

THE GALLIPOLI LEGION CLUB NEWCASTLE LIMITED

ACN 000 889 136

YEAR ENDED 30 JUNE 2024

REPORT AND FINANCIAL STATEMENTS

3-5 Beaumont Street
HAMILTON NSW 2303

BOARD OF DIRECTORS

Sharon Ellis
Melissa Bone
James Chapman
Roderick Pritchard
Stephen Doran
Jammie-Lee Ellis

President
Vice-President

SECRETARY/MANAGER

Todd Rizzoli

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 2024

Dear Members

On behalf of The Board of directors, I present to you the 68th Annual report for the year ended 30 June 2024 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.

Whilst the report isn't a good one on paper with a loss we continue to be optimistic about the future of your club. We hired a new Manager Todd Rizzoli to try and stop the bleeding and to utilise his 30 years of hospitality experience into the club. It's been a hard transition as he got used to knowing the systems and processes of previous management and bringing in his own systems which have significantly saved time and made processes simpler to manage. We wish him all the best and we have faith that he can keep this great little treasure on Beaumont St alive.

In what has been another challenging year like the last few years the club's rising costs consist of expenses like wages, electricity, insurance, alcohol etc all whilst trying to maintain lower prices than our competitors

A huge thank you to my fellow Club Directors, Staff and Gallipoli Club Members who have co-operated, adapted and shown great persistence in the face of adversity to maintain a positive outlook and focus on the job at hand. Well done everyone.

I look forward to the challenge of the next 12 months with much optimism, and remain grateful to our Members for your amazing patronage and loyalty.

Take care and I hope to see you at the club soon.

Our Membership as at 30 June 2024 was as follows:

Ex Service Members	37
Social members	<u>1,015</u>
TOTAL MEMBERS	<u>1,052</u>

Kind regards

Sharon Ellis
President

SECRETARY MANAGER'S REPORT FOR THE YEAR ENDED 30 JUNE 2024

Dear Members

I hereby present my first annual report for you the Members here @ The Gal.

The year 2024 was a loss and this time to the tune of \$297,000. As we are all aware of the current cost of living that has been on TV and everyone's lips for the past 2 years it does have an impact on people's decision making of where to spend their money and it's obvious that the hospitality sector is one that is impacted the most.

Gaming and bar trade were down and with increases in insurance & wages and no one extra coming through the door it does make it really hard to turn such a deficit around. Entertainment upstairs cost a lot of money once you factor in Security, Sound person, wages plus payment to the entertainers and marketing so these events are very risky.

Whilst I have been here I have managed to cut down wages, decrease our cleaning costs quite significantly and also some other savings on smaller bills. I will continue to monitor the clubs spend and to make necessary savings where possible.

Ideally the club would like to have an operating Bistro but having one upstairs is not an ideal situation but i and the board have some ideas in the near future where we might make it an attractive alternative for someone to come in and utilise

I'd like to thank the board for the continued support in offering me the tough task of trying to get the Gal out of a hole and a challenge I accepted knowing the difficulties that it presented me. Im giving it my best and hopefully the New Year we can have some answers for the members and a new approach to making the club a viable one.

I'd also like to thank all the bar staff for their commitment to the club in difficult times and a special shout out to Kim for her 30+ years of service, we all miss you! Some of you might have seen Jared around the club doing little jobs here and there and 90% of his time he gives is as a volunteer and is very appreciated from myself and the board. Thank you.

Finally, to the members thank you for your continued support, patronage and loyalty you have shown here at the gal and wish you all the happiness in the future and to those who have lost a loved one, our deepest of condolences.

Kind regards

Todd Rizzoli
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 2024 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
Sharon Ellis	Since 2011	Director, President
Melissa Bone	Since 2019	Director, Vice President
James Chapman	Since 2023	Director
Joanne Jenkins	Resigned 10.3.24	Director
Stephen Doran	Since 2023	Director
Jammie-Lee Ellis	Since 2022	Director
Roderick Pritchard	Appointed 10.3.2024	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 \$290,699

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
Sharon Ellis	12	11
Melissa Bone	12	11
James Chapman	12	12
Joanne Jenkins	8	7
Stephen Doran	12	12
Jammie-Lee Ellis	12	9
Roderick Pritchard	4	4

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 2024, the total amount that members of the Company are liable to contribute if the Company is wound up is \$2,326 (2023 \$2,432).

