

**LEGACY AUSTRALIA INCORPORATED**



**3RD ANNUAL REPORT**

**2016 - 2017**

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## CHAIRMAN'S REPORT

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While this has been another busy year, I think there have been three major events which characterise the work of LA Inc. These events include;

- The national Launch of Legacy Week,
- Operation Legacy Kokoda Challenge 2017 (OPLACK 17), and
- The National Conference.

Once again, the Australian War Memorial hosted the national Launch of Legacy Week. Our National Patron, Governor-General, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd) officially opened Legacy Week in the presence of a large number of distinguished guests representing the government, the Australian Defence Force, sponsors and Legatees and widows. The launch was followed by a reception hosted by Thales and held in the Captain Reg Saunders Gallery. It was another magnificent occasion and my personal thanks go to Thales, and of course Canberra Legacy for their wonderful support.

OPLACK 17 brought 24 young Legatees together with 20 members of the Australian Defence Force (ADF) for a 10 day challenging experience walking the Kokoda Track. This is also the 75th anniversary of this most important battle and a unique way for Legacy to contribute to the national celebrations. It was also an emotional and physical challenge for all participants and one they will never forget.

One of the really important aspects of OPLACK 17 is that we brought together young Legatees and members of the ADF in an engaging way which demonstrates the positive aspects of mentoring while showcasing the work of Legacy to the ADF. This is a powerful message for both parties.

Our National conference promises to be one of our most important. Our theme... "Managing a Smaller Legacy" comes at the right time. We know that the numbers of our beneficiaries are decreasing at an exponential rate. What is important is what we do about it and how we manage the transition to a smaller Legacy. We have to make some serious decisions but we have done that before and I am confident that we will handle this with good planning, the best of intentions and ample goodwill. At the end of the day, it is not Clubs that matter, or even Legatees, it is those we serve and if we keep that paramount in our thinking we won't go far wrong.

The other aspect for consideration in Wollongong is the structure, role and responsibilities of LA Inc. The discussion paper has generated a great deal of discussion already and I am delighted that Clubs are engaging in this important debate.

In what has once again been another busy year, there have been many other issues, events and projects which have been important to us this year but these three are the most significant.

## CHAIRMAN'S REPORT

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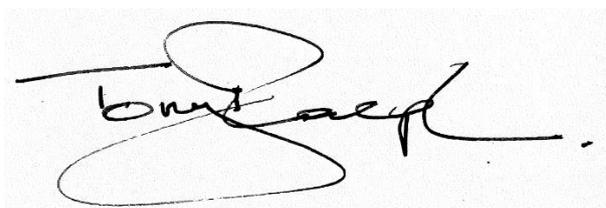
I wish to give thanks to our National Patron, Governor-General, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd) who has hosted events for Legacy and has given us wise advice and encouragement throughout the year.

I must also note the support of our Legacy Ambassadors who have given of their time to promote and support the work that we do. Dr Brendan Nelson from the Australian War Memorial has been most gracious in hosting events and also generous in providing such a wonderful backdrop for our significant and solemn ceremonies. Mr Ben Roberts-Smith VC MG for lending his name and face to promotional activities and as a Legatee himself, providing support to the families of his mates who did not come home; Major General Stuart Smith, himself a 'Legacy Boy' who has taken an active interest in everything we do and is providing leadership in our youth projects; and Ms Leesa Kwok, who keeps us grounded in the reality of families of veterans who have given their health. Lastly, Ms Christine Simpson Stokes who joined us this year and is seeking ways to engage with us. Thank you to each of you.

Legacy could not operate without the generous pro bono support given by professional organisations such as our auditors BDO East Coast Partnership, Lawyers DLA Piper, and Lawyers Norton Rose Fulbright. Thank you for your generous support in 2016-2017. I would also like to thank our major national sponsors for their financial sponsorship and in-kind support across many of the Legacy activities.

I would like to thank the members of the Board of LA Inc. As Legatees, they give freely of their time to the work of the Board while remaining active Legatees within their own Clubs. This is a significant commitment and not something to be taken lightly. Finally, I want to thank our staff. They are a wonderful group who compensate their small number with enormous hard work, diligence, enthusiasm and genuine belief in what we do, what we represent and where we are headed. We would be a far lesser organisation without them.

I commend this Annual Report to all Legacy Clubs.

A handwritten signature in black ink, appearing to read 'Tony Ralph', with a large, stylized flourish underneath.

**Legatee Tony Ralph  
Chairman  
Legacy Australia Inc.**

## DIRECTORY

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FOUNDATION	1 March 2015
PATRON	Governor-General, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd)
CHAIRMAN	Anthony Ralph
VICE-CHAIRMEN	Richard Cranna Paul Clancy
IMMEDIATE PAST CHAIRMAN	David Gray
TREASURER	Richard Cranna
SECRETARY	John Bertram
CHIEF EXECUTIVE OFFICER	Jennifer Walker
AUDITORS	BDO East Coast Partnership, Melbourne
COMMERCIAL BANKERS	Commonwealth Banking Corporation Westpac Banking Corporation
SOLICITORS	DLA Piper Davies Collison Cave Williams Winter Norton Rose Fulbright
REGISTERED ADDRESS	293 Swanston Street, Melbourne, Vic 3000
BUSINESS ADDRESS	G1/1 Francis Street, Darlinghurst, NSW 2010
POSTAL ADDRESS	PO Box 231, Darlinghurst, NSW 1300
TELEPHONE	+61 2 8333 0600
FACSIMILE	+61 2 8333 0699
EMAIL	office@legacy.com.au
WEBSITE	www.legacy.com.au
SPONSORS AND SUPPORTERS	Thales, Westpac, Berger, Newscorp Australia, Carlton United Breweries Australian Defence Force, Downies, Macquarie Mint, Engel, Scentsy, Australia Post, Australian Military Bank, Pilatus, Bite Size Group, Lee Kernaghan, Qinetiq, Defence Health, Brandnet, Peet, AFA Foundation

## ABOUT US

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### 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.

### OUR VALUES

The first Legacy Club was started in Melbourne in 1923 by Lieutenant-General (later Sir) Stan Savige who espoused:

- Legacy is greater than any of its members or any of its Clubs.
- Personal service is the main essential.
- If a job is worthwhile doing the money will come.
- Co-ordination is necessary between clubs, but it must be co-ordination, not control; co-operation, not domination.
- There must be no rewards in Legacy. No member should gain financially or socially from membership.
- There is no room in Legacy for sectarianism, politics, social distinction or rank.
- The only court of appeal is an unwritten law of cobbles in the field of battle.

## BOARD AND COMMITTEES as at 30 June 2017

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### BOARD

#### MEMBERS

- Tony Ralph - *Chairman***
- Paul Clancy
- Rick Cranna
- John Bertram
- Peter Heeney
- Ian Mackenzie
- Sarnia Birch
- Peter Bysouth
- Peter Jenke
- Phil McNamara
- Robert Connor
- Chris Hamilton (Resigned 21 March 2017)

#### 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 LA Inc except those powers that the Constitution or the Act requires to be exercised by General Meetings of the Member Clubs of LA Inc.
- The Board may:
  - appoint and remove staff
  - establish committees of LA Inc. with terms of reference it considers appropriate.

### FINANCE, AUDIT & RISK MANAGEMENT

#### MEMBERS

- Rick Cranna - *Chair***
- Peter Jenke
- Ian Mackenzie
- Ian Stewart

### GOVERNANCE COMMITTEE

#### MEMBERS

- Sarnia Birch - *Chair***
- Peter Bysouth
- David Grierson

### ADVOCACY COMMITTEE

#### MEMBERS

- Robert Connor - *Chair***
- Phil McNamara
- John McInerney
- Peter Lawley

### DEVELOPMENT COMMITTEE

#### MEMBERS

- John Bertram - *Chair***
- Paul Clancy
- Peter Heeney
- Peter Jenke
- Mark Slater

### DISCIPLINARY COMMITTEE

#### MEMBERS

- The Hon. Stanley G Jones AO - *Chair***
- Max Lemon (Adelaide)
- Duncan Warren (Perth)
- Charles Wright (Gold Coast)

The Chairman is an ex-officio member of all committees.

