

THE GALLIPOLI LEGION CLUB NEWCASTLE LIMITED

ACN 000 889 136

YEAR ENDED 30 JUNE 2023

REPORT AND FINANCIAL STATEMENTS

3-5 Beaumont Street
HAMILTON NSW 2303

BOARD OF DIRECTORS

Sharon Ellis
Melissa Bone
James Chapman
Joanne Jenkins
Stephen Doran
Jammie-Lee Ellis

President
Vice-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 2023

Dear Members

On behalf of The Board of directors, I present to you the 67th Annual report for the year ended 30 June 2023 of the Gallipoli Legion Club Newcastle Ltd.

My love and passion for this club knows no bounds.

In my 20 years as a member and now 13 years serving on the board I have seen many changes over that time. The only constant in this world is change. Everything changes, nothing remains still.

While the fast pace of today's world is at times frightening the challenge of moving with it is one I am more than ready to meet head on.

In mentioning change, regular support of the club is one thing that will always be required from its members.

I understand that in recent times routine member visitation has also altered whether that is through family commitments, cost of living financial adjustments, transport difficulties or many other life factors.

Support of the club isn't restricted to visitation.

Call me old fashioned, but I believe word of mouth advertisement is still the greatest marketing tool there is.

Wherever you may be, talking about the wonderful offerings of the club can have a positive impact crucial to increasing trade and membership.

Members benefits, rewards, badge draws, live music, open mic nights, karaoke, Free jukebox, snooker & pool tables, darts, happy hours, raffles, Keno, TAB, Live NRL\AFL, footy tipping competitions, bingo, pool competitions, bar snacks menu (\$10 Pizza) function room hire, celebrating events such as Easter Raffles, Mothers\Fathers Day, Christmas in July, Melbourne Cup and much more are part and parcel of what makes this club the unique social core it is.

So no matter how small you feel your positive contribution may be. Small optimistic acts done repeatedly, lead to big accomplishments.

The club will always maintain the importance of our ANZAC Day responsibilities. Annual Commemorative ANZAC Luncheon, ANZAC Day Ceremony with 211 Army Cadets carrying on the traditions and legacy of the ANZAC Spirit, ensuring their memory will live on for generations to come and maintaining an imperative connection to our defence force.

The reason this club came to exist, will never be forgotten or taken for granted.

I would like to also show my appreciation and genuine thanks to fellow Club Directors, CEO and Staff of The Gallipoli Legion Club for your hard work, efforts and support over the last 12 months.

It is with regret that I report the passing of 16 members since from previous report, with respectful representation of attendance by club directors at every service possible.

PRESIDENT'S REPORT FOR THE YEAR ENDED 30 JUNE 2023

Our Membership as at 30 June 2023 was as follows:

Ex Service Members	40
Social members	<u>1,056</u>
TOTAL MEMBERS	<u>1,096</u>

In closing I give my sincere gratitude to all the members & volunteers for your loyalty, dedication and commitment, as an important part of the club and its ambiance. Cheers to all of you.

Kind regards

Sharon Ellis
President

SECRETARY MANAGER'S REPORT FOR THE YEAR ENDED 30 JUNE 2023

Dear Members

I hereby present to you the annual report for the year ended 30 June 2023.

This report is dedicated to all those passed, present and future persons who step up and commit to the cause with ambition, enthusiasm and the willingness to accept through taking on a role of intense responsibility you will never please everyone.

The cost of living has reached proportions not seen for many a year. The battle for recreational spending has never been fought so hard and the increasing costs of running a business have hit even harder.

Insurance, rates, electricity, compliance, maintenance, stock etc. have all increased at such an alarming rate, attempts to keep pricing down for members has been difficult in the fact that the double edge sword of rising expenses along with members feeling the financial strain themselves

Providing a venue with live music, touring acts and events is a costly exercise, which needs consistent high level patronage and support to be viable

The associations & relationships built over time with the likes of 211 Army Cadets, BarMax Australia, Diamond League Hunter, War Gamers Newcastle, Newcastle Fringe Festival, Newcastle Comedy Festival, Toohey's, Global Liquor, Beyond Sound & Lighting, Lifelike Atmospheres & KnightTime Podcast have been great experiences and their support is very much appreciated

I have many people to thank for their contribution to the amazing venue that is The Gallipoli Legion Club Newcastle, far too many to mention here.

