



Brisbane Legacy

ANNUAL REPORT 2010



Caring for the families of our deceased veterans



Profile

Brisbane Legacy was established in 1928 to support the widows and dependants of the families of veterans who died on operational service or subsequently; and the families of Australian Defence Force (ADF) personnel who died as a result of their service.

Brisbane Legacy is one of 49 Australian Legacy Clubs. It operates through a network of suburban and regional contact groups manned by Legatees. These Legatees are supported by a small permanent staff from offices located in Brisbane and Nambour

Brisbane Legacy accepts responsibility for all eligible widow(er)s and their children within the Club's geographic area of responsibility. The support provided to widow(er)s and children is individual and personal .

Our Mission

Legacy is dedicated to the care and support of the dependants of deceased veterans and other Australian Defence Force personnel who die as a result of their service.

We achieve this by: improving the lives of those we support; providing information and support to those in need; providing social contact and interaction; advocating on behalf of those we support; and by developing enduring partnerships with other welfare providers

The Essence of Legacy

The essence of Legacy is '**personal service**' by volunteers who make a commitment to 'care' for those that Legacy accepts as its dependants.

The concept of personal service is underpinned by our values of care, compassion, and community.

Our Badge

The Badge of Legacy symbolises in its torch the undying flame of service and sacrifice handed to us by our comrades in war who have passed on. In its wreath of laurel, with its points inverted in remembrance, is the guerdon of honour; that is the meed of those who gave their lives for their country.



Front cover: Ella (4) at Cedar Glen Farmstay, Beaudesert.

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President's Report

On behalf of your Board of Directors, I have much pleasure in presenting this Annual Report and the Financial Statements of Brisbane Legacy for the 12 months to December 2010.

I mentioned in my address in March last year that I was particularly concerned that we were, to put it simply, living beyond our means. I am happy to report that our budgetary situation is much improved. This has come about through good fortune (Legacy Week), increasing funds being raised across the board and old fashioned belt tightening in every area.

Legacy Week was extremely successful due to the hard work of staff, Legatees and other volunteers. The overriding impression though is that our success can be directly attributable to the mood of the city as a result of the casualties being suffered by Enoggera based units.

You will be aware that Legacy was named the Bridge to Brisbane (B2B) fun run major charity for 2011. We anticipate receiving \$250,000 for this one-off event to be held in September.

The naming of Legacy Way is, in my view the most significant event of the past year. While we have been promised \$100,000 per year from 2014 onwards, the real value is the public acknowledgement of the work undertaken by Legacy.

The visit by our patron, Her Excellency, Ms Penelope Wensley AC, Governor of Queensland to a combined meeting of Care Groups and Laurel Clubs at Kedron Wavell Services Club was a wonderful day and enjoyed hugely by the 220 widows able to attend. Planning is underway to replicate the event at Greenbank later this year for Care Groups and Laurel Clubs based on the south side of Brisbane.

We all continue to be concerned at the declining numbers of active Legatees. This year your Board commissioned two reports, the first dealing with recruiting and retention and a second report on training needed by Legatees and the means of delivery. These reports should be available mid year. Another area of increasing concern is preparing and training our Legatees to assist widows as they transition to other forms of accommodation other than the family home. This is also the subject of a report due mid year.

The flood in January 2011 was a testing time for us all. I was concerned that we may be unaware of widows who had been affected and arranged for a "Call Centre" to be established in Legacy House. Our "Call Centre" was very successful. We identified 44 widows who had been wholly or partly affected by the floods. We are monitoring each widow to ensure that we provide

the sort of care, compassion and service they deserve. Legacy House escaped being flooded by just a few centimetres. The many calls and emails offering support and assistance from Legacy Australia Council, other Legacy Clubs and individual Legatees was extremely heartening.

I reiterate my gratitude to all of our Legatees for their devotion, time and compassion. I want to thank our staff for their hard work and their commitment to Legacy. We are also lucky to have a range of other volunteers who willingly provide assistance from time to time. My sincere thanks to our Legatees, staff and other volunteers.

At Board level, Colonel Luke Foster, Chief of Staff 1st Division joined our Board late last year following the resignation of Mr Gordon Krazmann. Gordon served on the Board for many years, including two years as President. He continues to serve Legacy as a Group Chairman and our representative on the National Marketing Committee. Colonel Luke Foster brings a great deal of practical experience and a fresh perspective to your Board's deliberations.

In closing, I want to thank my fellow directors for their hard work, forbearance and commitment.

I commend this Annual Report and Financial Statements to you.



Chief Executive Officer's Report

The images of a heavily pregnant and grieving widow and those of confused children at the funerals of their soldier husband and father struck a chord with many in 2010. At the time they were unknown to us, but hopefully they will come to look upon Legacy as part of their family, just as we see them as a part of ours.

Our efforts in 2010 were directed to families just like these - dependants of deceased veterans of past and current conflicts. While the predominant share of this effort focused on the aged (53% of those cared for are aged 85 or older), we are aware that the needs and expectations of our younger families (3.8% of those cared for) are vastly different. To this end, a family support officer was appointed in 2010 to work exclusively with these families and those with an adult dependant that has a disability.

While much of the year was directed at the bedding down of the services delivery model introduced in late 2009, we continued to be challenged by the needs of our aging widows. This will be the focus of considerable effort in 2011, both in terms of identifying what the needs of this group are and how we might best meet them. We will also be looking at the impact that we have on these families and make an attempt to measure this in qualitative rather than quantitative terms.