## CORPORATE GOVERNANCE STATEMENT

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### **Status**

Legacy Australia Incorporated (LA Inc) 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**

LA Inc is established and governed by the Legacy Australia Constitution and By-Laws made under the Constitution. By joining LA 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 LA 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 fully paid up their annual subscription 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 LA Inc, even in the event of winding-up.

### **Audit**

The appointment of a registered company auditor is approved by the Board of LA 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**

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

### **Reports to Member Clubs**

LA 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 Club's 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

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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 LA Inc Board meetings during the whole of the financial year are as follows:

Legacy Australia Inc Board Member	Dates	Eligible to Attend	Meetings Attended
Anthony Ralph		7	7
John Bertram		7	7
Sarnia Birch		7	6
Peter Bysouth		7	7
Paul Clancy		7	6
Robert Connor		7	7
Richard Cranna		7	7
Christopher Hamilton	Resigned 21 March 2017	4	2
Peter Heeney		7	7
Peter Jenke		7	6
Ian Mackenzie		7	6
Philip McNamara		7	6

### LA Inc Activities and Outcomes

The 2013 national governance working group considering the need for a 'national' body proposed that the functions of the national body should be:

#### 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

## CORPORATE GOVERNANCE STATEMENT

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

### National Policy / Services

(Now all included in the Advocacy Committee and Working Group)

- 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 National Pensions 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

(Now all included in the National Development Committee and Working Group)

- 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 LA Inc, gave responsibilities to the Board of LA Inc (Rule 39 of LA Inc Constitution) including:

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

The powers of LA Inc (Rule 5 of LA 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. This is articulated in the LA Inc Business Plan.

## NATIONAL PROGRAMS

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The following summarises the program activities of the Board, CEO and staff in ensuring the objects of LA 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**

LA 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 seven (7) 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	Melbourne Legacy
September	Sydney, LA Inc Office
October	Melbourne, Park Royal
November	Sydney, Masonic Club
February	Sydney Thales, Garden Island
March	Videoconference – DLA Piper Sydney, Melbourne, Canberra, Perth
May	Sydney, DLA Piper

LA Inc wishes to thank DLA Piper for their continued support and for providing video conference facilities for Board Meetings with our Directors, who are located across the nation. A special thanks also to our national corporate partner, Thales, who host us in their Garden Island facility for our Board training days.

### **BOARD COMMITTEES**

The former committees of conference, namely the National Marketing Committee and the National Pensions Committees, were rolled into the new committees of Board during the 2015-2016 financial year.

The former National Marketing Committee was replaced by the **Development Committee**, a small and strategic group of Board Directors who are the representatives of the Capital City Clubs. This Committee also ran wider meetings as required to receive input from the specialists at Club level in relation to marketing matters. Established to provide support and advise the Development Committee of marketing implications and interdependencies that exist among Legacy campaigns, media relations and communications, the Development Working Group met in December 2016 to review the 2016-2020 Strategic Marketing Plan. The Strategic Marketing Plan is available on the Legacy website Members Area for access by all Legacy Clubs.

## NATIONAL PROGRAMS

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The former National Pensions Committee was replaced by the Board's **Advocacy Committee** that encompasses all matters relevant to pensions, welfare, and aged care. The Advocacy Committee met twice during the reporting period. 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 workshop matters of national significance, including the application of the requirements of the Advocacy Training and Development Program in Legacy. Detailed notes of the National Advocacy Forum can be found on the Members' Area of the Legacy Australia website.

The **Finance Audit and Risk Committee** met monthly to review the financial position of Legacy Australia Inc, assist in the budget development process and to continuously refine the risk management program and oversight the policy development process.

The **Governance Committee** met regularly to continue the work of refining the Constitution and Bylaws and oversees Legacy Australia Inc's regulatory compliance. The Governance Committee has also prepared the new Charters and Intellectual Property Agreements in satisfaction of the LA Inc Constitution Rules 8.2 and 17 respectively.

At its strategic discussion held on 22 February 2017, the Board expressed the view that the long term financial viability of the Board of LA Inc. required to be reviewed. Whilst the Board is not insolvent, the long term ability of the Board to fund its own activities was examined. A review panel was established to consider the options available to ensure the long term financial viability of the Board and the national office. The members of the **Review Panel** were:

- L/Rick Cranna, Vice Chairman & Treasurer – Chair
- L/Paul Clancy Vice Chairman
- L/ John Bertram Secretary
- Ms Jenny Walker CEO

The review panel delivered a comprehensive report to the LA Inc. Board on 26 July 2017 which provided several options for consideration regarding long-term governance structure and funding of LA Inc. Subsequently, on 8 August 2017 a discussion paper was circulated to the member Clubs with the options defined by the Review Panel. This paper will be part of the considerations of "Managing a Smaller Legacy" at the 2017 National Conference.

## NATIONAL PROGRAMS

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### **Program**    **NATIONAL SUPPORT / LEGAL COMPLIANCE**

#### **Object**      **To protect the good name and reputation of Legacy**

The activities undertaken in this Program through 2016-2017 have included:

- Ongoing development and maintenance of a Risk Register. A Risk Assessment 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, reviewed and updated monthly.
- Ongoing development of policies and procedures to ensure legal compliance and reduce risk for Legacy Clubs
- A Risk Management 'toolkit' has been created and will be distributed to Clubs in 2017-2018.
- 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 monthly by the LA Inc. Board
- 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 \$21,000 in legal fees. \$35,000 less than in 2015-2016
- Monitoring of the outcomes of the Royal Commission into Institutional Responses to Child Sexual Abuse
- 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-10 LA Inc. Delegations Policy
- PROC-01 LA Inc. Travel Expenses Procedure
- PROC-08 Accessing Westpac Education and Development Funds Procedure

Others that were developed in the last financial year include:

- PROC-09 LA Inc. Donation & Disbursement Procedure
- PROC-10 Associate Membership Procedure

## NATIONAL PROGRAMS

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### 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 2016-2017 have included:

- Chairman's participation in Ex Service Organisation Round Table (ESORT) consultation with DVA
- Participation in Working Parties to improve support systems
  - Younger Veterans – Contemporary Needs Forum (YVF)
  - National Aged and Community Care Forum
  - Female Veterans and Families Forum (FVFF)
- Participation in joint committees for Advocacy development
- Making submissions to Government for policy and budget considerations
- Active lobbying to Government decision-makers in relation to benefits for widows and children of veterans
- Canvass pensions and welfare officers for information on emerging issues
- 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
- Respond to requests for input to government legislation and policy review and development
- Dissemination of information across Legacy

CEO Legacy Australia Inc participated in the national ESO working groups and collaboration meetings that have been developed to reduce duplication and resource wastage among the many hundreds of agencies that are trying to assist veterans and their families. The CEO is also active at the national level in Advocacy Training and Development. In this context, advocacy includes pensions, welfare and aged care. The blueprint for the new Advocacy Training and Development Program (ATDP) progresses and is being implemented through the Strategic Governance Board and a Capability Framework Management Group. CEO Legacy Australia Inc is the chair of the Strategic Governance Board. Information pertaining to this group is available on the DVA website.

