

LITHUANIAN CLUB LIMITED

ABN 68 000 410 622

ANNUAL REPORT

2 0 1 8



OFFICE BEARERS 2017/18

PRESIDENT

R. CIBAS

TREASURER/SECRETARY

J. PENKAITIS

DIRECTORS

J. CERNAUSKAITE, M. CIBAS, M. CIRBIENE, E. LENCIAUSKAS, G. SAUKA, R. ZAKAREVICIUS.

CLUB PROFESSIONAL SERVICES

AUDITOR

PETER KRUPSKI

P A TAX & ACCOUNTING PTY LTD

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the

56th ANNUAL GENERAL MEETING OF THE LITHUANIAN CLUB LIMITED
ABN 68 000 410 622

Will be held at the premises of the Lithuanian Club Limited ('the Club') located at 16-20 Meredith Street, Bankstown, NSW 2200 on

SUNDAY 30 SEPTEMBER 2018 AT 2:30PM

In the Clubhouse

THE BUSINESS OF THE MEETING IS

- A. To confirm the Minutes of the 2017 Annual General Meeting.
- B. To receive and consider the Financial Report, the Directors' Report and the Report of the Auditor for the year ended 30 June 2018.
- C. To appoint the auditor. The Board recommends the reappointment of Peter Krupski of P.A Tax & Accounting Pty Ltd.
- D. To declare the result of the election of the Board of Directors. (Note: The Directors will hold office until the conclusion of the Annual General Meeting after this Meeting.)
- E. To consider and if thought fit, pass the ordinary resolutions contained in the 'Notice of Ordinary Resolution'.
- F. To allow the Members as a whole to ask questions about or make comment on the management of the Club.

IMPORTANT INFORMATION TO MEMBERS

The Registered Clubs Act 1976 prohibits proxy voting at any General Meeting (including Annual General Meeting) and at any election of the Board of Directors.

All current directors (7) have agreed to nominate for election to the Board. They are Jurgita Cernauskaite, Maritsa Cibas, Romualdas Cibas, Emilis Lenciauskas, John Penkaitis, Gediminas Sauka and Ramutis Zakarevicius.

Members must be financial to vote at the meeting. Renewal fee of \$10 can be paid at the Club or directly into Club's bank account: Lithuanian Club Ltd. ANZ Bank, BSB 012226 Account No. 484530752 (ensure your name is used as reference).

The Club's Annual Report will be available not less than 21 days before the Meeting on the Club's website at www.lithuanianclub.org.au for members to access and download. A member may elect to receive, free of charge, a hard copy of the Annual Report by giving the Club a notice in writing to that effect. An election to receive a hard copy of the Annual Report will be a standing election for each later financial year until the member changes that election. Please contact the Club's office (either in person or telephone 9708 1414) if you need assistance in completing a notice in writing to elect to receive a hard copy of the Annual Report.

Please submit any questions relating to the Club's accounts to the President by 5:00pm on Thursday 27 September 2018 to allow time for the Club and the Club's Auditor to give a suitably researched response.

By Direction of the Board

Dated: 19 August 2018

Notice to Members

Nomination forms for the Board of Directors may be obtained from the Club office, completed and left at the office, not later than 9th September, 2018 for collection by the Secretary.

NOTICE OF ORDINARY RESOLUTION

Notice is hereby given that at the Annual General Meeting of the Lithuanian Club Limited ('the Club') to be held on Sunday 30 September 2018 commencing at 2:30pm in the Club's premises at 16-20 Meredith Street Bankstown NSW 2200, members will be asked to consider and if thought fit, pass the following resolution which is proposed as an ordinary resolution:

Ordinary Resolution

That pursuant to the Registered Clubs Act 1976 the members approve and agree to the reasonable expenditure by the Club no exceeding \$30,000 until the Club's next Annual General Meeting on benefits relating to the following activities of Directors and other members of the Club (paragraphs (a) to (f)) including the professional development and education of Directors and other members (paragraphs (g) to (k)), and the members acknowledge the benefits are not available to members generally but only to Directors and other members who are involved in the following activities:

