

**THE GALLIPOLI MEMORIAL CLUB
MUSEUM FUND INCORPORATION
ABN 49 001 038 740
Registered No. Y1930719**

ANNUAL REPORT

**for the year ended
31 December 2016**

NOTICE OF ANNUAL GENERAL MEETING

Wednesday 19 April 2017

To be held at 12 Loftus Street, Sydney
Commencing at 11:45am

AGENDA

- 1 Open Meeting**
- 2 Apologies**
- 3 Confirmation of Minutes of Previous Annual General Meeting**
- 4 Business arising out of Minutes**
- 5 To receive and, if thought fit, adopt the report of the Committee Members and the audited Financial Accounts for the year ended 31st December 2016**
- 6 Appointment of Committee Members**
- 7 Appointment of Auditor**
- 8 To deal with any other business that the meeting may approve, of which due notice has been given.**

By order of the Committee



DAVID SCOTT, Secretary

21 March 2017

**ANNUAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2016**

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The financial report covers The Gallipoli Memorial Fund Museum Fund Incorporated as an individual entity. The financial report is presented in the Australian currency.

The financial report was authorised for issue by the committee members on 21 March 2017. The Gallipoli Memorial Fund Museum Fund Incorporated has the power to amend and reissue the financial report.

COMMITTEE MEMBERS' REPORT

The committee members of The Gallipoli Memorial Club Museum Fund Incorporated (the "Fund") present their report together with the financial report for the year ended 31 December 2016, and the auditor's report thereon.

1 COMMITTEE MEMBERS

The names of the committee members of the Fund who held office at any time during or since the financial year are:

Committee Member	Particular
Ware, Stephen Leonard	Company Director
Ford, David Radcliffe	Solicitor
Codd, Edward Daryl	Stockbroker
Brogan, John Dominic	Company Director
Condon, Andrew	Company Director / Veteran
Heathwood, Scott, William James	Company Chairman
Robertson, John William	Retired Public Servant
Tetley, Glenn	Company Director

2 PRINCIPAL ACTIVITY

The principal activity of the Fund during the financial year was the acquisition and preservation of museum memorabilia.

There was no significant change in the nature of this activity during the financial year.

3 ANZAC CENTENARY PROJECTS

The major Anzac Centenary projects undertaken by the Fund have enabled it to acquire:

- * a unique collection of art demonstrating the approach and thinking that artists have embarked upon in interpreting those qualities of humanity exhibited during the 1915 conflict on the Gallipoli Peninsula; and
- * an outstanding collection of bronze busts of the Anzac soldiers awarded the Victoria Cross for heroic service conduct at Gallipoli.

Whilst the Fund has limited opportunities to exhibit these collections at present, they are available for loan. From time to time paintings from the art collection are lent for exhibitions in art galleries throughout Australia. Whilst at present, the bronze busts are on display at Government House in Sydney.

These collections are of significance and considerable value to the Fund.

COMMITTEE MEMBERS' REPORT
(CONTINUED)

4 REVIEW AND RESULTS OF OPERATIONS

During the year, the Fund continued to engage in its principal activity. The Fund's results for the year ended 31 December 2016 were:

- i. a loss of \$19,972 (2015: \$43,450 surplus); and
- ii. a decrement in the investment fair value of \$6,000 (2015: \$17,265 increment).

The continuing success of the Gallipoli Art Prize competition is most encouraging with another successful competition in 2017.

The Fund is a tax exempt body.

5 DIVIDENDS

The Constitution prohibits the payment of dividends to members of the Fund.

6 STATE OF AFFAIRS

No significant changes in the state of affairs of the Fund occurred during the financial year.

7 EVENTS SUBSEQUENT TO BALANCE DATE

No matter or circumstances have arisen since the end of the financial year which significantly affects the operations of the Fund, the results of those operations, or the state of affairs of the Fund in financial years subsequent to the financial year ended 31 December 2016.

8 LIKELY DEVELOPMENTS

The Fund will continue to pursue its principal activity and seek to generate a surplus. It is not expected that the results in future years will be adversely affected by the continuation of these operations.

