

LITHUANIAN CLUB LIMITED

ABN 68 000 410 622

ANNUAL REPORT

2022



OFFICE BEARERS 2021/22

PRESIDENT

R. CIBAS

TREASURER/SECRETARY

J. PENKAITIS

DIRECTORS

J. CERNAUSKAITE, M CIBAS, G GILVYDIS

G SAUKA, R ZAKAREVICIU

CLUB PROFESSIONAL SERVICES

AUDITOR

PETER KRUPSKI

P A TAX & ACCOUNTING PTY LTD



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the

60th ANNUAL GENERAL MEETING OF THE LITHUANIAN CLUB LIMITED
ABN 68 000 410 622

will be held at the premises of the Sydney Latvian Society Ltd, located at 32-34 Parnell Street, Strathfield, NSW 2135, on

SUNDAY 27 NOVEMBER 2022 AT 2:00 pm

in the Foyer

THE BUSINESS OF THE MEETING IS

- A. To confirm the Minutes of the 2021 Annual General Meeting and the Extraordinary General Meeting held on 10 April 2022.
- B. To receive and consider the Financial Report, the Directors' Report, and the Report of the Auditor for the year ended 30 June 2022.
- 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 Special Resolutions contained in the 'Notice of Special Resolution'.
- F. To consider and, if thought fit, pass the ordinary resolutions contained in the 'Notice of Ordinary Resolution'.
- G. To allow the Members as a whole to ask questions about or make comment on the management of the Club.

IMPORTANT INFORMATION TO MEMBERS

All current directors (7) have agreed to nominate for election to the Board. They are Jurgita Cernauskaite, Maritsa Cibas, Romualdas Cibas, Gita Gilvydis, 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 either in person, by mail, email to contactus@lithuanianclub.org.au. or text/telephone to 0409 055 887.

Please submit any questions relating to the Club's accounts to the President by 2:00pm on Thursday 24 November 2022 to allow time for the Club and the Club's Auditor to give a suitably researched response.

By Direction of the Board

Dated: 4 October 2022

Notice to Members

Nomination forms for the Board of Directors may be obtained from the Club office at Latvian House 32-34 Parnell Street, Strathfield or by request to Club's email contactus@lithuanianclub.org.au, or text/telephone to 0409 055 887, completed and returned by 2.00 pm Sunday 06 November 2022 for collection by the Secretary.

Proxy forms may be obtained from the Club office at Latvian House or by request to Club's email or text/telephone to 0409 055 887, completed and returned not later than 2.00 pm on Thursday 24 November 2022 for collection by the Secretary.

NOTICE OF SPECIAL RESOLUTIONS

Notice is hereby given that at the Annual General Meeting of the Lithuanian Club Limited ('the Club') to be held on Sunday 27 November 2022 commencing at 2.00 pm in the Sydney Latvian Society Ltd premises at 32-34 Parnell Street Strathfield NSW 2135, members will be asked to consider and if thought fit, pass the following resolutions which are proposed as special resolutions.

Special Resolutions

1. "The name of the Company be changed to Sydney Lithuanian Club Limited".
2. "The Members hereby revoke the Club's existing Memorandum and Articles of Association and adopt as the Constitution of the Club the Constitution linked to this Special Resolution at the Club's website www.lithuanianclub.org.au with effect from the close of this meeting."

Explanatory Memorandum

The Lithuanian Club Ltd was established on 9 November 1962. It was formed under the Companies Act of 1961 and has a Memorandum and Articles of Association as its constituent documents. These were amended in 1996 and again in 2019.

The circumstances of the Club have changed a great deal over the past 60 years as has the law and practice relating to the regulation of companies. In particular, since the sale of Club's premises at 16-20 Meredith Street, Bankstown and the surrender of our Club licence to the NSW Government Independent Liquor & Gaming Authority this year, the Club is no longer a Registered Club under New South Wales law.

