

LEGACY AUSTRALIA INCORPORATED



5TH ANNUAL REPORT

2018 - 2019

CONTENTS**PAGE**

CHAIRMAN'S REPORT	3
DIRECTORY	6
ABOUT US	7
BOARD AND COMMITTEES	8
CORPORATE GOVERNANCE STATEMENT	9
NATIONAL PROGRAMS	12
National Governance	12
National Support - Legal Compliance	14
National Advocacy	15
National Programs – Social Support	18
National Programs – Educational Support	19
National Representation	19
National Fundraising and Donation Management	22
CHAIRS OF LEGACY AUSTRALIA INCORPORATED	26
MEMBER CLUBS	27
FINANCIAL STATEMENTS AND STATUTORY REPORTS	29



I have pleasure in presenting my second Annual Report since taking office as Chairman in November 2017.

During the past year we have been reviewing the operations of Legacy Australia Inc. as well as representing Legacy with both business, military and government leaders. As a result, a number of important business partnerships and contacts have been made, which will help our beneficiaries and our Legacy work. These associations have resulted in an increase in our total income, including monies set-aside for Beneficiary Projects, from \$1.412m in 2017-18 to \$1.855m in 2018-19 and donations to Clubs increased by \$84,744.

Additional donations and bequests have allowed Legacy Australia Inc. to refund subscriptions to clubs of \$229,274 as promised at last year's AGM.

Following last year's AGM, considerable effort has been made to draft the guidelines for clubs to consider as we plan for our Legacy work over the next 10 years.

Our widow/dependant numbers are reducing through age as are our Legatee numbers and despite some earlier discussions concerning managing the future operations of Legacy, it is now time for Legatees and clubs to ensure that they have plans in place to keep our high standard of care maintained for the new younger families from later conflicts coming within our responsibility.

We still have over 52,300 widows, children and families to care for but, with 82% of our 49,700 widows over 76 years of age, much of our future care will move into the care of Vietnam widows and widowers, children and families from later conflicts who will require additional advocacy skills and qualifications that staff and Legatees will need to acquire to meet Government requirements. In addition, the Australian Charities and Not-for-Profit Commission (ACNC) sector watchdog will be vigilant in its role to ensure that the governance management within our clubs is managed strictly within our Charitable Purposes.

As we were advised at the Wollongong Conference in 2017, we must ensure that we in Legacy "swim between the flags" to comply with Government requirements

Our Charter is the care of dependants of those who gave their lives or health on operational service or subsequently and Defence Force members who die in service or as a result of their service. Some clubs are finding the appointment of responsible persons to manage their boards, difficult. Hence our need to ensure that we have plans in place now so our Legacy work can continue in every district well into the future and whilst ever there is the need for the care of Legacy dependants.

At this year's National Conference, all clubs will have sufficient time to debate, discuss and assist in helping put together, suitable outlines that clubs can refer to, as they plan for their ongoing care of our dependant families well into the future.

CHAIRMAN'S REPORT

Currently, there are 3,988 active Legatees, which is a decline of 193 Legatees from last year and, over the coming years, clubs will need to actively recruit new and younger Legatees particularly to care for our younger families.

Over the past twelve months, Legacy has spent some \$16.5m to aid our beneficiaries but fundraising now is changing and with the inevitable reduction in the number of clubs over time, new methods and techniques of fundraising need to be found.

As our Legacy widow numbers decrease, so too will the numbers of our dependants in Legacy-owned premises and units reduce, and this will take many of these Legacy facilities outside our core business and also outside our charitable purpose requirements.

Throughout the past year, Legacy Australia Inc. has been actively involved in representing Legacy at meetings with the Minister for Veterans' Affairs, the Hon. Darren Chester and other Government representatives in an effort to improve our care for our families. A close association with the Department of Veteran's Affairs has been established and this has assisted clubs with many advocacy issues.

A meeting of Legacy Advocacy Staff was held in Canberra early in the year, and this meeting highlighted the need for advocates to obtain ATDP training and qualification.

Legacy has been represented at monthly ESORT (Ex-service Organisation Round Table) meetings with the Department of Veterans' Affairs and other Ex-service organisations where we were able to represent Legacy in current Legacy family issues for our dependants' benefit.

During the year, Vice-Chairman, Legatee Philip McNamara and I presented Legacy's case at the Productivity Commission Inquiry. The Government requested this inquiry, to review current Veterans' Compensation and Rehabilitation functions and the management of the Department of Veterans' Affairs with the Defence Department.

Several recommendations made by the Commission's findings, including the disbanding of DVA, the change and reduction in the issue of Gold Cards, the establishment of a new Veterans' Service Commission and other changes that we consider would be detrimental to the assistance of veteran families, were strongly argued against and further meetings with the Minister for Veteran's Affairs indicate that the Government may support Legacy's submissions when the Government's response to the final report is released.

Over the past twelve months, a number of generous donations and bequests were made for use in support of our Legacy families. These donations and bequests will enable us to again send a party of young dependants, this time potentially some with their mothers, over the Kokoda Track in October next year and we have passed on to clubs \$262k from the generous Westpac Grants program for the benefit of our young dependants.

Thanks to the referral to Legacy Australia by Trustee, Sydney businessman and Legacy Ambassador, Mr Garry Browne AM, a very generous bequest was received from the John and Anna Belfer Trust, to deliver benefits to our dependants and the Australian War Memorial.

We have met with the Honourable Dr Brendan Nelson AO and Mr Browne AM, where it is proposed to offer a three week scholarship to our young dependants around Australia to work as guides at the War Memorial as well as planning other educational initiatives and scholarships for the benefit of our Junior Dependants.

CHAIRMAN'S REPORT

The 2018 National Launch of Legacy Week was held at the Australian War Memorial in Canberra where a large number of guests attended and we are again grateful to our Legacy Ambassadors, the Honourable Dr Nelson AO for hosting us at the AWM and Mr Chris Jenkins, CEO of Thales, who hosted all who attended, at a morning tea following the Ceremony.

In April during ANZAC Week, Canberra Legacy again hosted Legacy youth for the week and I had the honour to accompany two of our visiting juniors to place a wreath on the Stone of Remembrance during the National ANZAC ceremony. Canberra Legacy does a wonderful job looking after our juniors visiting from interstate during this week and all of Legacy is grateful to them for this.

At the end of the year, our Patron His Excellency General, the Honourable Sir Peter Cosgrove AK, MC, stepped down as Governor General and also as our Patron. We met with Sir Peter to thank him and Lady Cosgrove for their kindness and hospitality they have shown to our widows and the many times they have hosted Legacy events at Government House.

We are delighted that the new Governor General, His Excellency General the Honourable David Hurley AC DSC (Retd), has agreed to be our new Patron.

Planning our Centenary of Legacy Committee is well underway by towards our Centenary in 2023 and it is important that all clubs be involved to help and be part of this planning

I must thank Legacy Club Services for their generosity in allowing Legacy Australia to occupy office space in Sydney at no cost and the major Capital City clubs for their assistance to all clubs with advocacy, marketing and web development costs throughout the year.

In conclusion, I would like to thank our hard-working Board members for their contribution to Legacy during the year.

I would especially like to thank our CEO Scott Warr who has been a great help in our development and to the hardworking staff who spend many hours at work to ensure that we at Legacy Australia fulfil our commitment to our Legacy Clubs and Legacy beneficiaries.

I commend this Annual Report to all Legacy Clubs.



Legatee Rick Cranna

Chairman

Legacy Australia Incorporated

DIRECTORY

FOUNDATION	1 March 2015
PATRON	Governor-General, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd)
CHAIRMAN	Rick Cranna
VICE-CHAIRMEN	Peter Bysouth Philip McNamara
IMMEDIATE PAST CHAIRMAN	Tony Ralph
TREASURER	Don Stewart
SECRETARY	John Bertram
CHIEF EXECUTIVE OFFICER	Scott Warr
LEGACY AMBASSADORS	The Hon Dr Brendan Nelson AO; Ms Leesa Kwok; Major General Stuart Smith AO DSC (Retd); Mr Ben Roberts-Smith VC MG; Ms Christine Simpson Stokes; Mr Chris Jenkins, CEO Thales Australia and New Zealand, Mr Garry Browne AM, Trustee of the John & Anna Belfer Trust
AUDITORS	BDO East Coast Partnership, Melbourne until 3 April 2019 then Fortunity Assurance was temporarily engaged on 24 April 2019
COMMERCIAL BANKERS	Commonwealth Banking Corporation Westpac Banking Corporation
SOLICITORS	DLA Piper Davies Collison Cave
REGISTERED ADDRESS	293 Swanston Street, Melbourne, Vic 3000
BUSINESS ADDRESS	Level 7, 47 York Street, NSW 2000
POSTAL ADDRESS	GPO Box 4020, Sydney, NSW 2001
TELEPHONE	+61 2 8333 0600
EMAIL	office@legacy.com.au
WEBSITE	www.legacy.com.au
SPONSORS AND SUPPORTERS	Thales, Westpac, News Corp Australia, Australian Defence Force, BiteSize Group, Defence Industry Study Course, Downies, Macquarie Mint, Australian Military Bank, Mr. Fothergill's, QinetiQ, Scentsy, The Australian Yarn Company, Australian Livestock & Property Agents Association Ltd (ALPA)

OUR VISION

Our vision is that no dependant of an Australian Defence Force member suffers financial or social disadvantage as a result of the operational service death or incapacity of the family member.

OUR MISSION

Legacy Australia strives to ensure social justice for the dependants of incapacitated or fallen military personnel. Social justice is the ability people have to realize their potential in the society where they live.

OBJECTS

The primary purposes of Legacy Australia Inc. are:

- the care of dependants of those who served their country, namely, veterans who gave their lives or health on operational service or subsequently, and Australian Defence Force members who die in service or as a result of their service; and
- to provide a caring service, not limited to financial support to the dependants, including by way of personal endeavour by Legatees.

Other purposes are:

- to protect the good name and reputation of Legacy; and
- to act as the national coordinating body for Legacy Clubs including representations and/or promotion of Legacy Purposes, Ideals and Interests at a national level.

FUNAMENTALS

The first Legacy Club was started in Melbourne in 1923 by Captain (later Major-General, Sir) Stan Savige who espoused the fundamentals of Legacy as follows:

- Personal Service, which is the main essential.
- Comradeship, which grows from the commitment to personal service.
- Co-operation, which is the companion of comradeship.
- Discipline, which derives from the pledge to do one's utmost.
- Service to Children, which is usually delivered through the parent.
- Local Autonomy, which is exercised within an agreed framework.

BOARD

MEMBERS

Rick Cranna – Chairman

- Peter Bysouth – *Vice Chairman*
- Philip McNamara – *Vice Chairman*
- John Bertram - *Secretary*
- Don Stewart - *Treasurer*
- Sarnia Birch
- Robert Connor
- Peter Heeney
- Peter Keane
- David Kelly

At 30 June 2019 the position of Director for Zone B1 – Rural Queensland remains vacant.