COMMITTEE MEMBERS' REPORT
(CONTINUED)

9 COMMITTEE MEMBERS MEETINGS

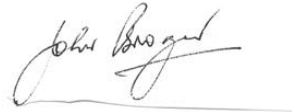
The number of meetings held and number of meetings attended by each of the committee members of the Fund during the financial year are listed below:

Committee Member	Period as a Committee Member	Meetings Attended	Meetings Eligible to Attend
S L Ware	15.4.1992 to Present	13	13
D R Ford	17.12.2009 to Present	11	13
E D Codd	16.4.1997 to Present	12	13
J D Brogan	19.4.2000 to Present	12	13
A Condon	30.9.2014 to Present	11	13
S Heathwood	25.6.2013 to Present	4	13
J W Robertson	24.9.2013 to Present	10	13
G Tetley	7.4.2004 to Present	12	13

Signed in accordance with a resolution of the committee members



S L Ware, Committee Member
21 March 2017



J D Brogan, Committee Member

To the Committee Members of The Gallipoli Memorial Club Museum Fund Incorporated

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead audit partner for the audit of the financial statements of The Gallipoli Memorial Club Museum Fund Incorporated for the financial year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of *the Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Yours sincerely



Nexia Sydney Partnership



Andrew Hoffmann
Partner

Sydney
Dated: 21 March 2017

Independent Auditor's Report to the Members of The Gallipoli Memorial Club Museum Fund Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the annual report of The Gallipoli Memorial Club Museum Fund Incorporated (the Company), which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee members' declaration.

In our opinion, the accompanying annual report of the Company is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i) giving a true and fair view of the Company's financial position as at 31 December 2016 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards 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 annual report' section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the annual 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.

Other information

The Committee members are responsible for the other information. The other information comprises the information in The Gallipoli Memorial Club Museum Fund Incorporated's annual report for the year ended 31 December 2016, but does not include the financial report and the auditor's report thereon.

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

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

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

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Directors' responsibility for the annual report

The directors of the Company are responsible for the preparation of the annual report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the annual report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibility for the audit of the annual report

Our objectives are to obtain reasonable assurance about whether the annual 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 annual report.

A further description of our responsibilities for the audit of the annual report is located at The Australian Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

The Nexia logo is written in a stylized, cursive font.**Nexia Sydney Partnership**A handwritten signature in black ink, appearing to read 'Andrew Hoffmann', with a long horizontal line extending to the right.

Andrew Hoffmann
Partner

Dated: 24 March 2017
Sydney



COMMITTEE MEMBERS' DECLARATION

The committee members have determined that the Fund is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in note 3 to the financial statements.

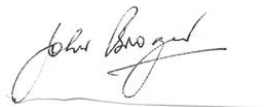
The committee members of the Fund declare that:

- 1** in the committee members' opinion, the financial statements and accompanying notes set out on pages 11 to 21 are in accordance with the Associations Incorporation Act 2009 and:
 - (a)** comply with the Accounting Standards and Division 60 of the Australian Charities and Not for Profits Commission Act 2012 as described in note 2a to the financial statements;
 - (b)** give a true and fair view of the Fund's financial position as at 31 December 2016 and its performance for the year ended on that date in accordance with the accounting policies described in note 3 to the financial statements;
- 2** in the committee members' opinion, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
- 3** the provisions of the Charitable Fundraising Act 1991, the Regulations under that Act and the conditions attaching to the authority have been complied with.

This declaration is made in accordance with a resolution of the committee members and signed for and on behalf of the committee members by:



S L Ware
Committee Member



J D Brogan
Committee Member

21 March 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016	2015
		\$	\$
Financial Income	4	13,004	131,415
Other Expenses	5	<u>(32,976)</u>	<u>(87,965)</u>
SURPLUS/(DEFICIT) BEFORE INCOME TAX		(19,972)	43,450
Income Tax Expense	3c	<u>-</u>	<u>-</u>
SURPLUS/(DEFICIT) FOR THE YEAR		(19,972)	43,450
Other Comprehensive Income after Income Tax			
Decrement in Investments Revaluation Reserve	14	<u>(6,000)</u>	<u>17,265</u>
TOTAL COMPREHENSIVE INCOME/(DEFICIT) FOR THE YEAR		<u><u>(25,972)</u></u>	<u><u>60,716</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