The name of the Club is often confused with Lithuanian Clubs in other locations. The Board considers the unique identity of our Club and its community is better promoted by adopting the name Sydney Lithuanian Club Limited.

In this context, the Board has resolved to recommend to Members that the club change its name and modernise its Constitution. The New Constitution will be available not less than 21 days before the Meeting on the Club's website www.lithuanianclub.org.au for members to access and download. A member may elect to receive, free of charge, a hard copy of the New Constitution by mail by making a request to that effect either in person, by mail, email to contactus@lithuanianclub.org.au or text /telephone to 0409 055 887.

The New Constitution retains the objectives of the Memorandum and Articles of Association to support the Lithuanian community in Australia and empowers the directors to register the Club with the Australian Charities and Not-for-profits Commission (ACNC) if the Board considers that registration would benefit the Club. It also removes the object of becoming a Registered Club and related references throughout. Therefore, proxy voting will be permitted.

The Membership structure of the Memorandum and Articles of Association is retained, with the exception that temporary members and honorary members will now be considered guests of Members and will not be separately identified. Associate member will have full voting rights but cannot be directors. The election of Members and conditions relating to Membership are substantially unchanged.

The powers of the Board have been retained in their original form with the addition of the authority to register the Club with the ACNC. The number of Board meetings has been reduced from twelve to at least six per year.

The language and the layout of the Constitution has been modernised and includes provision for electronic communications and using technology to hold meetings.

We invite Members to read the New Constitution. There will be ample opportunity to discuss any issues which you wish to raise at the Annual General Meeting.

Note: To be passed a special resolution must be carried by at least three quarters (75%) of the members being entitled to vote.

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 27 November 2022 commencing at 2.00 pm in the Sydney Latvian Society Ltd premises at 32-34 Parnell Street Strathfield NSW 2135, members will be asked to consider and if thought fit, pass the following resolution which is proposed as an ordinary resolution.

Ordinary Resolution

- (a) The members hereby approve an ongoing annual expenditure by the Club of the sum not exceeding \$30,000 until the Club's next Annual General Meeting for the following activities:
- (i) The cost of a meal and beverage for each Director immediately before or after the Board or Committee meeting on the day of the meeting.
 - (ii) Reasonable expenses incurred by the Directors in travelling to and from Directors' or other duly constituted committee meetings as approved by the Board from time to time and such expenses being properly recorded.
 - (iii) An Honorarium for volunteer workers, the sum being determined by the Board and such expenses being properly recorded.
 - (iv) Reasonable expenses incurred by the Directors and Managerial employees in relation to such other duties as entertainment of special guests of the Club and such other promotional activities as might be performed by such Directors and Managerial employees upon the decision of the Board.
 - (v) The reasonable cost of Directors and their respective partners attending an annual dinner and other functions or events approved by the Board.
 - (vi) Reasonable costs for the professional development, training and education of Directors and employees including attending seminars, lectures and other similar events as may be determined by the Board from time to time.
- (b) The members acknowledge that the benefits above are not available to members generally but only for those who are Directors or employed.

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.

PIRMININKO PRANEŠIMAS

Sydnejaus Lietuvių Klubo Valdybos vardu šiuomi pristatau 60-tą Metinę Ataskaitą už finansinius metus užsibaigusius 2022 m. birželio mėn. 30 d.

Šiais metais ir vėl teko amžinai atsiseikinti su brangiais Klubo nariais: Dr. Irena Bagdoniene, buvęs direktorius ir steigėjas Vytautas Staitis, Marina Cox, Julija Lašaitienė, Antanas Kramilius, Henrikas Šlitteris, steigėjas Vytenis Šliogeris, Dr. Irvis Venclovas, Jumbo Kraucevičius ir buvęs ALB Krašto Valdybos ir Tarybos Pirmininkas Antanas Čibiras. Amžiną atilšį mirusiems.

Šie metai buvo ištiesai siaubingi. Vyriausybės priversti karčiamų ir klubų uždarymai privertė mūsų Klubui atšaukti svarbiausius renginius ir patalpų išnuomavimus. Nežiūrint Vyriausybės kompensacijų, Klubas nukentėjo didelius nuostolius, padidintus brangiais šaldytuvų remontais.

