



# **Legacy Brisbane**

ABN: 51 157 944 951

## **Financial Statements**

For the Year Ended 31 December 2022

## Legacy Brisbane

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For the Year Ended 31 December 2022

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# The Legacy Club of Brisbane Limited

ABN: 51 157 944 951

## Corporate Directory

For the Year Ended 31 December 2022

### Patron

Her Excellency, the Honourable Dr Jeannette Young PSM  
Governor of Queensland

### Board of Directors

President, Legacy Club of Brisbane & Chairman, Board of Directors

Non-executive Director & Treasurer

Non-executive Director

Non-executive Director

Non-executive Director

Non-executive Director

Non-executive Director

Non-executive Director

Paul Power

Rex Isherwood

Elisabeth Findlay

Annabel Leslie-McGuire

Robert Murray

Simon (Don) Roach

Paul Smith

COL Gavin Ware

### Executive Staff

Chief Executive Officer

Finance Manager & Company Secretary

Community Services Manager

Head of Fundraising, Marketing & Communications

Head of People, Culture & Safety

Brendan Cox

Pamela Krueger

Claire Lyon

Kelly Burmester

Laura Dodd

### Auditors

UHY Haines Norton

### Bank

National Australia Bank

### Honorary Solicitors

Murdoch Lawyers

### Legacy Brisbane Offices

41 Merivale Street, South Brisbane QLD 4101 (Registered Office)

106 Memorial Drive, Maroochydore QLD 4558

Suite 3 Tobruk House, 8 Archer Street, Rockhampton Qld 4700

1 Bryant Street, Pialba, Qld 4655

## **Directors' Finance Report**

### **For the Year Ended 31 December 2022**

The Board of Directors of The Legacy Club of Brisbane Limited present the financial report for the financial year ended 31 December 2022.

#### **Directors**

The names and details of the directors in office at any time during the financial year and details of their attendance, either in person or through the use of technology, at meetings of the Board are as follows. Directors were in office for this entire period unless otherwise stated.

<b>Directors</b>	<b>Date Appointed</b>	<b>Date of Cessation</b>	<b>Meetings Attended</b>	<b>Number of Meetings Eligible to Attend</b>
A Craig OAM <i>President to March 2022</i>	March 2016	March 2022	2	2
T Crowley	September 2021	August 2022	2	6
E Findlay <i>Chair, People Culture &amp; Communications</i>	November 2021	-	6	8
B Hollins CSC OAM	March 2018	June 2022	4	5
COL James Hunter CSC	February 2021	August 2022	5	6
R Isherwood <i>Treasurer, Chair Finance &amp; Sustainability Committee</i>	April 2017	-	6	8
A Leslie-McGuire <i>Vice President, Chair, Service Delivery Committee</i>	March 2015	-	6	8
M McCormack	March 2019	March 2022	2	3
R Murray	August 2022	-	2	2
P Power <i>President from April 2022</i>	February 2022	-	7	8
S Roach	September 2021	-	6	8
L Shimbel	April 2020	January 2022	0	0
P Smith	May 2022	-	4	5
COL G Ware	August 2022	-	2	3

## **Directors' Finance Report**

### **For the Year Ended 31 December 2022**

#### **Principle Activities**

*Supporting our veteran's families* has continued to be Legacy Brisbane's principal focus for the year. This has been achieved through programs directed to specifically support:

- Traditional Legacy widows
- Families of veterans who have sacrificed their health,
- Young families and children
- Family members with disabilities.

Through the efforts of Legatees, staff and community supporters, Legacy Brisbane actively works toward improving the lives of those in Legacy's care through:

- advocating on their behalf
- providing information and support
- providing social contact and interaction
- practical in-home support
- youth development and education support
- raising funds to resource Legacy Brisbane's support programs
- developing partnerships with other welfare providers.

Legacy Brisbane's district includes the greater Brisbane area, Sunshine Coast, Gympie, Fraser Coast, Rockhampton and other various country Queensland areas, including Southern and Western Downs, country Burnett region, Central Queensland and Longreach.

Legacy Brisbane's long term objective is to ensure that Legacy services are relevant, effective and sustainable. Our priority remains focused on care and support, through people willing and trained, responsible management and with the financial and practical support of the wider community who understand the importance of caring for Legacy widows and families.

Legacy Brisbane continues to work toward meeting the objectives of the Strategic Plan for 2019-2023. Board, Committees, and Management Staff annually review the Plan's objectives and reporting framework to ensure the Club adapts to an ever-changing environment in order to continue its service delivery well into the future. The Strategic Plan is scheduled for review at the end of 2023 for delivery at the 2024 AGM to cover the period 2024-2028.

#### **Members' Guarantee**

As a company limited by guarantee, the constitution states that each member is required to contribute a maximum of \$10 towards outstanding obligations of the Club in the event of its being wound up. At 31 December 2022, the collective liability of members is \$2,710 (2021: \$2,780).

#### **Operating result**

The operating result for the Company for the financial year amounted to a deficit of \$609,202 (2021: surplus \$29,523).

A significant contributing factor to the provision of Legacy services across our broad district is the volunteer work of the 271 Legatee members of the club. The financial value of their phone calls, visits, social events and personal support to Legacy widows and families can not be reliably measured and is therefore not represented in the financial results.