From starting my tenure as Secretary Manager under then President Mr. Harry Jenkins, to current President Ms Sharon Ellis I extend my heartfelt appreciation to everyone I have had the pleasure in meeting along the way.

You don't meet people by accident. There is always a reason, a lesson or a blessing. I have been blessed beyond comprehension.

From members & patrons who have become lifelong friends, to directors, staff, musicians, artists, contractors, sales representatives, delivery drivers, governing authorities and everyone in between. It hasn't always been beautiful, but it's been a beautiful ride.

Wishing everyone good vibes and never stop believing.

Take care of yourselves & each other

"It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, who comes short again and again... who at the best knows in the end the triumph of high achievement, and who at the worst, if he fails, at least fails while daring greatly."
— Teddy Roosevelt

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 2023 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	EXPERIENCE	SPECIAL RESPONSIBILITIES
Peter Coates	Resigned 30.7.23	Director
Sharon Ellis	Since 2011	Director, President
Melissa Bone	Since 2019	Director, Vice President
James Chapman	Appointed 30.7.23	Director
Joanne Jenkins	Since 2020	Director
Stephen Doran	Appointed 30.7.23	Director
Jammie-Lee Ellis	Since 2022	Director
Markita McGrady	Resigned 30.7.23	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 \$203,232

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	5
Sharon Ellis	13	13
Melissa Bone	13	10
James Chapman	0	0
Joanne Jenkins	13	12
Stephen Doran	0	0
Jammie-Lee Ellis	13	9
Markita McGrady	13	13

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 2023, the total amount that members of the Company are liable to contribute if the Company is wound up is \$2,432 (2022 \$1,518).

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 7 of this financial report and forms part of the Directors' Report.

Signed in accordance with a resolution of the directors



S ELLIS

HAMILTON 25 September 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 2023, 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 horizontal line extending to the right.

Barry Lindbeck
Partner

Cardiff, 24 September 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2023

	NOTES	2023 \$	2022 \$
Revenues	2	1,058,027	788,153
Changes in inventories of finished goods and work in progress		(426)	3,709
Raw materials and consumables used		(300,747)	(202,737)
Employee benefits expense		(328,331)	(249,307)
Depreciation and amortisation expenses	3	(80,287)	(101,576)
Other expenses		(551,468)	(406,027)
Profit/(loss) before income tax expense		<u>(203,232)</u>	<u>(167,785)</u>
Income tax expense	4	<u>-</u>	<u>-</u>
Profit/(loss) for the period		<u><u>(203,232)</u></u>	<u><u>(167,785)</u></u>

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

as at 30 June 2023

	NOTES	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	64,796	87,713
Trade and other receivables	8	-	-
Inventories	9	20,125	20,551
Other current assets	10	78,260	71,653
TOTAL CURRENT ASSETS		<u>163,181</u>	<u>179,917</u>
NON-CURRENT ASSETS			
Financial assets	11	405,078	600,136
Property, plant and equipment	12	1,334,307	1,368,821
TOTAL NON-CURRENT ASSETS		<u>1,739,385</u>	<u>1,968,957</u>
TOTAL ASSETS		<u>1,902,566</u>	<u>2,148,874</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	78,337	75,083
Borrowings	14	-	45,263
Current tax liabilities	15	-	-
Short-term provisions	16	36,880	38,724
TOTAL CURRENT LIABILITIES		<u>115,217</u>	<u>159,070</u>
NON-CURRENT LIABILITIES			
Borrowings	14	-	3,189
Long-term provisions	16	49,658	45,692
TOTAL NON-CURRENT LIABILITIES		<u>49,658</u>	<u>48,881</u>
TOTAL LIABILITIES		<u>164,875</u>	<u>207,951</u>
NET ASSETS		<u>1,737,691</u>	<u>1,940,923</u>
EQUITY			
Reserves		1,218,514	1,218,514
Retained earnings		519,177	722,409
TOTAL EQUITY		<u>1,737,691</u>	<u>1,940,923</u>