During the reporting period, L/Ian Mackenzie (Zone A1: Rural Queensland Region) submitted his resignation as Director. The Directors extend their appreciation to L/Mackenzie for his commitment and contribution to the Legacy cause during his tenure.

ROLE AND POWERS

- The activities of Legacy Australia Inc. (LA Inc.) shall be managed by or under the direction of the Board.
- The Board may exercise all the powers of Legacy Australia Inc. except those powers that the Constitution or the Act requires to be exercised by General Meetings of the Member Clubs of Legacy Australia Inc.
- The Board may:
 - appoint and remove staff
 - establish committees of Legacy Australia Inc. with terms of reference it considers appropriate.

FINANCE, AUDIT & RISK MANAGEMENT

MEMBERS

Don Stewart - Chair

- Peter Keane
- Rick Cranna
- John Spencer

GOVERNANCE COMMITTEE

MEMBERS

Sarnia Birch - Chair

- David Kelly
- David Grierson

ADVOCACY COMMITTEE

MEMBERS

Robert Connor - Chair

- Philip McNamara
- John McInerney
- Elizabeth Ward
- Peter Lawley

NATIONAL MARKETING COMMITTEE

MEMBERS

John Bertram - Chair

- Peter Heeney
- Scott Warr
- Carly Forrester
- Peter Ali
- Brendan Cox
- Gary Dawson
- John Hutcheson
- Jo Moloney

DISCIPLINARY COMMITTEE

MEMBERS

The Hon. Stanley G Jones AO - Chair

- Max Lemon (Adelaide)
- Duncan Warren (Perth)
- Charles Wright (Gold Coast)

CENTENARY OF LEGACY

MEMBERS

Peter Bysouth – Co-Chair

David Kelly – Co-Chair

- Peter Heeney
- Paul Crews
- Tony Ralph

CORPORATE GOVERNANCE STATEMENT

Status

Legacy Australia Incorporated is an incorporated association under the Victorian *Associations Incorporation Reform Act 2012* and includes any regulations made under that Act. Control and governance oversight of the association is provided by a Board elected by the Member Clubs. Operational and administrative management of the association is the responsibility of the Chief Executive Officer, who is appointed by the Board.

Rules

Legacy Australia Inc. is established and governed by the Legacy Australia Constitution and By-Laws made under the Constitution. By joining Legacy Australia Inc., Member Clubs agree to abide by the Constitution and By-Laws. Rules establish the structure of the association and provide for its management and direction. The Constitution may be changed by the vote of 75% of those Member Clubs voting. A copy of the current Constitution and By-Laws is always available for inspection from the office of Legacy Australia Inc. or can be downloaded from the Legacy Australia website. A copy is provided to any Member Club on request.

Members

The members shall be Legacy Clubs that hold a Charter. Only Member Clubs that have paid their annual subscription and levies shall be entitled to vote. The rights, including the right to vote, of a Member Club that has not paid the annual subscription and levies by the due date, shall be suspended until the payments are made. Individual members of a Legacy Club have no entitlement to the profits or assets of Legacy Australia Inc., even in the event of winding-up.

Audit

The appointment of a registered company auditor is approved by the Board of Legacy Australia Inc. The Board has determined that there is no justification for an independent internal auditor. Internal checking, surveillance by the external auditor, and the presence of the Finance, Audit and Risk Committee partly provide an internal audit function.

Compliance

Legacy Australia Inc. complies with the letter and spirit of all applicable legislation and standards of corporate behaviour.

Reports to Member Clubs

Legacy Australia Inc. reports formally to Member Clubs each year through the Annual Report. Regular National Chairman's Messages, emails and correspondence on specific issues are also circulated. Communication by email between Member Clubs and the Chairman, Board and CEO is encouraged, as is Member Clubs' access to the Legacy Australia website, which includes a secure Members-only section.

Board

The Board shall consist of:

- a Chairman; and
- a Vice Chairman (Capital City); and
- a Vice Chairman (Rural); and
- a Secretary; and
- a Treasurer; and
- six (6) other Directors; and
- one (1) Appointed Director if required.

The Board may appoint an eligible Director to fill a casual vacancy on the Board until the next Annual General Meeting.

CORPORATE GOVERNANCE STATEMENT

A Vice-Chairman fills a casual vacancy in the office of the Chairman.

The Board meets bi-monthly or as required. The Chief Executive Officer attends all Board and Committee meetings as required. Minutes of all Board and Committee meetings are taken. These are tabled and reviewed by the Board at each meeting.

The membership and attendance at Legacy Australia Inc. Board meetings during the whole of the financial year are as follows:

Legacy Australia Inc. Board Member	Dates	Eligible to Attend	Meetings Attended
Richard Cranna		6	6
John Bertram		6	5
Sarnia Birch		6	4
Peter Bysouth		6	6
Robert Connor		6	6
Peter Keane		6	5
David Kelly	Appointed 25 July 2018	5	4
Peter Heeney		6	6
Ian Mackenzie	Resigned 12 March 2019	3	2
Philip McNamara		6	3
Don Stewart		6	5

LEGACY AUSTRALIA INC. ACTIVITIES AND OUTCOMES

Governance

- To manage and coordinate the day to day business of Legacy Australia at the national level
- To take decisions on matters which Legacy Clubs agree are not required to go to Conference (AGM)
- To implement the decisions of Legacy Clubs taken at Conference (AGM)
- To provide guidance to the Host Club of the biennial National Conference (and AGM)
- To provide advice and guidance to Legacy Australia in governance matters

Representation

- On behalf of Legacy Australia, to develop and maintain alliances and relationships at the national level, including making representations to, or negotiating with entities including:
 - Department of Veterans' Affairs
 - Department of Defence and the ADF
 - Federal Government and Federal Departments and Agencies generally
 - RSL and other Ex-Service Organisations
 - ACNC

- To represent Legacy Australia at the national level in areas of:
 - Media Management
 - Incident Response

National Policy / Services

- To develop and implement, following endorsement by Legacy Clubs, policy on matters including:
 - Pensions
 - Welfare
 - Aged Care
- To provide guidance to and oversight of the Advocacy Committee
- To provide guidance to and oversight of the Aged Care Forum
- To provide guidance to and oversight of the National Welfare Network

National Marketing

- To provide guidance to and oversight of the National Marketing Committee including:
 - Marketing, Public Relations and Media Management
 - Fundraising at a national level
 - Corporate partnerships and sponsorships
 - Development and maintenance of Legacy website
- To solicit, receive, invest and disburse funds.

The 2014 Special Conference meeting, where Legacy Clubs voted to establish and join Legacy Australia Inc., gave responsibilities to the Board of Legacy Australia Inc. (Rule 39 of Legacy Australia Inc. Constitution) including:

- The activities of Legacy Australia Inc. shall be managed by or under the direction of the Board;
- The Board may exercise all the powers of Legacy Australia Inc. except that are required to go to an AGM.

The powers of Legacy Australia Inc. (Rule 5 of Legacy Australia Inc. Constitution) include the power “to do all things incidental or conducive to achieve its purposes” including the grant or removal of Charters.

The association is the vehicle by which Legacy Clubs are authorised to operate under the Legacy name and logo.

The national office is the set of resources required to undertake the work of the Board on a day to day basis.

NATIONAL PROGRAMS

The following summarises the program activities of the Board, CEO and staff in ensuring the objects of Legacy Australia Inc. are achieved.

Program **NATIONAL GOVERNANCE**

Object **To act as the national coordinating body for Legacy Clubs including national representations and/or promotion of Legacy purposes, ideals and interest at a national level**

Legacy Australia Inc. aims to have:

- Effective Board members representing all views of the Legacy movement
- Qualified and efficient support staff
- Relevant information to make decisions
- Board committees with relevant Terms of Reference reporting to the Board in a timely manner
- Well organised and managed Board meetings
- Regular Board meetings
- Quality agenda and papers prepared ahead of the meetings
- Quality minutes
- Decisions disseminated to Legacy Clubs via appropriate means in a timely manner

BOARD MEETINGS

There were six (6) Board meetings during the year held primarily in Sydney. The Board has also continued videoconferencing in order to reduce governance costs. Meeting arrangements during the year were as follows:

July	Sydney, DLA Piper
September	Sydney, DLA Piper
November	Sydney, DLA Piper
March	Sydney, Thales, Garden Island
May	Sydney, DLA Piper
June	Videoconference, DLA Piper, Sydney, Melbourne and Perth

Legacy Australia Inc. wishes to thank DLA Piper for their continued support and for providing facilities for our Board Meetings.

CHAIRMAN'S MESSAGES

The Chairman of the Legacy Australia Inc. Board circulates a newsletter to all Clubs to communicate the key items discussed at Board meetings. Updates of National representation and marketing activities are always included in the Chairman's Message or as a supplementary Update.

BOARD COMMITTEES

The **Management Committee** is comprised of the Chairman, Vice Chairmen, Treasurer and Secretary of the Legacy Australia Inc. Board. The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities and fiduciary duties with respect to the selection and appointment of the Chief Executive Officer and senior executives, remuneration and performance evaluation of the Chief Executive and to develop and review the strategic direction of Legacy. The Committee held three meetings during the reporting period.

The **National Marketing Committee** is responsible to the Board for the development of best practice marketing and fundraising proposals which enhances Legacy's reputation and brand name while, where possible, cultivating long term revenue streams. This Committee held five meetings during the reporting period. Following the Board's decision that major capital city Presidents or their representatives be appointed to the Committee, the CEO Brisbane, CEO Melbourne, CEO of South Australia & Broken Hill and CEO Sydney were confirmed to the membership. Mr Gary Dawson, Vice-President Strategy Thales, was also appointed and brings a wealth of knowledge to the Committee. The re-structure of the Committee, as well as a national Project Management approach to the major fundraising campaigns conducted during the year, resulted in a cohesive delivery of programmes and campaigns for the benefit of all Legacy Clubs.

Established to provide support and advise the National Marketing Committee of marketing implications and interdependencies that exist among Legacy campaigns, media relations and communications, the **Project Working Group** met in November 2018 to plan the 2019 campaigns and communicated fortnightly during the reporting period via email and teleconference meetings. As an outcome of the Project Working Group forum project leads for National Campaigns were agreed where Capital City Clubs would project lead four major Campaigns with oversight by the National Office.

The Board's **Advocacy Committee** encompasses all matters relevant to pensions, welfare, and aged care. The Advocacy Committee met in April 2019 during the reporting period and communicates regularly via email. During the reporting period, the Advocacy Committee appointed Legatee Elizabeth Ward as Welfare Advisor. It is supported in the operational planning and capability development role by the Advocacy Working Group that primarily conducts its business via email and meets annually in a national forum at the DVA premises in Canberra to solidify the Group's work during the year and to workshop matters of national significance, including the application of the requirements of the Advocacy Training and Development Program in Legacy.

The major focus for the Committee during the reporting period was the Productivity Commission's Inquiry into Compensation and Rehabilitation for Veterans. The Committee submitted responses to the Issues Paper and key recommendations of the Draft Report that will impact families. Members of the Committee also participated in Public Hearings and face to face meetings with the Commissioners.