During 2022, Legacy Brisbane expanded our range of major fundraising events and have exceeded our targets on each occasion. Even with such success, we anticipate continuing to operate in a deficit budget environment for at least another year. As Legacy Brisbane progresses the relocation of Legacy House, the Board has embarked on a capital raising campaign with the support of external advisers. The Board greatly appreciates the contribution received from corporate sponsors both in the way of financial and pro-bono support being provided to the project.

## **Directors' Finance Report**

### **For the Year Ended 31 December 2022**

Legacy Brisbane is sincerely appreciative of the invaluable support of corporate teams and Australian Defence Force members who have contributed voluntary assistance in fundraising events and twelve Backyard Assist visits to widows' properties. The enthusiasm and commitment of Legatees, corporate supporters and ADF members is an inspiring reminder of our shared focus on supporting the widows and families of our veterans.

#### **Events after the reporting date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or could 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**

Legacy Brisbane will continue to carry on the principal activities noted above. Legacy Brisbane is committed to reducing the risk profile of our revenue generation through diversification of funding sources and this will continue in 2023.

Legacy House, located in Merivale Street South Brisbane, is under an unconditional contract of sale with settlement now extended to no later than 31 June 2024. The Board of Directors are liaising with the Brisbane City Council with view to developing a new Legacy House as a service hub for veterans' families in Greenslopes. The Board is very appreciative of the professional expertise generously provided by the consultants contributing to the development project.

With overall declining dependant numbers within Legacy Brisbane seeks to ensure that our staffing does not exceed the needs of the Club. Formal recruitment, training and education program for our local and regional Legatees will be delivered during 2023 to ensure the capacity of Contact Groups to enrol and assist our dependants evolves to meet the needs of new families and widows/ers.

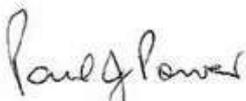
Legacy Brisbane continuously seeks to champion collaboration amongst service providers to organisations that look after veterans and their families. In 2023, Legacy Brisbane will continue to contribute to the establishment of a shared resource model where the families with a veteran are supported throughout their time of need by numerous agencies in a coordinated manner.

There are no other anticipated developments in activities in future years which will affect the results and therefore require disclosure.

#### **Benefits received directly or indirectly by officers**

No Board member received or became entitled to receive, during or since the financial year, a benefit either in the form of remuneration or a contract made by the Company, or a related body corporate with a Board member, a firm of which a Board member is a member, or an entity in which a Board member has substantial financial interest.

Signed in accordance with a resolution of the directors:



**Legatee Paul Power**  
President



**Legatee Rex Isherwood**  
Treasurer

Brisbane, 27 February 2023

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## LEAD AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF THE LEGACY CLUB OF BRISBANE LIMITED

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of the Legacy Club of Brisbane Limited for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

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

*UHY Haines Norton*

**UHY Haines Norton**  
Chartered Accountants

Brisbane, 28 February 2023



**Reece Jory**  
Partner

# The Legacy Club of Brisbane Ltd

ABN: 51 157 944 951

## Statement of Comprehensive Income For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
<b>Revenue from ordinary activities</b>			
Interest		4,290	1,327
Dividends		560,954	415,948
Trusts and grants	4	814,068	578,347
Fundraising events		1,415,883	1,135,210
Direct mail		265,964	280,844
Donations		543,233	664,206
Bequests		25,000	324,839
Other revenue		12,885	29,020
		<u>3,642,277</u>	<u>3,429,741</u>
<b>Expenses from ordinary activities</b>			
Corporate services	5(a)	(1,398,961)	(1,284,097)
Members		(9,181)	(7,973)
Fundraising, marketing and communications	5(a)	(1,292,969)	(1,022,348)
Community services	5(a)	(1,288,744)	(1,065,800)
Other expenses	5(a)	(261,624)	(20,000)
		<u>(4,251,479)</u>	<u>(3,400,218)</u>
<b>Operating surplus for the year</b>		<u>(609,202)</u>	<u>29,523</u>
<b>Revenue from other activities</b>			
Net gain on disposal of property, plant and equipment		<u>9,498</u>	<u>50,323</u>
<b>Surplus from other activities</b>		<u>9,498</u>	<u>50,323</u>
<b>Net surplus for the year</b>		<u>(599,704)</u>	<u>79,846</u>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to surplus or deficit</i>			
Net fair value changes in financial assets classified as Fair Value through Other Comprehensive Income		<u>(72,848)</u>	<u>700,883</u>
<b>Other comprehensive income for the year</b>		<u>(72,848)</u>	<u>700,883</u>
<b>Total comprehensive income for the year</b>		<u>(672,552)</u>	<u>780,729</u>

The accompanying notes form part of these financial statements.