- (a) the reasonable cost of a meal and beverage for each Director and committee member during, immediately before or immediately after a Board or committee meeting on the day of that meeting when that meeting corresponds with a normal meal time;
- (b) reasonable expenses incurred by Directors in travelling to and from Board or committee meetings, provided the expenses incurred are approved by the Board before payment is made on production of invoices, receipts or other proper documentary evidence of that expenditure;
- (c) An honorarium for volunteer workers, the sum being determined by the Board and such expenses being properly recorded;
- (d) reasonable expenses incurred by Directors in relation to Club-related activities including entertainment of special guests of the Club and other promotional activities performed by Directors, provided the expenses incurred are approved by the Board before payment is made on production of invoices, receipts or other proper documentary evidence of that expenditure;
- (e) the provision of apparel (for example; Club blazer, tie, shirt or blouse, and trousers or skirt) for each newly elected Director and the replacement of apparel for existing Directors as required, for the use of Directors when representing the Club;
- (f) the reasonable cost of Directors and their respective partners attending an annual dinner and other functions approved by the Board;
- (g) the reservation of car spaces in the Club's car park for Directors and Officers of the Club;
- (h) the reasonable cost of Directors, employees approved by the Board, and their partners where appropriate, attending industry-related meetings including the Clubs NSW Annual Conference and Clubs NSW Annual General Meeting and activities directly associated with that Conference and Meeting;

NOTICE OF ORDINARY RESOLUTION

- (i) the reasonable cost of Directors and employees approved by the Board attending seminars, lectures, trade displays, organized study tours, fact-finding tours and other similar events, provided those attendances are approved by the Board as being necessary or desirable for the benefit of the Club;
- (j) the reasonable cost of Directors and employees approved by the Board attending other registered clubs, hospitality and gaming venues for the purpose of viewing and assessing their facilities and methods of operation, provided those attendances are approved by the Board as being necessary or desirable for the benefit of the Club;
- (k) the reasonable cost of providing Directors with club industry specific training including required training under the Registered Clubs Regulation 2015;
- (l) the reasonable cost of providing Directors with membership of the NSW Club Directors Institute.'

Explanatory Note to Ordinary Resolution: Under the Registered Clubs Act the Club is required to offer benefits equally to all members unless the members pass a resolution to approve different benefits for certain members. The purpose of this ordinary resolution is to approve reasonable expenditure by the Club until the next Annual General Meeting on benefits relating to activities of Directors and other members including professional education and development. In particular, the purpose of the Club's expenditure on the professional development and education of Directors (paragraphs (g) to (k)) is to help the Board keep up-to-date with current trends and developments that could affect how the Club conducts its business in the future. Paragraph (j) includes required training for directors under the Registered Clubs Regulation. The Regulation defines required training as:

- (a) the courses entitled "Director Foundation and Management Collaboration" and "Finance for Club Boards" conducted by or on behalf of Clubs NSW, or
- (b) the units of competency entitled "Implement Board member responsibilities-BSBGOV401", "Work within organizational structure-BSBGOV402" and "Analyze financial reports and budgets-BSBGOV403" conducted by an NVR registered training organization (within the meaning of the National Vocational Education and Training Regulator Act 2011 of the Commonwealth) or any units of competency that supersede and are equivalent to those units.

The Club's expenditure on Directors' expenses will be recorded in the Club's accounts. Financial members in the classes of Life Membership, Foundation membership, Ordinary membership are entitled to vote on this ordinary resolution.

Note: To be passed an ordinary resolution must be carried by a simple majority (50% plus 1) of the members being entitled to vote and who are present and voting at the Meeting. The Registered Clubs Act 1976 does not permit proxy voting.

PRESIDENT'S REPORT

Dear Members,

On behalf of the Board of Directors of the Lithuanian Club Limited, I hereby present the 56th Annual Report for the year ended 30th June 2018.

Every year our ranks diminish. With sadness we remember those of us who have passed on.

During the last financial year, the Club again served the Lithuanian community. Besides the countless events, we hosted Atspindys, Friends of Ballet, Bakužėnai, Choir, Consular Mission, Kovas, Mokyklėlė, Moterų Draugija, Catholic Parish, Scouts, Sukurys and Židinys. We celebrated the Melbourne Cup, a Fashion Parade, Kūčios, Savkovas and Zakarauskas concerts, Easter, Mothers Day and Joninės. Perhaps the most outstanding event we hosted was the Vasario 16 Centenary Celebration which was attended by a senior delegation from Lithuania's Foreign Affairs, led by Vice Minister Darius Skusevičius and Ambassador Gediminas Varvuolis, from Japan. We also provided a haven for the Biblioteka, Mūsų Pastogė and Talka.

No doubt the ambience in the Club is now quite uplifting. It is also nice to see an increasing number of faces frequenting the Club from the new Lithuanian arrivals. However, the merging of the two emigre groups remains a challenge.

Again, we have suffered from a reduced Tongan income and ongoing noise complaints from the residents to the authorities. Although we managed to reign in a lot of our costs, the reality is, that the fixed costs of this location are very high and not commensurate with our trading activities, despite our efforts to increase patronage.

Confronted with these problems the Board decided not to proceed with the partitioning of the Club for rental income, as the recovery of the costs would take many years to achieve and the reality of a sale was looking more likely.