Kaip tikėta, buvo ypatingai sunku parduoti svetingumo patalpas Covid-19 paveiktaj rinkoj. Per 12 mėnesių susilaukėm tik vienos pasiūlos, už \$4.3m. ir su atidėtu atsiskaitymu. Kadangi 2020m. Visuotinis Susirinkimas patvirtino \$4.5m mažiausią pardavimo kainą, pasirašėm tik provizorinę sutartį su Dyvest Property Holdings Pty Ltd 2021m. spalio 19d. Teko sušaukti Nepaprastą Narių Susirinkimą, kad patvirtintų \$4.3m pardavimo kainą. 2021m. lapkričio 7d. susirinkimas patvirtino.

COVID-19 pandemijos metu buvo nepaprastai sunkus laikas parduoti svetingumui įrengtas patalpas. Tačiau Valdybai pavyko patalpas parduoti už \$4.3 milijonus, vietnamiečių gydytojui, kuris siekė praplėsti savo gydymo praktiką. Atsiskaitymas įvyko 2022m. balandžio mėn. 19d.

Valdyba sudarė Patariamąjį Komitetą iš Sydnejaus bendruomenės organizacijų vadovų patarti kur kraustyti. Po išsamios paieškos buvo sutarta nepirkti, bet nuomoti, nes ant greitųjų surasti naujom patalpoms priežiūrą iškiltų naujų bėdų. Buvo nutarta perkraustyti Klubą į *Latvių Namus*, Strathfield'e, kur latviai, nuolatiniam naudojimui, mums išnuomavo raštinę ir sandėliuką ir sutiko išnuomoti jų namų įvairias sales, mūsų renginiams. Papildomos patalpos buvo išnuomos pas Storage King, Homebush, patalpinti bibliotekos knygas, finansinius dokumentus ir atsarginius indus ir reikmenis. Latviams tereiks mokėti tik už išnuomotas patalpas per mėnesį. Sutaupysim savivaldybės, stratos, komunalines, leidimų ir brangias remontų išlaidas.

Persikraustymas, nežiūrint milžiniškų pastangų iš lojalių tarnautojų ir savanorių, sėkmingai buvo atliktas prieš paskutinį atsiskaitymą. Šiuomi ir prasidėjo naujas tomas Sydnejaus lietuvių gyvenime. Oficialus atidarymas Latvių Namuose įvyko 1-mą gegužės 2022m, per Motinos Dieną. Neužilgo sekė dar vienas atmintinas renginys – Joninės, kurias pirmą kartą atšventėm gamtoje.

Persikrausčius pas latvius pasikeitė mūsų veiklos būdas ir nereikėjo atnaujinti alkoholiui leidimo NSW Vyriausybės Independent Liquor & Gaming Authority. Teks patikslinti mūsų konstituciją su Specialia Rezoliucija, per sekantį Visuotinį Susirinkimą. .

“Mūsų Pastogė” perkėlėm į Latvių Relief Society patalpas, Bankstowne. Kaip ir Strathfelde, buvo sutarta su latviais, ši aranžuotė yra laikina. Įsikuriant atsiranda ir trūkumų, pav. virtuvė Latvių Namuose yra per maža mūsų naudojimui. Tokie klausimai išsprendž jei pasiliksime. Iš kitos pusės, pradinis sugyvenimas itin sklandus.

Po pardavimo visos skolos buvo pilnai išmokėtos. Atsižvelgiant į rinkos nepastovumą, sukeltą Rusijos užpuolimo Ukrainos, Valdyba nutarė tą \$3.5m. likutį investuoti į “Term Deposits”. Kai “dulkės nusės” sekančios Valdybos galės nuspręsti, kaip geriau pasitarnauti su tuo likučiu Narių ir Bendruomenės labui.