Our advocacy task continues to primarily focus on ensuring that our beneficiaries receive all of their entitlements, including both pensions AND welfare entitlements. National pension statistics for 2016 include:

- 1045 primary claims lodged with 643 accepted (61%)
- 31 section 31 claims made with 11 accepted (35%)
- 25 VRB claims made with 15 accepted (63%)
- 26 AAT cases with 7 accepted (26%)

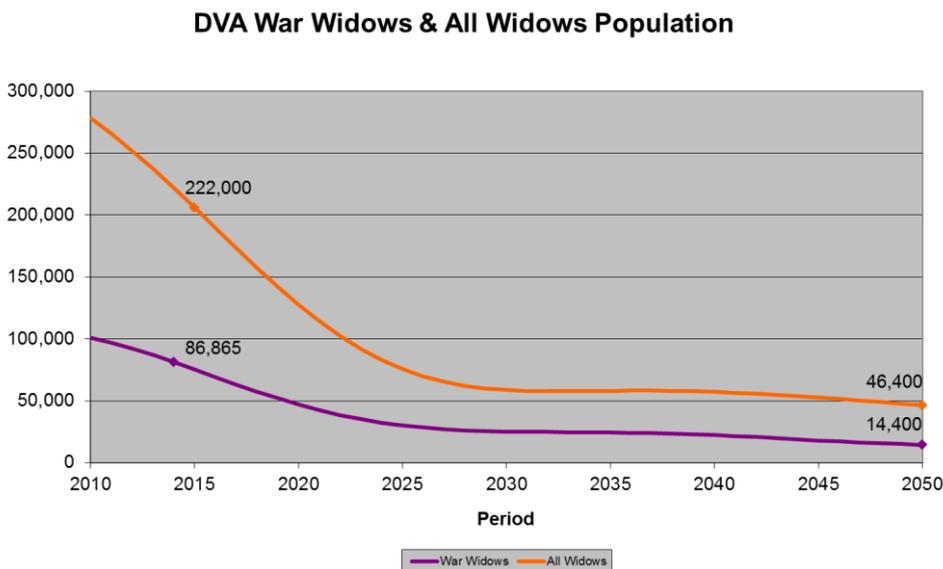
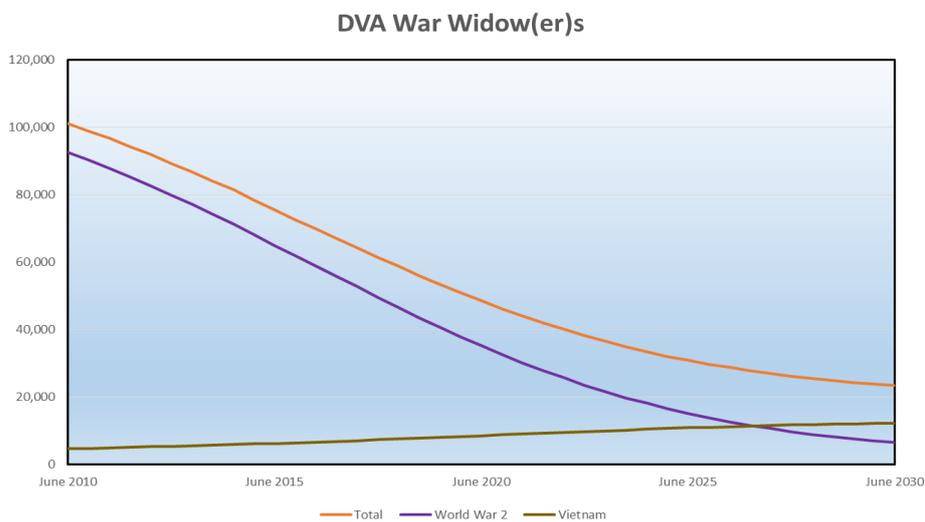
We currently have 37,872 of our widows on War Widows' Pensions under the VEA. That's 57.73% of all widows (total widows for 2016 - 65,596) registered with Legacy. Last year there were 49,372 or 67.73%. The drop would be largely due to the decline in WWII widows as they pass on. 90% of our beneficiaries 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. As a tool to assist Legacy, Bolton Clarke (formerly RSL Care Qld and RDNS) has established a dedicated telephone 'Navigator' service to provide a one-stop shop for information on home care packages and aged care from all Government programs.

## NATIONAL PROGRAMS

Chair of Legacy Australia Inc continued to participate in the ESO 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 ESORT and the ATDP. 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.

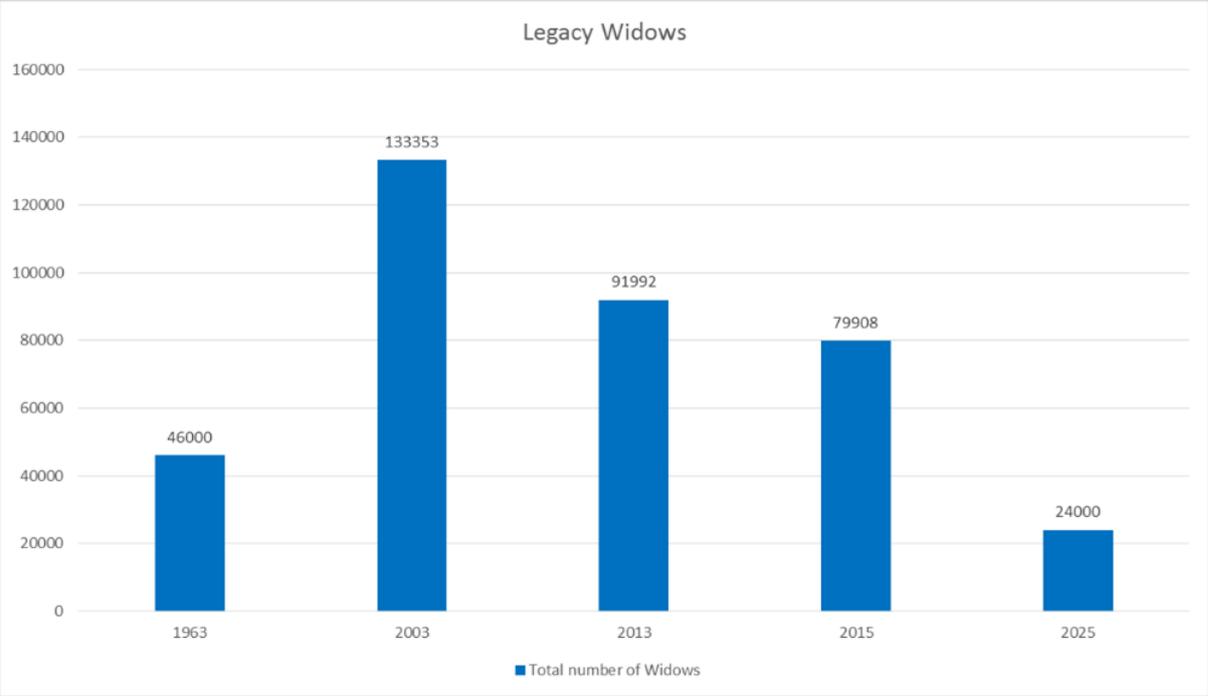
The tables below depict the DVA forecast of overall decline in widows numbers as the wave of WWII widows pass on.



## NATIONAL PROGRAMS

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- The downward trend of widows has continued as a result of our WWII ladies passing on at a rate of around 20 per day.
- Legacy consistently has 38 - 39% of all DVA widows enrolled with Legacy clubs as a beneficiary.
- Based on this share continuing, Legacy will have no more than 35,800 widows registered nationally in our centenary year of 2023 and around 24,000 by 2025



## NATIONAL PROGRAMS

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### **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 2016-2017 have included assisting Legacy Clubs in delivery of their social support through:

- Exposure of Legacy youth to commemorative activities and ceremonies through continuation of Florance Foundation trips with the National Chairman accompanying Legacy Youth to lay a wreath at the Anzac Ceremony at the Australian War Memorial
- Allocation of the \$100,000 Australia Post funds raised in 2015 to continue the program into the future
- Involvement of youth in personal development activities such as the Legacy Youth to Pozieres Study Tour
- Continuation of providing funds for the final of the Legacy Junior Public Speaking Competition
- Identifying other developmental opportunities for Legacy Youth including the partnership with ADF mentors taking Legacy youth up the Kokoda Track

The Legacy Club of Adelaide hosted the 2016 Legacy Junior Public Speaking Awards with some funding from LA Inc. The competition continues to be popular and well contested in those states that continue with it.

In April 2017 Canberra Legacy, in conjunction with the Australian War Memorial (AWM), hosted the Annual ANZAC Day Visit (previously the Florance Foundation Visit) with 12 Junior Legatees (aged between 15 and 19 years) from all over the country visiting Canberra for six days, concluding on the day after ANZAC Day.