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2023

	NOTES	Retained earnings	Asset Revaluation Reserve	Total
		\$	\$	\$
Balance at 30 June 2021		890,194	1,218,514	2,108,708
Profit attributable to members		(167,785)	-	(167,785)
Revaluation increment (decrement)		-	-	-
Balance at 30 June 2022		<u>722,409</u>	<u>1,218,514</u>	<u>1,940,923</u>
Profit attributable to members		(203,232)	-	(203,232)
Revaluation increment (decrement)		-	-	-
Balance at 30 June 2023		<u><u>519,177</u></u>	<u><u>1,218,514</u></u>	<u><u>1,737,691</u></u>

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

for the year ended 30 June 2023

	NOTES	2023 \$	2022 \$
		INFLOWS (OUTFLOWS)	INFLOWS (OUTFLOWS)
Cash Flows from operating activities			
Receipts from customers		1,158,864	866,829
Payments to suppliers and employees		(1,280,841)	(924,972)
Interest received		4,514	127
Interest paid		<u>(6,287)</u>	<u>(6,099)</u>
Net cash provided by (used in) operating activities	19(a)	<u>(123,750)</u>	<u>(64,115)</u>
Cash Flows from investing activities			
Proceeds from sale of property, plant & equipment		-	-
Proceeds from sale of financial assets		195,058	49,874
Purchase of financial assets		-	-
Purchase of property, plant & equipment		<u>(45,773)</u>	<u>(17,971)</u>
Net cash provided by (used in) investing activities		<u>149,285</u>	<u>31,903</u>
Cash Flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		<u>(48,452)</u>	<u>(38,853)</u>
Net cash used in financing activities		<u>(48,452)</u>	<u>(38,853)</u>
Net increase/(decrease) in cash held		(22,917)	(71,065)
Cash at 1 July 2021	7	<u>87,713</u>	<u>158,778</u>
Cash at 30 June 2022	7	<u><u>64,796</u></u>	<u><u>87,713</u></u>

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2023

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 26 September 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.

	NOTES	2023 \$	2022 \$
2. REVENUE			
Operating revenue			
- sale of goods		860,906	591,032
- membership revenue		5,030	6,426
- commissions received		29,633	30,328
- interest received		4,514	127
- other revenue		110,944	160,240
Non operating revenue			
- proceeds on disposal of poker machine licences		47,000	-
		<u>1,058,027</u>	<u>788,153</u>
3. PROFIT FROM ORDINARY ACTIVITIES			
Profit from ordinary activities before income tax expense has been determined after:			
(i) Expenses:			
Cost of sales		301,144	201,713
Depreciation		80,287	101,576
Employee provisions		23,856	16,779
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		14,500	14,850
		<u>24,000</u>	<u>24,350</u>
7. CASH ASSETS			
CURRENT			
Cash at bank and in hand		62,734	85,651
Cash on deposit		2,062	2,062
		<u>64,796</u>	<u>87,713</u>
The effective interest rate on short-term bank deposits was 0.10% (2022: 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>64,796</u>	<u>87,713</u>

	NOTES	2023 \$	2022 \$
8. RECEIVABLES			
Other receivables		-	-
		<u>-</u>	<u>-</u>
9. INVENTORIES			
Finished goods		20,125	20,551
		<u>20,125</u>	<u>20,551</u>
10. OTHER ASSETS			
Prepayments		68,250	61,643
Security deposits		10,010	10,010
		<u>78,260</u>	<u>71,653</u>
11. OTHER			
Financial Assets			
Held-to-maturity investments		405,068	600,126
Available-for-sale investments		10	10
		<u>405,078</u>	<u>600,136</u>
12. PROPERTY, PLANT AND EQUIPMENT			
<i>Land & Buildings</i>			
Freehold land (at deemed cost)		358,360	358,360
Total land		<u>358,360</u>	<u>358,360</u>
Freehold buildings (at deemed cost)		1,136,509	1,099,625
Less accumulated depreciation		(390,828)	(362,755)
Total buildings		<u>745,681</u>	<u>736,870</u>
Total land & buildings		<u>1,104,041</u>	<u>1,095,230</u>
<i>Plant & Equipment</i>			
Plant & equipment (at cost)		990,967	977,602
Accumulated depreciation		(802,811)	(769,859)
		<u>188,156</u>	<u>207,743</u>
Poker machines (at cost)		492,465	496,942
Accumulated depreciation		(450,355)	(431,094)
		<u>42,110</u>	<u>65,848</u>
Total plant & equipment		<u>230,266</u>	<u>273,591</u>
Total property, plant and equipment		<u>1,334,307</u>	<u>1,368,821</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	736,870	207,743	65,848	1,368,821
Additions		36,883	13,365		50,248
Disposals				4,475	4,475
Depreciation expense		28,072	32,952	19,263	80,287
Carrying amount at the end of the period	<u>358,360</u>	<u>745,681</u>	<u>188,156</u>	<u>42,110</u>	<u>1,334,307</u>