We remain extremely grateful to government for the financial assistance provided, nevertheless, we continue to rely on the generosity of corporate sponsors and individual donors to fund the majority of

the services delivered i.e. to fund education and personal development programs, building family resilience and providing community outreach programs for the aged and those with a disability. In 2010, our fundraising efforts, in addition to Legacy Week - our major profile fundraising activity - included: four direct mail appeals; our signature event, the Defence Charity Ball; and numerous third party fundraising activities, many using social media sites. Income from these activities increased by 26.95% on the previous

year – an outstanding result in an otherwise tight economy. More importantly, we increased our number of donors by 74% and continue to market Legacy as the charity of choice for the ADF.

Despite the success of fundraising activities and achieving considerably efficiencies elsewhere, the net result for the year was a deficit of \$70,154; an 86.44% improvement on the 2009 position. In 2011, we plan for a surplus; the first for many years but essential to our long term viability.

Other occurrences worthy of note in 2010 include:

- ▶ The introduction of a weekly newsletter, titled 'eNews'. eNews is published each Friday as a means of providing timely advice on Club matters and news of interest to members.
- ▶ The relocation of the Sunshine Coast Legacy Group office to new premises in Nambour.
- ▶ The signing of a funding agreement with the Brisbane City Council providing naming rights and an income stream from the Northern Link, renamed Legacy Way, tunnel infrastructure project.
- ▶ The naming of Brisbane Legacy as the charity of choice for the 2011 The Sunday Mail Suncorp Bridge to Brisbane.
- ▶ Receipt of the Fundraising Institute Australia (FIA) National Awards for Excellence in Fundraising for our 2010 Anzac Day Direct Mail Appeal.

None of this could have been achieved without the commitment and dedication of staff, Legatees and volunteers. I note, in particular, the efforts of the Welfare Manager,

Mr Craig Hardy, who after seven years in the position left to join the staff of Vision Australia. We wish him well and warmly welcome his replacement, Ms Christina Davidson.



Community Support & Advocacy



Brisbane Legacy provides support services that enhance the lives and opportunities of those requiring Legacy assistance. These services

are focused on the particular needs of:

- ▶ ageing and vulnerable widows;
- ▶ young families;
- ▶ people with disabilities; and
- ▶ our youth.

In 2010, Brisbane Legacy's 268 Legatees cared for:

- ▶ 10,006 widows (10,498 in 2009);
- ▶ 139 adult and disabled dependants (137 in 2009), and
- ▶ 86 children (80 in 2009).

In addition, Legatees and staff made more than 2,400 visits to individuals in their homes and assisted at 46 friendship groups.

Those members of Legacy charged with the care of these dependants are called 'Legatees'. Legatees are organised into 12 metropolitan and regional Contact Groups to enable the service to be local and focused. Legatees and Groups are supported by a small permanent

staff including experienced welfare and pension officers. Together, Legatees and staff, advocate for the widow's/dependant's pension entitlements and assist by providing whatever is necessary to ensure that these families overcome those difficulties which would otherwise diminish their fulfilment in life or dignity. Examples of this assistance include the provision of: friendship groups, social outings, travel and holiday accommodation in order to encourage community engagement and combat social isolation; educational and developmental assurance; health and mobility aids; financial relief assistance; and trusted advice and referral as necessary.

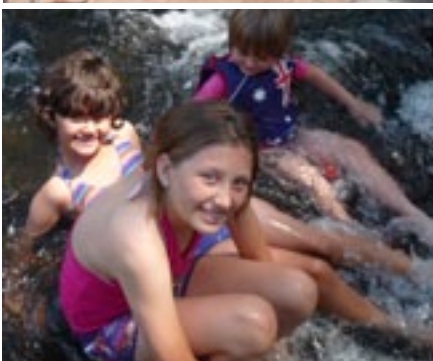
Despite the net loss in the number cared for, Brisbane Legacy processed:

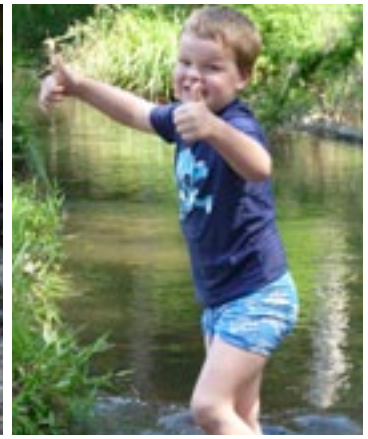
- ▶ 532 (539 in 2009) new enrolments, and
- ▶ 264 (293 in 2009) pension applications.

While the majority of the pension applications processed are still for the widows of World War II veteran, there is nevertheless an increase in the number of younger widows including those from later conflicts and peacekeeping operations.

Total welfare expenditure in 2010 was \$1,048,945 (\$1,068,777 in 2009). This included:

- ▶ \$89,989 (\$154,995 in 2009) in emergency relief payments to 36 (57) individuals;
- ▶ \$79,335 (\$80,927 in 2009) providing 246 (261) emergency response alarms, medical and mobility aids;
- ▶ \$41,313 (\$45,083 in 2009) to support the operation of Brisbane Legacy's 45 friendship groups;
- ▶ \$44,564 (\$41,937 in 2009) communicating with widows/families especially through the Torch, Brisbane Legacy's quarterly newsletter;
- ▶ \$38,322 (\$32,654 in 2009) provided as either a grant or an interest free loans to 55 (55) recipients;
- ▶ \$34,422 (\$30,650 in 2009) in financial assistance, personal development and recreational activities to 137 adult and disabled dependants
- ▶ \$37,910 (\$24,109 in 2009) in youth educational fees, co-curricular and developmental activities; and
- ▶ \$30,247 (\$21,752 in 2009) in youth camps and other recreational activities.