Kai Klubas kreipėsi bendruomenę paskolų, Sydnejaus Lietuvių Moterų Socialinės Globos Draugija suteikė Klubui stambiausias paskolas, ir po visko, visai netikėtai, sugražino visas palūkas sulauktas iš Klubo. Ačiū.

Pagaliau, esu labai dėkingas pasiaukėjusiems direktoriams, ištikimiems tarnautojams ir savanoriams, kurie įgalina Sydnejaus lietuviams turėti malonią užuovėją. Taip pat dėkoju lietuvių bendruomenei už supratimą istoriniu metu parduodant Klubą ir pagalbą ieškant ir už persikraustant į naujas patalpas.



R. Cibas

Pirmininkas.

PRESIDENT'S REPORT

On behalf of the Board of Directors of the Lithuanian Club Limited, I hereby present the 60th Annual Report for the year ended 30th June, 2022.

Let me begin by lamenting the passing of esteemed members of our Club's community: Dr. Irena Bagdonienė, former Director and Foundation Member Vytas Staitis, Marina Cox, Julija Lašaitienė, Antanas Kramilius, Henrikas Šliteris, Foundation Member Vytenis Šliogeris, Dr. Irvis Venclovas, Dimitrius 'Jumbo' Kraucevičius and former Australian Lithuanian Federal Executive President Antanas Čibiras. May they Rest in Peace.

This financial year was a tumultuous period for our Club. COVID-19 loomed large and Government-imposed closures for clubs, pubs were ongoing. Huge losses cumulated despite Government grants being received. Losses from major refrigeration breakdowns, also impacted heavily on our bar and restaurant profitability.

As anticipated, it was particularly difficult to sell a hospitality venue during the COVID-19 impacted market. After more than 12 months on the market, we received only one offer for \$4.3m with a delayed settlement. The offer was less than the \$4.5m authorised by Members at the 2020 AGM. Hence, provisional contracts were exchanged with Dyvest Property Holdings Pty Ltd on 19 October, 2021 pending the approval of members at an Extraordinary General Meeting convened on 7th November, 2021 at which a Special Resolution was passed to accept the \$4.3 million.

The Board then set up an Advisory Committee comprising community leaders, for advice as to where to relocate. After a comprehensive search, the consensus was not to buy but to lease/hire premises, as finding management for new premises was another issue. A decision was made to relocate to within the Sydney Latvian Society Ltd premises, *Latvian House* 32-34 Parnell Street, Strathfield. We lease a dedicated office and storeroom on a monthly basis and hire space, as required, for community functions. Additional storage space was secured at Storage King, Homebush for library books, financial records and surplus kitchen/catering supplies. Hiring costs are reasonable and save us the burden of paying for council rates, strata levies, utilities, license fees and expensive repairs and maintenance costs.

The relocation exercise was a gargantuan effort. Thanks to our staff and volunteers the move was successfully completed in time for Settlement which took place on 19th April, 2022. And so began an impressive start to another chapter in the life of the Sydney Lithuanian community. Our Official Opening at Latvian House was on 1st May, 2022, on Lithuanian Mother's Day. Another highlight of the year was the holding of the *Joninės festival* outdoors for the first time in Lane Cove National Park on 25th June, 2022.

With the surrender of our Club liquor licence to the NSW Government Independent Liquor & Gaming Authority, we now have a major change in the nature of our operations. We cease to be a Registered Club but remain a public company. Accordingly, we shall have to amend the Objects in our Constitution by a Special Resolution to be passed at the AGM.

For the record, the Lithuanian newspaper *Mūsų Pastogė* has leased space at the Latvian Relief Society in Bankstown. Both relocation exercises were entered into on a trial basis. As we settle in, some issues do arise, e.g. the kitchen at Latvian House is too small for the production of our traditional dishes. These issues can be addressed if we continue to stay there into the future. Otherwise, our working relationship has been excellent.

