

THE GALLIPOLI LEGION CLUB NEWCASTLE LIMITED

ACN 000 889 136

YEAR ENDED 30 JUNE 2022

REPORT AND FINANCIAL STATEMENTS

BOARD OF DIRECTORS

Sharon Ellis
Melissa Bone
Joanne Jenkins
Jammie-Lee Ellis
Markita McGrady

Acting President

SECRETARY/MANAGER

Michael Cleary

PATRONS

Trish Punshon
Robert Hicks OAM

BANKERS

Commonwealth Trading Bank, Hamilton
National Australia Bank, Hamilton

AUDITORS

Lindbeck Partners
15 Kelton Street, Cardiff

HONORARY SOLICITOR

Bale Boshev Lawyers
60-62 Beaumont Street, Hamilton

REGISTERED OFFICE

3-5 Beaumont Street, Hamilton

PRESIDENT'S REPORT FOR THE YEAR ENDED 30 JUNE 2022

Ladies and Gentlemen,

On behalf of The Board of directors, I present to you the 66th Annual report for the year ended 30 June 2022 of the Gallipoli Legion Club Newcastle Ltd.

First and foremost thank you to the members who continue to support the club as much as possible. The increasing cost of living has impacted us all, and I wish to express a great deal of appreciation for your sustained loyalty and contribution, for some over many, many years.

The continuous rise in interest rates has hit hard and recreational spending in the hospitality industry is where people generally tighten the belt first. Statistics have shown a steady decline in regular visitation & revenue for hotels, clubs & cafes, with the RBA eager to tame and stabilise inflation.

Throughout the testing times of the last few years we have never lost site of the foundation & history of how the club came to be. Our ANZAC Day commemorations have grown with each passing year and the association with Captain Peter Lockwood and the 211 Army Cadets for their role in carrying on the traditions and legacy of the ANZAC Spirit, ensuring their memory will live on for generations to come.

Gratitude and recognition also going to fellow Club Directors, CEO & Staff of The Gallipoli Legion Club who have toiled in earnest, with the well being, reputation and integrity of the club always a top priority.

It is with regret that I report the passing of 15 members since from previous report including WWII Veteran and Gallipoli Legion Club Life Member, Mr. Alf Carpenter OAM. Vale: Alf, 105 years old, a life well lived.

In conclusion I give my sincere thanks once again to everyone involved with the club and look forward to your continued support.

Our Membership as at 30 June 2022 was as follows:

Ex Service Members	9
Social members	<u>723</u>
TOTAL MEMBERS	<u>732</u>

Kind regards

Sharon Ellis
Acting President

SECRETARY MANAGER'S REPORT FOR THE YEAR ENDED 30 JUNE 2022

Dear Members

I hereby present to you the annual report for the year ended 30 June 2022.

I begin by giving thanks to the Board of Directors for their unwavering support of me as manager of this wonderful

My humble gratefulness to the staff for their efforts and hard work. In particular Kim Woolfe who gives 100% day in day out and has poured her heart and soul into this company for almost 4 decades. A huge thank you to Kim and the team.

To all the members who leave their worries behind and come into the club with a smile on their face and look forward to enjoying a great time at the venue, thank you so much for providing some magic memories. Providing an escape from the everyday hassles is what we endeavour to do for members & guests offering many promotions and facilities to make certain a good time is had by all. Whether it be the weekly raffles, pool & snooker tables, jukebox, happy hour, NRL, AFL, live music, ANZAC Day, Melbourne Cup, Easter & Christmas parties, members badge draw & swipe machine giveaways and more. I hope you have enjoyed the good times as much as we enjoy bringing them to you.

I take my hat off and give special mention to Don 'Turtle' Hardy and the organisers and volunteers of our snooker and punters clubs, giving up their time in order to present a fantastic social camaraderie for locals to take part in and get pleasure from the much loved community aspect of the club. Great work guys.

To all involved with the Diamond League Newcastle Competition, it is great to see so many people utilising the pool table facilities both competitively and socially, bringing a wonderful vibe and ambience to the venue.

As the entertainment landscape in Newcastle continues to evolve we have maintained support of not only the local music industry, but also with our alignment to Kingdom Sounds Entertainment Agency seeing some great touring Australian and international bands playing The Gal. An eclectic range of entertainment from ska to jazz & hip hop plus everything in between our aim is to make the club a destination venue high on the radar of locals and visitors to Newcastle.