Under the leadership of Legatees Leigh Wrighton-Jones and Rachel Trump, the trip was a tremendous success thanks to the financial support of both LA 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 LA Inc this year was \$15,026.51 (from an allocated budget of \$15,000), which is considered very reasonable considering the positive public exposure and Junior/Guardian feedback that was received.

Activities that the youth participated in during the week included: a tour of New Parliament House with Channel 7 Political Editor Mark Riley; a motivational speech by ex-Wallaby James Holbeck; running out with the Canberra Raiders at an NRL match, with one youth reading the Ode; a visit to the Australian Federal Police National Canine Operations unit; and a visit to the Air Force's No. 34 Squadron to see the Government's Special Purpose Aircraft.

A report was published in Vol 33 No.2 Winter 2017 edition of Vet Affairs, a publication of the Department of Veterans' Affairs.

### **Operation Legacy Australia Kokoda Challenge 2017**

The activity will actually occur in the 2017-2018 financial year, a more detailed account will occur next year when all the accounts of the project have been finalised. It is important to note however, that this project could not have been undertaken without the support of sponsors and key supporters including:

- Australian Defence Force
- Air Chief Marshal Mark Binskin AC, Chief of the Defence Force

## NATIONAL PROGRAMS

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- Lieutenant General Angus J. Campbell, AO, DSC, Chief of Army
- Air Marshal Leo Davies, AO, CSC, Chief of Air Force
- Vice Admiral Tim Barrett, AO, CSC, RAN, Chief of Navy
- Westpac
- Thales
- QinetiQ Australia
- Peet
- AFA Association of Financial Advisers
- Defence Health

The Pozieres Project has now been finalised and was a great success both financially and in providing a once-in-a-lifetime experience for the Legacy Youth who were fortunate enough to attend. Commemorative publications were provided to participants and key stakeholders. LA Inc. received considerable savings from the ADF from the services of 2 project managers, Tony Hambleton and Darryl Kelly, as well as travel insurance for the tour party through Defence Health, accommodation and meal costs at Randwick Barracks for participants prior to this project.

This project could not have been undertaken without the support of sponsors and key supporters including:

- His Excellency General The Honourable David Hurley AC DSC (Ret'd), Governor of New South Wales
- Tour Patron Corporal Mark Donaldson VC
- Australian Ambassador to France
- French Ambassador to Australia
- French National Order of Merit in Australia
- Society of Members of the Legion of Honour in Australia
- Chief of Army
- The Australian War Memorial
- Thales
- Veolia
- Virgin Airlines
- Brandnet
- Defence Health
- Airbus

## NATIONAL PROGRAMS

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### **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 2016-2017 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)
- Funding additional Legacy scholarships through AVCAT
- Development of the Westpac Education Support scheme for partners and children of veterans utilising the donation from Westpac

This year there are 17 young people undertaking university degrees through the various scholarship schemes provided by Legacy Australia and administered through the Australian Veterans' Children Assistance Trust (AVCAT). This scholarship is limited to tertiary study. In 2016-2017 we disbursed \$64,250 to these bursaries through the Legacy Westpac Fund and the John Gough Memorial Fund. We have also committed \$100,000 for these beneficiaries to complete their courses.

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. In 2016-2017 we disbursed a further \$268,000 to 48 beneficiaries and have committed another \$133,000 to the finalisation of courses for many of these beneficiaries.

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.

## NATIONAL PROGRAMS

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### 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. Activities in this regard include:

- Development of national communication and marketing plans
- Engagement of a creative agency to develop national marketing campaigns, especially the Legacy Week Campaigns
- Consultation on creative concepts and approval processes
- Placement of paid media to achieve maximum benefit across all media for all Legacy Clubs
- Paid media (TV, print and digital) during peak fundraising campaigns (Anzac Day, Legacy Week, Remembrance Day)
- Maximised unpaid media during campaign times including TV appearances and special programs
- Ongoing digital media management (website, social media and other)

### **2016-2017 Legacy Australia Achievements**

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 marketing activities are always included in the Chairman's Update or as a supplementary Update. A brief summary of the activities appears below.

#### **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.

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

- The Hon Brendan Nelson AO
- Ms Leesa Kwok
- Ms Christine Simpson Stokes
- MAJGEN Stuart Smith AO DSC (Ret'd)
- Mr Ben Roberts-Smith VC MG

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

## NATIONAL PROGRAMS

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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 and Keith serves as Patron.

### **2016 Legacy Week Campaign**

The Legacy Week paid media brief for 2016 was to raise awareness & donations around Legacy Week and Badge Day. This year, the focus of the "For each serving Australian who risks everything, a family does the same" campaign creative was family driven so it was fitting to target the young family life stage group of people aged 18 – 49.

The Legacy Week paid media national campaign was aimed to cover all 49 Legacy Clubs within Australia in a fair and effective manner. The 2016 Legacy Week total paid media by LA Inc. and opt in Clubs was \$231,110.

The LA Inc. paid media included live and pre-recorded reads on the KIIS network with Hughsey and Kate. Hamish and Andy of the 2Day network also did live and pre-recorded reads during Legacy Week. There was some paid media on popular websites such as smh.com.au as well as advertising around major cities.

LA Inc., in conjunction with Verve PR secured a number of unpaid media opportunities, raising the profile of Legacy Week 2016. They are as follows;

- 'Sunrise' – live weather crosses from HMAS CHOULES with The Wiggles, including Legacy and ADF families.
- Australia Leading in to Legacy Week, The Wiggles also appeared on Network Ten's 'Family Feud' on 21 August supporting Legacy Australia.
- Network Ten's 'The Project' featured a story on Brisbane Legacy's Beckie MacKinney and the support she has received from Legacy and her Legatee, Legacy Australia Chairman Tony Ralph.
- Channel 9 News ran a story on the Gavin family, including Joshua Gavin and his once in a lifetime opportunity with St George Dragons.
- 'The Today Show' promoted Legacy Week throughout the week, including wearing badges.
- The Sunday Telegraph is featured a story on Far North Coast Legacy family Leesa Kwok and Jamie Tanner and their struggles with PTSD.
- Mamamia featured a story on how a family received support from Legacy, as the veteran had 'given his health'.
- LA Inc., in partnership with Canberra Legacy, successfully lobbied Federal MP's, encouraging them to wear a Legacy Badge during the first sitting week of Parliament. A number of MP's were spotted, including Prime Minister Malcolm Turnbull, Leader of the Opposition Bill Shorten, former Prime Minister Tony Abbott, Tanya Plibersek and many more.

Verve PR stated in their report to us that these unpaid exposures had a reach of 140,000,000 with an estimated value of around \$24,000,000.

### **Hacksaw Ridge**

LA Inc. Chairman represented Legacy Australia and spoke at the Australia Premiere of Hacksaw Ridge at the State Theatre in Sydney on Sunday 16 October 2016. Attendees were encouraged to support Legacy and make a donation.

### **Good2Give**

Good2Give invited Legacy to guest blog on Anzac Day. Good2Give is Australia's largest online Workplace Giving Platform with access to over 350,000 employees.

## NATIONAL PROGRAMS

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### **2017 Anzac Week Campaign**

News Corp Australia's 2017 Anzac Coin Legends of the *Anzacs: Medals of Honour* campaign theme was "Discover the Stories Behind the Medals".

The official coin collection series featured 14 coins from the Royal Australia Mint, including four unique issue 25c coins. The first commemorative coin and collectors album was free with the purchase of Saturday's newspaper. Coins were available from Saturday 8 April 2017 to Saturday 22 April 2017 for \$3 each with one coin per original token from hardcopy newspapers sold.

This year's Anzac Coin Campaign media launch event was held at the Australian War Memorial on Monday 3 April 2017. In conjunction with the NewsCorp Anzac Coin Campaign, Westpac pledged a \$250,000 donation to Legacy. This is due to be paid to us in October 2017.