# The Legacy Club of Brisbane Ltd

ABN: 51 157 944 951

## Statement of Financial Position

As At 31 December 2022

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	6	651,813	1,069,564
Trade and other receivables	7	303,704	388,902
Inventories		65,921	96,140
Other assets	9	46,333	97,839
TOTAL CURRENT ASSETS		<u>1,067,771</u>	<u>1,652,445</u>
NON-CURRENT ASSETS			
Trade and other receivables	7	-	9,228
Assets held for sale	8	5,476,478	5,476,478
Other financial assets	10	9,712,302	9,693,115
Property, plant and equipment	11	347,913	276,087
TOTAL NON-CURRENT ASSETS		<u>15,536,693</u>	<u>15,454,908</u>
TOTAL ASSETS		<u>16,604,464</u>	<u>17,107,353</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	12	161,198	106,649
Borrowings	13	21,307	21,307
Employee benefits	15	356,407	312,037
Other liabilities	14	122,572	40,035
TOTAL CURRENT LIABILITIES		<u>661,484</u>	<u>480,028</u>
NON-CURRENT LIABILITIES			
Borrowings	13	56,852	75,577
Employee benefits	15	62,341	55,409
Other liabilities	14	600,000	600,000
TOTAL NON-CURRENT LIABILITIES		<u>719,193</u>	<u>730,986</u>
TOTAL LIABILITIES		<u>1,380,677</u>	<u>1,211,014</u>
NET ASSETS		<u>15,223,787</u>	<u>15,896,339</u>
<b>EQUITY</b>			
Reserves	16	4,186,725	4,600,521
Accumulated surplus		11,037,062	11,295,818
TOTAL EQUITY		<u>15,223,787</u>	<u>15,896,339</u>

The accompanying notes form part of these financial statements.

## The Legacy Club of Brisbane Ltd

ABN: 51 157 944 951

### Statement of Changes in Equity

For the Year Ended 31 December 2022

2022

	Accumulated Surplus	Capital Profits Reserve	Asset Revaluation Surplus	Financial Assets Reserve	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 January 2022</b>	11,295,818	-	3,874,832	725,689	15,896,339
<b>Comprehensive income</b>					
Deficit for the year	(599,704)	-	-	-	(599,704)
Other comprehensive income for the year	-	-	-	(72,848)	(72,848)
<b>Total comprehensive income for the year</b>	<b>(599,704)</b>	<b>-</b>	<b>-</b>	<b>(72,848)</b>	<b>(672,552)</b>
Transfer of net realised gain on financial assets	340,948	-	-	(340,948)	-
<b>Balance at 31 December 2022</b>	<b>11,037,062</b>	<b>-</b>	<b>3,874,832</b>	<b>311,893</b>	<b>15,223,787</b>

2021

	Accumulated Surplus	Capital Profits Reserve	Asset Revaluation Surplus	Financial Assets Reserve	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 January 2021</b>	10,653,938	309,073	3,874,832	277,767	15,115,610
<b>Comprehensive income</b>					
Surplus for the year	79,846	-	-	-	79,846
Other comprehensive income	-	-	-	700,883	700,883
<b>Total comprehensive income for the year</b>	<b>79,846</b>	<b>-</b>	<b>-</b>	<b>700,883</b>	<b>780,729</b>
Transfer of net realised gain on financial assets	252,961	-	-	(252,961)	-
Transfers from capital reserve to accumulated surplus	309,073	(309,073)	-	-	-
<b>Balance at 31 December 2021</b>	<b>11,295,818</b>	<b>-</b>	<b>3,874,832</b>	<b>725,689</b>	<b>15,896,339</b>

The accompanying notes form part of these financial statements.

# The Legacy Club of Brisbane Ltd

ABN: 51 157 944 951

## Statement of Cash Flows

For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Donations, fundraising and other activities	2,262,287	2,216,992
Trusts and grants	1,061,648	394,255
Bequests	25,000	324,839
Dividends and distributions received	501,232	412,720
Interest received	4,260	1,504
Payments to suppliers, employees and clients	<u>(4,010,952)</u>	<u>(3,438,727)</u>
Net cash provided by/(used in) operating activities	<u>(156,525)</u>	<u>(88,417)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale and redemption of financial assets	2,754,754	2,999,014
Proceeds from sale of property, plant and equipment and intangibles	18,561	77,912
Purchase of property, plant and equipment and intangibles	<u>(169,027)</u>	<u>(219,853)</u>
Purchase of financial assets	<u>(2,846,789)</u>	<u>(2,726,934)</u>
Net cash provided by/(used in) investing activities	<u>(242,501)</u>	<u>130,139</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	-	100,922
Repayment of borrowings	<u>(18,725)</u>	<u>(10,155)</u>
Net cash provided by/(used in) financing activities	<u>(18,725)</u>	<u>90,767</u>
Net increase/(decrease) in cash and cash equivalents held	(417,751)	132,489
Cash and cash equivalents at beginning of year	<u>1,069,564</u>	<u>937,075</u>
Cash and cash equivalents at end of financial year	6 <u>651,813</u>	<u>1,069,564</u>

The accompanying notes form part of these financial statements.

# The Legacy Club of Brisbane Ltd

ABN: 51 157 944 951

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

The financial report covers The Legacy Club of Brisbane Ltd as an individual entity. The Legacy Club of Brisbane Ltd is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 31 December 2022 were the provision of services to Australian families suffering financially and socially after the incapacitation or death of a spouse or parent, during or after their defence force service.

The functional and presentation currency of The Legacy Club of Brisbane Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 27 February 2023.

Comparatives are consistent with prior years, unless otherwise stated.

#### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

#### 2 Change in Accounting Policy

#### 3 Summary of Significant Accounting Policies

##### (a) Income Tax

Legacy Brisbane is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

##### (b) 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.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Fair value is the amount of "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date". Fair values are confirmed by independent valuations that are obtained with sufficient regularity to ensure that the carrying amounts do not differ materially from the assets' fair values at the reporting date. Director valuations are used if an independent valuation does not take place during an annual reporting period.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 3 Summary of Significant Accounting Policies (continued)

#### (b) Property, Plant and Equipment (continued)

##### Land and buildings

Land and buildings are measured using the revaluation model.

##### Plant and equipment

Plant and equipment, which includes motor vehicles and office furniture and fittings, are measured using the cost model.

##### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on either a straight-line or diminishing value basis over the assets useful life to Legacy Brisbane, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Freehold Land	Nil
Buildings	2% - 2.5%
Office furniture and equipment	5% - 20%
Motor Vehicles	22.5%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate. 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.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in profit and loss in the year of disposal. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

#### (c) Inventories

Inventories comprise goods for resale, and goods for distribution at nil or nominal consideration.

Inventories of goods purchased for resale are carried at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Donated goods and goods purchased for significant below fair value which are held for distribution are initially recognised at their current replacement cost at date of acquisition. Current replacement cost is the cost the company would incur to acquire the goods held for distribution at reporting date.

## **Notes to the Financial Statements**

**For the Year Ended 31 December 2022**

### **3 Summary of Significant Accounting Policies (continued)**

#### **(c) Inventories (continued)**

Inventories of goods purchased at fair value and held for distribution are initially recognised at cost. Cost is adjusted, when applicable, for any loss of service potential. Loss of service potential may be indicated by a current replacement cost lower than the original acquisition cost or obsolescence of goods held for distribution.

#### **(d) Cash and cash equivalents**

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

#### **(e) Financial instruments**

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### *Classification*

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

#### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2022**

#### **3 Summary of Significant Accounting Policies (continued)**

##### **(e) Financial instruments (continued)**

###### **Financial assets (continued)**

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### *Fair value through other comprehensive income*

###### *Equity instruments*

The Company has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income (FVOCI) as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). The fair value is determined by reference to quoted market bid prices at the close of business on the reporting date.

On disposal any balance in the financial asset reserve is transferred to accumulated surplus (retained earnings) and is not reclassified to profit or loss.

Dividends and trust distributions are recognised as income in profit or loss unless the payment clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

###### *Debt instruments*

The Company has debt securities which are held within a business model whose objective is achieved by both collecting contractual cash flows and having the intention to sell the debt securities before maturity. The contractual terms of the debt securities give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. The fair value is determined by reference to quoted market bid prices at the close of business on the reporting date.

Interest income calculated using the effective interest rate method and impairment are recognised in profit or loss. Other gains or losses are recognised in OCI.

On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

## **Notes to the Financial Statements**

**For the Year Ended 31 December 2022**

### **3 Summary of Significant Accounting Policies (continued)**

#### **(e) Financial instruments (continued)**

##### **Financial assets (continued)**

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

##### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

##### **Financial liabilities**

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables and other loans.

## **Notes to the Financial Statements**

**For the Year Ended 31 December 2022**

### **3 Summary of Significant Accounting Policies (continued)**

#### **(f) Employee benefits**

Provision is made for employee benefits arising from services rendered by employees to the end of the reporting period. 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.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in the surplus or deficit.

Employee benefits are presented as current liabilities in the statement of financial position if there is no unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

#### **(g) Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### **(h) Revenue and other income**

##### **Revenue from contracts with customers**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration Legacy Brisbane expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

None of the revenue streams of Legacy Brisbane have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

## **Notes to the Financial Statements**

**For the Year Ended 31 December 2022**

### **3 Summary of Significant Accounting Policies (continued)**

#### **(h) Revenue and other income (continued)**

##### **Specific revenue streams**

The revenue recognition policies for the principal revenue streams of Legacy Brisbane are:

##### **Sale of goods**

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

##### **Grant income**

Amounts arising from grants that fall within the scope of AASB15 *Revenue from contracts with customers* are enforceable agreements with sufficiently specific performance obligations and are recognised as unearned income until such time as performance obligations have been met.

##### **Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)**

##### **Grant income**

Amounts arising from grants in the scope of AASB 1058 are recognised at the asset's fair value when the asset is received. Legacy Brisbane considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

##### **Capital grants**

Capital grants received to enable Legacy Brisbane to acquire or construct an item of property, plant and equipment to identified specifications which will be under Legacy Brisbane's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For acquisitions of assets, the revenue is recognised when the asset is acquired.

##### **Revenue from fundraising**

###### *Donations*

Donations collected, including cash and goods for resale, are recognised as revenue upon receipt.

###### *Bequests*

Bequests are recognised when Legacy Brisbane is notified of an impending distribution or the bequest is received, whichever occurs earlier.

Revenue from bequests comprising shares or other property are recognised at fair value, being the market value of the shares or property at the date Legacy Brisbane becomes legally entitled to the shares or property.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 3 Summary of Significant Accounting Policies (continued)

#### (i) Leases

At the lease commencement, Legacy Brisbane recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Legacy Brisbane believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then Legacy Brisbane's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in Legacy Brisbane's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### (j) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

##### **Initial adoption of AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities***

The Company has adopted AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* for the first time this reporting period.

The Standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053 *Application of Tiers of Australian Accounting*, replaces the previous Reduced Disclosure Requirements (RDR) framework. The application of this standard has resulted in reductions in disclosures compared to RDR in Revenue, Leases and Financial Instruments; however has resulted in new and/or increased disclosures in areas such as Audit Fees and Related Parties.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 4 Revenue and other income

#### (a) Revenue from trusts and grants

	2022	2021
	\$	\$
Revenue from contracts with customers (AASB 15)	181,762	263,883
Revenue recognised on receipt (AASB 1058)	632,306	314,464
	<u>814,068</u>	<u>578,347</u>

Revenue from trusts and grants arising from an agreement which contains enforceable and sufficiently specific performance obligations is recognised when control of each performance obligations is satisfied (AASB 15). The performance obligations vary based on the agreement but are generally satisfied within a one year period or less.

Within agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the agreement.

Where control is transferred over time, generally the revenue is recognition based on either cost or time incurred.

Revenue from trusts and grants which are either not enforceable or do not have sufficiently specific performance obligations are within the scope of AASB 1058 and are recognised at their fair value when the asset is received.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 5 Result for the year

#### (a) Expenses from ordinary activities breakdown

	2022	2021
Note	\$	\$
<b>Corporate services</b>		
Employee costs	931,284	871,459
Telephone and computer	88,743	62,612
Professional fees	80,023	97,642
Occupancy costs	119,227	121,024
Regional offices	15,741	17,168
Insurance	18,925	16,093
Depreciation	45,823	39,193
Other overhead expenses	99,195	58,906
	<u>1,398,961</u>	<u>1,284,097</u>
<b>Fundraising, marketing and communications</b>		
Employee costs	699,224	579,349
Advertising and marketing	69,831	66,252
Fundraising expenses	414,648	280,241
Direct mail expenses	27,247	40,219
Donations expenses	12,307	9,268
Trusts and grants expenses	38,257	4,351
Depreciation	16,417	20,614
Other fundraising expenses	15,038	22,054
	<u>1,292,969</u>	<u>1,022,348</u>
<b>Community services</b>		
Employee costs	886,670	754,904
Youth	67,442	36,121
People with disabilities	16,518	13,929
Traditional widows	154,129	132,726
Contemporary widows	27,860	29,113
Families	34,972	20,589
Travel and vehicle expenses	27,313	17,459
Depreciation	25,898	11,373
Other service delivery expenses	47,942	49,586
	<u>1,288,744</u>	<u>1,065,800</u>
<b>Other expenses</b>		
Other expenses	261,624	20,000
	<u>261,624</u>	<u>20,000</u>

# The Legacy Club of Brisbane Ltd

ABN: 51 157 944 951

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 5 Result for the year (continued)

#### (b) Result for the year

The result for the year includes the following specific expenses:

	2022	2021
	\$	\$
Employee benefits expense (excluding superannuation)	2,318,715	2,033,432
Defined contribution plans expense (superannuation)	226,102	192,528
<b>Total employee benefits expense</b>	<b>2,544,817</b>	<b>2,225,960</b>

### 6 Cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank and on hand	328,756	503,359
Cash on deposit - strategic reserve fund	323,057	566,205
	<b>651,813</b>	<b>1,069,564</b>

### 7 Trade and other receivables

	2022	2021
	\$	\$
<b>CURRENT</b>		
GST receivable	31,001	23,145
Accrued income	265,552	366,466
Other receivables	7,151	(709)
	<b>303,704</b>	<b>388,902</b>

#### NON-CURRENT

Family loans	(a) -	9,228
	-	9,228

#### (a) Movements in carrying amount of family loans

Balance at the beginning of the year	9,228	9,228
Loans written off	(9,228)	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>9,228</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 8 Assets held for sale

	2022	2021
	\$	\$
Land and buildings	5,476,478	5,476,478
	<u>5,476,478</u>	<u>5,476,478</u>

The assets held for sale as at 31 December 2022 relates to Legacy House. In June 2020, Legacy Brisbane entered into a contract of sale to sell the property for \$6,000,000. As at 31 December 2022 the contract remained unconditional, however it still did not meet the requirement for recognition as a sale in the 2022 financial year. The deposit received is recorded at Note 14 Other liabilities. During the 2022 financial year, both parties to the contract agreed on an amended settlement date which is expected to be in the 2024 financial year.