Take care everyone & stay safe

Cya @ The Gal soon

Kind regards

Michael Cleary
Secretary Manager

DIRECTORS REPORT

The Directors of The Gallipoli Legion Club Newcastle Limited present their report together with the financial statements of the Company for the year ended 30 June 2022 and the Independent Audit Report thereon.

Directors

The following persons were Directors of The Gallipoli Legion Club Newcastle Limited during or since the end of the financial year.

NAME	QUALIFICATIONS	EXPERIENCE	SPECIAL RESPONSIBILITIES
Peter Coates		Since 2011	Director, President
Sharon Ellis		Since 2011	Director, Vice President
Melissa Bone		Since 2019	Director
Alan Barkley		Resigned 29.5.22	Director
Joanne Jenkins		Since 2020	Director
Catherine Olson		Resigned 29.5.22	Director
Jammie-Lee Ellis		Appointed 29.5.22	Director
Markita McGrady		Appointed 29.5.22	Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the company during the period have been to encourage amongst members and their visitors the preservation of a spirit of loyalty to the Crown and to the and to perpetuate a sense of comradeship with the community such as was attained in the Australian armed Commonwealth of Australia services during the ANZAC campaign and other military engagements and to promote social intercourse and cultural and sporting activities amongst members and their guests and for the purpose to provide a Club with all the usual facilities of a Club for the accommodation of members and of former sailors, soldiers and airmen and of other persons. There has been no significant change in the nature of the Club's activities during the period.

Operating Results

The loss of the company from ordinary activities after providing for income tax amounted to \$167,785

Subsequent events

No matters or circumstances have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the company; the results of those operations; or the state of affairs of the company in future financial years.

Future Developments, Prospects and Business Strategies

Likely developments in the operations of the economic entity and the expected results of those operations have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the company.

Changes in state of affairs

There was no significant change in the state of affairs of the company during the financial year.

DIRECTORS REPORT (continued)

Meetings of Directors

The number of meetings of Directors (including meetings of committees of Directors) held during the year, and the number of meetings attended by each Director, are as follows:

Director	Meetings	
	Eligible	Attended
Peter Coates	13	11
Sharon Ellis	13	11
Melissa Bone	13	11
Alan Barkley	13	1
Joanne Jenkins	13	9
Catherine Olson	13	10
Jammie-Lee Ellis	2	1
Markita McGrady	2	2

Contribution in winding up

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each Ordinary Social member is required to contribute a maximum of \$2 and Ordinary Members Legion, Ex-Service and Life Members a maximum of \$8 each towards meeting any outstanding obligations of the Company. At 30 June 2022, the total amount that members of the Company are liable to contribute if the Company is wound up is \$1,518 (2021 \$3,264).

Indemnifying Officers or Auditor

During the period, the company paid a premium for the Directors and officers liability insurance policy. The insurance policy provides for the directors named in this report, the company secretary, officers and former directors and officers of the company. The contract prohibits the disclosure of the nature of the liabilities and the amount of the premium.

Proceedings on Behalf of Company

No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the period.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is included in page 6 of this financial report and forms part of the Directors' Report.

Signed in accordance with a resolution of the directors



S ELLIS

HAMILTON 28 June 2023



B N LINDBECK PTY LTD ACN 079 130 000
ABN 99 839 215 857

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF THE GALLIPOLI LEGION CLUB NEWCASTLE LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of The Gallipoli Legion Club Newcastle Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of section 307C of the Corporations Act 2001 in relation to the audit; and
- b. No contraventions of any applicable code of professional conduct in relation to the audit.

Lindbeck Partners

LINDBECK PARTNERS
Chartered Accountants

A handwritten signature in black ink, appearing to read "Barry Lindbeck", with a long horizontal stroke extending to the right.

Barry Lindbeck
Partner

Cardiff, 27 June 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 30 June 2022

	NOTES	2022 \$	2021 \$
Revenues	2	788,153	1,075,096
Changes in inventories of finished goods and work in progress		(2,166)	3,709
Raw materials and consumables used		(196,862)	(280,173)
Employee benefits expense		(249,307)	(365,088)
Depreciation and amortisation expenses	3	(101,576)	(120,673)
Other expenses		(406,027)	(500,760)
Profit/(loss) before income tax expense		(167,785)	(187,889)
Income tax expense	4	-	-
Profit/(loss) for the period		<u>(167,785)</u>	<u>(187,889)</u>