In conjunction with the 2017 Anzac Coin Campaign, News Corp made editorial opportunities available to Legacy across their mastheads during the month of April. To leverage the opportunity to promote Legacy through Legacy specific stories and also through Legacy Westpac Fund recipient stories. The 2017 News Corp / Westpac Anzac Coin Campaign generated extensive PR and provided increased awareness and exposure for Legacy reaching over 11.8 million people.

### **Website Rebuild Project**

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

Legacy NSW Associated Clubs (LNAC) has been engaged to support the Board in scoping the Legacy website rebuild and developing a tender document to go to market with our requirements. LNAC CEO enlisted the services of TALK Agency to assist with this process.

Legacy Clubs have provided feedback to the proposed User Specification and Sitemap which will inform the objectives and requirements of the new website. The website tender process and updating of the legacy.com.au website will take place in 2017/18.

## NATIONAL PROGRAMS

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### 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 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. Activities in this regard include:

- Provision of merchandise for fundraising
- Receipt and disbursement of online donations
- Corporate partnership programs
- Approval of 3<sup>rd</sup> party fundraisers
- Provision of support to 3<sup>rd</sup> party fundraisers
- Corporate partner liaison

#### **Support to Club Fundraising**

The LA 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 LA Inc provided benefits to Clubs in 2016/2017 in the order of \$1.9M through:

\$317,154	Legacy Westpac Funds disbursement and payment of AVCAT admin fees
\$15,026	Supporting the Junior Legatees' visit to the Australian War Memorial on ANZAC day
\$14,597	Supporting the Legacy Junior Public Speaking Award (LJPSA)
\$26,117	Scholarships through the John Gough Fund and payment of AVCAT admin fees
\$158,388	Balance from the Newscorp ANZAC coins campaign distributed to clubs
\$143,454	Providing support to the Pozieres Project net of the contributions received from the clubs
\$407,000	Value of in-kind donations for Pozieres Project includes total net project costs (excluding club contributions) over Pozieres project period
\$557,896	Disbursement of online donations and 3 <sup>rd</sup> party fundraising proceeds
\$286,881	Trademark protection, media, website donations and fundraising platform fees
<b>\$1,926,513</b>	<b>Benefits to Legacy beneficiaries and clubs 2016-2017</b>

#### **Support to Website Donations Management**

LA Inc. centrally managed Legacy's online donation portal and related disbursements to clubs. In March 2017, the automation of the disbursements of the website donations commenced under the administration of Legacy NSW Associated Clubs (LNAC) on behalf of LA 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 2016/17, a total of \$491,879 was donated to Legacy through Legacy's National website donate portal. This included \$262,338 which was automatically directed to the clubs. LA Inc also manually disbursed \$217,401 to clubs. Notably LA Inc. incurred \$20,881 in associated payment gateway, website, and credit card merchant and bank fees. These costs were not passed on to the clubs but absorbed by LA Inc. Upon automation of the disbursements in March 2017, the credit card merchant and bank fees are now charged directly to the respective clubs. The 10% surcharge to cover the fees and handling of donations by LA Inc, discussed at the 2015 National Conference, has not yet been applied.

## NATIONAL PROGRAMS

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### **Support to 3rd Party Fundraising**

LA Inc. centrally managed Legacy's online fundraising portals and related disbursements to clubs. The Net Third party fundraising income disbursed to clubs in FY 2016/17 was \$66,017. LA Inc paid the \$5,321 in associated third party platform licences this Financial Year. These costs were not passed on to clubs but absorbed by LA Inc.

### **Support to Club Direct Mail Campaigns**

When Legacy NSW Associated Clubs took on the automation of the website donation disbursements on behalf of LA Inc. it included hosting of the website donation form creating limitations in how the online donations can be tracked and the branding of the donate page for campaign purposes. LA Inc. supported the direct mail working group (comprising of capital city clubs) in an alternate approach to tracking their direct mail campaigns.

### **Merchandise**

LA Inc. supports Legacy Clubs with the fulfilment of their Legacy Week merchandise and we continue our arrangement 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 order was managed by LA Inc. and included the sale of:

- Collection buckets and Legacy stickers to go on the buckets
- Legacy tin hat collection tins
- Legacy Caps
- Pull-up banners
- Tear drop banners
- Pop-up tents

During 2016-2017, Legacy Australia entered into an agreement for a national on-line shop to provide marketing and branded merchandise to all Legacy clubs from a central supplier. The shop will go live around October 2017. It will eventually develop a range of general merchandise that people can buy where a percentage of sales go to support Legacy.

### **Legacy Rosemary and Poppy Seeds**

Following on from previous fundraising with Mr Fothergill's a selection of rosemary and poppy seed items (designed to fit in the Legacy Week volunteer tray) can now be purchased for any Club's fundraising opportunities.

### **Legacy Christmas Puddings**

LA Inc. continues to coordinate the supply of Legacy Christmas puddings for Legacy Clubs to order through Traditional Foods Pty Ltd.

### **Thales**

In addition to the \$110,000 event sponsorship of Legacy Week and their extremely generous 2016 financial and in-kind support of the Pozieres Project, Thales also made a sponsorship contribution of \$20,000 to Operation Legacy Australia Kokoda Challenge and donated \$15,465 from their Canon rebate and Thales employee survey 2016.

#### *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. This year the graduates were given a challenge to consider how they might provide their skills to Legacy.

## NATIONAL PROGRAMS

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### **Engel Australia**

Engel Australia donated \$177,585 in 2016/17 to Legacy Australia through the sale of their limited edition Legacy branded portable fridge freezer and transit bags.

### **Westpac**

Westpac pledged a donation of \$250,000 in conjunction with the 2016 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.

### **Carlton United Breweries**

CUB donated a final \$252,900 to Legacy Australia as part of the "Raise a Glass" initiative. A final donation of \$125,000 is yet to be received. The CUB donation has helped Legacy Week marketing since the Legacy Week marketing levy was cancelled in 2014. The collateral produced with this investment directly helps Legacy clubs in their fundraising by raising the public's awareness of the plight of our beneficiaries. In the 2017 reporting year, Legacy Clubs raised in excess of \$18M in donations, bequests and badge and merchandise sales.

### **Berger**

The initiative lends a helping DIY hand to widows or families affected by war by giving their home a much needed makeover. The project is a team effort with Berger supplying the paint and materials and Inspirations Paint stores, who are the exclusive stockists for Berger premium paint, organising local trade painters and equipment. Legacy assists with identifying suitable repaints and recruiting local Legatees or community volunteers to donate their time to support the cause. Sadly Berger advised in February 2017 that they are cancelling their 'Paint for a Mate' national program due to challenges experienced in coordinating local repaint projects.

### **Downies**

Downies continues to support Legacy from the part proceeds of their ongoing World War I and World War II medallion sales with a \$26,047 donation to Legacy Australia.

### **Scentsy**

Legacy has received \$52,668 from the part proceeds of the Scentsy Remembrance Warmer.

### **Reece**

LA Inc. was again successful in our submission for funding through the 2017 Reece Group Australia's Philanthropic Program, resulting in a \$25,000 donation to Legacy Australia.

### **Australian Military Bank**

Australian Military Bank donated \$10,331 to Legacy Australia through their Military Rewards cents rounding program.

### **Nick Scali**

Nick Scali have offered to donate furniture to Legacy beneficiaries that they otherwise cannot sell as 'new' product through an ongoing arrangement at their warehouse locations. Relevant Legacy Clubs will need to collect the items from Nick Scali's warehouse locations and deliver to our beneficiaries.

## NATIONAL PROGRAMS

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### **Australian Outdoor Spectacular**

Lee Kernaghan donated the royalties of his song 'Spirit of the Anzacs' to Legacy and Soldier On. The Australian Outback Spectacular has produced a new show featuring the 'Spirit of Anzacs'. Lee Kernaghan's management entered into a royalty agreement for the use of the song, pledging fifty cents of every ticket sold to Legacy Australia and raising \$55,373 for Legacy Australia.

### **Pilatus**

Pilatus created a limited edition polo shirt to be sold at the Pilatus factory in Switzerland. Pilatus donated the \$10,000 proceeds from the commemorative polo to Legacy Australia.