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 on the following page of this financial report and forms part of the Directors' Report.

Signed in accordance with a resolution of the directors



S ELLIS

HAMILTON 30 September 2024



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 2024, 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", written over a horizontal line.

Barry Lindbeck
Partner

Cardiff, 29 September 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2024

	NOTES	2024 \$	2023 \$
Revenues	2	923,927	1,058,027
Changes in inventories of finished goods and work in progress		(4,148)	(426)
Raw materials and consumables used		(247,637)	(300,747)
Employee benefits expense		(327,576)	(328,331)
Depreciation and amortisation expenses	3	(71,392)	(80,287)
Other expenses		<u>(563,873)</u>	<u>(551,468)</u>
Profit/(loss) before income tax expense		(290,699)	(203,232)
Income tax expense	4	<u>-</u>	<u>-</u>
Profit/(loss) for the period		<u><u>(290,699)</u></u>	<u><u>(203,232)</u></u>

STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	NOTES	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	245,738	64,796
Inventories	8	15,977	20,125
Other current assets	9	69,864	78,260
TOTAL CURRENT ASSETS		<u>331,579</u>	<u>163,181</u>
NON-CURRENT ASSETS			
Financial assets	10	-	405,078
Property, plant and equipment	11	1,271,204	1,334,307
TOTAL NON-CURRENT ASSETS		<u>1,271,204</u>	<u>1,739,385</u>
TOTAL ASSETS		<u>1,602,783</u>	<u>1,902,566</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	89,412	78,337
Current tax liabilities	13	-	-
Short-term provisions	14	66,379	36,880
TOTAL CURRENT LIABILITIES		<u>155,791</u>	<u>115,217</u>
NON-CURRENT LIABILITIES			
Long-term provisions	14	-	49,658
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>49,658</u>
TOTAL LIABILITIES		<u>155,791</u>	<u>164,875</u>
NET ASSETS		<u>1,446,992</u>	<u>1,737,691</u>
EQUITY			
Reserves		1,218,514	1,218,514
Retained earnings		228,478	519,177
TOTAL EQUITY		<u>1,446,992</u>	<u>1,737,691</u>

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2024

	NOTES	Retained earnings	Asset Revaluation Reserve	Total
		\$	\$	\$
Balance at 30 June 2022		722,409	1,218,514	1,940,923
Profit attributable to members		(203,232)	-	(203,232)
Revaluation increment (decrement)		-	-	-
Balance at 30 June 2023		<u>519,177</u>	<u>1,218,514</u>	<u>1,737,691</u>
Profit attributable to members		(290,699)	-	(290,699)
Revaluation increment (decrement)		-	-	-
Balance at 30 June 2024		<u><u>228,478</u></u>	<u><u>1,218,514</u></u>	<u><u>1,446,992</u></u>

STATEMENT OF CASH FLOWS
for the year ended 30 June 2024

	NOTES	2024 \$	2023 \$
		INFLOWS (OUTFLOWS)	INFLOWS (OUTFLOWS)
Cash Flows from operating activities			
Receipts from customers		1,004,824	1,158,864
Payments to suppliers and employees		(1,221,279)	(1,280,841)
Interest received		4,065	4,514
Interest paid		(3,346)	(6,287)
Net cash provided by (used in) operating activities	17(a)	<u>(215,736)</u>	<u>(123,750)</u>
Cash Flows from investing activities			
Proceeds from sale of property, plant & equipment		-	-
Proceeds from sale of financial assets		405,078	195,058
Purchase of financial assets		-	-
Purchase of property, plant & equipment		(8,400)	(45,773)
Net cash provided by (used in) investing activities		<u>396,678</u>	<u>149,285</u>
Cash Flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	(48,452)
Net cash used in financing activities		<u>-</u>	<u>(48,452)</u>
Net increase/(decrease) in cash held		180,942	(22,917)
Cash at 1 July 2023	7	<u>64,796</u>	<u>87,713</u>
Cash at 30 June 2024	7	<u><u>245,738</u></u>	<u><u>64,796</u></u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2024

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 01 October 2024.