After the sale, all loans were paid out in full. Due to the worsening instability of the global financial markets compounded by the Russian invasion of Ukraine, the Board decided to invest the residual of \$3.5 million into Term Deposits. When the "dust settles" future Boards will be able to determine how best to utilise these funds for the benefit of our members and the wider Lithuanian community.

During the difficult years, it was the Sydney *Motery Draugija* that helped us out with sizeable loans and most unexpectedly, at the end of the term, they donated back to the Club all the interest they had received from us.

Finally, I am very grateful to our selfless directors, loyal staff and volunteers for enabling the Club to provide a pleasant haven for Lithuanians in Sydney. I would also like to thank the Lithuanian Community for their understanding and assistance in this historic sale and relocation process.



R. Cibas,
President.

TREASURER'S REPORT

It has been a momentous year. Our Club at Bankstown has been sold and settlement occurred in April 2022. The Premises and assets sold realised a surplus to the Cost less depreciation of \$2,294,756.

The Statement of Comprehensive Income of the year ended 30th June 2022 recorded a Net Profit of \$2,236,821 but all of that came from the disposal of the Premises and assets. If the sale of the Premises is excluded from the Statement of Comprehensive Income, trading for the Financial year came in at a \$57,935 loss for the year. The loss would have been much worse if not for Donations of \$39,749, Government COVID Grants of \$38,678. Bar and Restaurant trading did not perform well with them contributing \$9,207 to the overall trading loss.

However at the end of the Financial year our Club after paying its GST debt will have a little over \$3.5 million dollars in the Bank. Going forward the Board believes that our income will exceed our expenses and for the foreseeable future profitable years will follow.

I thank all our members who have supported the Board and the decisions we have made, the loans that you gave us that allowed the Club to survive the very serious cash shortfalls that we experienced and in the end to have a new location and financial viability.



J Penkaitis
Treasurer

DIRECTORS' REPORT

The directors present their report of the company for the year ended 30 June 2022.

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 7 years	Appointed 26 April 2015	President
PENKAITIS John	Accountant	Director 7 years	Appointed 20 July 2015	Secretary/ Treasurer
CIBAS Maritsa	Director	Director 6 years	Appointed 11 Dec 2016	Director
CERNAUSKAITE Jurgita	Economist	Director 6 years	Appointed 10 Mar 2016	Director
GILVYDIS Gita	Architectural Designer	Director 3 year	Appointed 23 June 2019	Director
SAUKA Gediminas	Retired	Director 5 years	Appointed 20 Aug 2017	Director
ZAKAREVICIUS Ramutis	Academic	Director 5 years	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 2022 are--

	2022	2021
Life	1	1
Foundation	1	3
Ordinary	110	140
Associate	2	7
	114	151

3. Results

The profit of the company for the 2021/2022 financial year amounted to \$2,236,821. (Loss in 2020/2021: \$184,437).

4. Attendance at directors' meetings

The following table sets out the number of Directors' meetings held during the period 1 July 2021 to 30 June 2022. During the year ten (10) in-person Board meetings were held. The number was reduced by Government imposed COVID-19 pandemic closures and restrictions.

	Board Meetings	
	Number eligible to attend	Number attended
CIBAS, Romualdas	10	10
PENKAITIS, John	10	8
CIBAS, Maritsa	10	10
CERNAUSKAITE, Jurgita	10	8
GILVYDIS, Gita	10	7
SAUKA, Gediminas	10	9
ZAKAREVICIUS, Ramutis	10	9

5. Short and long term objectives

To further consolidate the financial position to ensure that we remain a successful and friendly community club and to promote and nurture Lithuanian culture within the wider community.

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;
- Follow best practice principles of sound corporate governance;
- Adopt prudent investment decisions.

7. Principal activities

The principal activity of the Lithuanian Club Limited during most of 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. The Club continued to be impacted severely by the COVID-19 pandemic and Government regulations which forced periodical closures and trade under restricted conditions. After the sale and vacation of Club's premises at 16-20 Meredith Street Bankstown on 19 April 2022 and the subsequent surrender of our Club's liquor licence, the Club is now based within the premises of Latvian House, 32-34 Parnell Street Strathfield and hires space, as required, for Club activities, to minimise costs and to continue its operations. Sale proceeds are safely invested in Term Deposits.