President with Her Excellency Ms Penelope Wensley, AC and Mrs Marie Natt at the Kedron Wavell Services Club

President (right rear) with the Lord Mayor of Brisbane, Councillor Campbell Newman at a Press Conference to announce the naming of the planned Northern Link tunnel as Legacy Way

Fundraising



The aftermath of global financial crisis presented some uncertainty for Brisbane Legacy in 2010. Despite this, our donors, supporters and community fundraisers rose to the challenge, successfully growing the pool of funds needed to care for Legacy families. Our supporters this year ranged from schoolchildren through to the largest of corporations; all united in their recognition of the hardships faced by the families of deceased veterans and their desire to be part of the Legacy effort to ease suffering, loneliness and loss.

We are extremely grateful for the generous support that we receive from our very loyal corporate sponsors, nevertheless we recognise the need to grow and retain a solid foundation of corporate sponsors. In 2010, we strengthened our commitment in this area, securing a further two years' significant partnership with John Holland Group, and acquiring new partnerships with National Australia Bank, J.J. Richards, Australian Aerospace, George Hartnett Funerals and Insurance Advisernet Australia. In addition to these, a number of smaller companies continue to pledge annual commitments.

Legacy Week was again our largest orchestrated fundraising event. Over 100 sites were manned principally by Legatees in shopping centres, hotels and clubs, at sporting venues and on the streets. 1st Signal Regiment was once again a fixture of Legacy Week, with another very successful Army Ambush in the Brisbane CBD.

The iconic range of Legacy badges sold from trays continues to be the cornerstone of our Legacy Week fundraising. However, in 2010 we focussed on increasing our profile with larger and more noticeable signage and counters, and an expanded range of merchandise to attract the attention of new and younger supporters. This proved to be a successful strategy, and is one that we will continue to pursue.

The Australian Defence Charity Ball is our flagship event and continued to grow in popularity and profitability in 2010. As well as being a great occasion, attended by more than 800 guests from across Australia, the ball is a demonstration of the depth of community, corporate and military support for Legacy families. Other regular fundraising events such as the 4LG Longreach Good Friday radio appeal and Army in Concert also provide a regular income stream and provide important opportunities for community engagement and explaining our work with widows and families.



Another highlight of the year was the increase in the number and size of activities by third party fundraisers. Adventure activities, fun runs, collections, morning teas, parties and golf days are some of the activities organised by an intrepid group of generous, dedicated and loyal community fundraisers. The amount raised in this manner continues to rise.

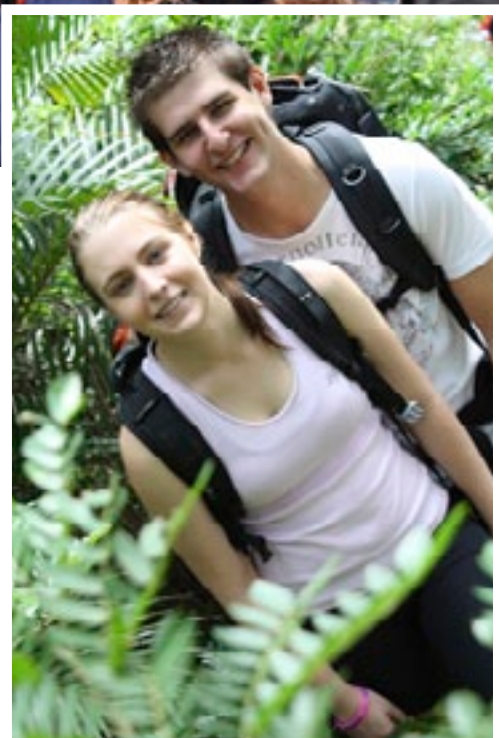
In 2010 we used a mix of telephone, mail and email direct marketing to acquire 1,850 new donors. Direct marketing in one form or another is now our largest source of regular

AUSTRALIAN DEFENCE CHARITY BALL



in association with

**John
Holland**



financial support, surpassing even Legacy Week. This demonstrates how much can be achieved using professional best practice.

Finally, we continued to expand and refine our donor development and stewardship programs

Increased personal contact with new and larger donors has been a very rewarding experience. In addition to strengthening the bond between Legacy and our individual donors, the many personal relationships we continued to develop has given us a valuable insight into what motivates our many supporters.



Patron



Her Excellence
Ms Penelope Wensley, AC

Trustees



Mr Richard Arundel



Mr Ken Leckenby



Mr Allan Quartermaine,
OAM

Board of Directors



Mr Brian Avery
Immediate Past President
Non-executive Director
BA, BEcon, MA,
MProfAcctg, CPA
Retired



Mr Steven Blinkhorn
Executive Director/CEO
Member, Executive
Committee
BBus, GAICD



Mr Peter Browne
Non-executive Director
Retired



Mr Norm Clarke
Non-executive Director
Chairman, Membership
Committee
Pensions Advocate



Colonel Luke Foster,
AM, CSM
Non-executive Director
Army Officer



Mr Tony Jucha, OAM
Non-executive Director
BA, Dip FP
Company Director



Mr Brian McIntyre
Vice President
Non-executive Director
Member, Executive
Committee
Grad Cert Mngt, AFCHSE
Retired



Mr Tony Ralph
President, Legacy Club of
Brisbane
Chairman, Board of Directors
Chairman, Executive
Committee
Grad Dip Mngt, M Def
Studies, MBA
Business Consultant



Mr Greg Shannon
Non-executive Director
Honorary Treasurer
Chairman, Finance
Committee
Member, Executive
Committee
Retired



Mr Peter Thatcher
Non-executive Director
Chairman, Welfare
Committee
Soldier

Corporate Governance

The Legacy Club of Brisbane was established by Letters Patent issued pursuant to the Religious Educational and Charitable Institutions Act of 1861. The welfare activities of the Club are resourced by the Legacy Fund of Brisbane. The Fund is an income tax exempt charity and qualifies for deductible gift recipient status.