### **Bite Size Group**

Bite Sized Coffee Group ran their "Commemorating 100 Years" promotion, in its third year, during the month of April and donated \$10,504 to Legacy Australia.

### **Defence Industry Studies Group**

Defence Industry Studies Course conducted fundraising in support of Legacy and Soldier On with \$11,038 donated to Legacy Australia. DISC Students have raised over \$180,000 for Legacy since 2010.

### **Blackforce Charity Dinner**

The Australian Embassy in Jakarta continue their support of Legacy again this year, raising over \$10,160 through their event fundraising and auction at the annual Blackforce Charity Dinner held on Friday 19 May 2017.

### **Stakeholder Engagement**

In the lead up to Christmas 2016 Legacy Australia Chairman wrote to approximately 120 corporate stakeholders. The communication included a copy of our 'Keeping the Promise' booklet and Legacy branded coaster in a presentation box.

His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd) and Her Excellency Lady Cosgrove hosted an afternoon tea at Government House in Canberra on Thursday 15 June 2017 to bring together Legacy's Patron, Ambassadors and Directors.

Legacy Australia Incorporated

ABN 59 203 621 448

## **FINANCIAL STATEMENTS & STATUTORY REPORTS**

30 JUNE 2017

## LEGACY AUSTRALIA INCORPORATED TREASURER'S REPORT

The Financial Statements and Auditor's Report for the financial year ended 30 June 2017 are submitted for review by LA Inc and Member Clubs.

### EXECUTIVE SUMMARY

- In 2017, LA Inc.'s revenue from donations, bequests and fundraising activities for the 2016-2017 financial year totalled \$1,244,361 compared to \$2,220,599 for the previous year, down some \$976,238. In the previous year we received \$500,000 from Westpac and \$250,000 from CUB that were not received this financial year. A further \$262,338 in online donations that did not come into LA Inc accounts as they were disbursed automatically, accounted for the remainder of the difference.
- Distribution of donations and sponsorship proceeds to Member Clubs totalled \$283,418 in cash disbursements plus \$343,271 in scholarships giving a total of \$626,689. Taking into account the automated disbursements of \$262,338 the total would have been \$889,027. The distribution of the same items last year was \$817,804. Therefore the overall disbursement rate was increased by \$71,223 this year.
- The total value of benefit delivered to Legacy Clubs in cash and kind for this financial year was in the order of \$1.9M as outlined on page 22 of the Annual Report. This figure is consistent with the amounts disbursed over two years ago when we had the Woolworths fundraiser in April.
- In previous years the Treasurer's Report has highlighted the need to build up reserves to ensure continuation of LA Inc.'s activities. Retained earnings are now \$1,991,991.
- There is also \$959,100 available in reserved funds for disbursement in the Westpac Education and Development Fund as well as other existing special purpose funds.

### MAJOR ACCOUNTING ITEMS AND TRANSACTIONS OF NOTE

- LA Inc.'s overall annual accounting outcome reflects a deficit of \$640,163 for the 12 months to 30 June 2017. This compares to the previous year's surplus of \$418,733.
- The LA Inc. Balance Sheet show that Net Assets as at 30 June 2017 were \$2,951,191. This compares with \$3,591,354 as at 30 June 2016. The difference reflects the deficit recorded for the year.

### PROPOSED LEVY FOR THE FINANCIAL YEAR 2017/2018

By-Law 3.2.1 (a) authorises LA Inc. to collect an annual levy to cover administrative costs. The Board agreed at its September 2017 Board Meeting, that the LA Inc Annual Levy should encompass the following costs incurred by the organisation:

- Board Meeting Costs including travel, accommodation and meeting room hire
- Board Committee costs
- Trademark & intellectual property protection costs
- Secretariat costs



LEGACY AUSTRALIA INCORPORATED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
<b>INCOME</b>			
Revenue from Ordinary Activities			
Donations, bequests and fundraising		1,244,361	2,220,599
Club levies		155,835	172,237
Grants		9,091	13,091
Sponsorship		110,000	110,000
Other income		67,657	2,799
Interest received		65,360	63,966
Pozieres project		7,000	566,227
Kokoda project		183,894	-
<b>Total Revenue</b>		<b>1,843,198</b>	<b>3,148,919</b>
<b>EXPENSES</b>			
Employee benefits expense	2	742,370	731,040
Conference and travel expenses		2,187	26,718
Board and committee expenses		99,437	131,001
Insurance premiums		4,077	5,444
Depreciation expense	6	7,500	13,070
Loss on disposal of fixed asset		241	22,386
Office rental		97,951	77,054
Other occupancy expenses		59,925	96,896
Marketing expenses		391,347	274,690
Distribution of donations and sponsorship proceeds to clubs		283,418	713,135
Scholarships		343,271	104,669
Project expenses		360,093	365,656
Legal and trademark fees		21,265	56,339
Other expenses		70,279	112,008
<b>Total Expenses</b>		<b>2,483,361</b>	<b>2,730,186</b>
<b>(Deficit)/Surplus</b>		<b>(640,163)</b>	<b>418,733</b>
Other comprehensive income		-	-
<b>Total Comprehensive Income</b>		<b>(640,163)</b>	<b>418,733</b>

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 2017**

	Note	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	374,039	254,803
Other receivables	4	71,002	592,334
Other financial assets	5	2,627,407	2,988,969
<b>TOTAL CURRENT ASSETS</b>		<u>3,072,448</u>	<u>3,836,106</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	2,451	9,583
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,451</u>	<u>9,583</u>
<b>TOTAL ASSETS</b>		<u>3,074,899</u>	<u>3,845,689</u>
<b>CURRENT LIABILITIES</b>			
Payables and other liabilities	7	28,544	31,475
Accrued distributions		8,820	167,642
Employee benefits provisions	8	62,864	46,855
<b>TOTAL CURRENT LIABILITIES</b>		<u>100,228</u>	<u>245,972</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits provisions	8	23,480	8,363
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>23,480</u>	<u>8,363</u>
<b>TOTAL LIABILITIES</b>		<u>123,708</u>	<u>254,335</u>
<b>NET ASSETS</b>		<u>2,951,191</u>	<u>3,591,354</u>
<b>EQUITY</b>			
Settled sum		100	100
Reserves	10	959,100	1,438,342
Retained earnings	9	1,991,991	2,152,912
<b>TOTAL EQUITY</b>		<u>2,951,191</u>	<u>3,591,354</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 2017**

	Settled Sum \$	Reserves \$	Retained Earnings \$	Total \$
<b>Balance at 1 July 2015</b>	-	-	3,172,521	3,172,521
Surplus	-	-	418,733	418,733
Transactions with members:				
Settled sum	100	-	-	100
Transfer from retained earnings to establish reserves (Note 10)	-	969,873	(969,873)	--
Net transfer to/(from) reserves (Note 10)	-	468,469	(468,469)	--
<b>Balance at 30 June 2016</b>	<u>100</u>	<u>1,438,342</u>	<u>2,152,912</u>	<u>3,591,354</u>
<b>Balance at 1 July 2016</b>	100	1,438,342	2,152,912	3,591,354
Deficit	-	-	(640,163)	(640,163)
Net transfer of income to reserves (Note 10)	-	297,739	(297,739)	-
Net transfer of expenses from reserves (Note 10)	-	(776,981)	776,981	-
<b>Balance at 30 June 2017</b>	<u>100</u>	<u>959,100</u>	<u>1,991,991</u>	<u>2,951,191</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 2017**

	Note	2017 \$	2016 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from operations		554,282	918,375
Donations, grants, bequests and fundraising received		1,744,888	1,844,690
Interest received		63,707	57,921
Payments to beneficiaries, suppliers and employees		(2,604,593)	(2,573,291)
<b>Net cash (used in)/provided by operating activities</b>	<b>13</b>	<b>(241,716)</b>	<b>247,695</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds from disposal of property, plant and equipment		-	15,738
Payments for property, plant and equipment		(610)	(5,259)
Net redemption of/(payments for) other financial assets		361,562	(552,159)
<b>Net cash used in investing activities</b>		<b>360,952</b>	<b>(541,680)</b>
Net increase/(decrease) in cash and cash equivalents		119,236	(293,986)
Cash and cash equivalents at 1 July		254,803	548,789
<b>Cash and cash equivalents at 30 June</b>	<b>3</b>	<b>374,039</b>	<b>254,803</b>

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

## 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 G1/1 Francis Street, Darlinghurst, 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 Associations Incorporation Reform Act 2012 and the Australia Charity and Not-for-profits Commission Act 2012 and associated regulations. 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.

