



2011 FINANCIAL STATEMENTS

WEST ADELAIDE FOOTBALL CLUB INC.
WEST ADELAIDE FOOTBALLERS CLUB INC.

Finance Report

As the Finance Director of the West Adelaide Football Club I have prepared my finance report with the hope of providing members with some explanation of the Financial Information contained in the Annual Report for 2011.

Unfortunately the 2011 year has resulted in a decline in profitability and therefore the financial position of the West Adelaide Football Club. The Club recorded a consolidated loss of \$139,884 for 2011, compared to a profit of \$7,427 in 2010 and a loss of \$81,653 in 2009.

Despite the fact that we have incurred a loss of \$139,884, if we add back non-cash items such as depreciation we have a positive result of \$55,829.

Why have we experienced this turnaround, particularly when we were forecasting an improvement in profitability from the previous year? It can be explained by:

- Hardly any growth in poker machine revenue
- Declining bar sales
- Economic environment
- Poor performance on the field

In particular, our revenue suffered as a result of our poor on-field performance. Our fantastic start to the season (5 wins from 6 games) deteriorated and as a result crowds decreased which impacted on all forms of revenue of the business.

The operations of the Football Club make considerable profits. However, the net consolidated result is determined by how much we spend on football. The amount we spend on football needs to be enough to field a competitive team and give the Club the opportunity of success. After all, we are a Football Club.

I trust the above assists you in interpreting the Club's current financial position and I ask members who have any questions to please contact me.

We as a Board are very much aware that we are still operating at a loss which is not sustainable forever. The 2012 budgets have been prepared and we anticipate improvements, however, this is subject to non financial variables, external issues and the Club being more innovative in improving attendance revenue sources. You as Members



can help by being ever alert to potential members, new sponsors and other income producing opportunities.

The newly created BIAS Group is a great innovation to increase the Club's revenue.

Happy New Year and I look forward to seeing you at the footy.

WAYNE HENSON

WEST ADELAIDE FOOTBALL CLUB INC.
INCOME STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2011

	Notes	2011 \$	2010 \$
INCOME			
<i>Operating Activities</i>			
Sponsorship Received - West Adelaide Footballers' Club Inc.		210,000	115,000
Fund Raising, Arena Advertising, Sponsorships etc		577,647	539,123
Memberships		72,677	66,371
Rent Received - West Adelaide Footballers' Inc.		390,000	390,000
SANFL Distributions, Gate receipts & Prize money		535,500	523,500
Sundry Income		474,331	430,791
Transfer Fees received		135,818	107,009
Westonians Donation		36,719	45,000
Insurance Recoveries		-	253,078
		<u>2,432,692</u>	<u>2,469,872</u>
EXPENDITURE			
Administration & Office Expenses		860,222	600,391
Auditors' Remuneration	2	6,300	6,300
Borrowing Costs (Interest)		96,547	73,360
Depreciation of Property, Plant & Equipment	1e	83,153	90,253
Fund Raising, Arena Advertising, Sponsorships Expenses		336,138	312,106
Honorariums		59,861	62,899
Junior Development, Recruiting & Playing Costs		210,690	159,065
Match & Training Expenses		44,555	57,321
Medical Expenses & Equipment		65,768	71,464
Oval & Property Expenses		168,746	150,968
Player Costs & Coaching Fees		636,562	649,265
Recruiting Expenses (League)		15,603	27,209
Insurance reinstatement costs		-	203,734
		<u>2,584,145</u>	<u>2,464,335</u>
PROFIT /(LOSS)		(151,453)	5,537
Retained Profits at the beginning of the financial year		<u>(212,405)</u>	<u>(217,942)</u>
RETAINED PROFITS at the end of the financial year		<u>(363,858)</u>	<u>(212,405)</u>

These accounts are to be read in conjunction with the accompanying notes which form part of the accounts.