Achieving the mission

The Board's primary role is to ensure that Brisbane Legacy's activities are directed towards achieving its mission of caring for the widows and dependants of the families of deceased veterans by: improving the lives of those in Legacy's care; advocating on their behalf; providing information and support to those in need; providing social contact and interaction; and by developing enduring partnerships with other welfare providers.

Specific responsibilities of the Board

The Board fulfils its primary role by:

- selecting, appointing, guiding and mentoring the performance of the chief executive;
- formulating Brisbane Legacy's strategic plan in conjunction with the chief executive and management;
- approving operating and capital budgets formulated by the chief executive and management;
- monitoring management's progress in achieving the strategic plan and adherence to budgets;
- ensuring the integrity of internal controls, risk management and information management systems;
- putting in place a suite of delegations, policies and procedures;
- ensuring Brisbane Legacy's financial viability, solvency and sustainability;
- ensuring stakeholders receive regular reports, including financial reports; and
- ensuring compliance with relevant legislation and regulations.

Management's responsibility

The Board has formally delegated responsibility for Brisbane Legacy's day-to-day operations and administration to the Chief Executive Officer.

Board oversight

Board oversees and monitors performance by:

- meeting at least six times during the year;

- receiving detailed financial and other reports from management when necessary; and
- assigning to the Finance, Welfare and Membership committees of Board responsibility to oversee particular aspects of Brisbane Legacy's operations and administration.

Board membership

All Board members, with the exception of the CEO (a salaried officer), are non-executive members and, except as detailed in the Board of Directors report on page 13, receive no remuneration for their services.

Risk management

The Board oversees the establishment, implementation and annual review of Brisbane Legacy's risk management system which is designed to protect the Brisbane Legacy's reputation and manage those risks which might preclude it from achieving its goals.

Management is responsible for establishing and implementing the risk management system which assesses monitors and manages operational, financial reporting and compliance risks.

Independent advice

The Board and Board committees have access to advice on legal, financial and investment matters. In particular, the Board has engaged Burrell Stockbroking to advise on the management of its investments portfolio. The Board has approved risk and return parameters for investment in available-for-sale investments and receives reports from management and Burrell Stockbroking regarding the performance of the investment portfolio.

Ethical standards and code of conduct

Board members, management and staff are expected to comply with relevant laws and the code of conduct of Legacy, and to act with integrity, compassion, fairness and honesty at all times when dealing with colleagues, beneficiaries and other stakeholders.

Involving stakeholders

Brisbane Legacy has many stakeholders including: those we care for and their families; our donors and benefactors, Legatees, staff and volunteers; government agencies and other grant providers who provide us with funds and regulate our operations.



FINANCIAL STATEMENTS

for the year ending December 2010

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BOARD OF DIRECTORS FINANCE REPORT

The Board of Directors presents its report for the financial year ending 31 December 2010.

Directors

The name of each individual who has been a member of Board during the year and to the date of this report is:

	Date appointed	Date of cessation	Meetings attended	Number of meetings held during year
B Avery	March 2002	-	6	7
S Blinkhorn	March 2010	-	5	5
P Browne	March 2010	-	4	5
N Clarke	March 1998	-	6	7
L Foster	November 2010	-	0	1
S Jackson	March 2002	March 2010	0	2
T Jucha	March 1992	-	5	7
G Kratzmann	March 2002	August 2010	3	5
B McIntyre	June 2007	-	6	7
T Ralph (Chairman)	March 2006	-	6	7
G Shannon	March 2006	-	7	7
P Thatcher	June 2009	-	5	7

Details of Board members' qualifications, experience and special responsibilities can be found on page 10 of this report.

Principal activities

Brisbane Legacy's principal activities during the year were:

- improving the lives of those in Legacy's care,
- advocating on their behalf,
- providing information and support to those in need,
- providing social contact and interaction,
- the raising of funds to resource the Clubs welfare activities, and
- developing partnerships with other welfare providers.

Operating result and review of operation

The operating result for the year was an operating deficit of \$70,154 compared with an operating deficit in 2009 of \$517,375.

Significant changes in state of affairs

In the opinion of the Board, there were no significant changes in the state of affairs of Brisbane Legacy that occurred during the financial year under review not otherwise disclosed in this report.

After balance date events

No matters or circumstances have arisen since the end of the financial year and the date of this report of a material or unusual nature that in the opinion of the Board is likely to substantially affect the operation of the organisation, the results of those operations or Brisbane Legacy's state of affairs in future years.

Indemnifying officers or auditors

No indemnities have been given or insurance premiums paid during or since the end of the financial year for any person who has been an officer or auditor of Brisbane Legacy.

Further developments

Brisbane Legacy will continue to carry on the principal activities noted above. There are no likely developments in the activities in future years which will affect the results and therefore require disclosure.

Auditor's independence

The auditor's declaration of independence appears on page 14 and forms part of the Board of Directors report for the year ending 31 December 2010.