### 9 Other assets

	2022	2021
	\$	\$
CURRENT		
Prepayments	46,333	96,304
Gifted auction items	-	1,535
	<u>46,333</u>	<u>97,839</u>

### 10 Other financial assets

		2022	2021
	Note	\$	\$
Financial assets at fair value through other comprehensive income	(a)	9,670,804	9,651,618
Financial assets at amortised cost	(b)	41,498	41,498
		<u>9,712,302</u>	<u>9,693,116</u>

#### (a) Financial assets at fair value through other comprehensive income

Listed investments, at fair value			
- equity securities		7,277,206	7,290,377
- debt securities		2,393,599	2,361,241
		<u>9,670,805</u>	<u>9,651,618</u>

#### (b) Financial assets at amortised cost

2/2 Australian Anti-Tank Regiment Bursary		21,498	21,498
Limbless Soldiers of Queensland Association Bursary		20,000	20,000
		<u>41,498</u>	<u>41,498</u>

## The Legacy Club of Brisbane Ltd

ABN: 51 157 944 951

### Notes to the Financial Statements

For the Year Ended 31 December 2022

#### 11 Property, plant and equipment

	2022	2021
	\$	\$
Office furniture & equipment		
At cost	449,622	468,474
Accumulated depreciation	(328,199)	(332,887)
<b>Total office furniture &amp; equipment</b>	<b>121,423</b>	<b>135,587</b>
Motor vehicles		
At cost	176,849	136,257
Accumulated depreciation	(41,636)	(23,657)
<b>Total motor vehicles</b>	<b>135,213</b>	<b>112,600</b>
WIP		
At cost	91,277	27,900
	<b>347,913</b>	<b>276,087</b>

#### (a) Movements in carrying amounts

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

	Office furniture and equipment	Motor Vehicles	WIP	Total
	\$	\$	\$	\$
<b>Year ended 31 December 2022</b>				
Balance at the beginning of year	135,587	112,600	27,900	276,087
Additions	40,538	65,112	63,377	169,027
Disposals - written down value	(996)	(8,067)	-	(9,063)
Depreciation	(53,706)	(34,432)	-	(88,138)
<b>Balance at the end of the year</b>	<b>121,423</b>	<b>135,213</b>	<b>91,277</b>	<b>347,913</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 12 Trade and other payables

	2022	2021
	\$	\$
CURRENT		
<i>Unsecured liabilities</i>		
Trade payables	49,578	62,511
Other payables	111,620	44,138
	<u>161,198</u>	<u>106,649</u>

### 13 Borrowings

	2022	2021
	\$	\$
CURRENT		
<i>Secured liabilities:</i>		
Bank loans	21,307	21,307
	<u>21,307</u>	<u>21,307</u>
NON-CURRENT		
<i>Secured liabilities:</i>		
Bank loans	56,852	75,577
	<u>56,852</u>	<u>75,577</u>

### 14 Other Liabilities

	2022	2021
	\$	\$
CURRENT		
Amounts received in advance	122,572	40,035
	<u>122,572</u>	<u>40,035</u>

Amounts received in advance include grants received prior to performance obligations being satisfied.

NON-CURRENT		
Payments received in advance	600,000	600,000
	<u>600,000</u>	<u>600,000</u>

Non-current payments in advance in 2022 and 2021 relate to the \$600,000 deposit received as part of the sale of Legacy House as detailed at Note 8. The deposit will be recognised as revenue once control transfers upon settlement of the sale contract which is expected to occur beyond 12 months after year end.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 15 Employee Benefits

	2022	2021
	\$	\$
CURRENT		
Long service leave	97,567	97,620
Annual leave	180,163	134,334
Accrued wages and other employee benefits	78,677	80,083
	<u>356,407</u>	<u>312,037</u>
NON-CURRENT		
Long service leave	62,341	55,409
	<u>62,341</u>	<u>55,409</u>

### 16 Reserves and retained surplus

#### (a) Asset revaluation reserve

The asset revaluation reserve records the cumulative unrealised gains on the revaluation of property, plant and equipment recorded at fair value.

#### (b) Capital profits reserve

The capital profits reserve records the cumulative capital gain on the sale of property. In the current year, Legacy Brisbane ceased the capital profit reserves account and transferred it to accumulated surplus.

#### (c) Financial asset reserve

Change in the fair value of available for sale investments are recognised in other comprehensive income - financial asset reserve. Amounts are reclassified to retained surplus or deficit on disposal of the investment.

### 17 Contingent liabilities

In the opinion of the Directors, Legacy Brisbane did not have any contingencies at 31 December 2022 (31 December 2021: None).

### 18 Events occurring after the reporting date

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

## The Legacy Club of Brisbane Ltd

ABN: 51 157 944 951

# Notes to the Financial Statements

For the Year Ended 31 December 2022

### 19 Related Parties

Legacy Brisbane's main related parties are key management personnel (including directors). Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Refer to Note 20 for disclosures of remuneration paid to key management personnel.

During the year, no other transactions occurred with related parties other than receipts from membership fees, fundraising sales and event entry fees which were received on the same terms and conditions as non-related parties.

### 20 Key management personnel remuneration

The totals of remuneration paid to the key management personnel of Legacy Brisbane during the year was \$243,798 (2021: \$223,509).

The Directors of Legacy Brisbane do not receive any remuneration for their services in their capacity as Directors.

### 21 Auditors' Remuneration

	2022	2021
	\$	\$
Remuneration of the auditor UHY Haines Norton, for:		
- auditing the financial statements	10,500	10,000
- taxation services	-	1,000
- fees for assurance services required under legislation to be performed by the auditor	900	-
- other services - accounting	3,650	3,550
	<u>3,650</u>	<u>3,550</u>

# The Legacy Club of Brisbane Limited

ABN: 51 157 944 951

## Directors' Declaration

The directors declare that in the directors' opinion:

- there are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.



