposure.

c) Foreign Exchange Risk

The Group's exposure to foreign exchange risk primarily relates to the purchase and sale of aircraft and the purchase of aircraft parts. Any purchase or sale of aircraft is hedged following Board approval whilst the purchase of aircraft parts is unhedged as the quantum and timing of purchases is difficult to forecast well in advance.

d) Credit Risk

Credit risk refers to the risk that a counterparty defaults on its contractual obligations resulting in a financial loss to the Group.

The Group's main counterparties are considered low risk as they are mainly State and Territory Government agencies and large corporations. If the Group is performing aeromedical retrieval work for smaller entities or individuals, payment upfront is requested. There were no provisions for impairment of trade receivables at reporting date.

Credit risk also arises from cash deposits placed with financial institutions and investments held. The Group held cash and cash equivalents at year end with banks rated A- to A+. Investments are managed by an ASX listed diversified financial services company.

The Group's maximum exposure to credit risk at reporting in relation to each class of financial instrument is its carrying value as reported in the balance sheet.

e) Liquidity Risk

The main objective of liquidity risk management is to reduce the risk that the Group does not have the resources available to meet its financial obligations and working capital and committed capital expenditure requirements.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Refer Note 14 Right-of-Use Assets and Lease Liabilities for contractual maturities of lease liabilities at reporting date.

f) Market risk

Market risk is the risk that changes in market prices will affect the Group's financial results and value of its investments. The key market risks are fuel price and equity market movements. Fuel price risk is mitigated to an extent through contract pricing revenue indexation mechanisms which adjust for fuel price. Equity market movements for investments are managed by aligning the investment strategy to the Group's risk profile based on the intended investment horizon and risk appetite.

g) Fair Value

The fair value of cash and cash equivalents, trade receivables, loans and borrowings, trade payables approximate their carrying value.

Investments are carried at fair value (Level 1) based on calculated quoted prices in active markets as at the reporting date without any deduction for transaction costs.

The fair value of lease liabilities (Level 3) is the present value of minimum lease payments, which is $19,873,949 at reporting date as shown in Note 14 Right-of-Use-Assets and Lease Liabilities.

16. Provisions

Aircraft Engine Overhaul Provision	2024	2023
	$	$
Opening Balance	2,690,070	2,229,051
Increase in provision based on hours flown	-	995,600
Engine overhauls during the year	-	(713,640)
Foreign exchange adjustment	-	179,059
Reversal of aircraft engine overhaul provision	(2,690,070)	-
Closing Balance	**-**	**2,690,070**

In the prior year, an engine overhaul provision was recognised for the four fixed wing aircraft operating under the Northern Territory Government Top End Medical Retrieval Services (TEMRS) Contract. The provision was calculated based on the hours incurred on the engines since the previous overhaul based on estimated cost and impact of foreign currency exchange movements. During the current year, an extension to the TEMRS Contract was signed which modified the contract revenue mechanism relating to aircraft parts on the four fixed wing aircraft. This contract modification resulted in the Engine Overhaul Provision no longer being required under the accounting standards.

17. Employee Benefits

a) Short-term employee benefits

Short-term employee benefits comprise wages and salaries, annual and long service leave, and contributions to superannuation plans. The net marginal cost to the Group of non-accumulating non-monetary benefits such as housing, cars and free or subsidised goods and services, are expensed as the benefits are taken by the employees.

b) Long-term employee benefits

Long-term employee benefits comprise annual and long service leave benefits. The obligation represents the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates and is discounted using high quality corporate bond rates at the reporting date which have maturity dates approximating the terms of the Group's obligation.

c) Superannuation

The Group contributes to defined contribution superannuation plans. Obligations for superannuation contributions are recognised as a personnel expense as the related service is provided.

	2024	2023
Current	$	$
Annual leave entitlements	3,831,583	3,983,767
Long service leave entitlements	2,162,572	1,800,466
	5,994,155	**5,784,233**
Non-current		
Long service leave entitlements	**1,088,351**	**775,670**
Total employee benefits	**7,082,506**	**6,559,903**

18. Reserves

Reserves comprises the revaluation reserve for aircraft and investments which relate to movements arising from the revaluation of these assets.

	2024	2023
	$	$
Asset Revaluation Reserve	6,199,578	6,399,525
Investment Revaluation Reserve	576,705	274,856
Total Reserves	**6,776,283**	**6,674,381**

19. Related parties

At an general meeting of Members in February 2021, the Constitution was amended to permit the remuneration of non-executive Directors, subject to obtaining the prerequisite regulatory approvals and subject to the aggregate remuneration not exceeding an annual fixed sum of $250,000. The Board decided to defer implementation of remuneration of non-executive Directors, except for the Chair of the Board, Deputy Chair of the Board, and Chair of the Audit and Risk Committee during the 2023/24 financial year. On 26 April 2024, the Board decided to implement remuneration for all non-executive Directors effective 1 May 2024.

The agreed annual directors' fees inclusive of superannuation are as follows:

- Chair of the Board $60,000
- Deputy Chair of the Board $30,000
- Chair of the Audit and Risk Committee $30,000
- All other board positions $20,000 (effective from 1 May 2024)

Key Management Personnel Renumeration

Compensation of the Company's key management personnel includes salaries, non-cash benefits and contributions to superannuation.

	2024	2023
	$	$
Short term employee benefit	1,156,434	848,424
Post-employment benefit	112,458	70,791
Total Remuneration	**1,268,892**	**919,215**

20. Economic Dependency

The Group relies upon financial revenue from the Northern Territory Government, New South Wales Government, sponsors, and the community.