Meanwhile, the Club is surviving from members' loans. As we all know, during the crisis, the Board appealed to the members for loans. Three years after the crisis and by June 30th loans totalling \$50,000 had matured. However, all lenders agreed to roll over their loans for another three years, at a reduced interest rate of three percent.

Remarkably, one new lender offered a substantial loan (\$200,000) in support of the efforts to revitalise the Club, on condition of anonymity. This removed the urgency to sell the premises and will enable the Board to assess the Club's future, with its members, in a measured manner.

Finally, I wish to thank all community groups and their families for supporting the Club. I am very grateful to our loyal staff, selfless Directors, to the volunteers and of course, to the generous support of our lenders, who keep helping the Club to survive.



R. Cibas
President.

PIRMININKO PRANEŠIMAS

Gerbiamieji Nariai,

Sydnejaus Lietuvių Klubo Valdybos vardu šiuomi pristatau 56-tą Metinę Ataskaitą už finansinius metus užsibaigusius 2018 m. birželio mėn. 30 d.

Kas met mūsų narių gretos retėja. Su liūdesiu prisimenam iškeliavusius Amžinybėn.

Praėjusiais finansiniais metais Klubas ir vėl pasitarnavo lietuvių bendruomenei. Be galybės renginių, priėmėm Atspindį, Baletu Bičiulius, Bakužėnus, Choristus, Katalikų Parapiją, Konsulinę Misiją, Mokyklėlę, Moterų Draugiją, Skautus, Sportininkus, Sukurį ir Židiniečius. Atšventėm Melbourne Cup, Madų Paradą, Kūčias, Savkovo ir Zakarausko koncertus, Velykas, Motinos Dieną ir Jonines. Galimai, svarbiausias įvykis kurį atšventėm tai buvo Vasario 16-tos Šimtmečio Minėjimas, kuriame dalyvavo Lietuvos Užsienio Reikalų Viceministras Darius Skusevičius su direktoriais ir Ambasadorius Gediminas Varvuolis, iš Japonijos. Taipogi, suteikėm užuovėją Bibliotekai, Mūsų Pastogei ir Talkai.

Be abejo, Klubu nuotaika pakilesnė. Smagu matyti vis daugėjančius naujai atvykusius lietuvių į Australiją veidus. Tačiau abiejų emigracijų bangų suliejimas tebelieka neišspręstas uždavinys.

Ir vėl nukentėjom nuo samazėjusių pajamų iš tongiečių ir pasikartojančių gyventojų apskundimų, dėl triukšmo, įvairiems autoritetams. Nors išlaidas gerokai suvaldėm, realistiškai žiūrint, mūsų pastovios išlaidos šitoj vietovėj neprilygsta mūsų prekybinei veiklai, nežiūrint pagyvėjusiai klientūrai.

Susidūrus su šitokiais keblumais Valdyba nutarė Klubu neperdaryti išnuomavimui, nes atgauti remontui išleistus pinigus užtruktų daugelis metų. Pardavimo išeitis atrodė tinkamesnė.

Tuo tarpu Klubą išlaiko narių paskolos. Kaip visi žinome, krizės metu, Valdyba kreipėsi į narius dėl paskolų. Po trijų metų, birželio 30 d., suėjo terminas išmokėti \$50,000. Tačiau visi skolintojai sutiko skolas paristi dar trims metams, ir netgi už sumažintus, tris nuošimčius.

Nuostabiausiai, atsirado naujas skolintojas, kuris pats pasiūlė stambią paskolą (\$200,000), atgyvinti Klubą, su sąlyga, kad išlaikytumėm skolintojo anonimiją. Šitoksai poelgis nuėmė skubotumą parduoti Klubu patalpas ir įgalins Valdybą apsvarstyti Klubu ateitį su nariais.

Pagaliau, dėkoju visiems bendruomenės nariams ir šeimoms remiantiems Klubą. Esu labai dėkingas ištikimiems tarnautojams, pasiaukojusiems direktoriams, savanoriams ir žinoma, mūsų kilniems skolintojams, kurie vis padeda Klubui išsilaikyti.



R. Cibas
Pirmininkas.

TREASURER'S REPORT

Dear Members,

It is with pleasure that I present my third Treasurer's Report for the Lithuanian Club Limited for the year ended 30th June 2018.

The Club incurred a loss of \$171,511 as against a loss of \$171,255 for the previous year. If depreciation is excluded from the operating loss, this expense being a no cash item, the loss comes in at \$92,349 as against a cash operating loss of the previous year of \$91,167, an increase of \$1,182.

Bar sales have suffered a decrease of \$28,285. This decrease is due principally to a decrease in attendance and cancellation of some Saturday night functions used by the Tongan community. However, Bar sales for July and August 2018 have improved and the Board expects greater revenue from this source for 2019.