Board Member Benefits

No Board member, other than the Chief Executive Officer who is a salaried officer, received or become entitled to receive, during or since the financial year, a benefit either in the form of remuneration or a contract made by the Fund or Club, or a related body corporate with a board member, a firm of which a board member is a member, or an entity in which a board member has substantial financial interest.

Tony Ralph
President

Gregory Shannon
Honorary Treasurer

Brisbane: Dated 1 March 2011



INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF THE LEGACY FUND OF BRISBANE



Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of The Legacy Fund of Brisbane, which comprises the statement of financial position as at 31 December 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Report

The directors of The Legacy Fund of Brisbane are responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1 to the financial report, is appropriate to meet the financial reporting requirements of the constituent and is appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Qualification

As is common for organisations of this type, it is not practicable for the Fund to maintain an effective system of internal control over donations, subscriptions and other fund raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to these activities was limited to amounts recorded.

Qualified Auditor's Opinion

In our opinion, except for the effects on the financial report, if any, of the matters referred to in the qualification paragraph above, the financial report presents fairly, in all respects the financial position of The Legacy Fund of Brisbane as of 31 December 2010 and of its financial performance for the year then ended in accordance with the Rules of the Fund, and the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the constitution. As a result, the financial report may not be suitable for another purpose.

BDO Audit (QLD) Pty Ltd

CJ Skelton
Director

Brisbane: Dated 4 March 2011



THE LEGACY FUND OF BRISBANE

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31st December 2010

	2010	2009
	\$	\$
Revenue from ordinary activities		
Interest	110,227	106,667
Dividend Imputation Credits	28,996	29,380
Dividends	128,487	140,917
Trusts & Grants	266,131	86,859
Appeals	600,773	455,514
Fundraising Events	353,228	349,486
3rd Party Activities	103,113	14,907
Direct Mail	419,706	254,380
Donations	362,756	282,041
Torch Advertising	9,490	6,840
Pensions Donations	7,550	3,710
Care Group Grants	3,636	-
Holiday Units Rent	10,200	17,691
Laurel Club	36,872	42,536
	2,423,165	1,790,928
Expenses from ordinary activities		
Administration	440,062	414,273
Members	14,157	30,428
Legacy House	212,330	197,567
Sunshine Coast Office	14,865	16,463
Fundraising Operating	235,963	201,726
Fundraising Appeals	102,776	89,179
Fundraising Events	240,387	221,538
F/R 3rd Party Activities	16,912	1,600
Fundraising Direct Mail	158,307	42,981
Fundraising Donations	6,243	22,161
Torch Marketing	2,372	1,610
Welfare Operating	588,269	551,007
Youth	68,157	46,861
Disabled	34,422	30,650
Widows	358,097	440,260
	2,493,319	2,308,304
Operating Surplus/ (deficit) for the year	(70,154)	(517,376)



THE LEGACY FUND OF BRISBANE

STATEMENT OF COMPREHENSIVE INCOME (cont.)

for the year ended 31st December 2010

	2010 \$	2009 \$
Revenue from other activities		
Bequests	62,093	1,098,752
Profit on Sale of Asset	5,626	3,009
Realised Gains on Equities	139,726	23,555
Small balance adjustment	9	5
	<hr/> 207,454	<hr/> 1,125,321
Expenses from other activities		
Realised loss on sale of equities	71,590	48,370
	<hr/> 71,590	<hr/> 48,370
Net Surplus/ (deficit) for the year	<hr/> 65,710	<hr/> 559,575
Other comprehensive income		
Revaluation Increment on available for sale financial investments	(64,725)	643,539
Increase/(decrease) due to revaluation of property	(130,079)	-
	<hr/> (194,804)	<hr/> 643,539
Total comprehensive income for the year	<hr/> (129,094)	<hr/> 1,203,114



THE LEGACY FUND OF BRISBANE

STATEMENT OF CASH FLOW

for the year ended 31st December 2010

	2010 \$	2009 \$
Cash flow from operating activities		
Donations, fundraising activities and merchandise	1,952,906	1,527,495
Trusts and grants	272,519	93,642
Interest received	79,583	128,312
Dividends received	130,721	134,918
Dividend Imputation credit	28,996	29,380
	<hr/>	<hr/>
Payments to suppliers, employees and clients	(2,399,577)	(2,205,754)
	<hr/>	<hr/>
Net cash flow from operating activities	65,148	(292,007)
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	36,750	18,000
Purchase of property, plant and equipment	(120,282)	(50,636)
Proceeds from disposal of available for sale investments	2,106,630	1,387,904
Purchase of available for sale investments	(2,267,830)	(1,806,502)
Bequests	62,093	1,098,752
	<hr/>	<hr/>
Net cash flow from investing activities	(182,639)	647,518
Net increase (decrease) in cash held	(117,491)	355,513
Cash at beginning of period	1,030,130	674,618
	<hr/>	<hr/>
Cash at end of period	912,639	1,030,130
	<hr/> <hr/>	<hr/> <hr/>



THE LEGACY FUND OF BRISBANE

STATEMENT OF FINANCIAL POSITION

for the year ended 31st December 2010

	Note	2010 \$	2009 \$
Current Assets			
Cash Assets	2	912,639	1,030,130
Trade & other receivables	3	99,345	66,685
Inventory		8,148	8,464
Total Current Assets		1,020,132	1,105,279
Non Current Assets			
Property plant and equipment	4	5,672,202	5,859,885
Other financial assets	5	5,100,804	4,948,503
Trade & other receivables	6	44,189	48,676
Total Non Current Assets		10,817,195	10,857,064
Total Assets		11,837,327	11,962,343
Current Liabilities			
Trade payable		28,895	58,268
Other creditors and accruals	7	116,729	86,291
Short term provisions	8	34,207	26,237
		179,831	170,796
Non-Current Liabilities			
Long term provisions	8	9,812	14,769
Total Non-Current Liabilities		9,812	14,769
Total Liabilities		189,643	185,565
Nett Assets		11,647,684	11,776,778
Member's Funds			
Accumulated funds	13	7,074,781	7,009,071
Reserves	14	4,572,903	4,767,707
Total Equity		11,647,684	11,776,778