	NOTES	2023 \$	2022 \$
13. PAYABLES			
Trade payables		50,078	43,993
Sundry payables & accrued expenses		28,259	31,090
		<u>78,337</u>	<u>75,083</u>
14. BORROWINGS			
CURRENT			
Lease liabilities		-	45,263
NON-CURRENT			
Lease liabilities		-	3,189
TOTAL BORROWINGS	20	<u>-</u>	<u>48,452</u>
Leased liabilities are secured by the underlying leased assets.			
15. TAX LIABILITIES			
Income tax		-	-
		<u>-</u>	<u>-</u>
16. PROVISIONS			
Current		36,880	38,724
Non-current		49,658	45,692
		<u>86,538</u>	<u>84,416</u>
		Employee Entitlements	Total
		\$	\$
Opening balance at 1 July 2022		84,416	84,416
Additional provisions raised during the period		23,856	23,856
Amounts used		(21,734)	(21,734)
Balance at 30 June 2023		<u>86,538</u>	<u>86,538</u>

Provision for Employee Entitlements

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.

	NOTES	2023 \$	2022 \$
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>(203,232)</u>	<u>(167,785)</u>
Non cash flows in profit from ordinary activities			
Depreciation		80,287	101,576
Capital gain		-	-
Changes in assets and liabilities			
(Increase)/Decrease in receivables		-	-
(Increase)/Decrease in inventories		426	2,166
(Increase)/Decrease in other assets		(6,607)	(18,809)
Increase/(Decrease) in payables		3,254	11,425
Increase/(Decrease) in tax liabilities		-	-
Increase/(Decrease) in employee provisions		2,122	7,312
Cash Flows from Operations		<u><u>(123,750)</u></u>	<u><u>(64,115)</u></u>
(b) Credit Standby Arrangements with Banks		<u><u>-</u></u>	<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 2023					
Financial Assets					
Cash and cash equivalents	64,796	-	-	-	64,796
Receivables	-	-	-	-	-
Investments	-	405,068	-	10	405,078
	<u>64,796</u>	<u>405,068</u>	<u>-</u>	<u>10</u>	<u>469,874</u>
Weighted average interest	0.10%	9.41%			
Financial Liabilities					
Payables	-	-	-	50,078	50,078
Borrowings	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,078</u>	<u>50,078</u>
Net financial assets/(liabilities)	<u>64,796</u>	<u>405,068</u>	<u>-</u>	<u>(50,068)</u>	<u>419,796</u>
30 June 2022					
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>

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 2023 the number of Ordinary Social members was 1056 and Ordinary Members Legion, Ex-Service and Life members was 40. (2022: Ordinary Social 723; Legion, Ex-Service and Life 9)

22. CONTINGENCIES

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022: 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 financial report was authorised for issue by the Directors on 26 September 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 2023 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 25 September 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 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of The 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 2023 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.

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.

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

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.
- 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.