A number of expense items require explanation:

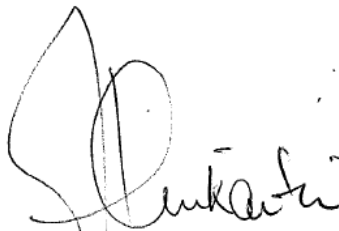
* **Honorarium.** There has been a reduction of \$16,642. This reduction is due to allocating this cost to Restaurant expenses and not to Honorarium as was done in the previous year.

* **Repairs and Maintenance.** There has been a reduction of \$17,131. In the previous year the modernisation required for Furniture and Fittings was completed and very little was needed for this year.

* **Strata Levies.** There was an increase in the expense of \$24,403. The Strata levies for the previous year were negligently understated to true cost and required remedy. The Board has been advised that the 2019 cost should be in the vicinity of \$17,000.

Although the revenue from all sources has decreased by \$26,685 over the previous year the Board has been able to reduce overheads to about the same amount. Going forward if revenue can be kept to the level of 2018 the Board, upon examination believes it can reduce the loss for the forthcoming year to about \$50,000.00.

On behalf of the Board I would like to thank the support of our Members and their generosity in assisting with Loans.



J. PENKAITIS
Treasurer.

DIRECTORS' REPORT

The directors present their report of the company for the year ended 30 June 2018.

1. Directors

The names of the directors in office at any time during or since the end of the financial year are-

Name	Qualifications	Tenure*	Appointed/ Resigned	Responsibilities
CIBAS Romualdas	Director	Director 3 years		President
PENKAITIS John	Accountant	Director 3 years		Secretary/ Treasurer
CIBAS Maritsa	Director	Director 2 years		Director
CIRBIENE Monika	Accountant	Director 1 year	Resigned 19 Aug 2017	Director
CERNAUSKAITE Jurgita	Economist	Director 2 year		Director
LENCIAUSKAS Emilis	Marketing Ex	Director 2 year		Director
SAUKA Gediminas	Retired	Director 1 year	Appointed 20 Aug 2017	Director
ZAKAREVICIUS Ramutis	Academic	Director 1 year	Appointed 20 Aug 2017	Director

DIRECTORS' REPORT

2. Class of members

The number of members in each class of membership as recorded in the Register of Members as at the 30 June 2018 are-

	2018	2017
Life	3	3
Foundation	8	9
Ordinary	152	143
Associate	6	8
	169	163

3. Results

The loss of the company for the 2017/2018 financial year amounted to \$171,511 (Loss in 2016/2017: \$171,255).

4. Attendance at directors' meetings

The following table sets out the number of Directors' meetings held during the period 1 July 2017 to 30 June 2018. During the year ten (10) Board meetings were held.

	Board Meetings	
	Number eligible to attend	Number attended
CIBAS, Romualdas	10	10
PENKAITIS, John	10	9
CIRBIENE, Monika	1	-
CIBAS, Maritsa	10	10
CERNAUSKAITE, Jurgita	10	7
LENCIAUSKAS, Emilis	10	3
SAUKA, Gediminas	9	8
ZAKAREVICIUS, Ramutis	8	8

5. Short and long term objectives

To further consolidate the financial position of the core business while pursuing refurbishments to ensure we remain a successful and friendly club.

6. Strategy for achieving the objectives

To achieve the objectives, the company has adopted the following strategies:

DIRECTORS' REPORT

- Strengthen the company's financial position to allow it to meet the cost of refurbishments
- Follow best practice principles of sound corporate governance
- Provide a value offering in product and services while increasing profitability

7. Principal activities

The principal activity of the Lithuanian Club Limited during the financial year was the operation of a Licensed Club for the benefit of its members and guests and the promotion of Lithuanian culture within the local community.

No significant changes in the nature of the Club's activity occurred during the financial year.

8. How these activities assist in achieving the objectives

By operating the licensed club to generate the revenue that will allow us to achieve our objectives.

9. Measurement of Performance

Performance is measured against a financial budget, a strategic plan and a set of key performance indicators that include EBITDA, Bar Gross Profit percentage, and Wages percentage to sales.

10. Auditor's Independence Declaration

We have received an Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 (Page 31).

11. Statement of core property and non-core property pursuant to section 41J (2) of the Registered Clubs Act 1976:

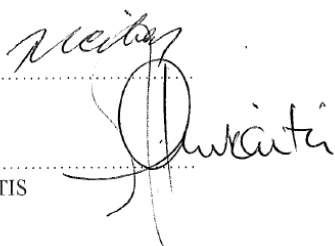
As at 30 June 2018 the Club's core property is the land (Lot 102 in Deposited Plan 1067620) at 1/ 16-20 Meredith Street Bankstown NSW 2200 on which the Club's licensed premises and car park are situated.