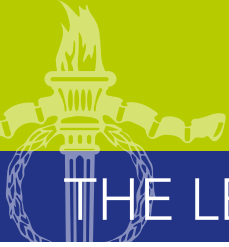


THE LEGACY FUND OF BRISBANE

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st December 2010

	Accumulated Surplus \$	Asset Revaluation Reserve \$	Investment Revaluation Reserve \$	Capital Profits Reserve \$	Total \$
Balance at 1 January 2009	6,449,494	3,815,095	-	309,073	10,573,662
Net Surplus / (deficit) for the year	559,577				559,577
Changes in the fair value of available-for-sale investments			643,539		643,539
Balance as at 1 December 2009	7,009,071	3,815,095	643,539	309,073	11,776,778
Balance at 1 January 2010	7,009,071	3,815,095	643,539	309,073	11,776,778
Net Surplus / (deficit) for the year	65,710				65,710
Changes in the fair value of available-for-sale investments			(64,725)		(64,725)
Revaluation of property, plant & equipment		(130,079)			(130,079)
Balance at 31 December 2010	7,074,781	3,685,016	578,814	309,073	11,647,684



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 1 - Statement of Accounting Policies

This financial report is a special purpose financial report which has been prepared for the sole purpose of complying with the Rules of the Legacy Fund of Brisbane's requirement to prepare and present accounts to the members at the Fund's annual general meeting. The Fund's financial report has been prepared in accordance with the following Australian Accounting Standards:

AASB 101:	Presentation of Financial Statements
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110:	Events Occurring After Balance Date
AASB 117:	Leases
AASB 1031:	Materiality

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

The following accounting policies which are consistent with the previous period unless otherwise specified have been adopted in the preparation of this report.

Basis of Accounting

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

Property, Plant and Equipment

Each class of property, plant and equipment is initially carried at cost less. Where an item of property, plant or equipment is acquired for no or nominal consideration, the item's fair value at acquisition

date is deemed as its cost. Subsequent to initial recognition, each class is carried at cost or fair value, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arms length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the net carrying amount arising on revaluation of a class of asset are credited to a revaluation reserve in Members equity. Decreases that offset previous increases of the same class of asset are charged against fair value reserves directly in equity; all other decreases are charged to the Statement of Comprehensive Income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the Statement of Comprehensive Income and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Plant and Equipment

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

At each reporting date, the Board of Directors reviews a number of factors affecting property, plant and equipment, including their carrying values, to determine if these assets, grouped into cash-generating units, may be impaired. If an impairment indicator exists, the recoverable amount of the asset, being the higher of the asset's 'fair value less costs to sell' and 'value in use', is compared to the carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in the Statement of Comprehensive Income as an impairment expense.



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 1 - Statement of Accounting Policies (cont.)

As the future economic benefits of the Fund's assets are not primarily dependent on their ability to generate net cash inflows, and if deprived of the asset, the Fund would replace the asset's remaining future economic benefits, 'value in use' is determined as the depreciated replacement cost of the asset, rather than by using discounted future cash flows.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land and motor vehicles, are depreciated on a straight line basis over their estimated useful lives to the Fund commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Motor vehicles are depreciated over their estimated lives using the diminishing value method.

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

Class of fixed asset	Depreciation Rate
Buildings	2%
Plant and equipment	5 to 10%
Furniture and fittings	10 to 20%
Motor vehicles	22½%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

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

Financial Instruments

Recognition

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

Financial Assets

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

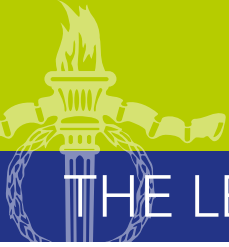
These investments have fixed maturities, and it is the Fund's intention to hold these investments to maturity. Any held-to-maturity investments held by the Fund are stated at amortised cost using the effective interest method.

Available for sale financial assets

Available-for-sales financial assets include any financial assets not included in the above categories. Available for sale financial assets are reflected at fair value. Unrealised gains and losses arising from the changes in fair value are taken directly to equity.

Financial Liabilities

Non-derivative financial liabilities, including loans and borrowings, are recognised at amortised cost, comprising original debt less principal payments and amortisation.



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 1 - Statement of Accounting Policies (cont.)

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arms length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Board of Directors assesses whether there is objective evidence that a financial instrument has been impaired. In the case of 'available-for-sale' financial assets, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

Revenue

Income from donations and fund raising activities are brought to account when received.

Revenue from the sale of goods is recognised upon delivery of goods to customers.

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

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

Employee Entitlements

Provision is made for the Fund's liability for employee benefits arising from services rendered by employees to balance date as follows:

Short-term employee benefits provisions

Provision is made for the Fund's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Long-term employee benefits provisions

The Fund's net obligation in respect of long-term service benefits, other than obligations under the Fund's defined benefits superannuation fund, is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 1 - Statement of Accounting Policies (cont.)

payables in the Statement of Financial Position are shown inclusive of GST.