WEST ADELAIDE FOOTBALL CLUB INC.
BALANCE SHEET
AS AT 31 OCTOBER 2011

	Notes	2011 \$	2010 \$
CURRENT ASSETS			
Cash Assets		372	12,055
Receivables		167,015	66,285
Inventories		78,051	68,502
TOTAL CURRENT ASSETS		<u>245,438</u>	<u>146,842</u>
NON-CURRENT ASSETS			
Land at 2007 Independent Valuation		485,000	485,000
	3	<u>485,000</u>	<u>485,000</u>
Buildings at 1999 Independent Valuation		1,955,000	1,955,000
Building Additions		359,171	291,450
Less Accumulated Depreciation		(591,588)	(545,436)
	3	<u>1,722,583</u>	<u>1,701,014</u>
Plant & Equipment - at cost		760,921	739,158
Less Accumulated Depreciation		(464,562)	(427,561)
	3	<u>296,359</u>	<u>311,597</u>
TOTAL NON-CURRENT ASSETS		<u>2,503,942</u>	<u>2,497,611</u>
TOTAL ASSETS		<u>2,749,380</u>	<u>2,644,453</u>
CURRENT LIABILITIES			
Overdraft		40,995	37,170
Payables & Accruals		543,562	365,536
Interest Bearing Liabilities:			
- Bank Loan (secured)		980,000	80,000
- Finance Loan (unsecured)	5	15,110	13,817
Provision for Employee Benefits	1(g)	51,234	14,295
TOTAL CURRENT LIABILITIES		<u>1,630,901</u>	<u>510,818</u>
NON-CURRENT LIABILITIES			
Loan - West Adelaide Footballers' Club Inc.		468,896	297,388
Interest Bearing Liabilities:			
- Bank Loan (secured)		-	1,020,000
- Finance Loan (unsecured)	5	40,600	55,811
TOTAL NON-CURRENT LIABILITIES		<u>509,496</u>	<u>1,373,199</u>
TOTAL LIABILITIES		<u>2,140,397</u>	<u>1,884,017</u>
NET ASSETS		<u>608,983</u>	<u>760,436</u>
EQUITY			
Retained Profits		(363,858)	(212,405)
Asset Revaluation Reserve	6	972,841	972,841
TOTAL EQUITY		<u>608,983</u>	<u>760,436</u>

These accounts are to be read in conjunction with the accompanying notes which form part of the accounts.

**WEST ADELAIDE FOOTBALL CLUB INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2011**

	Retained Earnings	General Reserves	Total
	\$	\$	\$
Balance at 1 November 2009	(217,942)	972,841	754,899
Profit/ (Loss) attributable to members	5,537	-	5,537
Revaluation Increment/ (Decrement)	-	-	-
Balance at 31 October 2010	<u>(212,405)</u>	<u>972,841</u>	<u>760,436</u>
Profit/ (Loss) attributable to members	(151,453)	-	(151,453)
Revaluation Increment/ (Decrement)	-	-	-
Balance at 31 October 2011	<u>(363,858)</u>	<u>972,841</u>	<u>608,983</u>

These accounts are to be read in conjunction with the accompanying notes which form part of the accounts.

WEST ADELAIDE FOOTBALL CLUB INC.
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2011

	2011	2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members, SANFL, public etc	2,574,808	2,846,337
Payments to suppliers and employees	(2,441,875)	(2,497,613)
Interest Paid	(96,547)	(73,360)
Net cash flows provided by operating activities	36,386	275,364
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(89,484)	(234,273)
Proceeds from property, plant and equipment	-	14,500
Loan (repayments)/received	171,508	-
Net cash flows (used in) investing activities	82,024	(219,773)
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayments of borrowings	(120,000)	-
Proceeds from finance leases	-	28,544
Repayment of finance leases	(13,918)	(49,324)
Net cash flows (used in) financing activities	(133,918)	(20,780)
NET INCREASE/(DECREASE) IN CASH HELD	(15,508)	34,811
Opening Cash at Bank	(25,115)	(59,926)
CASH AT BANK AT 31 OCTOBER 2011	(40,623)	(25,115)
 (b) Reconciliation of the net cash provided by operating activities to profit from ordinary activities:		
Profit/(Loss)	(151,453)	5,537
Non-Cash flows in profit		
Depreciation	83,153	90,253
Changes in assets and liabilities:		
Receivables	(100,730)	28,608
Inventories	(9,549)	(26,948)
Payables	178,026	171,987
Provisions	36,939	5,927
	36,386	275,364

These accounts are to be read in conjunction with the accompanying notes which form part of the accounts.