Signed in accordance with a resolution of the Board of Directors.

Dated this the 19th day of August 2018.

Director
R CIBAS

Director
J PENKAITIS



STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash	4	308,049	213,307
Receivables	5	464	493
Inventories	6	15,502	10,131
Other Assets	7	6,569	1,628
TOTAL CURRENT ASSETS		330,584	225,559
NON-CURRENT ASSETS			
Property, plant and equipment	8	4,974,807	5,053,969
Other Assets	7		
TOTAL NON-CURRENT ASSETS		4,974,807	5,053,969
TOTAL ASSETS		5,305,391	5,279,528
CURRENT LIABILITIES			
Accounts payable	9	17,561	14,645
Borrowings	10	163,300	56,000
Provisions	11		
TOTAL CURRENT LIABILITIES		180,861	70,645
NON-CURRENT LIABILITIES			
Borrowings	10	476,797	389,639
Provisions	11		-
TOTAL NON-CURRENT LIABILITIES		476,797	389,639
TOTAL LIABILITIES		657,658	460,284
NET ASSETS		4,647,733	4,819,244
EQUITY			
Reserves		2,839,931	2,839,931
Retained Earnings (Accumulated Losses)		1,807,802	1,979,313
TOTAL EQUITY		4,647,733	4,819,244

The accompanying notes form part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
Revenue	2	125,597	149,081
Other Income	2	17,129	18,774
Sales of Assets	2		
Changes in inventories		5,371	(3,699)
Costs of materials		(65,928)	(64,120)
Employee benefits expense		(19,504)	(18,427)
Depreciation, amortization and impairment of non-financial assets		(79,162)	(80,088)
Member's amenities			(4,329)
Advertising & Promotion			
Insurance expense		(10,574)	(7,982)
Repairs & Maintenance expense		(2,681)	(24,866)
Utilities & Occupancy		(82,188)	(71,215)
Other expenses from ordinary activities		(48,108)	(62,031)
Finance Costs (interest on loans)		(13,818)	(6,540)
Finance Income (interest received)	2	2,355	4,187
Profit/(Loss) Before Tax		(171,511)	(171,255)
Tax Expense			-
Profit/(Loss) for the year from continuing operations		(171,511)	(171,255)
Profit for the year from discontinued operations			-
Profit/(Loss) for the year	3	(171,511)	(171,255)

The accompanying notes form part of these financial statements.

**STATEMENT OF COMPREHENSIVE INCOME
BY COST CENTRE FOR THE YEAR ENDED 30 JUNE 2018**

Club Operations

	2018	2017
	\$	\$
Bar Trading		
Bar Sales	54,901	83,186
Cost of Goods Sold	(23,540)	(33,443)
Other Expenses	(1,806)	(7,422)
Total Net Income/(Loss) from Bar	29,555	42,321
Restaurant		
Restaurant Sales	68,816	63,033
Cost of Goods Sold	(32,711)	(31,021)
Other Expenses	(25,441)	(11,890)
Total Net Income/(Loss) from Restaurant	10,664	20,122
Room Hire		
Revenue	1,880	2,863
Expenses		
Total Net Income/(Loss) from Room Hire	1,880	2,863
Interest Received		
Interest Received	2,354	4,187
Total Interest Received	2,354	4,187
Other Income		
Cultural Grant	1,364	
Donations Received	6,412	4,598
Managed funds	2,880	59
Membership subscriptions	1,200	1,368
Photocopying	1,773	2,104
Rent Received	3,500	10,500
Raffle Income		144
Total Other Income	17,129	18,773

The accompanying notes form part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
BY COST CENTRE FOR THE YEAR ENDED 30 JUNE 2018

Club Operations

	2018 \$	2017 \$
TOTAL NET INCOME/(LOSS) FROM CLUB OPERATIONS	61,582	88,266
Accounting		114
Audit	6,000	13,773
Bank Fees	1,302	1,305
Book Keeping	4,830	1,170
Cleaning, waste	6,547	14,512
Computer, website expenses	2,589	243
Consultants Fees		4,500
Depreciation Expenses	79,162	80,088
Director Expenses		188
Electricity	25,531	26,963
Functions		4,001
Hall Decorations	1,848	568
Honorariums	2,630	19,272
Insurance	9,998	8,368
Interest Paid	12,515	5,235
Office supplies	4,354	1,149
Pest Control		52
Postage	476	640
Printing		487
Raffles		328
Rates	9,936	9,096
Repairs and Maintenance	1,681	18,812
Security	391	456
Staff Training	210	163
Strata Levies	33,460	9,057
Sub-Contractors Administration		11,245
Sub-Contractors Cleaning	1,105	
Superannuation	1,482	1,510
Telephone	2,962	4,534
Travel	1,073	
Wages	18,023	16,916
Water	4,412	4,389
Workers Compensation Insurance	576	387
NET PROFIT/(LOSS)	(171,511)	(171,255)