**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 subsidiaries 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.

**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*

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.

**(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.

**LEGACY AUSTRALIA INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(f) Revenue (Cont'd)**

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.

**(h) Comparatives**

Comparative figures, where appropriate, have been reclassified so as to be comparable with the figures presented for the current financial year.

**LEGACY AUSTRALIA INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
<b>2. EXPENSES</b>		
Wages and salaries	634,719	642,946
Contributions to approved superannuation funds	59,755	59,838
Other employee benefits expenses	47,896	28,256
	<u>742,370</u>	<u>731,040</u>
The auditors acted in an honorary capacity. BDO provided other services of \$Nil (2016: \$Nil).		
<b>3. CASH AND CASH EQUIVALENTS</b>		
Operating bank balances:		
- Cash at bank	373,539	254,303
- Petty cash	500	500
	<u>374,039</u>	<u>254,803</u>
<b>4. RECEIVABLES</b>		
Club levies receivable	-	1,715
Other receivable	8,564	500,000
GST recoverable	7,449	12,072
Other receivables and prepayments	54,989	78,547
	<u>71,002</u>	<u>592,334</u>
<b>5. OTHER FINANCIAL ASSETS</b>		
At call deposit accounts	39,046	113,735
Term deposits	2,101,270	2,192,663
Commonwealth Bank Online Saver	487,091	682,571
	<u>2,627,407</u>	<u>2,988,969</u>
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		
Office equipment - at cost	73,560	73,814
Less accumulated depreciation	(71,109)	(64,231)
	<u>2,451</u>	<u>9,583</u>
	<b>Office Equipment</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Carrying Amount</b>		
<b>Opening Balance</b>	9,583	17,694
Additions	610	5,259
Disposals	(242)	(300)
Depreciation	(7,500)	(13,070)
<b>Closing Balance</b>	<u>2,451</u>	<u>9,583</u>

**LEGACY AUSTRALIA INCORPORATED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
<b>7. PAYABLES AND OTHER LIABILITIES</b>		
<b>Current</b>		
Trade and other creditors	28,544	31,475
	<u>28,544</u>	<u>31,475</u>
<b>8. EMPLOYEE BENEFITS PROVISIONS</b>		
<b>Current</b>		
Liability for long-service leave	10,545	-
Liability for annual leave	52,319	46,855
	<u>62,864</u>	<u>46,855</u>
<b>Non Current</b>		
Liability for long-service leave	23,480	8,363
	<u>23,480</u>	<u>8,363</u>
<b>9. RETAINED EARNINGS</b>		
Balance at 1 July	2,152,912	3,172,521
(Deficit)/Surplus attributable to the Association	(640,163)	418,733
Net transfer from/(to) reserves	479,242	(1,438,342)
<b>Balance at 30 June</b>	<u>1,991,991</u>	<u>2,152,912</u>
<b>10. RESERVES</b>		
<p>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.</p>		
<b>Total Reserve Movement</b>		
Balance at 1 July	1,438,342	-
Transfer from retained earnings to establish reserves	-	969,873
Income allocated to reserves	297,739	1,166,227
Expenditure allocated to reserves	(776,981)	(697,758)
<b>Balance at 30 June</b>	<u>959,100</u>	<u>1,438,342</u>

These movements occurred through the following reserves:

LEGACY AUSTRALIA INCORPORATED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>10. RESERVES (CONT'D)</b>		
<b>(a) National Programs - Educational Support</b>		
<b>Westpac Banking Corporation</b>		
Balance as at 1 July	877,398	-
Transfer from retained earnings	-	500,000
Westpac Donation recognised as income received	-	500,000
Legacy Westpac Fund Bursaries paid out to various beneficiaries in Legacy Clubs with the approval of Advocacy Committee	(309,986)	(56,686)
		-
Legacy Bursaries administered through AVCAT paid out	(7,168)	(35,916)
Administrative support costs allocated to the distribution of the bursaries	(20,000)	(30,000)
	<u>540,244</u>	<u>877,398</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	273,965	-
Transfer from retained earnings	-	286,032
Bursaries & Administration Fees paid out to AVCAT	(26,117)	(12,067)
<b>Funds Retained in reserve for future Financial Years</b>	<u>247,848</u>	<u>273,965</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.

**(b) National Programs - Social Support**

**Junior Welfare Fund (part of funds received through the Duchesa Bequest)**

Balance as at 1 July	88,821	-
Transfer from retained earnings	-	121,023
Expenses to Legacy Junior Public Speaking Award (LJPSA) paid out	(14,599)	(17,202)
Administrative support costs allocated to the program	(5,000)	(15,000)
<b>Funds Retained in reserve for future Financial Years</b>	<u>69,222</u>	<u>88,821</u>

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

LEGACY AUSTRALIA INCORPORATED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>10. RESERVES (CONT'D)</b>		
<b>(b) National Programs - Social Support (Cont'd)</b>		
<b>Australia Post/Florance Foundation</b>		
Balance as at 1 July	66,769	-
Donation Received	-	100,000
2017 Florance Foundation Expenses and Visits to AWM paid out	(11,018)	(18,231)
Administrative support costs allocated to the program	(5,000)	(15,000)
<b>Funds Retained in reserve for future Financial Years</b>	<b>50,751</b>	<b>66,769</b>

This fund is 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 from the Australia Post Fundraiser for the extension of the Florance Foundation initiative whereby Legacy juniors are sent to Canberra to lay 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 will be used to fund the participation of Victorian beneficiaries in Florance Foundation trips.

**(c) National Programs - Projects**

<b>Pozieres</b>		
Balance 1 July	131,389	-
Transfer from retained earnings	-	62,818
Pozieres Project Income received	7,000	566,227
Pozieres Project Expenses incurred	(61,343)	(497,656)
Transfer of surplus funds to Project Kokoda	(77,046)	-
<b>Funds Retained in reserve for future Financial Years</b>	<b>-</b>	<b>131,389</b>

This is comprised of funds to be used for the educational study tour of Legacy junior beneficiaries to the Western Front Battlefields in commemoration of the battle of Pozieres.

LEGACY AUSTRALIA INCORPORATED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>10. RESERVES (CONT'D)</b>		
<b>(c) National Programs - Projects (Cont'd)</b>		
<b>Kokoda</b>		
Balance 1 July	-	-
Kokoda Project Income Received	183,894	-
Expenses incurred	(316,750)	-
Transfer of surplus funds from Project Pozieres	77,046	-
	-	-
<b>Funds Retained in reserves for future Financial Years</b>	<u>(55,810)</u>	<u>-</u>

This is comprised of funds to be used to commemorate the 75th Anniversary of the Kokoda Campaign by providing a leadership development opportunity for junior legatees centred on trekking the Kokoda Trail, whilst simultaneously giving a select group of combat veterans the opportunity to explore their own stories post deployment. This is an ongoing project and the majority of the fundraising will be received in FY 2017/18. At the time of preparing this report, it is known that the project will break even or return a small surplus. Due to this timing difference the balance as at 30 June 2017 will remain as a deficit.

**(d) National Programs - General**

***Bequests***

Balance 1 July	-	-
Income received from Bequests	106,845	-
Expenses incurred	-	-
<b>Funds Retained in reserve for future Financial Years</b>	<u>106,845</u>	<u>-</u>

The funds were derived as a bequest from the estate of the Late Terrance Gordon Pearson to the Legacy Clubs of Australia for general usage as stipulated in the will.