The Advocacy Committee also met with and provided advice to Mr Robert Cornall AO who spearheaded the Veterans' Advocacy and Support Services Scoping Study.

Legatee Ian Mackenzie resigned from the Committee during the reporting year. The Committee wishes to thank Legatee Mackenzie for his contribution in advocating for Legacy's beneficiaries nationally.

The **Finance Audit and Risk Management Committee** convened nine meetings via teleconference during the reporting period to review the financial position of Legacy Australia Inc., assist in the budget development process, continuously refine the risk management program and oversight the policy development process.

Following the resignation of Mr Richard Dean of BDO as the auditor of the organisation, the FARM Committee sourced and recommended Fortunity Assurance as the temporary auditor. The FARM Committee extends appreciation to Mr Dean for his support for over 30 years. Regrettably, Mr Ian Stewart, who served the Committee since April 2016 tendered his resignation in December 2018. The Committee wishes to thank Mr Stewart for his invaluable contribution and expertise during his tenure. With the agreement of Sydney Legacy, Legatee John Spencer was appointed to the Committee in March 2019.

A Risk Management Workshop was convened on 12 March 2019 and the Legacy Australia Inc. Risk Register was reformatted and updated by the Legacy Australia Inc. Board. During the reporting period the Legacy Australia Inc. Board resolved that Legacy Australia Inc. is to opt into the National Redress Scheme.

During the reporting period, **Governance Committee** met in May 2019 and communicated regularly via email. The role of the Governance Committee is to assist the Board of Directors to develop plans, policies and procedures which enables the Board to comply with legislative and regulatory requirements and ensures that the Constitution and Bylaws of Legacy Australia Inc. are regularly reviewed for practicality and effectiveness.

Centenary of Legacy

The purpose of the Centenary of Legacy Committee is to assist the Board of Directors with the development of plans for Legacy's Centenary by acting as the initial focal point for ideas, activities and events to promote our Centenary and by coordinating national events and publicity. During the reporting period, the Committee communicated regularly via email and has identified an extensive programme to celebrate and capture the essence of the Legacy movement, particularly Legacy's role in Australian society.

Program NATIONAL SUPPORT / LEGAL COMPLIANCE

Object To protect the good name and reputation of Legacy

The activities undertaken in this Program through 2018-2019 have included:

- Re-development and maintenance of a Risk Register. A Strategic Risk Report template has also been established and industry professionals have been engaged to assist.
- A standing 'risk' agenda item for the Finance, Audit and Risk Management (FARM) Committee, to review and update all risks regularly.
- Ongoing development of policies and procedures to ensure legal compliance and reduce risk for Legacy Clubs
- Clubs have been encouraged to adopt the policies and procedures through communications such as the Chairman's Message, Memoranda and at Club President Changeover functions.
- Maintenance of an Issues Register reviewed by the Legacy Australia Inc. Board
- Maintenance of a Marketing Register reviewed by the National Marketing Committee
- Oversight and assistance to Legacy Clubs with issues to prevent escalation.
- Trademark protection with surveillance of use of Legacy name in the marketplace. Davies Collison Cave continued to provide ongoing assistance in the management of our Trademarks. Many users of the name Legacy were dealt with during the year and the cost of protecting our trademark was in the order of \$23,434 in legal fees. \$6,003 in 2018-2019

NATIONAL PROGRAMS

- Monitoring the implementation of the National Redress Scheme and supporting Legacy Clubs in deciding to 'opt in' to the scheme or not.
- Monitoring of the compliance expectations of the Australian Charities and Not for Profit Commission
- Monitoring of the compliance expectations of the Privacy Commissioner
- Monitoring of the developments in compliance requirements of the fundraising industry

Policies and procedures updated in the last financial year include:

- POL-PROC-20 LA Inc. Bequest Policy and Procedure
- POL-03 LA Inc. Risk Management Policy & Procedures
- POL-10 LA Inc. Delegations Policy
- PROC-01 LA Inc. Travel Expenses Policy & Procedure
- PROC-08 Accessing Westpac Education and Development Funds Procedure
- Annual Compliance Checklist for Legacy Clubs
- POL-06 LA Inc. Grievance Handling Policy
- PROC-06 LA Inc. Grievance Handling Procedure
- POL-11 LA Inc. Code of Conduct
- POL-PROC-07 LA Inc. Discipline & Counselling Policy & Procedure

Others that were developed in the last financial year include:

- POL 19 - Financial Reserves Policy

Program NATIONAL ADVOCACY

Object To provide a caring service, not limited to financial support to the dependants, including by way of personal endeavour by Legatees.

The activities undertaken in this Program through 2018-2019 have included:

- Chairman's participation in Ex Service Organisation Round Table (ESORT) consultation with DVA
- Participation in Working groups and Committees to improve support systems
 - Younger Veterans – Contemporary Needs Forum (YVF)
 - Female Veterans and Families Forum (FVFF)
 - Memorial for Families at the War Memorial
 - National Aged Care Alliance
 - National Aged & Community Care Forum
 - Female Veterans and Families Forum
 - Operational Working Party (OWP)
 - Australian Military Covenant Committee
- Participation in joint committees for Advocacy development
- Making submissions to Government for policy and budget considerations
- Submissions to the Productivity Commission's inquiry into Compensation and Rehabilitation for Veterans
- Active lobbying to Government decision-makers in relation to benefits for widows and children of veterans
- Canvassing pensions and welfare officers for information on emerging issues

NATIONAL PROGRAMS

- Convening of National Advocacy Forum to provide professional development for Legatees and paid staff, and an opportunity to engage with senior DVA officials.
- Liaise with the wider ESO community to identify issues and opportunities
- Responding to requests for input to government legislation and policy review and development
- Dissemination of information across Legacy

Our advocacy task continues to primarily focus on ensuring that our beneficiaries receive all of their entitlements, including both pensions AND welfare entitlements. In accordance with clause 3.3.8 of Bylaws of Legacy Australia Incorporated, 21 Clubs submitted the following pension's statistics for 2019:

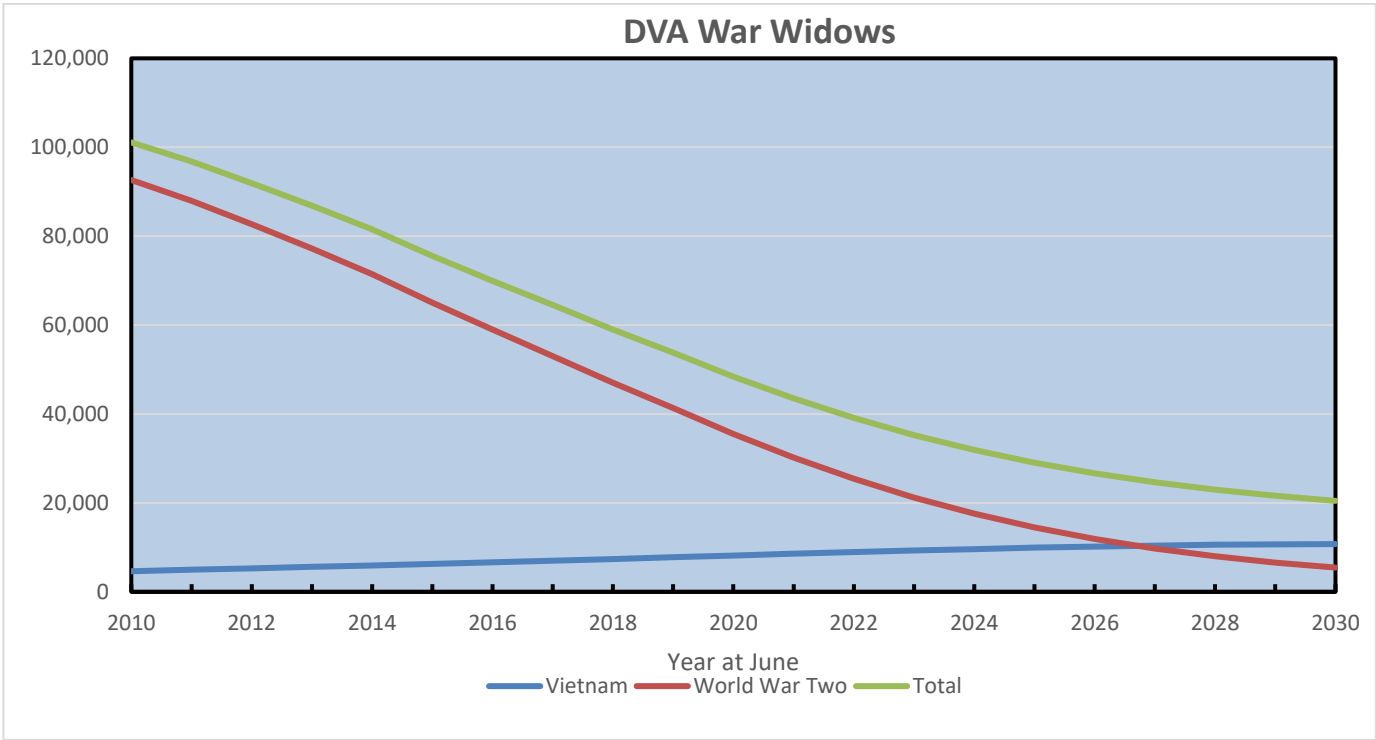
- 1020 primary claims lodged with 647 accepted (63%)
- 127 section 31 claims made with 20 accepted (16%)
- 188 VRB claims made with 93 accepted (49%)
- 9 AAT cases with 8 accepted (89%)

We currently have 30,551 of our widows on War Widows' Pensions under the VEA. That's 61.54% of all widows (total widows for 2018 – 49,637) registered with Legacy. Last year there were 37,872 or 57.73%. The drop would be largely due to the decline in WWII widows as they pass on. 86% of our beneficiaries are aged over 75. Changes to aged care policy, including 'My Aged Care' and the shift to 'ageing in place' continues to be a significant area of learning of which Legacy has had to be aware and to advocate on behalf of our beneficiaries. Government support in this area is changing significantly and at a rapid pace, moving towards a future aged care system that is more consumer-driven, market-based and less regulated. Bolton Clarke (formerly RSL Care Qld and RDNS) continues to support Legacy by providing a dedicated telephone 'Navigator' service to provide a one-stop shop for information on home care packages and aged care from all Government programs.

Chairman of Legacy Australia Inc. continued to participate in the Ex-Service Organisations Round Table (ESORT) Consultative Forum convened by the Secretary of DVA. Updates on the ESORT deliberations are summarised on the DVA website.