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings	Capital Reserve	Asset Revaluation	Members Equity
Total Equity 30 June 2016	(1,581,850)	3,732,418		2,150,568
Net Profit/(Loss) 2016/2017	(171,255)			(171,255)
Transfer to retained earnings	3,732,418	(3,732,418)		-
Revaluation 30 June 2017			2,839,931	2,839,931
Total Equity 30 June 2017	1,979,313		2,839,931	4,819,244
Net Profit/(Loss) 2017/2018	(171,511)			(171,511)
Transfer to retained earnings				
Revaluation				
Total Equity 30 June 2018	1,807,802		2,839,931	4,647,733

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
Cash Flows from Operating Activities:			
Receipts from Customers		142,726	163,668
Interest Received		2,355	4,187
Interest Paid		(12,515)	(5,235)
Less Payments to Suppliers and Employees		(232,282)	(237,092)
Net Cash Provided by			
Operating Activities	13(b)	(99,716)	(74,472)
Cash Flows from Investing Activities:			
Sale of Assets			
Payment for Property, Plant & Equipment			(1,100)
Investment property sale			
Net Cash Provided by (used in)			
Investing Activities			(1,100)
Cash Flows from Finance Activities			
Proceeds of borrowing		200,000	195,000
Repayment of borrowings		(5,542)	(4,275)
Net Cash Provided by (used in)			
Financing Activities		194,458	190,725
Net increase (decrease) in cash held		94,742	115,153
Cash at beginning of financial year		213,307	98,154
Cash at End of Year	13(a)	308,049	213,307

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

The Lithuanian Club Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorized for issue on 19 August 2018 by the directors of the company.

1. Summary of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs except for land and buildings that have been measured at fair value.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

The following is a summary of the significant accounting policies adopted by the club in the preparation of this report.

(a) Income Tax

The directors of the club have reviewed the club's position in regard to the application of income tax and have formed the opinion that the club is exempt from the payment of income tax under subsection 23(g) (iii) of the Income Tax Assessment Act (1936). Accordingly, the Directors have not provided for any income tax in the accounts.

(b) Inventories

Inventories are measured at the lower of cost and net realizable value.

(c) Revenue Recognition

All revenues are recognized on a Receipt basis including Membership Subscriptions. All revenue is stated net of the amount of goods and services tax.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

(d) Borrowings

Bank loans are recorded at an amount equal to the net proceeds received less principal repayments. Short term payments are recorded for principal amounts only, as interest is payable on maturity of the bill facility.

(e) Goods and Services Tax (GST)

Revenue, expenses, assets and liabilities are recognized net of the value of GST. Except for, Accounts Payable and Receivable which are recorded GST inclusive.

(f) Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing partners in an arm's length transaction. It is the policy of the company to have an independent valuation every three years, with annual appraisals being made by the directors.

The land and buildings were re-valued by the directors on 20 May 2017. This is the valuation adopted this year.

(g) Plant and Equipment

Plant and equipment are measured on the cost basis less Accumulated Depreciation. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of 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 present values in determining recoverable amounts.

(h) Depreciation

The depreciable amount of all fixed assets including capitalized leased assets, but excluding building and freehold land, are depreciated on a either a diminishing value or straight line basis over their estimated useful lives to the entity, commencing from the time the asset is held ready for use.

The rates used for each class off asset are as follows:

Furniture and Fittings	13 to 20%
Plant and Equipment	13 to 20%

(i) Impairment of Assets

At each reporting date the company assesses whether there is any indication that any individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognized in the income statement where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

(j) Employee Entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave will be settled after one year, have been measured at their nominal amount.

A liability for long service leave is recognized as the value of estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

Contributions are made to an employee superannuation fund and are charged as expenses when incurred.

(k) Going Concern Basis of Accounting

The financial report has been prepared based on current year results and director's future projections of the company operations. As at the report date, Current Assets exceed Current Liabilities by \$149,723. For the year ended 30 June 2017 Current Assets exceeded Current Liabilities by \$154,914.

(l) Accounts Receivable and Other Debtors

Accounts receivable and other debtors expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets

(m) Cash on Hand

Cash on hand equivalents includes cash on hand and deposits held at-call with banks.

(n) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

(o) Accounts Payable and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognized as a current liability with the amount being normally paid within 30 days of recognition of the liability.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

(p) Australian Accounting Standards issued but not yet effective

Australian Accounting Standards that have been recently issued or amended but are not yet effective have not been applied to the financial report.