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

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 26 September 2023

The Gallipoli Legion Club Newcastle Limited
ACN 000 889 136



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

Barry Lindbeck

Barry Lindbeck
Partner

Cardiff 26 September 2023

TRADING STATEMENTS

For the year ended 30 June 2023

	NOTES	2023 \$	2022 \$
LIQUOR			
Sales		<u>641,726</u>	<u>403,828</u>
Cost of Sales			
Opening stock		19,782	22,467
Purchases		<u>292,210</u>	<u>187,938</u>
		311,992	210,405
Closing stock		<u>19,811</u>	<u>19,782</u>
		292,181	190,623
Gross profit		<u>349,545</u>	<u>213,205</u>
		54.47%	52.80%
DEDUCT DIRECT EXPENSES			
Repairs & maintenance		1,249	625
Glass replacement		841	670
Wages		<u>193,269</u>	<u>126,781</u>
		<u>195,359</u>	<u>128,076</u>
BAR NET OPERATING REVENUE		<u><u>154,186</u></u>	<u><u>85,129</u></u>
		24.03%	21.08%
BAR SUNDRY			
Sales		12,082	15,987
Purchases		8,963	11,090
Wages		-	4,187
		<u>8,963</u>	<u>15,277</u>
BAR SUNDRY NET OPERATING REVENUE		<u><u>3,119</u></u>	<u><u>710</u></u>
		25.82%	4.44%
POKER MACHINES			
Poker machine clearances		<u>207,098</u>	<u>171,217</u>
DEDUCT DIRECT EXPENSES			
Service, analysis & repairs		29,757	26,549
Poker machine game license fees		-	(1,668)
		<u>29,757</u>	<u>24,881</u>
POKER MACHINE REVENUE		<u><u>177,341</u></u>	<u><u>146,336</u></u>
		85.63%	85.47%

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 2023

	NOTES	2023 \$	2022 \$
INCOME			
Bar net operating revenue		154,186	85,129
Bar sundry net operating revenue		3,119	710
Poker machine revenue		<u>177,341</u>	<u>146,336</u>
		<u>334,646</u>	<u>232,175</u>
Commission - other		11,461	11,326
Commission - Club Keno		18,172	19,002
Function revenue		18,531	18,612
Interest income		4,514	127
Membership subscriptions		5,030	6,426
Raffle income		42,039	34,976
Other income		50,372	106,645
Eftpos receipts		<u>2</u>	<u>7</u>
		<u>150,121</u>	<u>197,121</u>
TOTAL INCOME		<u><u>484,767</u></u>	<u><u>429,296</u></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 2023

	NOTES	2023 \$	2022 \$
TOTAL INCOME		<u>484,767</u>	<u>429,296</u>
GENERAL EXPENSES & OVERHEADS			
Accountancy & auditing		24,000	24,350
Advertising		8,658	482
Bank charges		3,183	2,393
Cash shortage / (surplus)		172	(20)
Cleaning		51,300	34,790
Computer software		23,126	21,126
Consultancy services		-	600
Directors expenses		-	16
Electricity		29,097	30,714
Filing fees		249	250
Hire of equipment		11,995	528
Insurance		62,771	56,896
Interest		6,287	6,099
Night patrol & cash collection		516	516
Printing, postage & stationery		2,247	2,340
Rates		25,779	27,058
Repairs & maintenance		6,167	7,163
Salaries, wages & allowances		101,686	98,699
Staff training		-	667
Staff uniforms		-	327
Sundry expenses		452	219
Superannuation		33,376	23,827
Telephone		2,817	2,918
Temporary staff		41,571	13,666
Travel & entertainment		-	-
		<u>435,449</u>	<u>355,624</u>
AMENITIES & SOCIAL EXPENSES			
Catering		822	2,579
Club Keno expenses		3,023	1,300
Donations		235	-
Entertainment		103,880	62,730
Mortality, welfare & benevolence		1,309	182
Raffle prizes		48,828	37,929
Socials & refreshments - members		33,651	14,915
Subscriptions		3,659	3,467
		<u>195,407</u>	<u>123,102</u>
TOTAL OPERATING EXPENSES		<u>630,856</u>	<u>478,726</u>
NET OPERATING INCOME		<u>(146,089)</u>	<u>(49,430)</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 2023

	NOTES	2023 \$	2022 \$
NET OPERATING INCOME		<u>(146,089)</u>	<u>(49,430)</u>
OTHER EXPENSES			
Depreciation - buildings		28,072	27,445
Depreciation - plant & equipment		32,952	37,870
Depreciation - poker machines		19,263	36,261
Provision for long service leave		3,966	2,184
Provision for annual & sick leave		19,890	14,595
		<u>104,143</u>	<u>118,355</u>
		(250,232)	(167,785)
NON RECURRING ITEMS		<u>47,000</u>	<u>-</u>
NET INCOME BEFORE INCOME TAX		<u><u>(203,232)</u></u>	<u><u>(167,785)</u></u>

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