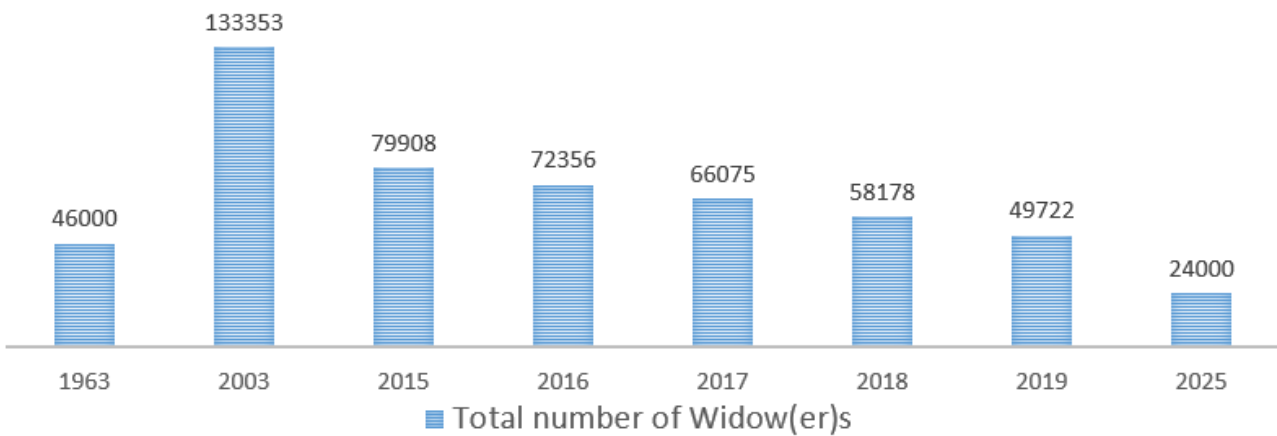
The Legacy Australia Inc. Chairman's Message was disseminated regularly with updates on Legacy Australia matters as well as information from the Department of Veterans' Affairs. Many Clubs attached the Chairman's message to their own monthly Club Bulletins making it easy for all Legatees and beneficiaries to be kept informed of Legacy matters generally and importantly regarding national governance matters. All National Chairman's Messages are uploaded to the Legacy website and can be found in the Members' Area.

The tables below depict the DVA forecast of overall decline in widows numbers as the wave of WWII widows pass on.



- The downward trend of widows has continued as a result of our WWII widows passing on at a rate of around 23 per day.
- Legacy consistently has about 39% of all DVA widows enrolled with Legacy clubs as beneficiaries.
- Based on this share continuing, Legacy nationally will have around 35,800 widows registered in our centenary year of 2023 and down to 22,850 by 2030.

Decline of Widow(er)s numbers



NATIONAL PROGRAMS

Program **NATIONAL PROGRAMS – SOCIAL SUPPORT**

Object **To provide a caring service, not limited to financial support to the dependants, including by way of personal endeavour by Legatees.**

The activities undertaken in this Program in 2018-2019 have included assisting Legacy Clubs in delivery of their social support through:

- Exposure of Legacy youth to commemorative activities and ceremonies through continuation of Australian War Memorial Legacy Youth ANZAC Visit to Canberra (previously Florance Foundation). Culminating in Legacy Youth laying wreaths with the National Chairman at the Anzac Ceremony at the Australian War Memorial
- Continuation of providing funds for the final of the Legacy Junior Public Speaking Competition, assisting in raising the awareness in schools of Legacy and its ideals.
- Sydney Legacy hosted the 2018 Legacy Junior Public Speaking Awards with some funding from Legacy Australia Inc. The competition continues to be popular and well contested in those states that continue with it.

In April 2019 Canberra Legacy, in conjunction with the Australian War Memorial (AWM), hosted the Annual ANZAC Day Visit (previously the Florance Foundation Visit) with 13 Junior Legatees (aged between 13 and 18 years) from all over the country visiting Canberra for six days, concluding on the day after ANZAC Day.

Under the leadership of Legatees Ellicott, Maddock, Lehmann, Hazel and Legacy Youth Mentor Liam Warcaba the trip was a tremendous success thanks to the financial support of both Legacy Australia Inc. (through Australia Post's 2015 fundraising donation) and the Australian War Memorial who continue to fund the airfare expenses, this year providing \$3,500 for that purpose. Overall, the expense to Legacy Australia Inc. this year was \$15,287 (from an allocated budget of \$15,000), which is considered very reasonable considering the positive public exposure and Junior/Guardian feedback that was received.

Thanks also to Canberra Legacy staff, Bob Cox, Heather Pietsch and Cathy Clifford who also supported the activity.

John & Anna Belfer Trust

An amount of \$332,000 was donated by the Trustees of the John & Anna Belfer Trust FY 2018/19. These funds will be used to fund mutually agreed Legacy projects and programs in conjunction with the AWM to assist in the social and personal development of Legacy beneficiaries and specially Legacy youth.

NATIONAL PROGRAMS

Program **NATIONAL PROGRAMS – EDUCATIONAL SUPPORT**

Object **The care of dependants of those who served their country, namely veterans who gave their lives or health on operational service or subsequently, and Australian Defence Force members who die in service.**

The activities undertaken in this Program in 2018-2019 have included assisting Legacy Clubs in delivery of their social support through:

- Continuation of the oversight of the John Gough Scholarship for Legacy youth administered through Australian Veterans Children’s Assistance Trust (AVCAT)
- Development of the Westpac Education Support scheme for partners and children of veterans utilising the donation from Westpac

In this financial year Legacy Australia awarded four new scholarships (in addition to ongoing scholarships from previous years) administered through the Australian Veterans’ Children Assistance Trust (AVCAT). These scholarships are limited to tertiary study. In 2018-2019, a total of 61 grants were awarded through the Legacy Westpac Fund.

In 2018-2019 Legacy Australia committed \$398,988 in new bursaries through the Legacy Westpac Fund and the John Gough Memorial Fund.

The Legacy Westpac Fund continues to provide assistance to families of those affected by war in education and development. Such a generous donation has been put to helping all Legacy beneficiaries to realise their full potential once they have left school.

We have provided money out of this fund to assist widows and partners of wounded, injured and ill veterans to skill / re-skill to assist them in becoming financially sustainable despite the circumstances of their veteran partner. Westpac are highly supportive of this as it is a similar focus for their other corporate social responsibility programs.

In other instances we have provided funds to assist with trade training or skills development. All recipients have expressed sincere thanks for the additional support that Legacy is now able to provide in this area as a result of the Westpac donations.

Program **NATIONAL REPRESENTATION**

Objects **To act as the national coordinating body for Legacy Clubs including national representations and/or promotion of Legacy purposes, ideals and interest at a national level.**

To protect the good name and reputation of Legacy

Legacy Australia Inc. has assumed responsibility for the former National Marketing Office functions. The National Marketing Office was primarily established to ensure that there was a single and consistent corporate image and to realise the economies of scale in fundraising costs and overheads across the Legacy movement. The National Marketing Committee has adopted a project management approach to the key fundraising campaigns held nationally each year with a lead Capital City Club appointed. The National Project Working Group undertakes the bulk of the project work. Activities include:

- Development of national communication and strategic marketing plans
- Development and oversight of National Campaigns
- Consultation on creative concepts and approval processes
- Oversight of National projects to ensure all Clubs benefit from a co-ordinated approach
- Maximised unpaid media during campaign times including TV appearances and special programs
- Ongoing digital media management (website, social media and other)

Legacy Ambassadors Program

Legacy is honoured to have as our Patron, the Governor-General, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd). His Excellency takes his Patronage of Legacy very seriously and is active in promoting Legacy's work. This was Sir Peter Cosgrove's last year as patron as he handed over to the former NSW State Governor His Excellency General David Hurley AC DSC (Retd)

Legacy is also honoured to have seven Legacy Ambassadors. They are:

- The Hon Dr Brendan Nelson AO
- Ms Leesa Kwok
- Major General Stuart Smith AO DSC (Retd)
- Mr Ben Roberts-Smith VC MG
- Ms Christine Simpson Stokes
- Mr Chris Jenkins, CEO Thales Australia and New Zealand
- Mr Garry Browne AM, Trustee John & Anna Belfer Trust

Each Ambassador is personally active in promoting Legacy's work while at the same time supporting and promoting Legacy to those with whom they interact.

Australia has four living VC recipients. They are:

- Daniel Keighran VC
- Mark Donaldson VC
- Keith Payne VC AM
- Ben Roberts-Smith VC MG

Ben Roberts-Smith is a Legacy Ambassador. The remaining three are willing to support Legacy in any way they can provided they are available. All three have attended and championed Legacy activities in the past few years. Keith Payne's wife Flo is active in Mackay Legacy where Keith serves as Patron.

2018 Brand Audit

Under Melbourne Legacy's project lead, the 2018 Legacy Brand Audit was endorsed by the Legacy Australia Inc. Board in July and finalised in December 2018.

The Brand audit indicated a drop in awareness across all age groups, notably the decrease is more prominent in the younger and middle-aged. Amongst those aware of Legacy, brand trust and respect measures were strong and indicated that they have a clear understanding and knowledge of Legacy charitable purposes.

Legacy Week National Launch 2018

The Legacy Week National Launch was held on Monday 3 September 2018 in the Reg Saunders Courtyard of the Australian War Memorial (AWM), Canberra.

Representing the Prime Minister and Legacy's Guest of Honour, Jim Molan AO DSC delivered a moving speech. The Master of Ceremonies was Major General Greg Bilton AM CSC. Miss Kate MacInnes (Junior Legatee, Canberra) delivered an extraordinary address on the loss of her father and Legacy's support to herself and her family.

The launch acknowledged the 95th Anniversary of Legacy and looked to the future, ahead of Legacy's Centenary.

Those in attendance included:

- Senator Jim Molan AO DSC, representing the Prime Minister of Australia
- Mr Gordon Ramsay MLA, representing the ACT Chief Minister
- The Honourable Dr Mike Kelly AM MP, representing the Leader of the Federal Opposition
- Brigadier Kahlil Fegan, representing Chief of Army
- Air Commodore Kathryn Dunn, representing Chief of Air Force
- Warrant Officer Gary Wight, Royal Australian Navy
- Warrant Officer Robert Swanwick, Royal Australian Air Force
- Madame Julie Duhaut-Bedos, Deputy Head of Mission, representing the French Ambassador to Australia
- Flight Lieutenant Jonathan Coates RAF, representing the British High Commissioner
- Major General Liz Cosson AM CSC, Secretary, Department of Veterans' Affairs
- Mr Mark Cormack, Deputy Secretary/Chief Operating Officer, Department of Veterans' Affairs
- Major General Craig Orme DSC AM CSC (Retd), Deputy President of the Repatriation Commission
- Major General Mark Kelly AO DSC, Repatriation Commissioner
- Major General Gregory Charles Bilton, AM, CSC
- Mr John King, representing the National President of the Returned and Services League of Australia

2018 Legacy Week Campaign

Capital city Legacy Clubs worked collaboratively through the National Project Working Group to deliver the national Legacy Week campaign. Brisbane Legacy also generously offered the services of their PR agency to assist with this effort.

News Corp Coin Campaign supported by Westpac

To commemorate 100 years of ANZAC (2015-2018), News Corp's official coin collection series from the Royal Australian Mint was initially released on the 11 April 2015. News Corp / Westpac Anzac Coin Campaign generates extensive PR and provides increased awareness and exposure for Legacy through editorial opportunities available to Legacy across their mastheads during the campaign.

The 2018 campaign timings moved away from Anzac Day to Remembrance Day 2018, marking the official end of WWI and therefore the end of 4 years of commemorating 100 years of Anzac.