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

as at 30 June 2022

	NOTES	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	87,713	158,778
Trade and other receivables	8	-	-
Inventories	9	20,551	22,717
Other current assets	10	71,653	52,844
TOTAL CURRENT ASSETS		<u>179,917</u>	<u>234,339</u>
NON-CURRENT ASSETS			
Financial assets	11	600,136	650,010
Property, plant and equipment	12	1,368,821	1,452,426
TOTAL NON-CURRENT ASSETS		<u>1,968,957</u>	<u>2,102,436</u>
TOTAL ASSETS		<u>2,148,874</u>	<u>2,336,775</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	75,083	63,658
Borrowings	14	45,263	45,263
Current tax liabilities	15	-	-
Short-term provisions	16	38,724	33,596
TOTAL CURRENT LIABILITIES		<u>159,070</u>	<u>142,517</u>
NON-CURRENT LIABILITIES			
Borrowings	14	3,189	42,042
Long-term provisions	16	45,692	43,508
TOTAL NON-CURRENT LIABILITIES		<u>48,881</u>	<u>85,550</u>
TOTAL LIABILITIES		<u>207,951</u>	<u>228,067</u>
NET ASSETS		<u>1,940,923</u>	<u>2,108,708</u>
EQUITY			
Reserves		1,218,514	1,218,514
Retained earnings		722,409	890,194
TOTAL EQUITY		<u>1,940,923</u>	<u>2,108,708</u>

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2022

	NOTES	Retained earnings	Asset Revaluation Reserve	Total
		\$	\$	\$
Balance at 30 June 2020		1,078,083	1,218,514	2,296,597
Profit attributable to members		(187,889)	-	(187,889)
Revaluation increment (decrement)		-	-	-
Balance at 30 June 2021		<u>890,194</u>	<u>1,218,514</u>	<u>2,108,708</u>
Profit attributable to members		(167,785)	-	(167,785)
Revaluation increment (decrement)		-	-	-
Balance at 30 June 2022		<u><u>722,409</u></u>	<u><u>1,218,514</u></u>	<u><u>1,940,923</u></u>

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

for the year ended 30 June 2022

	NOTES	2022 \$	2021 \$
		INFLOWS (OUTFLOWS)	INFLOWS (OUTFLOWS)
Cash Flows from operating activities			
Receipts from customers		866,829	1,174,852
Payments to suppliers and employees		(924,972)	(1,217,731)
Interest received		127	11,492
Interest paid		(6,099)	(4,505)
Net cash provided by (used in) operating activities	19(a)	<u>(64,115)</u>	<u>(35,892)</u>
Cash Flows from investing activities			
Proceeds from sale of property, plant & equipment		-	-
Proceeds from sale of financial assets		49,874	317,198
Purchase of financial assets		-	-
Purchase of property, plant & equipment		(17,971)	(169,024)
Net cash provided by (used in) investing activities		<u>31,903</u>	<u>148,174</u>
Cash Flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		(38,853)	(29,861)
Net cash used in financing activities		<u>(38,853)</u>	<u>(29,861)</u>
Net increase/(decrease) in cash held		(71,065)	82,421
Cash at 1 July 2021	7	<u>158,778</u>	<u>76,357</u>
Cash at 30 June 2022	7	<u><u>87,713</u></u>	<u><u>158,778</u></u>

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2022

The financial report covers The Gallipoli Legion Club Newcastle Limited as an individual entity. The Gallipoli Legion Club Newcastle Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of The Gallipoli Legion Club Newcastle Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 29 June 2023.

Comparatives are consistent with prior years, unless otherwise stated.

1. STATEMENT OF ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Corporations Act 2001.

The financial report covers The Gallipoli Legion Club Newcastle Limited as an individual entity. The Gallipoli Legion Club Newcastle Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Income Tax

The charge for current income tax expenses is based on the profit for the period adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

(b) Inventories

Stock has been valued at the lower cost and net realisable value. Cost is based on the first-in-first-out principle and includes expenditure incurred in acquiring the stock and bringing it to location.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are measured on the cost basis less depreciation and impairment losses.

The carrying amount of land and buildings is reviewed annually by the association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, is depreciated on a straight line basis or diminishing value basis over their useful lives to the association commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant & equipment	10% - 40%
Leased plant & equipment	40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Leases

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

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

(d) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Held-to-maturity investments

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments held by the company are stated at amortised cost using the effective interest rate method.