THE GALLIPOLI MEMORIAL CLUB MUSEUM FUND INCORPORATED
ABN 49 001 038 740
Registered No. Y1930719

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and Cash Equivalents	6	540,929	524,675
Receivables	7	-	54,054
TOTAL CURRENT ASSETS		540,929	578,729
NON-CURRENT ASSETS			
Museum Memorabilia	8	553,826	533,826
Other Assets	9	1,000,000	1,000,000
Shares in Listed Company	10	66,000	72,000
Leasehold Improvements	11	1,400	3,200
TOTAL NON-CURRENT ASSETS		1,621,226	1,609,026
TOTAL ASSETS		2,162,155	2,187,755
CURRENT LIABILITIES			
Trade and Other Payables	13	1,172	800
TOTAL CURRENT LIABILITIES		1,172	800
TOTAL LIABILITIES		1,172	800
NET ASSETS		2,160,983	2,186,955
MEMBERS' FUNDS			
Retained Surpluses	12	2,210,846	2,230,818
Reserves	14	(49,863)	(43,863)
TOTAL MEMBERS' FUNDS		2,160,983	2,186,955

The above statement of financial position should be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN MEMBERS' FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
TOTAL MEMBERS' FUNDS AT THE BEGINNING OF THE FINANCIAL YEAR		2,186,955	2,126,240
Surplus/(Deficit) for the Year	12	(19,972)	43,450
(Decrement)/Increment in Investment Revaluation Reserve	14	<u>(6,000)</u>	<u>17,265</u>
TOTAL MEMBERS' FUNDS AT THE END OF THE FINANCIAL YEAR		<u><u>2,160,983</u></u>	<u><u>2,186,955</u></u>

The above statement of changes in members' funds should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016	2015
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Operations		55,391	23,101
Payments in the Course of Operations		(30,941)	(87,718)
Interest Received		11,804	28,162
		<hr/>	<hr/>
Net Cash From (Used in) Operating Activities	16ii	36,254	(36,455)
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of Museum Memorabilia		(20,000)	(32,148)
Proceeds on Sale of Investments		-	695,299
		<hr/>	<hr/>
Net Cash From/(Used In) Investing Activities		(20,000)	663,151
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Deposit paid		-	(1,000,000)
		<hr/>	<hr/>
Net Cash Used In Financing Activities		-	(1,000,000)
		<hr/>	<hr/>
NET INCREASE/(DECREASE) IN CASH HELD		16,254	(373,304)
Cash and Equivalents at Beginning of the Financial Year		524,675	897,979
		<hr/>	<hr/>
Cash and Equivalents at End of the Financial Year	16i	540,929	524,675
		<hr/> <hr/>	<hr/> <hr/>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1 REPORTING ENTITY

The Gallipoli Memorial Club Museum Fund Incorporated, incorporated and domiciled in Australia, is an incorporated association. The address of the registered office is 12 Loftus Street, Sydney, NSW, 2000.

The financial report includes financial statements for the Fund as an individual entity. The principal activity of the entity is the acquisition and preservation of museum memorabilia.

2 BASIS OF PREPARATION

a Statement of compliance

The financial report is a special purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and statutory requirements except for the key management personnel disclosures required per AASB 124 – "Related Party Disclosures, and the Australian Charities and Not-For-Profits Commission Act 2012.

The financial statements were approved by the committee members on 21 March 2017.

b Basis of measurement

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

c Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Fund's functional currency.

d Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates.

3 SIGNIFICANT ACCOUNTING POLICIES

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

a **Income Recognition**

Dividends

Dividends are recognised when the rights to receive the entitlements are established.

Interest Income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

b **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 Taxation Office ("ATO"). 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 are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as either a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

c **Income Tax**

The fund is exempt from income tax under the provisions of the Income Tax Assessment Act 1997.

d **Recoverable Amount of Non-Current Assets**

The carrying amount of non-current assets is reviewed annually by the committee members to ensure that it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present value using a market determined risk adjusted discount rate.

e **Investment Revaluation Reserve**

Increments on the market value of Investments are credited to the investment revaluation reserve. Decrements on the market value of Investments are debited to the statement of comprehensive income except where there is a balance in the investment revaluation reserve that may have the decrement debited to it.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