WEST ADELAIDE FOOTBALL CLUB INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2011

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (SA) 1985. The committee has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (SA) 1985 and the following Australian Accounting Standards:

AASB 1031	Materiality
AASB 110	Events after the Balance Sheet Date

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

Accounting policies

The significant policies which have been adopted in the preparation of this financial report are:

(a) Income Tax

No income tax is payable as the Club is exempt from income tax by virtue of section 50 - 45 of the Income Tax Assessment Act 1997.

(b) Inventories

Inventories are valued at the lower of cost or net realisable value.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(d) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

WEST ADELAIDE FOOTBALL CLUB INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2011

(e) Depreciation of property, plant and equipment

The depreciable amount of all fixed assets are depreciated on either a straight line or diminishing value basis over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Buildings	2.50%
Plant & Equipment	5% - 33.3%

(f) Impairment of Assets

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(g) Employee Entitlements

Provision is made for the Club's liability for annual and long service leave arising from services rendered by employees to balance date.

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

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(i) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Association has an unconditional right to defer settlement of the liability for a least 12 months after the balance sheet date.

(j) Borrowing Costs

Borrowing costs are recognised as an expense when incurred.

(k) Comparatives

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information

**WEST ADELAIDE FOOTBALL CLUB INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2011**

2 REMUNERATION OF AUDITOR	2011	2010
	\$	\$
Audit Services	6,300	6,300
Other Services	-	-
	<u>6,300</u>	<u>6,300</u>

3 PROPERTY, PLANT & EQUIPMENT

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

	Land	Buildings	Plant & Equipment
Balance at beginning of year	485,000	1,701,014	311,597
Additions	-	67,721	21,763
Disposals	-	-	-
Revaluation	-	-	-
Depreciation Expense	-	(46,152)	(37,001)
Carrying amount at the end of the year	<u>485,000</u>	<u>1,722,583</u>	<u>296,359</u>

4 LOAN - BANK

The National Australia Bank holds a registered mortgage over the land and buildings of the West Adelaide Football Club Inc and a charge over all assets of both West Adelaide Football and Footballers Clubs.

5 CAPITAL AND LEASING COMMITMENTS	2011	2010
	\$	\$
Hire Purchase Commitments Payable		
- not later than 1 year	19,518	19,518
- later than 1 year and not later than 5 years	40,713	60,334
Minimum HP loan payments	60,231	79,852
Less future finance charges	(4,521)	(10,224)
Total hire purchase liability	<u>55,710</u>	<u>69,628</u>
Represented by:		
Current liability	15,110	13,817
Non-current liability	40,600	55,811
	<u>55,710</u>	<u>69,628</u>

6 ASSET REVALUATION RESERVE

Opening Balance	972,841	972,841
Add: Revaluation Increment (Land)	0	0
Closing Balance	<u>972,841</u>	<u>972,841</u>

**WEST ADELAIDE FOOTBALL CLUB INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2011**

7 CONTINGENT LIABILITIES

- (a) The West Adelaide Football Club Inc. Guarantees the bank overdraft of the West Adelaide Footballers' Club Inc.
- (b) The West Adelaide Footballers' Club Inc. guarantees the secured bank loan of the West Adelaide Football Club Inc.