**11. OPERATING LEASES**

The association has entered into a rental agreement in respect of office premises and office equipment under operating leases. The future minimum lease payments due under non-cancellable operating leases are as follows:

Within one year	101,756	71,120
Between one and five years	25,899	225,432
	<u>127,655</u>	<u>296,552</u>

**12. RELATED PARTIES**

No members of the Board or Director related entities transacted with Legacy Australia Incorporated during the year.

LEGACY AUSTRALIA INCORPORATED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>13. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Reconciliation of cash flow from operations with (deficit)/surplus from ordinary activities:		
Operating (Deficit)/Surplus	(640,163)	418,733
Adjustments for:		
- Loss on disposal of property, plant and equipment	242	22,386
- Depreciation expense	7,500	13,070
Changes in assets and liabilities		
- Increase in other receivables	521,332	(321,888)
- Increase/(decrease) in payables and other liabilities	(161,753)	100,222
- Increase in employee benefits provisions	31,126	15,172
<b>Cash Flow from Operations</b>	<u><u>(241,716)</u></u>	<u><u>247,695</u></u>

**14. COMMITMENTS**

Legacy Australia Incorporated has provided scholarships to a number of students. If all scholarships currently awarded are completed \$232,780 will be paid. The payments are not included as liabilities in the Statement of Financial Position. The payments will be made if the scholarship recipients continue their courses and meet established criteria which are assessed prior to each payment. These scholarships will be paid out of the existing Westpac and John Gough Memorial Fund Reserves.

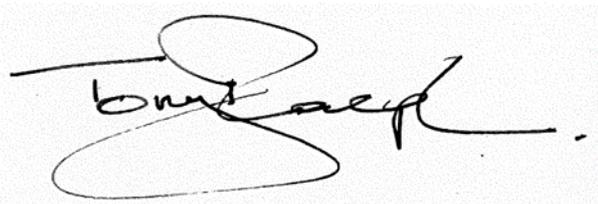
**LEGACY AUSTRALIA INCORPORATED  
DIRECTORS' DECLARATION**

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.

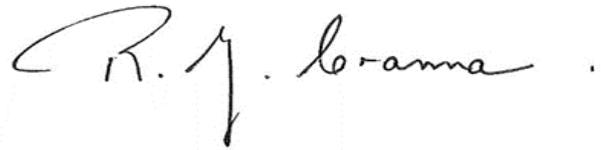
In the opinion of the Directors of Legacy Australia Incorporated:

- (a) the financial statements and notes, set out on pages 6 to 18 are in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, including giving a true and fair view of the financial position of Legacy Australia Incorporated as at 30 June 2017 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 Anthony Ralph  
Chairman**



**Legatee Richard Cranna  
Treasurer**

22 September 2017  
Sydney

Original signed

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
LEGACY AUSTRALIA INCORPORATED**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of Legacy Australia Incorporated (the registered entity) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the director's declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**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 registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of matter - Basis of accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Other information**

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's finance report, but does not include the financial report and 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 to be materially misstated.

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

### **Responsibilities of the directors for the Financial Report**

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The director's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the Financial Report**

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

**BDO East Coast Partnership**

The image shows a handwritten signature in black ink. The signature is written in a cursive style and appears to read 'Richard Dean'. Above the signature, the letters 'BDO' are written in a simple, blocky font.

Richard Dean  
Partner

Melbourne, 22 September 2017

Original Signed

**Legacy Australia Inc**

## **WELFARE PATRIOTIC FUND**

**SPECIAL PURPOSE FINANCIAL REPORT  
FOR THE PERIOD ENDED 30 JUNE 2017**

**LEGACY AUSTRALIA INC WELFARE PATRIOTIC FUND  
INCOME STATEMENT  
FOR THE PERIOD ENDED 30 JUNE 2017**

	2017 \$	2016 \$
<b>INCOME</b>		
Fundraising	-	22,913
Interest received	-	2
<b>Total revenue</b>	<u>-</u>	<u>22,915</u>
<b>EXPENSES</b>		
Support for Florence Foundation visits for Victorian Juniors in 2016 and 2017.	7,104	-
Bank fees	-	19
<b>Total expenditure</b>	<u>7,104</u>	<u>19</u>
<b>(Deficit)/surplus</b>	<u>(7,104)</u>	<u>22,896</u>
Opening retained earnings	-	-
<b>Closing retained earnings</b>	<u>15,792</u>	<u>22,896</u>

**LEGACY AUSTRALIA INC WELFARE PATRIOTIC FUND  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash at bank	15,892	22,996
<b>TOTAL CURRENT ASSETS</b>	<u>15,892</u>	<u>22,996</u>
<b>NET ASSETS</b>	<u>15,892</u>	<u>22,996</u>
<b>EQUITY</b>		
Settled sum	100	100
Retained earnings	15,792	22,896
<b>TOTAL EQUITY</b>	<u>15,892</u>	<u>22,996</u>

**LEGACY AUSTRALIA INC WELFARE PATRIOTIC FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR PERIOD 30 JUNE 2017**

**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 as defined in Statement of Accounting Concepts 1 “Definition of the Reporting Entity” and therefore there is no requirement to apply accounting concepts or standards in the preparation of these statements.

The financial report has however adopted the measurement requirements Australian Accounting Standards, which include Australian Equivalents to International Financial Reporting Standards.

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 in the process of registering with the Australian Charities and Not-for-profit Commissions (ACNC) as a Public Benevolent Institution and applying for 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**

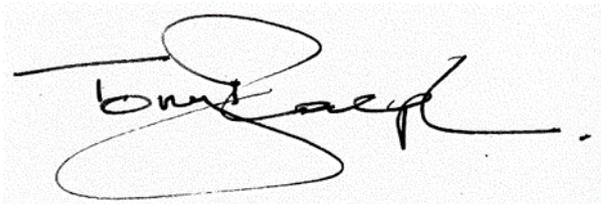
The directors of the Trustee declare that the financial statements and notes of the trust set out on pages 1 to 3:

- (a) are consistent with the financial reporting requirements of the Legacy Australia Inc Welfare Patriotic Fund declaration of trust and are appropriate to meet the needs of the members; and
- (b) present fairly the Trust's financial position as at 30 June 2017 and its performance for the financial period ended on that date.

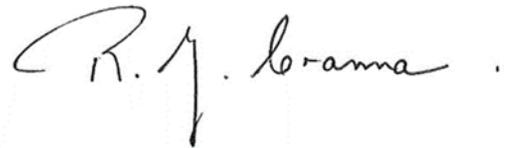
In the opinion of the directors of the Trustee:

- (a) the financial statements and notes are in accordance with the Trust Deed; and
- (b) there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.

Signed in Sydney in accordance with a resolution of the directors this 22nd day of September 2017.



Legatee Anthony Ralph  
Chairman



Legatee Richard Cranna  
Treasurer

Original signed

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF LEGACY AUSTRALIA INC  
WELFARE PATRIOTIC FUND**

## **Report on the Audit of the Financial Report**

### **Opinion**

We have audited the financial report of Legacy Australia Inc Welfare Patriotic Fund (the Entity), which comprises the statement of financial position as at 30 June 2017, the income statement for the year then ended and notes to the financial report, including a summary of significant accounting policies, and the declaration by the Trustee.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 30 June 2017 and of its financial performance for the year then ended in accordance with the basis of accounting described in note 2.

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

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

### **Emphasis of matter - Basis of accounting**

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Entity to meet the requirements of the trust deed. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of management and those charged with governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 2 is appropriate to meet the requirements of the trust deed and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

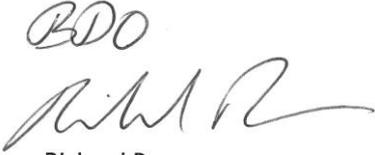
Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### **Auditor's responsibilities for the audit of the Financial Report**

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)  
This description forms part of our auditor's report.

**BDO East Coast Partnership**

The image shows a handwritten signature in black ink. The signature is stylized and appears to read 'Richard Dean'. Above the signature, the letters 'BDO' are written in a similar cursive style.

Richard Dean  
Partner

Melbourne, 22 September 2017

Original signed

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2016	Tony Ralph
2017	Tony Ralph

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