The directors have reviewed the standards and determined that there will not have a material impact on the Group's financial position and performance, however increased disclosures will be required in the Group's financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
2. REVENUE		
Operating Activities		
Sale of Goods	125,597	149,081
Interest	2,355	4,187
Other revenue	17,129	18,774
Non-Operating Activities		
Sale of Assets		
	<hr/> 145,081	<hr/> 172,042
3. PROFIT FROM ORDINARY ACTIVITIES		
Profit/(Loss) from ordinary activities after:	(171,511)	(171,255)
Expenses:		
Depreciation of property, plant & equipment	79,162	80,088
Auditing Services	6,000	6,000
4. CASH ASSETS		
Cash on Hand	2,700	2,700
Cash at Bank	304,350	210,607
Cash in Transit	999	-
Total Cash	<hr/> 308,049	<hr/> 213,307
5. RECEIVABLES - CURRENT		
Trade Debtors	464	493
Provision for impairment	-	-
Total Receivables Current	<hr/> 464	<hr/> 493
6. CURRENT INVENTORIES		
Stock on Hand --- Bar & restaurant	15,502	10,131
Total Inventories	<hr/> 15,502	<hr/> 10,131

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
7. OTHER ASSETS		
Prepayment	6,569	1,628
	<u>6,569</u>	<u>1,628</u>
8. PROPERTY, PLANT & EQUIPMENT		
Land & Buildings at cost	2,954,273	2,954,273
Add: Revaluation*	2,839,931	2,839,931
Less: Accumulated Depreciation	(868,072)	(794,204)
Total Land, Buildings and Improvements	<u>4,926,132</u>	<u>5,000,000</u>
Plant & Equipment at cost	279,575	279,575
Less: Accumulated Depreciation	(230,900)	(225,606)
Total Plant & Equipment	<u>48,675</u>	<u>53,969</u>
Total Property, Plant & Equipment	4,974,807	5,053,969

*The land and clubhouse were revalued by the directors on 20 May 2017. The next valuation is due by June 2020

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
9. ACCOUNTS PAYABLE		
CURRENT		
Trade creditors	11,561	14,645
Other Creditors/Accrued expenses	6,000	
	<hr/> 17,561	<hr/> 14,645
10. BORROWINGS		
CURRENT		
Loan – Members -secured	157,300	50,000
Loan – Talka- secured	6,000	6,000
	<hr/> 163,300	<hr/> 56,000
NON-CURRENT		
Loan – Members- secured	460,000	367,300
Loan – Talka- secured	16,797	22,339
	<hr/> 476,797	<hr/> 389,639
11. PROVISIONS		
CURRENT		
Provision for holiday pay		
NON-CURRENT		
Provision for long service leave		
	<hr/> Aggregate employee entitlement liability	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

12. MEMBERS' GUARANTEES

The company is limited by guarantee. In the event of the company being wound up, the Constitution states that each member is required to contribute a maximum of \$5 each towards meeting any outstanding obligations of the company. At the 30 June 2018 the number of members was 169 (2017 – 163) – See Note on Page 10.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

13. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash	2018	2017
	\$	\$

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash on hand	2,700	2,700
Cash in transit	999	-
Cash at bank	304,350	210,607
Total Cash	308,049	213,307

(b) Reconciliation of net cash provided by operating activities to profit from ordinary activities after income tax		
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Operating profit/(loss) after income tax	(171,511)	(171,255)
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Non-cash flows in profit from ordinary activities

Depreciation	79,162	80,088
Loss on disposal of assets		

Changes in Assets and Liabilities

Decrease (increase) in current inventories	(5,371)	3,699
Decrease (increase) in receivables	(4,912)	5,314
Decrease (increase) in fixed/other assets		
Increase (decrease) in payables	2,916	7,682
Increase (decrease) in sundry provisions		
Increase (decrease) in provisions		

Cash Flows from Operations	(99,716)	(74,472)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

14. FINANCE INSTRUMENTS

Interest Rate Risk

The club's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate on those financial assets and financial liabilities are as follows:

2017 / 2018	Note	Floating Interest Rate	Fixed Interest Rate 1 year or less	Fixed Interest Rate 1 – 5 years	Non Interest Bearing	Total
Financial Assets						
Cash & Cash Equivalents	4	308,049				308,049
Receivables	5				7,033	7,033
Other Investments						
Total Assets		308,049	-	-	7,033	315,082
Financial Liabilities						
Trade & Other Creditors	9				17,561	17,561
Liabilities						
Borrowings	10	22,797		617,300		640,097
Total Liabilities		22,797	-	617,300	17,561	663,200
Weighted Ave. interest rate		3.5%	-%	3.0%		
Net Financial Asset		285,252	-	(617,300)	(10,528)	(342,576)