f New Standards

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2016 and earlier application is permitted; however, the Museum has not early adopted new or amended standards in preparing these financial statements. The Museum has not yet performed an analysis of the impact of the new standards, however, they are not expected to have any material impact on the preparation of the financial standards.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
4 FINANCIAL INCOME		
Interest Income	11,804	30,553
Other Income	1,200	62,801
Gain on Sale of Investment	-	38,061
	<u>13,004</u>	<u>131,415</u>
5 OTHER EXPENSES		
Surplus for the year is after charging the following specific expenses:		
Art Prize Expenses	26,862	81,932
Rent and Storage	2,514	2,623
Other Expenses	3,600	3,409
	<u>32,976</u>	<u>87,965</u>
6 CASH AND CASH EQUIVALENTS		
Current		
Macquarie Bank Cash Management Account	34,204	33,718
NAB Business Maximiser Cash Management Account	56,725	40,957
NAB Term Deposits	450,000	450,000
	<u>540,929</u>	<u>524,675</u>
7 RECEIVABLES		
Current		
Other Debtors	-	54,054
	<u>-</u>	<u>54,054</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
8 MUSEUM MEMORABILIA		
Non-Current		
Anzac Centenary and Wartime Memorabilia	210,765	210,765
Art Prize Acquisitions	343,061	323,061
	<u>553,826</u>	<u>533,826</u>
9 OTHER ASSETS		
Non-Current		
Deposits	<u>1,000,000</u>	<u>1,000,000</u>
10 INVESTMENTS		
Non-Current		
Shares in listed company:		
Bionomics Limited - at cost	115,863	115,863
Net change in value	(49,863)	(43,863)
	<u>66,000</u>	<u>72,000</u>
Market Value		
11 LEASEHOLD IMPROVEMENT		
Non-Current		
Graffiti Walls	<u>1,400</u>	<u>3,200</u>
12 RETAINED SURPLUSES		
Retained Surplus at the Beginning of the Year	2,230,818	2,187,368
Surplus/(Deficit) for the Year	(19,972)	43,450
	<u>2,210,846</u>	<u>2,230,818</u>
Retained Surplus at the End of the Year		
13 TRADE AND OTHER PAYABLES		
Current		
Other Creditors and Accruals	<u>1,172</u>	<u>800</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	\$	\$
14 RESERVES		
<i>Investment Revaluation Reserve</i>		
Balance at the Beginning of the Year	(43,863)	(61,128)
Increment/(Decrement) for the Year	(6,000)	17,265
	<hr/>	<hr/>
Balance at the End of the Year	(49,863)	(43,863)
	<hr/>	<hr/>

15 COMMITTEE MEMBER DISCLOSURES

A Committee Members

The persons who were committee member of the Fund during the financial year were:

Ware, Stephen Leonard	Ford, David Radcliffe
Codd, Edward Daryl	Brogan, John Dominic
Condon, Andrew	Robertson, John William
Heathwood, Scott William James	Tetley, Glenn

B TRANSACTIONS WITH COMMITTEE-MEMBER RELATED ENTITIES

Nominal sub-commissions, amounting to nil in 2016 (2015: \$35), were received by Mr Codd as a result of his employment with Bell Potter Securities Limited and relates to the arrangement of The Gallipoli Memorial Club Museum Fund Inc.'s investment in shares and funds deposited with Macquarie Bank Limited. This arrangement was contracted under normal terms and conditions.

C Remuneration of Committee Members

All committee members act in an honorary capacity and receive no remuneration. In accordance with the Fund's Constitution, committee members may be reimbursed for out-of-pocket expenses incurred while acting on behalf of the Fund.

16 NOTES TO THE STATEMENT OF CASH FLOWS

i For the purpose of the Statement of Cash Flows, Cash includes Cash at Bank and Cash at the end of the financial year shown in the Statement of Financial Position consists of:

Macquarie Bank Cash Management Account	34,204	33,718
NAB Business Maximiser Cash Management Account	56,725	40,957
NAB Term Deposits	450,000	450,000
	<hr/>	<hr/>
	540,929	524,675
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
16 NOTES TO THE STATEMENT OF CASH FLOWS (Continued)		
ii Reconciliation of Surplus/(Deficit) for the Year to Net Cash From Operating Activities:		
Surplus/(Deficit) for the Year	(19,972)	43,450
Net profit on disposal of investments	-	(38,061)
Depreciation	1,800	400
Changes in receivables	54,053	(43,044)
Changes in payables	373	800
	<u>36,254</u>	<u>(36,455)</u>
Net Cash From/(Used In) Operating Activities	<u>36,254</u>	<u>(36,455)</u>
17 INFORMATION AND DECLARATIONS TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991		
i Fundraising Appeals:		
Gallipoli Art Prize Competition	-	-
Museum Development	-	-
	<u>-</u>	<u>-</u>
Net Appeal Proceeds	<u>-</u>	<u>-</u>
ii Application of Fundraising Proceeds to Charitable Purposes:		
Art Prize Acquisitions	20,000	32,148
Museum Memorabilia and Graffiti Walls	-	-
	<u>20,000</u>	<u>32,148</u>
Total Application of Proceeds	<u>20,000</u>	<u>32,148</u>