8. How these activities assist in achieving the objectives

By operating the Club at reduced costs and investing the surplus funds to generate revenue will allow the Club to achieve its 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.

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 2022 the Club's core asset is cash held by banks as a result of the sale of the property and plant.

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

Dated this the 4th of October 2022.

DIRECTOR
R CIBAS



.....

DIRECTOR
J PENKAITIS



.....

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
CURRENT ASSETS			
Cash	4	3,969,208	121,138
Receivables	5		355
Inventories	6	2,574	9,441
Other Assets	7		5,229
TOTAL CURRENT ASSETS		3,971,782	136,163
NON-CURRENT ASSETS			
Property, plant and equipment	8		4,760,352
Other Assets	7		
TOTAL NON-CURRENT ASSETS			4,760,352
TOTAL ASSETS		3,971,782	4,896,515
CURRENT LIABILITIES			
Accounts payable	9	428,691	8,209
Borrowings	10		13,957
Provisions	11		
TOTAL CURRENT LIABILITIES		428,691	22,166
NON-CURRENT LIABILITIES			
Payables	9		
Borrowings	10		728,148
Provisions	11		
TOTAL NON-CURRENT LIABILITIES			728,148
TOTAL LIABILITIES		428,691	750,314
NET ASSETS		3,543,091	4,146,201
EQUITY			
Reserves			2,839,931
Retained Earnings (Accumulated Losses)		3,543,091	1,306,270
TOTAL EQUITY		3,543,091	4,146,201

The accompanying notes form part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		\$	\$
Revenue	2	62,233	101,266
Other Income	2	2,377,626	13,175
Changes in inventories		(6,866)	(6,470)
Costs of materials		(36,536)	(50,185)
Employee benefits expense		(1,958)	(5,837)
Depreciation, amortization and impairment of non-financial assets			(77,906)
Member's amenities		(2,003)	
Advertising & Promotion			
Insurance expense		(10,448)	(10,005)
Repairs & Maintenance expense		(15,755)	(18,546)
Utilities & Occupancy		(52,001)	(57,416)
Other expenses from ordinary activities		(62,939)	(55,196)
Finance Costs (interest on loans)		(14,581)	(17,791)
Finance Income (interest received)	2	49	474
Profit/(Loss) Before Tax		2,236,821	(184,437)
Tax Expense			-
Profit/(Loss) for the year from continuing operations		2,236,821	(184,437)
Profit for the year from discontinued operations			-
Profit/(Loss) for the year	3	2,236,821	(184,437)

The accompanying notes form part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
BY COST CENTRE FOR THE YEAR ENDED 30 JUNE 2022

Club Operations

	2022	2021
	\$	\$
Bar Trading		
Bar Sales	17,891	23,653
Cost of Goods Sold	(11,671)	(14,487)
Other Expenses	(8,706)	(10,724)
Total Net Income/(Loss) from Bar	(2,486)	(1,558)
Restaurant		
Restaurant Sales	41,154	72,454
Cost of Goods Sold	(30,518)	(40,190)
Other Expenses	(17,357)	(30,774)
Total Net Income/(Loss) from Restaurant	(6,721)	1,490
Room Hire		
Revenue	3,184	5,158
Expenses		
Total Net Income/(Loss) from Room Hire	3,184	5,158
Interest Received		
Interest Received	49	474
Total Interest Received	49	474
Other Income		
Cash Flow Boost		5,000
Covid 19 Grant	38,678	4,500
Cultural Grant		
Donations Received	39,749	1,934
Equipment Hire		
Insurance Recoveries	3,025	
Bus Income	150	
Membership subscriptions	1,236	1,418
Photocopying	32	323
Rent Received		
Profit on Sale of Assets	2,294,756	
Total Other Income	2,377,626	13,175
TOTAL NET INCOME/(LOSS) FROM CLUB OPERATIONS	2,371,652	18,739