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	2024 \$	2023 \$
2. REVENUE			
Operating revenue			
- sale of goods		746,046	860,906
- membership revenue		6,373	5,030
- commissions received		48,704	29,633
- interest received		4,065	4,514
- other revenue		118,739	110,944
Non operating revenue			
- proceeds on disposal of poker machine licences		-	47,000
		<u>923,927</u>	<u>1,058,027</u>
3. PROFIT FROM ORDINARY ACTIVITIES			
Profit from ordinary activities before income tax expense has been determined after:			
(i) Expenses:			
Cost of sales		256,071	301,144
Depreciation		71,392	80,287
Employee provisions		18,261	23,856
Non-recurring write off of DA and architect fees		16,910	-
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		14,900	14,500
		<u>24,400</u>	<u>24,000</u>
7. CASH ASSETS			
CURRENT			
Cash at bank and in hand		74,616	62,734
Cash on deposit		171,122	2,062
		<u>245,738</u>	<u>64,796</u>
The effective interest rate on short-term bank deposits was 1% (2023: 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>245,738</u>	<u>64,796</u>

	NOTES	2024 \$	2023 \$
8. INVENTORIES			
Finished goods		<u>15,977</u>	<u>20,125</u>
9. OTHER ASSETS			
Prepayments		59,854	68,250
Security deposits		<u>10,010</u>	<u>10,010</u>
		<u>69,864</u>	<u>78,260</u>
10. OTHER			
Financial Assets			
Held-to-maturity investments		-	405,068
Available-for-sale investments		<u>-</u>	<u>10</u>
		<u>-</u>	<u>405,078</u>
11. 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)		1,140,297	1,136,509
Less accumulated depreciation		<u>(419,361)</u>	<u>(390,828)</u>
Total buildings		<u>720,936</u>	<u>745,681</u>
Total land & buildings		<u>1,079,296</u>	<u>1,104,041</u>
<i>Plant & Equipment</i>			
Plant & equipment (at cost)		994,031	990,967
Accumulated depreciation		<u>(829,667)</u>	<u>(802,811)</u>
		<u>164,364</u>	<u>188,156</u>
Poker machines (at cost)		492,465	492,465
Accumulated depreciation		<u>(464,921)</u>	<u>(450,355)</u>
		<u>27,544</u>	<u>42,110</u>
Total plant & equipment		<u>191,908</u>	<u>230,266</u>
Total property, plant and equipment		<u>1,271,204</u>	<u>1,334,307</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	745,681	188,156	42,110	1,334,307
Additions		3,786	4,614		8,400
Disposals			111		111
Depreciation expense		28,533	28,295	14,564	71,392
Carrying amount at the end of the period	<u>358,360</u>	<u>720,934</u>	<u>164,364</u>	<u>27,546</u>	<u>1,271,204</u>

	NOTES	2024 \$	2023 \$
12. PAYABLES			
Trade payables		50,886	50,078
Sundry payables & accrued expenses		<u>38,526</u>	<u>28,259</u>
		<u><u>89,412</u></u>	<u><u>78,337</u></u>
13. TAX LIABILITIES			
Income tax		<u>-</u>	<u>-</u>
		<u><u>-</u></u>	<u><u>-</u></u>
14. PROVISIONS			
Current		66,379	36,880
Non-current		<u>-</u>	<u>49,658</u>
		<u><u>66,379</u></u>	<u><u>86,538</u></u>
	Employee Entitlements		Total
	\$	\$	
Opening balance at 1 July 2023		86,538	86,538
Additional provisions raised during the period		18,261	18,261
Amounts used		<u>(38,420)</u>	<u>(38,420)</u>
Balance at 30 June 2024		<u><u>66,379</u></u>	<u><u>66,379</u></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.