National Website Rebuild (Project – Gellibrand)

The last refresh of the Legacy Australia national website was conducted in 2011. Given the site's limitations an extensive upgrade is long overdue.

As part of the revised National Marketing Committee project based approach to major marketing related activities the Legacy National website rebuild is being led by Sydney Legacy (Legacy Club Services).

The National Marketing Committee approved a Terms of Reference for the new website project. The new website is expected to be delivered by the end of 2019.

Program NATIONAL FUNDRAISING AND DONATION MANAGEMENT

**Objects To act as the national coordinating body for Legacy Clubs including national representations and/or promotion of Legacy purposes, ideals and interest at a national level.
To protect the good name and reputation of Legacy**

The Legacy Australia Inc. office tries to ensure that there is a single and consistent corporate image and to realise the economies of scale in fundraising costs and overheads across the Legacy movement. Activities in this regard include:

- Provision of merchandise for fundraising
- Receipt and disbursement of donations and third party fundraising
- Corporate partnership programs
- Approval of 3rd party fundraisers
- Provision of support to 3rd party fundraisers
- Corporate partner liaison

NATIONAL PROGRAMS

Support to Club Fundraising

The Legacy Australia Inc. office is the first point of contact for public enquiries and offers support to Legacy Clubs with branding, marketing and fundraising as requested. The various activities of Legacy Australia Inc. provided benefits to Clubs in 2018/2019 in the order of \$602,379 through:

\$262,710	Legacy Westpac Funds
\$15,287	Supporting the Junior Legatees' visit to the Australian War Memorial on ANZAC day
\$19,796	Supporting the Legacy Junior Public Speaking Award (LJPSA)
\$31,238	Scholarships through the John Gough Fund
\$203,744	Disbursement of donations and 3 rd party fundraising proceeds
\$69,604	Trademark protection, website licences and fundraising platform fees
\$602,379	Benefits to Legacy beneficiaries and clubs 2018/19

Support to Website Donations Management

Legacy Australia Inc. centrally managed Legacy's online donation portal and related disbursements to clubs under the administration of Legacy Clubs Services on behalf of Legacy Australia Inc. This enabled clubs who participated in the automated system of disbursements, to receive donations directly into their respective bank accounts in a timely manner. In 2018/19, a total of \$423,338 was donated to Legacy through Legacy's National website donate portal.

Support to 3rd Party Fundraising & Donations

Legacy Australia Inc. centrally managed Legacy's support to 3rd party fundraisers and related disbursements to clubs. The net 3rd party fundraising and donations income disbursed to clubs in FY 2018/2019 was \$203,744. Legacy Australia Inc. paid the \$7,098 in associated 3rd party platform licences this Financial Year. These costs were not passed on to clubs but absorbed by Legacy Australia Inc.

Merchandise

Legacy Australia Inc. supports Legacy Clubs with the fulfilment of their Legacy Week merchandise requirements with merchandise supplier Premium Merchandise Group (PMG). As expected the Legacy bears proved to be very popular with many Clubs selling out during Legacy Week. Legacy Club Collateral orders were managed by Legacy Australia Inc. and included the sale of:

- Collection buckets and Legacy stickers to go on the buckets
- Legacy tin hat collection tins
- Pull-up banners

Mr Fothergill

Following on from a previous fundraising campaign, proceeds from the sale of selected Mr Fothergill's products resulted in a donation to Legacy Australia of \$9,150 during the FY 2018/19.

Thales

In addition to the event sponsorship of Legacy Week, Thales continued their generous sponsorship of \$110,000 to Legacy Australia in this financial year.

Thales Graduate Program

The Graduate Program is part of the Thales Community Fundraising initiative which is aimed at encouraging Thales staff to fundraise for Legacy, act as Legacy ambassadors within Thales business and promote the partnership; create local relationships with local Legacy Clubs and build awareness for Legacy in the local community.

Westpac

Westpac pledged a final donation of \$250,000 in conjunction with the 2018 News Corp Anzac Coin Campaign. The Legacy Westpac Fund assists Legacy in supporting families with educational and development grants. These grants have supported those who have been thrust into the role of being the single income earner, with many needing assistance in 'upskilling' to attract better job prospects to support their families. The grants also help reduce the financial burden of Legacy youth pursuing tertiary studies whilst living away from home.

Australian Defence Force

The ADF continues to support Legacy Australia through their various fundraising initiatives overseas. \$39,330 has been raised for Legacy Australia in this financial year.

Australian Livestock & Property Agents Association (ALPA)

In 2018 the ALPA Board nominated Legacy Australia as their preferred charity for the year. In FY 2018/19, ALPA has raised \$7,240 for Legacy Australia through their various charity auctions.

Australian Military Bank

Australian Military Bank donated \$23,570 to Legacy Australia through their Military Rewards cents rounding program for this financial year.

The Australian Yarn Company

Through their partnership with Better Home and Gardens, The Australian Yarn Company donated \$4,187 from a Commemorative throw rug promotion.

BiteSize Group

BiteSized Coffee Treats donated 10% of sales to Legacy Australia from their Remembrance Twin Packs of Anzac Biscuits. A donation of \$12,796 was received which related to the previous two financial years.

NATIONAL PROGRAMS

Defence Industry Studies Group

Defence Industry Studies Course conducted fundraising in support of Legacy and Soldier On. The course delivers Defence and industry executives an intimate understanding of Defence business while improving the collective knowledge of Australia's defence industry. DISC Students have raised over \$180,000 for Legacy since 2010.

Downies

Downies continues to support Legacy Australia from the part proceeds of their ongoing World War I and World War II medallion sales with a \$23,680 donation to Legacy Australia for the financial year.

Scentsy

Legacy Australia has received \$14,968 from the part proceeds of the Scentsy Remembrance Warmer.

Stakeholder Engagement

Legacy Australia continues to engage effectively with corporate stakeholders. Throughout the year the Chairman has engaged with numerous supporters and stakeholders for the benefit of Legacy and its beneficiaries including the Minister for Veterans' Affairs, Department of Veterans' Affairs, Department of Defence and Defence Chiefs, Legacy Ambassadors and Corporate partners.

CHAIRS OF LEGACY AUSTRALIA INCORPORATED

2015	David Gray
2016	Tony Ralph
2017	Tony Ralph
2018	Rick Cranna
2019	Rick Cranna

MEMBER CLUBS AS AT 30 JUNE 2019

ALBURY LEGACY CLUB
ARARAT LEGACY CLUB
THE LEGACY CLUB OF ARMIDALE INC
BALLARAT LEGACY CLUB
BENDIGO LEGACY CLUB
THE LEGACY CLUB OF BRISBANE INC
BRISBANE WATER (NSW) LEGACY CLUB
BUNDABERG LEGACY CLUB
CAIRNS LEGACY CLUB INC
THE LEGACY CLUB OF CANBERRA INC
COFFS COAST LEGACY
COLAC LEGACY CLUB
LEGACY CLUB OF COOLANGATTA/TWEED HEADS
FAR NORTH COAST LEGACY CLUB
GEELONG LEGACY CLUB INC
GOLD COAST LEGACY CLUB
GOULBURN LEGACY
GRAFTON LEGACY CLUB
HAMILTON & DISTRICT LEGACY CLUB
HOBART LEGACY INC
HUNTER LEGACY CLUB
THE LEGACY CLUB OF INVERELL INC
LEGACY CLUB OF IPSWICH
LACHLAN LEGACY CLUB INCORPORATED
LAUNCESTON LEGACY INC
LONDON LEGACY CLUB
LEGACY CLUB OF MACKAY
LEGACY CLUB OF MELBOURNE
MILDURA LEGACY CLUB
MORNINGTON PENINSULA LEGACY CLUB INC
NEWCASTLE LEGACY CLUB
LEGACY CLUB OF THE NORTHERN TERRITORY INC
ORANGE LEGACY CLUB
PORT MACQUARIE HASTINGS LEGACY CLUB LTD
QUEANBEYAN EDEN MONARO LEGACY
SHEPPARTON LEGACY CLUB
LEGACY CLUB OF SOUTH AUSTRALIA & BROKEN HILL
SYDNEY LEGACY
TAMWORTH LEGACY CLUB
TAREE LEGACY CLUB INCORPORATED
TOOWOOMBA LEGACY INC
TOWNSVILLE LEGACY CLUB
THE LEGACY CLUB OF WAGGA WAGGA INC
WARRNAMBOOL LEGACY CLUB
WIMMERA LEGACY CLUB
THE LEGACY CLUB OF WESTERN AUSTRALIA
THE LEGACY CLUB OF WOLLONGONG AND SOUTH COAST INC

NATIONAL SPONSORS



News Corp Australia

NATIONAL SUPPORTERS





Legacy Australia Incorporated

ABN 59 203 621 448

FINANCIAL STATEMENTS & STATUTORY REPORTS

30 JUNE 2019

Legacy Australia Incorporated

TABLE OF CONTENTS

Finance Report	3
The Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows	8
Notes to the Financial Statements.....	9
Declaration by Chief Executive Officer in Respect of Fundraising Appeals	20
Directors' Declaration	21
Independent Auditor's Report to the Members.....	22

LEGACY AUSTRALIA INCORPORATED FINANCE REPORT

The Financial Statements and Auditor's Report for the financial year ended 30 June 2019 are submitted for review by Legacy Australia Incorporated and Member Clubs.

EXECUTIVE SUMMARY

- LA Inc.'s revenue from donations, bequests and fundraising activities for Financial Year 2018/19 totalled \$1,278,587 (2018: \$959,951) an increase of \$318,636. This is mainly attributable to an increase in donations and bequests of \$182,938 and \$131,545 respectively.
- Significant amounts included in the donations figure this financial year were generous donations from Westpac of \$250,000 and \$332,000 from the John & Anna Belfer Trust.
- Distribution of donations and sponsorship proceeds to Member Clubs totalled \$203,744 in cash disbursements, plus \$298,070 in scholarships awarded, together with support to National Social programs, i.e. Legacy Junior Public Speaking Award and the Australian War Memorial Legacy Youth ANZAC Visit, of \$40,083, giving a total distribution of \$541,897. The distribution of the same items last year was \$373,789. The increase in distributions was primarily due to a higher commitment to scholarships this financial year, and larger receipts from third party fundraising platforms due largely to the Legacy SA & Broken Hill's 'Tour De Legacy 2018' event, funds which were transferred to the Club.
- A significant saving in expenses was due to LA Inc. not being charged for office rental. LA Inc. expresses its appreciation to Legacy Club Services for their generosity in providing office space in their York Street, Sydney office.
- There is also \$1,180,556 available in reserved funds for disbursement in the Westpac Education and Development Fund and John and Anna Belfer Trust Fund as well as other existing special purpose funds. Retained earnings are now \$1,957,643 compared with \$1,927,642 last year.
- LA Inc.'s overall annual accounting outcome reflects a surplus of \$386,906 for the 12 months to 30 June 2019 compared with the previous year's surplus of \$16,987.
- The LA Inc. Balance Sheet details that net assets as at 30 June 2019 were \$3,138,299. This compares with \$2,751,393 as at 30 June 2018 and reflects the surplus recorded for the year.