Impairment of Assets

At each reporting date, the Board of Directors reviews the carrying value of the Fund's tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use (based on depreciated replacement cost), is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed in the Statement of Comprehensive Income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Fund estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Income tax

The Fund is exempt from paying income tax and consequently, has not charged any income tax expense.

Cash and Cash Equivalents

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

Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current financial year.

Critical Accounting Estimates and Judgements

The Board of Directors's estimates and judgements incorporated into the financial report are based on historical results and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data from internal and external sources.

New Accounting Standards Issued Not Yet Effective

There are no new standards issued, which are not yet effective, which are likely to have a material effect on the Fund's financial report, other than AASB9 "Financial Instruments" which is being reviewed for its effect on the Funds future financial reports.



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 2 - Operating Result - Cash

	2010	2009
	\$	\$
Cash Advances	30,250	30,250
Cash Current account	108,523	27,139
Cash - Working Capital Fund	202,219	115,959
Cash - Strategic Reserve Fund	571,647	856,782
	<hr/>	<hr/>
	912,639	1,030,130
	<hr/> <hr/>	<hr/> <hr/>

Note 3 - Receivables

	2010	2009
	\$	\$
Security deposits	-	0
Sundry Debtors	8,339	942
Interest Receivable	43,259	18,252
Dividends Receivable	5,993	8,744
Family Loans	6,428	6,428
Prepayments	35,326	32,319
	<hr/>	<hr/>
	99,345	66,685
	<hr/> <hr/>	<hr/> <hr/>



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 4 - Property Plant and Equipment

	2010	2009
	\$	\$
Legacy House		
At Market Value	5,480,000	5,900,000
Additions at cost	963	3,770
	<hr/> 5,480,963	<hr/> 5,903,770
Less Accumulated depreciation	(14,449)	(225,304)
	<hr/> 5,466,514	<hr/> 5,678,466
Office furniture and equipment at cost	275,450	237,159
Less accumulated depreciation	(161,812)	(131,850)
	<hr/> 113,638	<hr/> 105,309
Motor vehicles at cost	128,391	128,661
Less accumulated depreciation	(36,341)	(52,551)
	<hr/> 92,050	<hr/> 76,110
Total Property Plant & Equipment	<hr/> 5,672,202	<hr/> 5,859,885

Details of most recent valuation (October 2010) conducted by McGees Property
Legacy House: Market Value \$5,480,000

Movements in carrying amounts

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

	Building	Office	Motor	Total
	\$	Furniture	Vehicles	\$
	\$	\$	\$	\$
Balance at beginning of year	5,678,466	105,309	76,110	5,859,885
Additions	13,363	39,370	64,582	117,314
Revaluation	(210,866)		(210,866)	
Disposals	-	(1,079)	(27,783)	(28,862)
Depreciation	(14,449)	(29,962)	(20,859)	(65,270)
Carrying amount at the end of year	<hr/> 5,466,514	<hr/> 113,638	<hr/> 92,050	<hr/> 5,672,202



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 5 - Other Financial Assets

	2010	2009
	\$	\$
<i>Cash Deposits</i>		
Interest bearing term deposits	1,506,300	1,550,000
2/2 Aust Anti Tank Reg Bursary		
Regiment Bursary	21,498	21,498
Limbless Soldiers of Queensland		
Association Bursary	20,000	20,000
<i>Available for sale Financial Assets</i>		
Working capital fund	292,115	145,944
Strategic reserve fund	3,260,891	3,211,061
	<u>5,100,804</u>	<u>4,948,503</u>

Note 6 - Non-Current Receivables

	2010	2009
	\$	\$
Opening balance	48,676	52,700
New loans	9,228	2,138
Repayments	(13,715)	(6,162)
	<u>44,189</u>	<u>48,676</u>

Note 7 - Other Creditors and Accruals

	2010	2009
	\$	\$
Annual leave	90,380	69,457
PAYG withholding payable	13,386	12,189
GST payable	(9,737)	(7,655)
Credit cards	10,700	10,300
Bursary/Sponsorship	12,000	2,000
	<u>116,729</u>	<u>86,291</u>



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 8 - Provisions

	2010	2009
	\$	\$
Current		
Provision for long service	34,207	26,237
	<hr/> 34,207	<hr/> 26,237
Non-Current		
Provision for long service	9,812	14,769
	<hr/> 9,812	<hr/> 14,769
Total provision	<hr/> <hr/> 44,019	<hr/> <hr/> 41,006

Note 9 - Operating Lease Commitments

Commitments in relation to operating leases contracted for holiday units, Sunshine Coast office, and colour photocopier at the reporting date but not recognised as liabilities payable total \$27,674.

	2010	2009
	\$	\$
Payable		
- not later than 1 year	12,012	15,959
- later than 1 year but not later than 5 years	19,371	14,883
- later than 5 years	-	-
	<hr/> 31,383	<hr/> 30,842



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 10 - Capital Commitments

	2010	2009
	\$	\$
Payable		
- not later than 1 year	-	-
- later than 1 year but not later than 5 years	-	-
- later than 5 years	-	-

Note 11 - Required Disclosures

	2010	2009
	\$	\$
Auditors remuneration	4,547	4,500
Rental expenses	27,672	44,513
	<hr/> 32,219	<hr/> 49,013

Note 12 - Net profit or loss/result

Profit or loss/result from other activities including the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the entity.