15. RESERVES

a. Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets

16. SEGMENT REPORTING

The company operates predominantly in one business and geographical segment being the entertainment industry in the Hunter Valley.

	NOTES	2024 \$	2023 \$
17. 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>(290,699)</u>	<u>(203,232)</u>
Non cash flows in profit from ordinary activities			
Depreciation		71,392	80,287
Loss on disposal of fixed assets		111	-
Changes in assets and liabilities			
(Increase)/Decrease in receivables		-	-
(Increase)/Decrease in inventories		4,148	426
(Increase)/Decrease in other assets		8,396	(6,607)
Increase/(Decrease) in payables		11,075	3,254
Increase/(Decrease) in employee provisions		<u>(20,159)</u>	<u>2,122</u>
Cash Flows from Operations		<u><u>(215,736)</u></u>	<u><u>(123,750)</u></u>
(b) Credit Standby Arrangements with Banks		<u><u>-</u></u>	<u><u>-</u></u>

18. FINANCIAL INSTRUMENTS

	Floating Interest Rate	Fixed Interest Rate		Non Interest Bearing	Total
		1 year or less	Over 1 to 5 years		
30 June 2024	\$	\$	\$	\$	\$
Financial Assets					
Cash and cash equivalents	245,738	-	-	-	245,738
Receivables	-	-	-	-	-
Investments	-	-	-	-	-
	<u>245,738</u>	-	-	-	<u>245,738</u>
Weighted average interest	1.00%				
Financial Liabilities					
Payables	-	-	-	50,886	50,886
Borrowings	-	-	-	-	-
	-	-	-	50,886	50,886
Net financial assets/(liabilities)	<u>245,738</u>	-	-	<u>(50,886)</u>	<u>194,852</u>
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>10</u>	<u>469,874</u>
Weighted average interest	0.10%	9.41%			
Financial Liabilities					
Payables	-	-	-	50,078	50,078
Borrowings	-	-	-	-	-
	-	-	-	50,078	50,078
Net financial assets/(liabilities)	<u>64,796</u>	<u>405,068</u>	-	<u>(50,068)</u>	<u>419,796</u>

19. 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 2024 the number of Ordinary Social members was 1015 and Ordinary Members Legion, Ex-Service and Life members was 37. (2023: Ordinary Social 1056; Legion, Ex-Service and Life 40)

20. CONTINGENCIES

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2024 (30 June 2023: None).

21. 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.

22. EVENTS AFTER THE END OF THE REPORTING PERIOD

The financial report was authorised for issue by the Directors on 01 October 2024.

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.

23. GOING CONCERN

Given the continued trading losses of the company, there exists a material uncertainty around the company's ability to trade as a going concern during the next 12 months. Whilst net assets are positive, cash and other liquid reserves are being depleted at a rate that means trading may be unable to continue within the next 12 months. The directors believe that subsequent liquidation of long term assets will enable any and all debts incurred to be repaid following any cessation of trading.

24. 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 2024 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 30 September 2024



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 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including 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 2024 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 23 in the financial report, which indicates that the company continues to incur trading losses,

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.

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

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.
 - 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 01 October 2024



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 01 October 2024

TRADING STATEMENTS

For the year ended 30 June 2024

	NOTES	2024 \$	2023 \$
LIQUOR			
Sales		<u>537,389</u>	<u>641,726</u>
Cost of Sales			
Opening stock		19,811	19,782
Purchases		<u>238,417</u>	<u>292,210</u>
		258,228	311,992
Closing stock		<u>15,525</u>	<u>19,811</u>
		242,703	292,181
Gross profit		<u>294,686</u>	<u>349,545</u>
		54.84%	54.47%
DEDUCT DIRECT EXPENSES			
Repairs & maintenance		623	1,249
Glass replacement		70	841
Wages		<u>186,194</u>	<u>193,269</u>
		186,887	195,359
BAR NET OPERATING REVENUE		<u>107,799</u>	<u>154,186</u>
		20.06%	24.03%
BAR SUNDRY			
Sales		18,473	12,082
Purchases		13,368	8,963
Wages		-	-
		<u>13,368</u>	<u>8,963</u>
BAR SUNDRY NET OPERATING REVENUE		<u>5,105</u>	<u>3,119</u>
		27.63%	25.82%
POKER MACHINES			
Poker machine clearances		<u>190,184</u>	<u>207,098</u>
DEDUCT DIRECT EXPENSES			
Service, analysis & repairs		35,552	29,757
Poker machine game license fees		-	-
		<u>35,552</u>	<u>29,757</u>
POKER MACHINE REVENUE		<u>154,632</u>	<u>177,341</u>
		81.31%	85.63%