2016 / 2017	Note	Floating Interest Rate	Fixed Interest Rate 1 year or less	Fixed Interest Rate 1 – 5 years	Non Interest Bearing	Total
Financial Assets						
Cash & Cash Equivalents	4	213,307				213,307
Receivables	5				2,121	2,121
Other Investments						
Total Assets		104,731			2,121	215,428
Financial Liabilities						
Trade & Other Creditors	9				14,645	14,645
Liabilities						
Borrowings	10	28,339		417,300		445,639
Total Liabilities		28,339		417,300	14,645	460,284
Weighted Ave. interest rate		3.5%		5.0%		
Net Financial Asset		184,968	-	(417,300)	(12,524)	(244,856)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

The maximum exposure to the credit risk, excluding the value of any collateral or other security, at the balance date to recognize financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Balance Sheet and Notes to the Financial Statements.

The club does not have any material risk exposure to any single debtor or group of debtors under financial instruments entered into by the club.

Net Fair Value

The net fair value of assets or liabilities approximates their carrying value. No financial assets and financial liabilities are readily traded on organized markets in the standardized form other than listed investments. Financial assets where the carrying amount exceeds net fair values, have not been written down as the principal intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Performance and in the Notes to the Financial Statements.

DIRECTORS' DECLARATION

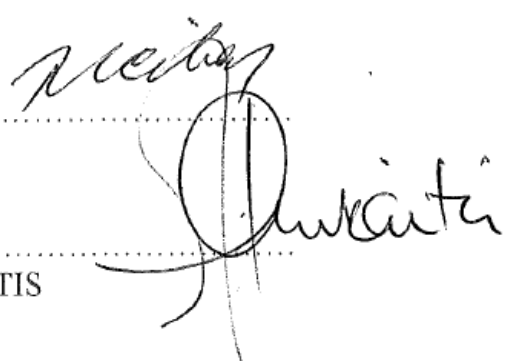
In the opinion of the directors of the company, we declare that:

1. The financial statements and notes present fairly the company's financial position as at 30 June 2018 and are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2018 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director
R CIBAS

Director
J PENKAITIS



Dated this the 19th day of August 2018.

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS
OF THE LITHUANIAN CLUB LIMITED**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Lithuanian Club Limited ("the Company"), which comprises the statement of financial position as at 30 June 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report, which gives a true and fair view in accordance with Australian Accounting Standards. The directors have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS
OF THE LITHUANIAN CLUB LIMITED**

Auditor's Opinion

In our opinion the financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the Company's financial position as at 30 June 2018 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. We highlight that Current Assets exceed Current Liabilities by \$ 149,723 for the year ended 30 June 2018 when compared to the year ended 30 June 2017 which showed that Current Assets exceeded Current Liabilities by \$ 154,914. The company is dependent upon the continuing financial support of its financiers and members to remain operational, should this support be withdrawn then the realization of assets and payment of liabilities maybe be at amounts not stated in the accounts. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.



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Peter J Krupski

Dated in Burwood on this 19th day of August 2018

AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF THE LITHUANIAN CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

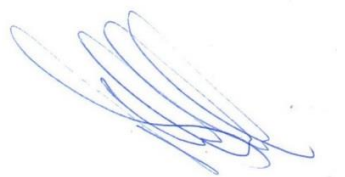
- i). no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii). no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: P A Tax & Accounting Pty Ltd

Name of Partner: Peter J Krupski

Address: Level 1, 71 Burwood Road Burwood NSW 2134

Dated in Burwood on this 19th day of August 2018



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Peter Krupski

Auditor

No 4027

**“OUR MISSION IS TO BE A SUCCESSFUL & FRIENDLY
COMMUNITY CLUB FOR THE BENEFIT OF MEMBERS”**

A 16-20 Meredith Street Bankstown NSW 2200

PO Box 205 Bankstown, NSW,1885

P 9708 1414

E contactus@lithuanianclub.org.au

W www.lithuanianclub.org.au

TRADING HOURS

Mon By Appointment

Tus By Appointment

Wed By Appointment

Thurs By Appointment

Fri By Appointment

Sat By Appointment

Sun 12.00pm - 4.00pm

FOLLOW US



Trading hours are subject to change

Our Club promotes Responsible Service of Alcohol in the best interest of its members, guests, staff and the community. Responsible serving of alcohol is vital for legal, health and community reasons. Our society is now less tolerant of the irresponsible use of alcohol that leads to drunkenness, drink driving, unacceptable behaviour and under-age drinking.