MAJOR ACCOUNTING ITEMS AND TRANSACTIONS OF NOTE

- Donations provided by Westpac have been utilised to provide funds for scholarships to assist with largely tertiary education for Legacy Juniors and to support younger widows in enhancing education and personal development opportunities. This year's donation noted above takes the total amount donated over three years to \$1,500,000.
- Funds donated as noted above, by the Trustees of the John & Anna Belfer Trust, will be used to fund mutually agreed Legacy projects and programs in conjunction with the AWM to assist in the social and personal development of Legacy beneficiaries, especially Legacy youth.
- In this financial year, the provision for scholarships and grants reflect only scholarships that have a term of one year or less. Scholarships with terms beyond one year are noted as a contingent liability in the notes to the accounts and will be funded from the reserves.
- A total of \$455,570 was received from member clubs as 2018/19 Annual Subscription (LA Inc. Constitution Rule 12) as approved at the LA Inc. 2018 AGM. As foreshadowed at the AGM, subject to LA Inc.'s financial results for the year, a refund calculated on the same basis as the subscriptions were levied, would be made. Accordingly, at this financial year end, the Board approved a refund of the annual subscription totalling \$229,274 to member clubs. This amount has been provided for in the accounts.
- LA Inc. Financial Reserves Policy was approved during the 2018/19 financial year. LA Inc. is in the process of implementing the requirements of this policy.

**LEGACY AUSTRALIA INCORPORATED
FINANCE REPORT (CONT'D)**

AUDITORS: Fortunity Assurance, Erina, NSW

For some thirty years, the Legacy National Office has received a professional standard audit on a pro-bono basis under the auspices of Mr Richard Dean, Audit Partner of BDO East Coast Partnership (BDO). A combination of ACNC policy guidance on the desirability of periodically changing auditors and, with the move of the national office to Sydney, its remoteness from Melbourne, led to Mr Dean's resignation on 3 April 2019. LA Inc. expresses its sincere appreciation and gratitude to Mr Dean and BDO for this generous pro-bono service and their support and commitment to the Legacy Family for so many years.

The LA Inc. Board subsequently appointed Mr Tim Davidson, Audit Partner, Fortunity Assurance, Erina, NSW, as auditor, an appointment requiring ratification at the next AGM of LA Inc.

The Financial Statements and Auditor's Report for the financial year ended 30 June 2019 are submitted for review by LA Inc. and Member Clubs.



Legatee Donald Stewart
Treasurer

25 September 2019

LEGACY AUSTRALIA INCORPORATED
THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
INCOME			
Revenue from Ordinary Activities			
Donations, bequests and fundraising	2	1,278,587	959,951
Club Subscriptions	2	226,296	-
Club Levies		-	197,147
Grants		9,091	9,091
Sponsorship		110,000	105,000
Other income		17,767	12,573
Interest received		54,651	52,270
Kokoda project		159,434	75,827
Gain on disposal of fixed assets		16	166
Total Revenue		1,855,842	1,412,025
EXPENSES			
Employee benefits expense	3	596,506	591,285
Conference and travel expenses		20,754	25,163
Board and committee expenses		91,563	91,068
Insurance premiums		9,598	5,279
Depreciation expense	7	6,449	1,865
Office rental	3	-	122,380
Other occupancy expenses		49,977	56,803
Marketing expenses		72,466	74,226
Distribution of donations and sponsorship proceeds to clubs		203,744	119,000
Scholarships/grants		298,070	220,528
National support programs		40,083	34,261
Project expenses		18,000	10,796
Legal and trademark fees		29,437	14,876
Other expenses		32,289	27,508
Total Expenses		1,468,936	1,395,038
Surplus/(deficit)		386,906	16,987
Other comprehensive income		-	-
Total Comprehensive Income		386,906	16,987

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes to the financial statements.

LEGACY AUSTRALIA INCORPORATED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	316,293	334,071
Other receivables	5	50,266	42,473
Other financial assets	6	3,295,069	2,779,320
TOTAL CURRENT ASSETS		<u>3,661,628</u>	<u>3,155,864</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	27,210	16,316
TOTAL NON-CURRENT ASSETS		<u>27,210</u>	<u>16,316</u>
TOTAL ASSETS		<u>3,688,838</u>	<u>3,172,180</u>
CURRENT LIABILITIES			
Payables and other liabilities	8	36,728	56,623
Accrued distributions		2,693	26,490
Provisions	9	485,282	322,434
TOTAL CURRENT LIABILITIES		<u>524,703</u>	<u>405,547</u>
NON-CURRENT LIABILITIES			
Provisions	9	25,836	15,240
TOTAL NON-CURRENT LIABILITIES		<u>25,836</u>	<u>15,240</u>
TOTAL LIABILITIES		<u>550,539</u>	<u>420,787</u>
NET ASSETS		<u>3,138,299</u>	<u>2,751,393</u>
EQUITY			
Settled sum		100	100
Reserves	11	1,180,556	823,651
Retained earnings	10	1,957,643	1,927,642
TOTAL EQUITY		<u>3,138,299</u>	<u>2,751,393</u>

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes to the financial statements.

LEGACY AUSTRALIA INCORPORATED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2019

	Settled Sum \$	Reserves \$	Retained Earnings \$	Total \$
Balance at 1 July 2017	100	742,320	1,991,986	2,734,406
Deficit	-	-	16,987	16,987
Net transfer of income to reserves (Note 11)	-	386,136	(386,136)	-
Net transfer of expenses from reserves (Note 11)	-	(304,805)	304,805	-
Balance at 30 June 2018	<u>100</u>	<u>823,651</u>	<u>1,927,642</u>	<u>2,751,393</u>
Balance at 1 July 2018	100	823,651	1,927,642	2,751,393
Surplus	-	-	386,906	386,906
Net transfer of income to reserves (Note 11)	-	743,057	(743,057)	-
Net transfer of expenses from reserves (Note 11)	-	(386,152)	386,152	-
Balance at 30 June 2019	<u>100</u>	<u>1,180,556</u>	<u>1,957,643</u>	<u>3,138,299</u>

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes to the financial statements.

LEGACY AUSTRALIA INCORPORATED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Cash Flows from Operating Activities			
Receipts from operations		296,565	412,358
Receipts from Club Subscription		455,570	-
Receipts from donations, grants, bequests & fundraising		1,281,283	975,760
Interest received		50,129	60,199
Payments to beneficiaries, suppliers and employees		(1,568,249)	(1,320,808)
Net cash provided by/(used in) operating activities	14	<u>515,298</u>	<u>127,509</u>
Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment		-	672
Payments for property, plant and equipment		(17,327)	(16,236)
		<u>(17,327)</u>	<u>(15,564)</u>
Cash Flows from Financing Activities			
Net (payments for)/redemption of other financial assets		(515,749)	(151,913)
Net cash (used in)/provided by investing activities		<u>(515,749)</u>	<u>(151,913)</u>
Net (decrease)/increase in cash and cash equivalents		(17,778)	(39,968)
Cash and cash equivalents at 1 July		334,071	374,039
Cash and cash equivalents at 30 June	4	<u>316,293</u>	<u>334,071</u>

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes to the financial statements.

LEGACY AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1. SIGNIFICANT ACCOUNTING POLICIES

Legacy Australia Incorporated is an association incorporated under the Victorian *Associations Incorporation Reform Act 2012* and domiciled in Australia. The principal place of business is Level 7, 47 York Street, Sydney, New South Wales.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the directors' opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Victorian *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations and the *Charitable Fundraising Act 1991 (NSW)*. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Legacy Australia Incorporated.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation and Application of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

LEGACY AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Use of Estimates and Judgements

The preparation of a financial report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the association.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

There are no judgements made by management in the application of Australian Accounting Standards that have significant effect on the financial report and estimates with a significant risk of material adjustment in the next year.

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.

(a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Legacy Australia Incorporated and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Legacy Australia Incorporated owns 100% of Legacy Australia Pty Ltd, a dormant company that has not undertaken any activity since it was incorporated. Legacy Australia Incorporated is the trustee of and controls the activities of Legacy Australia Inc Welfare Patriotic Fund (No. W573).

The assets, liabilities and results of all controlled entities are fully consolidated into the financial statements of the incorporated association from the date on which control is obtained by the incorporated association. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the incorporated association.

(b) Income and Payroll Tax

No income or payroll tax is payable as the entity is tax-exempt.

LEGACY AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

Plant and Equipment and Leasehold Assets

Plant and equipment are measured on the cost basis.

The carrying amounts for plant and equipment are reviewed annually by directors to ensure that they are 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.

Depreciation

All plant and equipment is depreciated on a straight-line basis over the asset's useful life, 5 to 10 years, commencing from the time the assets are held ready for use.

Leasehold improvements are amortised over the period of the lease.

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 disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit and loss.

(d) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the association to approved employee superannuation funds and are charged as expenses when incurred.

(e) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within two months and is net of bank overdrafts.

LEGACY AUSTRALIA INCORPORATED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2019

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to financial assets.

Donation and bequest income is recognised when the funds are received.

Sponsorship income is recognised on the dates the corporate sponsors confirm as the due dates.

Subscriptions and Levies are billed annually for the financial year and recognised as income in the year to which they relate.

Any government grant is recognised in the balance sheet initially as deferred income when there is a reasonable assurance that it will be received and that the entity will comply with the conditions attaching to it. Grants that compensate the entity for expenses incurred are recognised as revenue in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the entity for the cost of an asset are recognised in the income statement as other operating income on a systematic basis over the useful life of the asset.

All revenue is stated net of the amount of goods and services tax (GST).

(g) 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 exclusive of GST.