	2010	2009
	\$	\$
Gains on sale of plant and equipment	5,627	3,009
Realised gains on equities	139,726	23,555
	<hr/> 145,353	<hr/> 26,564
Loss on sale of equities	71,590	48,370



THE LEGACY FUND OF BRISBANE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2010

Note 13 - Accumulated Surplus

	2010	2009
	\$	\$
Accumulates surplus at the beginning of the reporting period	7,009,071	6,449,494
Net surplus	65,710	559,577
Accumulates surplus at the reporting date	<u>7,074,781</u>	<u>7,009,071</u>

Note 14 - Reserves

Asset Revaluation Reserve

The Asset Revaluation Reserve records the revaluation increment on the revaluation of non-current assets

	2010	2009
	\$	\$
Balance at beginning of the reporting period	3,815,095	3,815,095
Increase/decrease due to revaluation of property	(130,079)	-
Balance at reporting date	<u>3,685,016</u>	<u>3,815,095</u>

Investment Revaluation Reserve

The Investment Revaluation Reserve records the cumulative unrealised gains on available for sale financial assets

Balance at beginning of period	643,539	-
Revaluation increment on available for sale assets	(64,725)	643,539
Balance at the end of the period	<u>578,814</u>	<u>643,539</u>

Capital Profits Reserve

The Capital Profits Reserve records the cumulative capital gain on the sale of property

Balance at beginning of the period	309,073	309,073
Balance at the end of the period	<u>309,073</u>	<u>309,073</u>
Total Reserves	<u>4,572,903</u>	<u>4,767,707</u>



DONORS

Bequests

Mrs J C Grinsell
 Mrs E M Heckenberg
 Mr A W Liddell
 Mrs V D L Osborne
 Mrs M B Plunkett
 Mrs M V R Simpson
 Mr Jack Stewart
 Mr D L Wood

Trusts and Grants

Department of Veterans' Affairs
 Anzac Day Trust
 C H Boden Memorial Trust (Qld)
 2/2 Australian Anti Tank Regiment Association
 Brisbane City Council Community Grants
 Brisbane City Council Rates Remissions
 JR & LA French
 Limbless Soldiers' Association of Queensland
 NEC Broadband for Seniors Rebate Scheme

Corporate

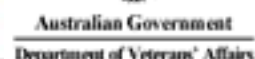
JJ Richards & Sons Pty Ltd
 Insurance Advisernet Australia Pty Ltd
 Regional Express Holdings Limited
 Anglican Church Grammar School
 Unit Technologies
 Day & Grimes Property Services Pty Ltd
 Suncorp Metway
 ABS Courier Services
 The Normanby Hotel
 Radio 4BH
 Willmac Media
 Department of the Premier and Cabinet
 Priority Building Services
 Bald Hills State School
 Index Group of Companies Pty Ltd
 Hunter Hall International Limited
 Ridge Tyre and Mechanical
 Defence Force Credit Union
 Paul Copsy Photography
 Living Choice Kawana Island Retirement Village Residents
 Heller Foundation Pty Ltd
 M F Gill Foundation
 Aveo Durack
 Ergon Energy
 VRT Systems
 Wilston State School
 Caloundra Chamber of Commerce & Industry Inc
 Lockheed Martin Australia Electronic Systems Pty Ltd

Veteran/Service/Community Organisations

RSL Kedron/Wavell Services Club
 Mt Coolum Golf Club
 Gunabul Par 3 Social Golf Club
 RSL Goondiwindi Sub-Branch
 RSL Care
 RSL Bribie Island Women's Auxiliary
 RSL Sherwood /Indooroopilly Sub-Branch
 Suncoast Social Dancers Association
 2/5th Field Regiment Association (QLD Branch)
 RSL Kedron Wavell Sub-Branch
 RSL Glenmorgan/Meandarra & Districts Sub-Branch
 RSL Tewantin Noosa Bowls Club
 RSL St George Sub-Branch
 RSL Wynnum Sub-Branch
 RSL Sandgate Sub-Branch
 RSL Yeronga/Dutton Park Sub-Branch
 RSL Greenbank & Districts Sub-Branch
 Lions Club of Capalaba Inc Qld
 Arana Leagues Club Ltd
 Lions Club of Brisbane Ekibin Inc Qld
 RSL Pine Rivers Womens Auxiliary

Individual

Mr & Mrs G Burgess
 Mr R Brooks
 Mr A J Fursman
 Mr & Mrs B Baker
 Mr R T Cowen
 Mrs N J Dobney
 Mr M D Kriewaldt
 Mr P Taylor
 S C Gregory
 Mr B Fagan
 R J Elcock
 K Bills
 J R Collins
 Mr S Ward
 Mr A Tillett
 E Dippelsmann
 Mr D Cosgrove
 Mr M Harris
 B Young
 Mr L Hill
 Mr H Jarvie
 Mr S Barber
 Mr D Robertson
 F B Broadhurst
 M Oakhill





2010 Deceased Legatees

Alexander Mountford
Samuel Welsh
Stewart Jackson
Richard Shepherd
Stanley Lands
John Allen
Keith 'Paddy' Outridge
Ron Shea
Ray Clark
Robert Collier
Peter Horn
Bill Ashton
John 'Jack' Macqueen

Lest We Forget



Location

Legacy House, 41 Merivale Street, South Brisbane QLD 4101
Suite 5, Level 1, NAB Building, 38 Queen Street, Nambour QLD 4560

Mailing Address

PO Box 3003, South Brisbane BC QLD 4101
PO Box 149, Nambour QLD 4560

Telephone: Brisbane (07) 3846 4299 / Nambour (07) 5441 3748

Facsimile: Brisbane (07) 3846 2093 / Nambour (07) 5441 3968

Email: Brisbane admin@legacybrisbane.org.au / Nambour suncoast@legacybrisbane.org.au

Website: www.legacy.com.au/brisbane