.....  
**Legatee Paul Power**  
President



.....  
**Legatee Rex Isherwood**  
Treasurer

Brisbane, Dated 27 February 2023

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEGACY CLUB OF BRISBANE LIMITED

### QUALIFIED OPINION

We have audited the financial report of The Legacy Club of Brisbane Limited (the Company), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, and the directors' declaration

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the financial report of the Company has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the Company's financial position as at 31 December 2022 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### BASIS FOR QUALIFIED OPINION

Donations, appeals and other fundraising events are a significant source of fundraising revenue for the Company. The Company has determined that it is impracticable to establish control over the collection of fundraising prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to fundraising income had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether fundraising income of the Company recorded is complete.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* 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 qualified opinion.

## OTHER INFORMATION

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the Directors' Report for the year ended 31 December 2022, but does not include the financial report and our auditors' report thereon.

Our opinion on the financial report does not cover the other information, accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL REPORT

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

*UHY Haines Norton*

**UHY Haines Norton**  
Chartered Accountants

Brisbane, 28 February 2023



**Reece Jory**  
Partner

## The Jack Bean Memorial Charitable Trust

ABN: 25 676 505 210

### Statement of Comprehensive Income

For the Year Ended 31 December 2022

	2022	2021
	\$	\$
<b>Revenue from ordinary activities</b>		
Interest	45	43
Dividend	5,060	816
Dividend imputation credit	1,635	86
Other Revenue	-	528
	<u>6,740</u>	<u>1,473</u>
<b>Expenses from ordinary activities</b>		
Portfolio management fees	(739)	(356)
Professional fees	(495)	-
Camps	(500)	-
	<u>(1,734)</u>	<u>(356)</u>
<b>Net surplus/(Deficit) for the year</b>	<u>5,006</u>	<u>1,117</u>
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified to surplus or deficit</i>		
Net fair value changes in financial assets classified as Fair Value through Other Comprehensive Income	<u>6,521</u>	<u>(1,850)</u>
<b>Other comprehensive income for the year</b>	<u>6,521</u>	<u>(1,850)</u>
<b>Total comprehensive income for the year</b>	<u>11,527</u>	<u>(733)</u>

The accompanying notes form part of these financial statements.

# The Jack Bean Memorial Charitable Trust

ABN: 25 676 505 210

## Statement of Financial Position

As At 31 December 2022

	2022	2021
	\$	\$
<b>ASSETS</b>		
CURRENT ASSETS		
Cash and cash equivalents	9,106	8,860
Other assets	704	86
TOTAL CURRENT ASSETS	<u>9,810</u>	<u>8,946</u>
NON-CURRENT ASSETS		
Financial assets	104,241	93,064
TOTAL NON-CURRENT ASSETS	<u>104,241</u>	<u>93,064</u>
TOTAL ASSETS	<u><u>114,051</u></u>	<u><u>102,010</u></u>
<b>LIABILITIES</b>		
CURRENT LIABILITIES		
Other liabilities	692	178
TOTAL CURRENT LIABILITIES	<u>692</u>	<u>178</u>
TOTAL LIABILITIES	<u>692</u>	<u>178</u>
NET ASSETS	<u><u>113,359</u></u>	<u><u>101,832</u></u>
<b>EQUITY</b>		
Initial capital	100,000	100,000
Reserves	(6,279)	(1,850)
Accumulated surplus	19,638	3,682
TOTAL EQUITY	<u><u>113,359</u></u>	<u><u>101,832</u></u>

The accompanying notes form part of these financial statements.

**The Jack Bean Memorial Charitable Trust**

ABN: 25 676 505 210

**Statement of Changes in Equity**

**For the Year Ended 31 December 2022**

**2022**

	<b>Accumulated Surplus</b>	<b>Capital</b>	<b>Financial Assets Reserve</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Balance at 1 January 2022</b>	3,682	100,000	(1,850)	101,832
<b>Comprehensive income</b>				
Surplus for the year	5,006	-	-	5,006
Other comprehensive income	-	-	6,521	6,521
<b>Total comprehensive income for the year</b>	<b>5,006</b>	<b>-</b>	<b>6,521</b>	<b>11,527</b>
Transfer of net realised gain on financial assets	10,950	-	(10,950)	-
<b>Balance at 31 December 2022</b>	<b>19,638</b>	<b>100,000</b>	<b>(6,279)</b>	<b>113,359</b>

**2021**

	<b>Accumulated Surplus</b>	<b>Capital</b>	<b>Financial Assets Reserve</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Balance at 1 January 2021</b>	2,565	100,000	-	102,565
<b>Comprehensive income</b>				
Surplus for the year	1,117	-	-	1,117
Other comprehensive income	-	-	(1,850)	(1,850)
<b>Total comprehensive income for the year</b>	<b>1,117</b>	<b>-</b>	<b>(1,850)</b>	<b>(733)</b>
Transfer of net realised gain on financial assets	-	-	-	-
<b>Balance at 31 December 2021</b>	<b>3,682</b>	<b>100,000</b>	<b>(1,850)</b>	<b>101,832</b>

The accompanying notes form part of these financial statements.