(e) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred. The company has no legal obligation to cover any shortfall in the fund's obligation to provide benefits to employees on retirement.

(f) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(h) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(j) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(k) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates — Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Coronavirus ('COVID-19') pandemic

Judgement has been exercised in considering the impacts that the COVID-19 pandemic has had, or may have, on the entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the entity unfavourably as at the reporting date. However, the ongoing COVID-19 pandemic may impact the estimation uncertainty due to the extent and duration of actions by governments, business and consumers to contain the spread of the virus.

	NOTES	2022	2021
		\$	\$
2. REVENUE			
Operating revenue			
- sale of goods		591,032	823,537
- membership revenue		6,426	7,236
- commissions received		30,328	32,570
- interest received		127	7,049
- other revenue		160,240	204,704
Non operating revenue			
- proceeds on disposal of property, plant and equipment		-	-
		<u>788,153</u>	<u>1,075,096</u>
3. PROFIT FROM ORDINARY ACTIVITIES			
Profit from ordinary activities before income tax expense has been determined after:			
(i) Expenses:			
Cost of sales		201,713	273,005
Depreciation		101,576	120,673
Employee provisions		16,779	22,239
4. INCOME TAX EXPENSE			
Income tax expense		-	-
5. DIRECTORS REMUNERATION			
The Directors received no benefits apart from normal reimbursement of expenses incurred in carrying out activities and duties on behalf of the company.			
6. AUDITORS REMUNERATION			
Remuneration of the auditor for:			
(a) auditing or reviewing the financial report		9,500	9,500
(b) other services		14,850	15,875
		<u>24,350</u>	<u>25,375</u>
7. CASH ASSETS			
CURRENT			
Cash at bank and in hand		85,651	156,716
Cash on deposit		2,062	2,062
		<u>87,713</u>	<u>158,778</u>

	NOTES	2022 \$	2021 \$
7. CASH ASSETS (cont.)			
The effective interest rate on short-term bank deposits was 0.10% (2020: 0.10%); these deposits have an average maturity of 90 days.			
Reconciliation of cash			
Cash at the end of the period as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:			
Cash and cash equivalents		<u>87,713</u>	<u>158,778</u>
8. RECEIVABLES			
Other receivables		<u>-</u>	<u>-</u>
9. INVENTORIES			
Finished goods		<u>20,551</u>	<u>22,717</u>
10. OTHER ASSETS			
Prepayments		61,643	42,834
Security deposits		<u>10,010</u>	<u>10,010</u>
		<u>71,653</u>	<u>52,844</u>
11. OTHER			
Financial Assets			
Held-to-maturity investments		600,126	650,000
Available-for-sale investments		<u>10</u>	<u>10</u>
		<u>600,136</u>	<u>650,010</u>
12. PROPERTY, PLANT AND EQUIPMENT			
<i>Land & Buildings</i>			
Freehold land (at deemed cost)		<u>358,360</u>	<u>358,360</u>
Total land		<u>358,360</u>	<u>358,360</u>
Freehold buildings (at deemed cost)		1,099,625	1,095,406
Less accumulated depreciation		<u>(362,755)</u>	<u>(335,312)</u>
Total buildings		<u>736,870</u>	<u>760,094</u>
Total land & buildings		<u>1,095,230</u>	<u>1,118,454</u>
<i>Plant & Equipment</i>			
Plant & equipment (at cost)		977,602	966,554
Accumulated depreciation		<u>(769,859)</u>	<u>(731,988)</u>
		<u>207,743</u>	<u>234,566</u>
Poker machines (at cost)		496,942	494,242
Accumulated depreciation		<u>(431,094)</u>	<u>(394,836)</u>
		<u>65,848</u>	<u>99,406</u>
Total plant & equipment		<u>273,591</u>	<u>333,972</u>
Total property, plant and equipment		<u>1,368,821</u>	<u>1,452,426</u>

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

	Freehold Land	Buildings	Plant & Equipment	Poker Machines	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the period	358,360	760,094	234,566	99,406	1,452,426
Additions		4,221	11,047	2,703	17,971
Disposals					-
Depreciation expense		27,445	37,870	36,261	101,576
Carrying amount at the end of the period	<u>358,360</u>	<u>736,870</u>	<u>207,743</u>	<u>65,848</u>	<u>1,368,821</u>

	NOTES	2022	2021
		\$	\$
13. PAYABLES			
Trade payables		43,993	35,573
Sundry payables & accrued expenses		<u>31,090</u>	<u>28,085</u>
		<u>75,083</u>	<u>63,658</u>

14. BORROWINGS			
CURRENT			
Lease liabilities		<u>45,263</u>	<u>45,263</u>
NON-CURRENT			
Lease liabilities		<u>3,189</u>	<u>42,042</u>
TOTAL BORROWINGS	20	<u>48,452</u>	<u>87,305</u>

Leased liabilities are secured by the underlying leased assets.