21. Subsidiaries

The Company has a wholly owned subsidiary, CareFlight (NT) Limited which was registered as a public company limited by guarantee on 17 June 2011. CareFlight (NT) Limited is a not-for-profit entity and is a registered charity and Public Benevolent Institution. CareFlight Limited is the sole member of CareFlight (NT) Limited. No investment cost is recorded in relation to this subsidiary.

22. Auditor's Remuneration

Ernst & Young fees for auditing the statutory financial report were $118,588 (2023: $118,190). There were no fees paid for other services during the reporting period (2023: nil).

23. Contingent Assets and Liabilities

Bank guarantees on issue at 30 April 2024 of $315,082 (2023: $315,082).

24. Events Subsequent to Reporting Date

The following events occurred subsequent to year end:

- On 12 June 2024, NSW Health proposed to extend the grant agreement for the CareFlight Rapid Response Helicopter Service for a further 4 years to 30 June 2028. Under the proposal, the current grant agreement would be extended for a period of six months to 31 December 2024 to allow sufficient time to finalise the terms of the new grant agreement.
- On 26 June 2024, Mounties agreed to continue their support of CareFlight for a further five years. This next five year sponsorship agreement commences upon expiration of the existing agreement in June 2026. Additionally, Mounties has undertaken to provide a donation to CareFlight to enable our ongoing Rapid Response capability for the people of NSW.
- CareFlight has been requested by NSW Health to consider a 12-month extension to the Patient Transport Services (PTS) contract from 30 November 2024 and is currently working with NSW Health on how to support this request.

25. Parent Entity Disclosure

The parent results and financial position are the same as the Consolidated Income Statement and Balance Sheet presented in this report.

Declaration by Chief Executive Officer in respect of fundraising appeals

I, Mick Frewen, CEO of CareFlight Limited, declare in my opinion:

a. the Financial Statements and notes thereto give a true and fair view of all income and expenditure of the Group with respect to fundraising appeals and event activities for the financial year ended 30 April 2024;

b. the attached Financial Statements are in compliance with Australian Accounting Standards – Simplified Disclosure Requirements and the Corporations Regulations 2001 (Cth);

c. the Income Statement and Balance Sheet and notes thereto give a true and fair view of the state of affairs with respect to fundraising appeals and event activities as at 30 April 2024;

d. the provisions of the Australian Charities and Not-for-profits Commission Act 2012, the Charitable Fundraising Act 1991 (NSW), the Fundraising Act 1998 (Vic), the Charitable Collections Act 2003 (ACT), the Collections for Charities Act 2001 (Tas), the Collections for Charitable Purposes Act 1939 (SA) and the Charitable Collections Act 1946 (WA), the Regulations under the Act(s) and the conditions attached to the authorities have been complied with for the financial year ended 30 April 2024; and

e. the internal controls exercised by the Group are appropriate and effective in accounting for all income received and applied from any fundraising appeals.



Mick Frewen
Chief Executive Officer

Sydney, 8 August 2024

Directors' Declaration

In accordance with a resolution of the directors of CareFlight Limited (the Company), in the opinion of the directors:

a. the Group is not a reporting entity as defined in the Australian Accounting Standards;

b. the financial statements and notes are in accordance with 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 April 2024 and of its performance, for year ended on that date; and

   ii. complying with Australian Accounting Standards – Simplified Disclosure Requirements and Australian Charities and Not-for-profits Commission Regulation 2013; and

c. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



The Hon Brad Hazzard
Chair

Sydney, 8 August 2024

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Auditor's independence declaration to the directors of CareFlight Limited

In relation to our audit of the financial report of CareFlight Limited for the financial year ended 30 April 2024, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of any applicable code of professional conduct; and

b. No non-audit services provided that contravene any applicable code of professional conduct.

This declaration is in respect of CareFlight Limited and the entities it controlled during the financial year.

Ernst & Young

Renay Robinson
Partner
8 August 2024

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Independent auditor's report to the members of CareFlight Limited and its Controlled Entity

Report on the financial report

Opinion

We have audited the financial report of CareFlight Limited (the Company) and its controlled entity (collectively the Group), which comprises the consolidated statement of financial position as at 30 April 2024, the consolidated statement of surplus or deficit and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policy information, and the directors' declaration.

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

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 April 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 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 Group in accordance with 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.

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

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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.

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Responsibilities of the 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 Disclosures 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 Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 Group'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 Group'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 Group 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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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2021* and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*

We have audited the financial report as required by Section 24(1) of the *NSW Charitable Fundraising Act 1991* and the *WA Charitable Collections Act (1946)*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2021* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.
Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Acts and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

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Opinion

In our opinion:

a. The financial report of CareFlight Limited has been properly drawn up and associated records have been properly kept during the financial year ended 30 April 2024, in all material respects, in accordance with:

   i. Sections 20(1), 22(1-2), 24(1) of the *NSW Charitable Fundraising Act 1991*;

   ii. Sections 14(2) and 17 of the *NSW Charitable Fundraising Regulation 2021*;

   iii. The *WA Charitable Collections Act (1946)*; and

   iv. The *WA Charitable Collections Regulations (1947)*.

The money received as a result of fundraising appeals conducted by the Group during the financial year ended 30 April 2024 has been properly accounted for and applied, in all material respects, in accordance with the above-mentioned Acts and Regulations.

Ernst & Young

Ernst & Young

RRobinson

Renay Robinson
Partner
Sydney
8 August 2024

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