The accompanying notes form part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME
BY COST CENTRE FOR THE YEAR ENDED 30 JUNE 2022

<u>Club Operations</u>	2022	2021
	\$	\$
TOTAL NET INCOME/(LOSS) FROM CLUB OPERATIONS	2,371,652	18,739
Audit	6,000	5,500
Bank Fees	1,507	1,648
Book Keeping	2,113	2,632
Bus Hire	2,003	
Cleaning	7,962	4,485
Computer expenses	1,250	1,038
Commission		250
Depreciation Expenses	-	77,906
Electricity	14,007	19,310
Hall Decorations	565	835
Hire Equipment	4,106	345
Honorariums	7,986	9,961
Insurance	9,153	9,283
Interest Paid	13,073	16,143
Office supplies	3,207	2,173
Postage	325	958
Rates	8,804	10,828
Repairs and Maintenance	9,397	7,860
Rent	3,564	
Security	391	923
Signage	600	
Staff Training	-	135
Strata Levies	10,893	16,170
Storage	1,636	
Sub-Contractors Cleaning	4,390	803
Sub-Contractors Removalist	12,222	
Superannuation	52	349
Telephone	2,514	1,876
Travel	1,315	2,214
Wages	1,905	5,487
Water	2,596	3,342
Workers Compensation Insurance	1,295	722
NET PROFIT/(LOSS)	2,236,821	(184,437)

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Retained Earnings	Capital Reserve	Asset Revaluation	Members Equity
Total Equity 30 June 2020	1,490,707		2,839,931	4,330,638
Net Profit/(Loss) 2020/2021	(184,437)			(184,437)
Transfer to retained earnings				
Revaluation				
Total Equity 30 June 2021	1,306,270		2,839,931	4,146,201
Net Profit/(Loss) 2021/2022	2,236,821		(2,839,931)	(603,110)
Transfer to retained earnings				
Revaluation				
Total Equity 30 June 2022	3,543,091			3,543,091

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		\$	\$
Cash Flows from Operating Activities:			
Receipts from Customers		2,446,780	114,440
Interest Received		49	474
Interest Paid		(13,074)	(16,143)
Less Payments to Suppliers and Employees		(158,257)	(193,746)
Net Cash Provided by			
Operating Activities	13(b)	2,275,498	(94,975)
Cash Flows from Investing Activities:			
Sale of Assets		2,314,675	
Payment for Property, Plant & Equipment			(15,353)
Investment property sale			
Net cash Provided by (used in)			
Investing Activities		2,314,675	(15,353)
Cash Flows from Finance Activities			
Proceeds of borrowing			100,208
Repayment of borrowings		(742,104)	(5,332)
Net cash Provided by (used in)			
Financing Activities		(742,104)	94,876
Net increase (decrease) in cash held		3,848,069	(15,452)
Cash at beginning of financial year		121,138	136,590
Cash at End of Year	13(a)	3,969,207	121,138

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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

The financial statements were authorized for issue on 4 October 2022 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 2022

(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 2 August 2020. 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 2022

(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) 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

(l) Cash on Hand

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

(m) 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.

(n) 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 2022

(o) New 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 2022

	2022	2021
	\$	\$
2. REVENUE		
Operating Activities		
Sale of Goods	62,233	95,765
Interest	49	474
Other revenue	82,871	18,675
Non-Operating Activities		
Profit on Sale of Property Plant and Equipment	2,301,676	
	<hr/> 2,446,829	<hr/> 114,914
3. PROFIT FROM ORDINARY ACTIVITIES		
Profit/(Loss) from ordinary activities after:	2,236,821	(184,437)
Expenses:		
Depreciation of property, plant & equipment	-	77,906
Auditing Services	6,000	5,500
4. CASH ASSETS		
Cash on Hand	1,500	2,700
Cash at Bank	3,967,708	118,438
Cash in Transit		
Total Cash	<hr/> 3,969,208	<hr/> 121,138
5. RECEIVABLES - CURRENT		
Trade Debtors		
Provision for impairment		
Other Receivables		355
Provision for impairment		
Total Receivables Current		<hr/> 355
6. CURRENT INVENTORIES		
Stock on Hand --- Bar & restaurant	2,574	9,441
Total Inventories	<hr/> 2,574	<hr/> 9,441