15. TAX LIABILITIES			
Income tax		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

16. PROVISIONS			
Current		38,724	33,596
Non-current		<u>45,692</u>	<u>43,508</u>
		<u>84,416</u>	<u>77,104</u>

	Employee Entitlements	Total
	\$	\$
Opening balance at 1 July 2021	77,104	77,104
Additional provisions raised during the period	16,780	16,780
Amounts used	<u>(9,468)</u>	<u>(9,468)</u>
Balance at 30 June 2022	<u>84,416</u>	<u>84,416</u>

	NOTES	2022 \$	2021 \$
Provision for Employee Entitlements			
<p>A provision has been recognised for employee entitlements relating to annual and long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.</p>			
17. RESERVES			
a. Asset Revaluation Reserve			
The asset revaluation reserve records revaluations of non-current assets			
18. SEGMENT REPORTING			
The company operates predominantly in one business and geographical segment being the entertainment industry in the Hunter Valley.			
19. CASH FLOW INFORMATION			
(a) Reconciliation of cash flows from operations with profit from ordinary activities after income tax			
Operating profit after from ordinary activities after income tax		<u>(167,785)</u>	<u>(187,889)</u>
Non cash flows in profit from ordinary activities			
Depreciation		101,576	120,673
Capital gain		-	-
Changes in assets and liabilities			
(Increase)/Decrease in receivables		-	4,443
(Increase)/Decrease in inventories		2,166	(3,709)
(Increase)/Decrease in other assets		(18,809)	13,668
Increase/(Decrease) in payables		11,425	9,708
Increase/(Decrease) in tax liabilities		-	-
Increase/(Decrease) in employee provisions		7,312	7,214
Cash Flows from Operations		<u>(64,115)</u>	<u>(35,892)</u>
(b) Credit Standby Arrangements with Banks		<u>-</u>	<u>-</u>

20. FINANCIAL INSTRUMENTS

	Floating	Fixed		Non	Total
	Interest	Interest		Interest	
	Rate	1 year	Over 1 to	Bearing	
		or less	5 years		
	\$	\$	\$	\$	\$
30 June 2021					
Financial Assets					
Cash and cash equivalents	87,713	-	-	-	87,713
Receivables	-	-	-	-	-
Investments	-	600,126	-	10	600,136
	<u>87,713</u>	<u>600,126</u>	<u>-</u>	<u>10</u>	<u>687,849</u>
Weighted average interest	0.10%	3.62%			
Financial Liabilities					
Payables	-	-	-	43,993	43,993
Borrowings	-	45,263	3,189	-	48,452
	<u>-</u>	<u>45,263</u>	<u>3,189</u>	<u>43,993</u>	<u>92,445</u>
Net financial assets/(liabilities)	<u>87,713</u>	<u>554,863</u>	<u>(3,189)</u>	<u>(43,983)</u>	<u>595,404</u>

30 June 2021					
Financial Assets					
Cash and cash equivalents	158,778	-	-	-	158,778
Receivables	-	-	-	-	-
Investments	-	650,000	-	10	650,010
	<u>158,778</u>	<u>650,000</u>	<u>-</u>	<u>10</u>	<u>808,788</u>
Weighted average interest	0.10%	1.69%			
Financial Liabilities					
Payables	-	-	-	35,573	35,573
Borrowings	-	45,263	42,042	-	87,305
	<u>-</u>	<u>45,263</u>	<u>42,042</u>	<u>35,573</u>	<u>122,878</u>
Net financial assets/(liabilities)	<u>158,778</u>	<u>604,737</u>	<u>(42,042)</u>	<u>(35,563)</u>	<u>685,910</u>

21. MEMBERS' GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the company is wound up, the Constitution states that each Ordinary Social member is required to contribute a maximum of \$2 and Ordinary Members Legion, Ex-Service and Life Members a maximum of \$8 towards meeting any outstanding obligations of the company. As at 30 June 2022 the number of Ordinary Social members was 723 and Ordinary Members Legion, Ex-Service and Life members was 9. (2021: Ordinary Social 1468; Legion, Ex-Service and Life 41)

22. CONTINGENCIES

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022 (30 June 2021: None).