## The Jack Bean Memorial Charitable Trust

ABN: 25 676 505 210

### Statement of Cash Flows

For the Year Ended 31 December 2022

	2022	2021
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Payments to suppliers, clients and beneficiaries	(1,221)	(264)
Dividends and distributions received	6,077	902
Interest received	45	43
Net cash provided by operating activities	<u>4,901</u>	<u>681</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale and redemption of financial assets	36,500	3,630
Purchase of financial assets	(41,155)	(98,016)
Net cash provided by/(used in) investing activities	<u>(4,655)</u>	<u>(94,386)</u>
Net increase/(decrease) in cash and cash equivalents held	246	(93,705)
Cash and cash equivalents at beginning of year	8,860	102,565
<b>Cash and cash equivalents at end of financial year</b>	<u><u>9,106</u></u>	<u><u>8,860</u></u>

The accompanying notes form part of these financial statements.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2022**

This financial report is a special purpose financial report which has been prepared for the sole purpose of reporting to the members of the trustee The Legacy Club of Brisbane Limited.

The Trust is a not-for-profit entity for the purpose of preparing these financial statements.

The functional and presentation currency of The Jack Bean Memorial Charitable Trust is Australian dollars.

#### **1 Summary of Significant Accounting Policies**

##### **(a) Basis of Preparation**

In the opinion of the Board of Directors of the Trustee, the trust is not a reporting entity and therefore, the complete disclosure requirements of all Australian accounting standards and other professional reporting requirements have not been applied in the preparation and presentation of this financial report. All measurement components of relevant Australian accounting standards have been applied.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are based on historical costs.

##### **(b) Income Tax**

The trust is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

##### **(c) Revenue and other income**

###### **Revenue from contracts with customers**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Trust expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally, for the Trust, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Trust have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Revenue from contracts which are either not enforceable or do not have sufficiently specific performance obligations, is recognised on receipt.

###### **Interest revenue**

Interest is recognised using the effective interest method.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2022**

#### **1 Summary of Significant Accounting Policies (continued)**

##### **(d) Goods and Services Tax (GST)**

Revenue, expenses, and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

##### **(e) Cash and cash equivalents**

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

##### **(f) Financial instruments**

###### **Financial assets**

###### *Equity instruments*

The trust has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The trust has made an irrevocable election to classify these equity investments as fair value through other comprehensive income (FVOCI) as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). The fair value is determined by reference to quoted market bid prices at the close of business on the reporting date.

On disposal any balance in the financial asset reserve is transferred to accumulated surplus (retained earnings) and is not reclassified to profit or loss.

Dividends and trust distributions are recognised as income in profit or loss unless the payment clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

###### *Debt instruments*

The trust has debt securities which are held within a business model whose objective is achieved by both collecting contractual cash flows and having the intention to sell the debt securities before maturity. The contractual terms of the debt securities give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. The fair value is determined by reference to quoted market bid prices at the close of business on the reporting date.

Interest income calculated using the effective interest rate method and impairment are recognised in profit or loss. Other gains or losses are recognised in OCI.

On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

#### **3 Events Occurring After the Reporting Date**

The financial report was authorised for issue on 27 February, 2023 by the Directors of the Trustee.

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

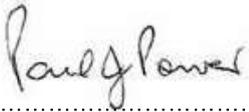
## **Trustee's Declaration**

### **For the Year Ended 31 December 2022**

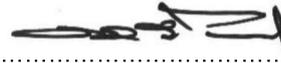
The directors of the trustee declare that in the directors' opinion:

- there are reasonable grounds to believe that the trust is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.  
The declaration is signed for and on behalf of the directors of the trustee company by:



.....  
**Legatee Andrew Craig**  
President



.....  
**Legatee Rex Isherwood**  
Treasurer

Brisbane, 27 February 2023

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE JACK BEAN MEMORIAL CHARITABLE TRUST

### OPINION

We have audited the accompanying financial report, being a special purpose financial report of The Jack Bean Memorial Charitable Trust (the Trust), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, and the trustee's declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Trust as at 31 December 2022, and its financial performance for the year then ended in accordance with the accounting policies disclosed in Note 1.

### 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 Trust in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### EMPHASIS OF MATTER – BASIS OF ACCOUNTING

We draw attention to note 1 of the financial report, which describes the basis of accounting. The financial report is prepared for the purpose of fulfilling the trustee's financial reporting responsibilities of reporting to the members of the trustee, The Legacy Club of Brisbane Limited. As a result the financial report may not be suitable for another purpose. Our report is intended solely for the members of the trustee and should not be distributed to or used by parties other than the members of The Legacy Club of Brisbane Limited. Our opinion is not modified in respect of this matter.

## RESPONSIBILITIES OF THE DIRECTORS OF THE TRUSTEE FOR THE FINANCIAL REPORT

The directors of the trustee of the Trust are responsible for the preparation and fair presentation of the financial report in accordance with relevant Australian Accounting Standards and the accounting policies disclosed in Note 1, and for such internal control as the directors of the trustee determines 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 of the trustee are responsible for assessing the Trust'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 of the trustee either intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

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

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

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

We communicate with the directors of the trustee 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.

*UHY Haines Norton*

**UHY Haines Norton**  
Chartered Accountants

Brisbane, 28 February 2023



**Reece Jory**  
Partner