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
7. OTHER ASSETS		
Prepayment		5,229
		<u>5,229</u>
8. PROPERTY, PLANT & EQUIPMENT		
Land & Buildings at cost		2,954,273
Add: Revaluation		2,839,931
Less: Accumulated Depreciation		(1,089,655)
Total Land, Buildings and Improvements		<u>4,704,549</u>
Plant & Equipment at cost		284,310
Less: Accumulated Depreciation		(243,861)
Total Plant & Equipment		<u>40,449</u>
Premises Selling Expenses Capitalised		15,354
		<u>15,354</u>
Total Property, Plant & Equipment		<u>4,760,352</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
9. ACCOUNTS PAYABLE		
CURRENT		
Trade creditors	422,691	2,209
Other Creditors/Accrued expenses	6,000	6,000
	<hr/>	<hr/>
	428,691	8,209
 10. BORROWINGS		
CURRENT		
Loan – Members -secured		7,957
Loan – Talka- secured		6,000
		<hr/>
Total Current		13,957
 NON-CURRENT		
Loan – Members- secured		726,729
Loan – Talka- secured		1,419
		<hr/>
		728,148
 11. PROVISIONS		
CURRENT		
Provision for employee entitlements		
 NON-CURRENT		
Provision for employee entitlements		
		<hr/>
Aggregate employee entitlement liability		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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 2022 the number of members was 114 (2021 – 151) – See Note on Page 9.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

13. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash	2022	2021
	\$	\$

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	1,500	2,700
Cash in transit		
Cash at bank	3,967,707	118,438
Total Cash	3,969,207	121,138

(b) Reconciliation of net cash provided by operating activities to profit from ordinary activities after income tax

Operating profit/(loss) after income tax	2,236,821	(184,437)
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Non-cash flows in profit from ordinary activities

Depreciation		77,906
Loss on disposal of assets		

Changes in Assets and Liabilities

Decrease (increase) in current inventories	(6,867)	6,470
Decrease (increase) in receivables	(5,584)	2,889
Decrease (increase) in fixed/other assets		
Increase (decrease) in payables	51,128	2,197
Increase (decrease) in sundry provisions		
Increase (decrease) in provisions		

Cash Flows from Operations	2,275,498	(94,975)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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:

2021 / 2022	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	3,969,207				3,969,207
Receivables	5					
Other Investments						
Total Assets		3,969,207	-	-		3,969,207
Financial Liabilities						
Trade & Other Creditors	9				428,691	428,691
Liabilities						
Borrowings	10					
Total Liabilities			-		428,691	428,691
Weighted Ave. interest rate		2.0%	-%	2.0%		
Net Financial Asset		3,969,207	-	-	(428,691)	(3,540,516)

2020 / 2021	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	121,138				121,138
Receivables	5				355	355
Other Investments						
Total Assets		121,138			355	121,493
Financial Liabilities						
Trade & Other Creditors	9				8,209	8,209
Liabilities						
Borrowings	10	13,957		728,148		642,105
Total Liabilities		13,957		728,148	8,209	750,314
Weighted Ave. interest rate		2.0%		2.0%		
Net Financial Asset		107,181	-	(728,148)	(8,209)	(625,612)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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 2022 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 2022 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 4th day of October 2022.

**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 2022, 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 2022 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*.



.....

Peter J Krupski
Registered Company Auditor No 4027

Dated in Burwood on this 4th day of October 2022

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 2022 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 4th day of October 2022



.....

Peter J Krupski

Auditor

No 4027

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

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