23. RELATED PARTIES

The Company's main related parties are as follows:

Directors

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

Transactions with related parties

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

24. EVENTS AFTER THE END OF THE REPORTING PERIOD

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not had a significant impact for the entity up to 30 June 2022, it is not practicable to estimate the impact, after the reporting date. The entity has received the Federal Government's Job Keeper incentive and other COVID-19 financial measures. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided. The potential impacts of COVID-19 will continue to be closely monitored.

The financial report was authorised for issue by the Directors on 29 June 2023.

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

25. STATUTORY INFORMATION

The registered office of the company is:

3 - 5 Beaumont Street, HAMILTON

The principal place of business of the company is:

3 - 5 Beaumont Street, HAMILTON

DIRECTORS DECLARATION

In the opinion of the directors of The Gallipoli Legion Club Newcastle Limited:

a) the financial statements and notes of The Gallipoli Legion Club Newcastle Limited are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b) there are reasonable grounds to believe that The Gallipoli Legion Club Newcastle Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



S ELLIS

HAMILTON 28 June 2023



B N LINDBECK PTY LTD ACN 079 130 000
ABN 99 839 215 857

Independent Audit Report to the members of The Gallipoli Legion Club Newcastle Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Gallipoli Legion Club Newcastle Limited, which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of The Gallipoli Legion Club Newcastle Limited has been prepared in accordance with Corporations Act 2001, including:

- (i) giving a true and fair view of The Gallipoli Legion Club Newcastle Limited's financial position as at 30 June 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

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 Gallipoli Legion Club Newcastle Limited in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter – COVID-19

We draw attention to Note 1 of the financial report, which describes the circumstances relating to COVID-19 and the uncertainty surrounding any potential financial impact on the financials. Our opinion is not modified in respect of this matter.

Independent Audit Report to the members of The Gallipoli Legion Club Newcastle Limited

Responsibilities of Directors for the Financial Report

The Directors of The Gallipoli Legion Club Newcastle Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing The Gallipoli Legion Club Newcastle Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate The Gallipoli Legion Club Newcastle Limited or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing The Gallipoli Legion Club Newcastle Limited's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Gallipoli Legion Club Newcastle Limited'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 Gallipoli Legion Club Newcastle Limited'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 Gallipoli Legion Club Newcastle Limited to cease to continue as a going concern.

Independent Audit Report to the members of The Gallipoli Legion Club Newcastle Limited

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

Lindbeck Partners

LINDBECK PARTNERS
Chartered Accountants

Barry Lindbeck

Barry Lindbeck
Partner

Cardiff 29 June 2023



B N LINDBECK PTY LTD ACN 079 130 000
ABN 99 839 215 857

DISCLAIMER

The additional financial data presented in the following pages is in accordance with the books and records of The Gallipoli Legion Club Newcastle Limited ('our client') which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2020. It will be appreciated that our statutory audit did not cover all details of the additional year financial data.

Accordingly we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm, nor any member or employee of the firm, undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such data, including any errors or omission therein however caused.

Lindbeck Partners

LINDBECK PARTNERS
Chartered Accountants

A handwritten signature in black ink, appearing to read "Barry Lindbeck", written over a horizontal line.

Barry Lindbeck
Partner

Cardiff 29 June 2023

TRADING STATEMENTS

For the year ended 30 June 2022

	NOTES	2022	2021
		\$	\$
LIQUOR			
Sales		<u>403,828</u>	<u>566,883</u>
Cost of Sales			
Opening stock		22,467	19,008
Purchases		<u>187,938</u>	<u>266,414</u>
		210,405	285,422
Closing stock		<u>19,782</u>	<u>22,467</u>
		<u>190,623</u>	<u>262,955</u>
Gross profit		<u>213,205</u>	<u>303,928</u>
		52.80%	53.61%
DEDUCT DIRECT EXPENSES			
Repairs & maintenance		625	2,840
Glass replacement		670	1,261
Temporary Staff		-	2,590
Wages		<u>126,781</u>	<u>249,485</u>
		<u>128,076</u>	<u>256,176</u>
BAR NET OPERATING REVENUE		<u>85,129</u>	<u>47,752</u>
		21.08%	8.42%
BAR SUNDRY			
Sales		15,987	15,711
Purchases		11,090	10,050
Wages		<u>4,187</u>	<u>3,143</u>
		<u>15,277</u>	<u>13,193</u>
BAR SUNDRY NET OPERATING REVENUE		<u>710</u>	<u>2,518</u>
		4.44%	16.03%
POKER MACHINES			
Poker machine clearances		<u>171,217</u>	<u>240,943</u>
DEDUCT DIRECT EXPENSES			
Service, analysis & repairs		26,549	28,969
Poker machine game license fees		<u>(1,668)</u>	<u>2,496</u>
		<u>24,881</u>	<u>31,465</u>
POKER MACHINE REVENUE		<u>146,336</u>	<u>209,478</u>
		85.47%	86.94%