	2019 \$	2018 \$
2. INCOME		
Donations, bequests and fundraising		
Donations	750,383	567,445
Bequests	234,550	103,005
Fundraising	293,654	289,501
	<u>1,278,587</u>	<u>959,951</u>
Club Annual Subscriptions		
Club Annual Subscriptions paid	455,570	-
Less Subscription Refunds to Clubs	(229,274)	-
	<u>226,296</u>	<u>-</u>

LEGACY AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
3. EXPENSES		
Wages and salaries	517,989	535,809
Contributions to approved superannuation funds	48,937	49,496
Other employee benefits expenses	29,580	5,980
	<u>596,506</u>	<u>591,285</u>
Office rental for 2019	-	102,319
Committed rental due post moving office expensed	-	20,511
	<u>-</u>	<u>122,830</u>
4. CASH AND CASH EQUIVALENTS		
Operating bank balances:		
- Cash at bank	315,793	333,571
- Petty cash	500	500
	<u>316,293</u>	<u>334,071</u>
5. OTHER RECEIVABLES		
Accounts receivable	-	1,846
GST recoverable	10,396	12,187
Other receivables and prepayments	39,870	28,440
	<u>50,266</u>	<u>42,473</u>
6. OTHER FINANCIAL ASSETS		
At call interest bearing deposit accounts	658,427	624,509
Term deposits	2,636,642	2,154,811
	<u>3,295,069</u>	<u>2,779,320</u>
7. PROPERTY, PLANT AND EQUIPMENT		
Office equipment - at cost	44,710	45,331
Less accumulated depreciation	(29,720)	(39,124)
	<u>14,990</u>	<u>6,207</u>
Leasehold improvements - at cost	13,546	10,109
Less accumulated depreciation	(1,326)	-
	<u>12,220</u>	<u>10,109</u>
Total Property, Plant and Equipment	<u>27,210</u>	<u>16,316</u>
OFFICE EQUIPMENT		
Opening Balance	6,207	2,451
Additions	13,890	6,127
Disposals	16	(506)
Depreciation	(5,123)	(1,865)
Closing Balance	<u>14,990</u>	<u>6,207</u>

LEGACY AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)		
LEASEHOLD IMPROVEMENTS		
Opening Balance	-	-
Additions	10,109	10,109
Disposals	3,437	-
Depreciation	(1,326)	-
Closing Balance	<u>12,220</u>	<u>10,109</u>
8. PAYABLES AND OTHER LIABILITIES		
Current		
Trade and other creditors	<u>36,728</u>	<u>56,623</u>
9. PROVISIONS		
Current		
Liability for long-service leave	11,867	12,608
Liability for annual leave	31,672	35,333
Provision for scholarships/grants	212,469	274,493
Provision for Refund of Subscriptions	229,274	-
	<u>485,282</u>	<u>322,434</u>
Provision for scholarships/grants		
Opening balance	274,493	216,780
Scholarships/grants awarded	354,989	220,528
Scholarships/grants paid	(417,013)	(162,815)
Closing balance	<u>212,469</u>	<u>274,493</u>
Non-Current		
Liability for long-service leave	<u>25,836</u>	<u>15,240</u>
10. RETAINED EARNINGS		
Balance at 1 July	1,927,642	1,991,986
Surplus attributable to the association	386,906	16,987
Net transfer from/(to) reserves	(356,905)	(81,331)
Balance at 30 June	<u>1,957,643</u>	<u>1,927,642</u>

LEGACY AUSTRALIA INCORPORATED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2019

11. RESERVES

In order to assist members to understand the future activities that the retained surplus of Legacy Australia Incorporated is intended to support, the directors have established a number of reserves within equity. The movements for the year in each reserve and the detailed purpose for which the reserve has been established are detailed below.

	2019 \$	2018 \$
Total Reserve Movement		
Balance at 1 July	823,651	742,320
Income allocated to reserves	743,057	386,136
Expenditure allocated to reserves	(386,152)	(304,805)
Balance at 30 June	<u><u>1,180,556</u></u>	<u><u>823,651</u></u>

These movements occurred through the following reserves:

(a) National Programs - Educational Support

Westpac Banking Corporation		
Balance as at 1 July	431,706	407,464
Westpac Donation recognised as income received	250,000	250,000
Legacy Westpac Fund Bursaries to various beneficiaries in Legacy Clubs with the approval of the Advocacy Committee incl AVCAT scholarships	(262,710)	(199,804)
Administrative fees paid to AVCAT for Legacy Bursaries administered through AVCAT	(4,122)	(5,954)
Administrative support costs allocated to the distribution of the Legacy Westpac bursaries	(20,000)	(20,000)
Funds Retained in reserve for future financial years	<u><u>394,874</u></u>	<u><u>431,706</u></u>

This comprises of funds set aside to maintain commitments to current welfare projects and services to benefit Legacy beneficiaries.

John Gough Memorial Fund		
Balance as at 1 July	149,078	163,848
Interest Received from JG Term Deposit	1,623	-
Bursaries & Administration Fees paid to AVCAT	(31,238)	(14,770)
Funds Retained in reserve for future financial years	<u><u>119,463</u></u>	<u><u>149,078</u></u>

These funds were received as a bequest from the late Legatee John Gough of Melbourne and Adelaide Legacy. Legacy Australia Council resolved that this fund be used to provide assistance for the use of tertiary scholarships to Legacy beneficiaries. These bursaries are administered through AVCAT.

LEGACY AUSTRALIA INCORPORATED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
11 RESERVES (CONT'D)		
(b) National Programs - Social Support		
Funds to support Legacy Junior Public Speaking Award (LJPSA) National program (part of funds received through the Duchesa Bequest)		
Balance as at 1 July	47,734	69,222
Expenses to Legacy Junior Public Speaking Award (LJPSA) paid out	(19,796)	(16,488)
Administrative support costs allocated to the program	(5,000)	(5,000)
Funds Retained in reserve for future financial years	<u>22,938</u>	<u>47,734</u>

This comprises of funds set aside supporting a program to enhance understanding and awareness of Legacy and its ideals among families and youth by the medium of public speaking.

**Australia Post/AWM Legacy Youth ANZAC Visit (formerly
 Florance Foundation)**

Balance as at 1 July	27,979	50,751
2019 AWM Legacy Youth Visits to AWM paid out	(15,287)	(17,772)
Administrative support costs allocated to the program	(5,000)	(5,000)
Funds Retained in reserve for future Financial Years	<u>7,692</u>	<u>27,979</u>

This fund was provided by Australia Post to Legacy, in the lead up to the commemoration of the ANZAC Centenary, donations of \$1 each from the sales of selected 2015 Australia Post Legends Stamp products that are sold through Australia Post outlets, including its Victorian outlets.

The LA Inc. Board agreed to utilise the \$100,000 received on 1 July 2015 from the Australia Post Fundraiser for the extension of the AWM Legacy Youth ANZAC Visit initiative whereby Legacy juniors visit Canberra officially touring the AWM and participating in the laying of a wreath with the National Chairman on ANZAC Day.

A total of \$22,913 of Australia Post's donation was generated through stamp sales in the state of Victoria and in accordance with the requirements of the Veterans Act 2005 these funds have been deposited in Legacy Australia Inc Welfare Patriotic Fund (No. W573). This fund is used to fund the participation of Victorian beneficiaries.

John & Anna Belfer Trust Fund

Balance 1 July	-	-
Donation recognised as income received	332,000	-
Funds Retained in reserves for future financial years	<u>332,000</u>	<u>-</u>

Funds donated by the Trustees of the John & Anna Belfer Trust. These funds will be used to fund mutually agreed Legacy projects and programs in conjunction with the AWM to assist in the social and personal development of Legacy beneficiaries and specially Legacy youth.

LEGACY AUSTRALIA INCORPORATED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
11 RESERVES (CONT'D)		
(c) National Programs - Projects		
Kokoda		
Balance 1 July	-	(55,810)
Kokoda Project Income Received	159,435	75,827
Expenses incurred	-	(10,796)
Transfer to retained earnings on finalisation of project	-	(9,221)
Transfer to retained earnings for management fees	(18,000)	-
Funds Retained in reserves for future financial years	<u>141,435</u>	<u>-</u>

This is comprised of funds used to commemorate the 75th Anniversary of the Kokoda Campaign. A leadership and personal development opportunity was conducted in 2017 for Legacy youth centred on trekking the Kokoda Trail. A further such activity is planned for 2020 and these funds are to be utilised for this activity.

(d) National Programs - General

Bequests

Balance 1 July	167,154	106,845
Income received from bequests	-	60,309
Welfare disbursements	(5,000)	-
Funds Retained in reserve for future financial years	<u>162,154</u>	<u>167,154</u>

The funds were derived as bequests to the Legacy Clubs of Australia for general usage as Stipulated in the Will.

	2019 \$	2018 \$
12. OPERATING LEASES		
The association is party to a rental agreement in respect of its office premises, however is not obligated to make any payment for the lease arrangement throughout the term of the lease. The future minimum lease payments due under the non-cancellable operating leases are as follows:		
Within one year	-	-
Between one and five years	-	-
	<u>-</u>	<u>-</u>

LEGACY AUSTRALIA INCORPORATED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2019

13. RELATED PARTIES

No members of the Board or director related entities transacted with Legacy Australia Incorporated during the year except for reimbursement of authorised expenses. During the year no fees were paid to directors.

	2019 \$	2018 \$
14. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES		
Reconciliation of cash flow from operations with surplus/(deficit) from ordinary activities:		
Operating surplus/(deficit)	386,906	16,987
Adjustments for:		
- (Profit) on disposal of property, plant and equipment	(16)	(166)
- Depreciation expense	6,449	1,865
Changes in assets and liabilities		
- (Increase)/decrease in other receivables	(7,792)	28,529
- (Decrease)/increase in payables and other liabilities and accrued distributions	(43,690)	45,744
- (Decrease)/increase in provisions	173,441	34,550
Cash flows provided by/(used in) operations	<u>515,298</u>	<u>127,509</u>

	2019 \$	2018 \$
15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS		

Legacy Australia received generous donations from Westpac as part of the commemoration of the Centenary of WWI. Also a generous bequest was received previously from the Estate of the Late Legatee John Gough. These funds have been allocated by the Board for distribution as grants and scholarships to eligible Legacy beneficiaries for education and personal development purposes.

At year end the Directors have recognised a provision for Scholarships / Grants awarded of \$212,469 (refer to Note 9) which the Directors expect to be distributed within the next 12 months. For scholarships and grants which have been awarded for periods that exceed 12 months from the date of the financial statements these have been disclosed as a contingent liability based on the uncertainties that exist with respect to these awarded grants being distributed.

Awarded scholarships and grants greater than 12 months	<u>82,088</u>	<u>-</u>
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The Directors are not aware of any other significant contingent liabilities or assets affecting Legacy Australia Incorporated.

LEGACY AUSTRALIA INCORPORATED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
16. ADDITIONAL DISCLOSURES REQUIRED BY THE CHARITABLE FUNDRAISING ACT 1991 (NSW) AND THE CHARITABLE FUNDRAISING REGULATIONS 1993		
(a) <i>Fundraising Appeals conducted during the year</i> Workplace giving programs, web based donations and general donations.		
(b) <i>Information on any material occurrence</i> Legacy Australia Incorporated earned an overall surplus of \$386,906 during the year.		
(c) <i>Details of Aggregate Gross Income and Total Expenses of fundraising Appeals</i>		
Gross proceeds	293,654	289,501
Less total costs	<u>(22,946)</u>	<u>(20,339)</u>
Net surplus from fundraising appeals	<u>270,708</u>	<u>269,162</u>

Gross income does not include corporate sponsorships as these are considered commercial arrangements rather than fundraising appeals.

Details of gross income and aggregate expenses of appeals conducted jointly with traders
 No appeals were conducted jointly with traders during the year.

Statement showing how funds received were applied to Charitable Purposes

(i) Net surplus from fundraising appeals	<u>270,708</u>	<u>269,162</u>
(ii) This is applied to the charitable purposes in the following manner:		
Expenditure direct services	(559,897)	(384,585)
Expenditure on indirect services	<u>(909,039)</u>	<u>(1,010,453)</u>
Total Expenditure	<u>(1,468,936)</u>	<u>(1,395,038)</u>
Shortfall	<u>(1,198,228)</u>	<u>(1,125,876)</u>

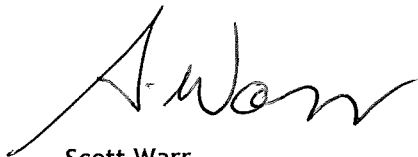
The shortfall of \$1,198,228 was funded by corporate sponsorship, commercial operations, member club levies, bequests and investment income.