STATEMENT OF INCOME & EXPENDITURE

For the year ended 30 June 2024

	NOTES	2024 \$	2023 \$
INCOME			
Bar net operating revenue		107,799	154,186
Bar sundry net operating revenue		5,105	3,119
Poker machine revenue		<u>154,632</u>	<u>177,341</u>
		<u>267,536</u>	<u>334,646</u>
Commission - other		29,868	11,461
Commission - Club Keno		18,836	18,172
Function revenue		13,530	18,531
Interest income		4,065	4,514
Membership subscriptions		6,373	5,030
Raffle income		39,971	42,039
Other income		65,052	50,372
Eftpos receipts		<u>186</u>	<u>2</u>
		<u>177,881</u>	<u>150,121</u>
TOTAL INCOME		<u><u>445,417</u></u>	<u><u>484,767</u></u>

STATEMENT OF INCOME & EXPENDITURE

For the year ended 30 June 2024

	NOTES	2024 \$	2023 \$
TOTAL INCOME		<u>445,417</u>	<u>484,767</u>
GENERAL EXPENSES & OVERHEADS			
Accountancy & auditing		24,400	24,000
Advertising		2,777	8,658
Bank charges		4,820	3,183
Cash shortage / (surplus)		(317)	172
Cleaning		54,007	51,300
Computer software		26,084	23,126
Directors expenses		491	-
Electricity		26,443	29,097
Filing fees		231	249
Fines		500	-
Hire of equipment		2,689	11,995
Insurance		70,015	62,771
Interest		3,346	6,287
Night patrol & cash collection		531	516
Printing, postage & stationery		1,511	2,247
Rates		25,320	25,779
Repairs & maintenance		5,334	6,167
Salaries, wages & allowances		106,246	101,686
Staff training		-	-
Staff uniforms		-	-
Sundry expenses		798	452
Superannuation		35,136	33,376
Telephone		2,847	2,817
Temporary staff		27,825	41,571
Travel & entertainment		-	-
		<u>421,034</u>	<u>435,449</u>
AMENITIES & SOCIAL EXPENSES			
Catering		385	822
Club Keno expenses		2,376	3,023
Donations		170	235
Entertainment		124,930	103,880
Mortality, welfare & benevolence		281	1,309
Raffle prizes		54,095	48,828
Socials & refreshments - members		21,879	33,651
Subscriptions		4,403	3,659
		<u>208,519</u>	<u>195,407</u>
TOTAL OPERATING EXPENSES		<u>629,553</u>	<u>630,856</u>
NET OPERATING INCOME		<u>(184,136)</u>	<u>(146,089)</u>

STATEMENT OF INCOME & EXPENDITURE

For the year ended 30 June 2024

	NOTES	2024 \$	2023 \$
NET OPERATING INCOME		<u>(184,136)</u>	<u>(146,089)</u>
OTHER EXPENSES			
Depreciation - buildings		28,533	28,072
Depreciation - plant & equipment		28,295	32,952
Depreciation - poker machines		14,564	19,263
Provision for long service leave		5,398	3,966
Provision for annual & sick leave		<u>12,863</u>	<u>19,890</u>
		<u>89,653</u>	<u>104,143</u>
		<u>(273,789)</u>	<u>(250,232)</u>
NON RECURRING ITEMS		<u>(16,910)</u>	<u>47,000</u>
NET INCOME BEFORE INCOME TAX		<u><u>(290,699)</u></u>	<u><u>(203,232)</u></u>

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