This statement is to be read in conjunction with the attached disclaimer of Lindbeck Partners

STATEMENT OF INCOME & EXPENDITURE

For the year ended 30 June 2022

	NOTES	2022 \$	2021 \$
INCOME			
Bar net operating revenue		85,129	47,752
Bar sundry net operating revenue		710	2,518
Poker machine revenue		146,336	209,478
		<u>232,175</u>	<u>259,748</u>
Commission - other		11,326	9,476
Commission - Club Keno		19,002	23,094
Function revenue		18,612	6,210
Interest income		127	7,049
Membership subscriptions		6,426	7,236
Raffle income		34,976	56,542
Other income		106,645	141,188
Eftpos receipts		7	764
		<u>197,121</u>	<u>251,559</u>
TOTAL INCOME		<u>429,296</u>	<u>511,307</u>

This statement is to be read in conjunction with the attached disclaimer of Lindbeck Partners

STATEMENT OF INCOME & EXPENDITURE

For the year ended 30 June 2022

	NOTES	2022 \$	2021 \$
TOTAL INCOME		<u>429,296</u>	<u>511,307</u>
GENERAL EXPENSES & OVERHEADS			
Accountancy & auditing		24,350	25,375
Advertising		482	1,628
Bank charges		2,393	4,185
Cash shortage / (surplus)		(20)	(785)
Cleaning		34,790	40,260
Computer software		21,126	17,406
Consultancy services		600	1,600
Directors expenses		16	250
Electricity		30,714	32,883
Filing fees		250	383
Hire of equipment		528	-
Insurance		56,896	46,484
Interest		6,099	4,505
Night patrol & cash collection		516	516
Printing, postage & stationery		2,340	4,837
Rates		27,058	23,841
Repairs & maintenance		7,163	17,126
Salaries, wages & allowances		98,699	80,073
Staff training		667	-
Staff uniforms		327	648
Sundry expenses		219	771
Superannuation		23,827	35,530
Telephone		2,918	3,377
Temporary staff		13,666	15,811
Travel & entertainment		-	-
		<u>355,624</u>	<u>356,704</u>
AMENITIES & SOCIAL EXPENSES			
Catering		2,579	325
Club Keno expenses		1,300	1,692
Donations		-	3,272
Entertainment		62,730	103,711
Mortality, welfare & benevolence		182	1,000
Raffle prizes		37,929	71,578
Socials & refreshments - members		14,915	16,526
Subscriptions		3,467	1,476
		<u>123,102</u>	<u>199,580</u>
TOTAL OPERATING EXPENSES		<u>478,726</u>	<u>556,284</u>
NET OPERATING INCOME		<u>(49,430)</u>	<u>(44,977)</u>

This statement is to be read in conjunction with the attached disclaimer of Lindbeck Partners

STATEMENT OF INCOME & EXPENDITURE

For the year ended 30 June 2022

	NOTES	2022 \$	2021 \$
NET OPERATING INCOME		<u>(49,430)</u>	<u>(44,977)</u>
OTHER EXPENSES			
Depreciation - buildings		27,445	26,981
Depreciation - plant & equipment		37,870	35,960
Depreciation - poker machines		36,261	57,732
Provision for long service leave		2,184	2,079
Provision for annual & sick leave		14,595	20,160
		<u>118,355</u>	<u>142,912</u>
		<u>(167,785)</u>	<u>(187,889)</u>
NON RECURRING ITEMS		-	-
NET INCOME BEFORE INCOME TAX		<u>(167,785)</u>	<u>(187,889)</u>

This statement is to be read in conjunction with the attached disclaimer of Lindbeck Partners