**LEGACY AUSTRALIA INCORPORATED
DECLARATION BY CHIEF EXECUTIVE OFFICER IN RESPECT OF FUNDRAISING APPEALS**

Declaration Opinion

I, Scott Warr, CEO of Legacy Australia Incorporated declare, in my opinion:

1. the statements of profit or loss and other comprehensive income give a true and fair view of all income and expenditure of the consolidated entity with respect to fundraising appeals;
2. the statements of financial position give a true and fair view of the state of affairs with respect to fundraising appeals;
3. the provisions of the *Charitable Fundraising Act 1991(NSW)*, the regulations under the Act and the conditions attached to the fundraising authority have been complied with; and
4. the internal controls exercised by the consolidated entity are appropriate and effective in accounting for all income received and applied by Legacy Australia Incorporated from any of its fundraising appeals.



**Scott Warr
Chief Executive Officer**

25 September 2019
Sydney

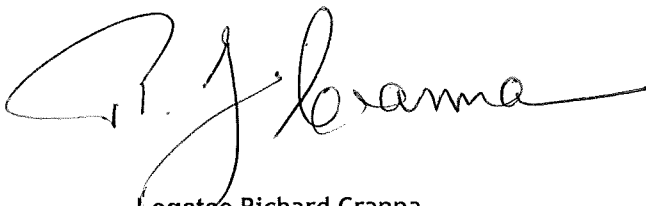
**LEGACY AUSTRALIA INCORPORATED
DIRECTORS' DECLARATION**

The directors of Legacy Australia Incorporated have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in note 1 to the financial statements.

In the opinion of the directors of Legacy Australia Incorporated:

- (a) the financial statements and notes, set out on pages 5 to 19 are in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Charitable Fundraising Act 1991 (NSW)*, including giving a true and fair view of the financial position of Legacy Australia Incorporated as at 30 June 2019 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
- (b) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



**Legatee Richard Cranna
Chairman**



**Legatee Donald Stewart
Treasurer**

**25 September 2019
Sydney**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
of Legacy Australia Incorporated**

Report on the Financial Report

Opinion

We have audited the financial report of Legacy Australia Incorporated and its subsidiaries (the Group), which comprises of the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, consolidated statement of cash flows for the year the ended, and the notes to the financial statements, including a summary of significant accounting policies and the director's declaration.

In our opinion the financial report of Legacy Australia Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profit Commission Act 2012*, including:

- a) giving a true and fair view of the Group's financial position as at 30 June 2019 and of their performance for the year ended on that date;
- b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profit Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- c) The *Charitable Fundraising Act 1991*, including
 - I. the financial report shows a true and fair view of the financial result of fundraising appeals for the year to which they relate; and
 - II. the financial report and groups records have been properly kept during the year in accordance with this Act and the regulations; and
 - III. money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with this Act and the regulations; and
 - IV. Legacy Australia Incorporated is solvent, as it is able to pay its debts as and when they fall due.

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 Association in accordance with the auditors independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethics 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

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describe the basis of accounting. The financial report has been prepared to assist the group to meet the requirements of the *Australian Charities and Not-for-profit Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

**Independent Auditor's Report to the Members
of Legacy Australia Incorporated**

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Groups annual report for the year ended 30 June 2019, but does not include the financial report or our auditor's report thereon.

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

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

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

Responsibilities of Board of Directors for the Financial Report

The Board of Directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards to the extent described in Note 1 to the financial statements is appropriate to meet the requirements of the *Associations Incorporation Reform Act (Vic) 2012* and the *Australian Charities and Not-for-profit Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the group'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 intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the groups 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 it 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 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 skepticism 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 controls.

**Independent Auditor's Report to the Members
of Legacy Australia Incorporated**

Auditor's Responsibilities for the Audit of the Financial Report continued...

- Obtain an understanding of internal controls relevant to the audit in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the effectiveness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the Associations 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 Association'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 or conditions may cause the entity 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any deficiencies in internal control that we identify during our audit.

Fortunity Assurance



T R Davidson
Partner

155 The Entrance Road
Erina NSW 2250

Date: 25 September 2019

Liability limited by a scheme approved under Professional Standards Legislation

**LEGACY AUSTRALIA INC
WELFARE PATRIOTIC FUND**

SPECIAL PURPOSE FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2019

LEGACY AUSTRALIA INC WELFARE PATRIOTIC FUND

TABLE OF CONTENTS

Income Statement	1
Statement of Financial Position	2
Notes to the Financial Statements.....	3
Declaration of the Trustee	4
Independent Auditor's Report.....	5

LEGACY AUSTRALIA INC WELFARE PATRIOTIC FUND
 INCOME STATEMENT
 FOR THE PERIOD ENDED 30 JUNE 2019

	2019 \$	2018 \$
INCOME		
Fundraising	1,228	549
Interest received	-	-
Total revenue	<u>1,228</u>	<u>549</u>
EXPENSES		
Support for AWM Legacy Youth ANZAC visit	7,821	5,721
Bank fees	3	3
Total expenditure	<u>7,824</u>	<u>5,724</u>
Surplus/(Defecit)	<u>(6,596)</u>	<u>(5,175)</u>
Opening retained earnings	10,617	15,792
Closing retained earnings	<u>4,021</u>	<u>10,617</u>

The following notes form part of these financial statements.

LEGACY AUSTRALIA INC WELFARE PATRIOTIC FUND
 STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2019

	2019 \$	2018 \$
ASSETS		
CURRENT ASSETS		
Cash at bank	4,121	10,717
TOTAL CURRENT ASSETS	<u>4,121</u>	<u>10,717</u>
NET ASSETS	<u>4,121</u>	<u>10,717</u>
EQUITY		
Settled sum	100	100
Retained earnings	4,021	10,617
TOTAL EQUITY	<u>4,121</u>	<u>10,717</u>

The following notes form part of these financial statements.

**LEGACY AUSTRALIA INC WELFARE PATRIOTIC FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR PERIOD 30 JUNE 2019**

1. INTRODUCTION

Legacy Australia Inc Welfare Patriotic Fund (No. W573) was established on 12 November 2015 and is a trust domiciled in Victoria. The Trustee is Legacy Australia Incorporated. The objects and purposes of Legacy Australia Inc Welfare Patriotic Fund are the care of dependants of those who served their country, namely veterans who gave their lives or health on operational service or subsequently, and the Australian Defence Force members who died as a result of any Service or Duty.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are a special purpose financial report prepared in order to satisfy the accounts preparation requirements contained in the Trust Deed for Legacy Australia Inc Welfare Patriotic Fund. The trustee has determined that Legacy Australia Inc Welfare Patriotic Fund is not a reporting entity and therefore have been prepared in accordance with only the measurement and recognition requirements of Australian Accounting Standards in the preparation of these statements.

The principal accounting policies adopted by Legacy Australia Inc Welfare Patriotic Fund are stated in order to assist in a general understanding of the financial report.

(a) Donations

Income is recognised when Legacy Australia Inc Welfare Patriotic Fund obtains control of the contribution or the right to receive a contribution, it is probable that the economic benefits comprising the contribution will flow to the entity and the amount of the contribution can be reliably measured.

(b) Income Tax

The Trust is registered with the Australian Charities and Not-for-profit Commissions (ACNC) as a Public Benevolent Institution and has Deductible Gift Recipient status.

(c) Cash

Cash includes deposits held at call with a bank or financial institution and highly liquid investments that are readily convertible to cash on hand and are subject to an insignificant risk of changes in value.

LEGACY AUSTRALIA INC WELFARE PATRIOTIC FUND
DECLARATION OF THE TRUSTEE

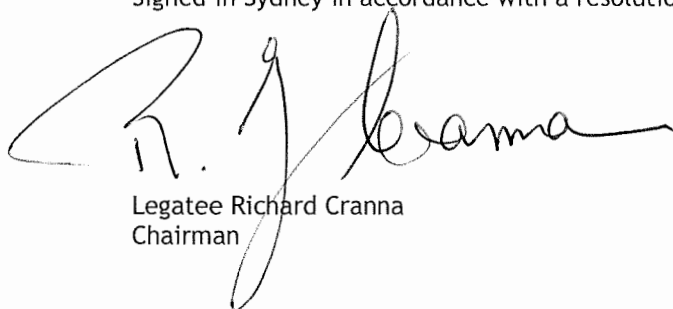
The directors of Trust have determined that the Trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in note 1 to the financial statements.

In the opinion of the directors of Trust:

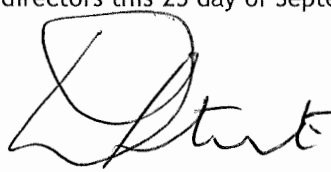
- (a) the financial statements and notes, set out on pages 1 to 3 are in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the trust Deed, including giving a true and fair view of the financial position of Legacy Australia Inc Welfare Patriotic Fund as at 30 June 2019 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date;
- (b) the financial statements and notes are in accordance with the Trust Deed and
- (c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Signed in Sydney in accordance with a resolution of the directors this 25 day of September 2019.



Legatee Richard Cranna
Chairman



Legatee Donald Stewart
Treasurer

**Independent Auditor's Report To The Trustees of
Legacy Australia Inc Welfare Patriotic Fund**

Report on the Financial Report

Opinion

We have audited the financial report of Legacy Australia Inc Welfare Patriotic Fund, which comprises of the statement of financial position as at 30 June 2019 and statement of Profit or loss & other comprehensive income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the statement by Trustee's.

In our opinion the financial report of Legacy Australia Inc Welfare Patriotic Fund has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and trust deed including:

- a) giving a true and fair view of the Association's financial position as at 30 June 2019 and of their performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Australian Charities and Not-for-profits Commission Act 2012* and the trust Deed

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 auditors independence requirements the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethics 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

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describe the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the trust deed. As a result, the financial report may not be suitable for another purpose.

Other Information

The Trustee's are responsible for the other information. The other information comprises the information included in the trusts annual report for the year ended 30 June 2019, but does not include the financial report or our auditor's report thereon.

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

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

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

Responsibilities of Trustee's for the Financial Report

The Trustees of the Trust are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards to the extent described in Note 1 (including the Australian Accounting Interpretations), the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Trustees determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Independent Auditor's Report To The Trustees of Legacy Australia Inc Welfare Patriotic Fund

Responsibilities of Trustee's for the Financial Report (continued)

In preparing the financial report, the Trustee's 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 Trustee's either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The Trustees are responsible for overseeing the Trust'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 it 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 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 skepticism 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 controls.
- 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 Company'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 or conditions may cause the entity 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 Trustee's regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any deficiencies in internal control that we identify during our audit.

Fortunity Assurance



T R Davidson
Partner

155 The Entrance Road
Erina NSW 2250

Date: 25 September 2019

Liability limited by a scheme approved under Professional Standards Legislation