8 RELATED PARTY TRANSACTIONS	2011	2010
	\$	\$
(a) <u>Related Bodies Incorporated</u>		
Provision of an unsecured interest free loan by the West Adelaide Footballers' Club Inc. to the West Football Club Inc.	468,896	297,388
Rent paid to the West Adelaide Football Club Inc. by the West Adelaide Footballers' Club Inc. for the lease of the clubrooms	390,000	390,000
Sponsorship paid to the West Adelaide Football Club Inc by the West Adelaide Footballers' Club Inc	210,000	115,000

(b) Board

The names of each person who held office as a Member of the Board during the year are:

P Sperling (President)	M Matschoss	J Levy
W Henson (Vice President)	G Barton	R Sykes
D Tidswell	B Abraham	
R Day	A Kedzior	

(c) Remuneration of the Board Members

The Board members of the committee receive no remuneration for their services. This statement excludes benefits received or due and receivable by Board members for salaries paid as employees and normal commercial transactions with committee member related entities, upon terms and conditions no more favourable than those which it is reasonable for the Club to expect, if dealing at arms length in the same circumstances.

(d) Loans to Board Members

No loans have been made, guaranteed or secured by the Club to a Board Member or a related entity of a Board Member, during the year under review.

(e) Disclosure of Interest

In accordance with the requirements of section 31 of the Associations Incorporation Act 1985, the following disclosure of interest of Board Members of the West Adelaide Football Club Inc, in contracts with the Club for the year ended 31 October 2011, is made:

There were no payments for goods or services to Board Members during this year.

**WEST ADELAIDE FOOTBALL CLUB INC.
BOARD REPORT**

In accordance with section 35(5) of the Associations Incorporation Act 1985, the Board of the West Adelaide Football Club hereby states that during the financial year ending 31 October 2011:

- (a) (i) no officer of the West Adelaide Football Club;
(ii) no firm of which an officer is a member;
and
(iii) no body corporate in which an officer has a substantial financial interest;
Has received or become entitled to receive a benefit as a result of contract between the officer, firm or body corporate and the Association.
- (b) no officer of the West Adelaide Football Club has received directly or indirectly from the Association any or other benefit of a pecuniary value. Members of the Board act in an honorary capacity and receive no remuneration or benefits from the Association for acting in that capacity.

This report is made in accordance with a resolution of the Board



P SPERLING
President
West Adelaide Football Club Inc.



W HENSON
Director
West Adelaide Football Club Inc.

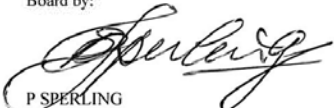
ADELAIDE: 20th day of January 2012

STATEMENT BY MEMBERS OF THE BOARD

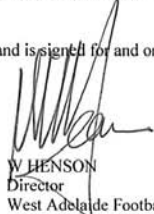
In the opinion of the Board of the West Adelaide Football Club Inc. the accompanying financial reports for the year ended 31 October, 2011:

1. Presents a true and fair view of the financial position of West Adelaide Football Club Inc as at 31 October 2011 and its performance for the year ended on that date
2. As at the date of this statement, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:



P SPERLING
President
West Adelaide Football Club Inc.



W HENSON
Director
West Adelaide Football Club Inc.

ADELAIDE: 20th day of January 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WEST ADELAIDE FOOTBALL CLUB INC

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial statement of The West Adelaide Football Club Inc, which comprises the balance sheet as at 31 October 2011, the income statement, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the board.

Boards Members' Responsibility for the Financial Report

The board members of the association are responsible for the preparation of the financial statement and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporations Act (SA)1985* and is appropriate to meet the needs of the members.

The board members' responsibility also includes such internal controls as the board determine is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board members, as well as evaluating the overall presentation of the financial statement.

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

Independence

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

Opinion


In our opinion, the financial statement presents fairly, in all material respects, the financial position of The West Adelaide Football Club Inc as of 31 October 2011 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the board members' financial reporting responsibilities under the *Associations Incorporations Act (SA) 1985*. As a result, the financial report may not be suitable for another purpose.



PKF
Chartered Accountants



I J Painter
Partner

Signed in Adelaide this 20th day of January 2012

WEST ADELAIDE FOOTBALLERS CLUB INC.
INCOME STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2011

	Notes	2011 \$	2010 \$
INCOME			
<i>Operating Activities</i>			
Bar Activities		767,364	782,829
Commission Income		51,526	57,629
Function Room Hire		591,272	488,637
Gaming Machine Income		1,157,459	1,107,566
Dining Room Sales		556,212	470,803
Memberships		-	-
Sundry Income		30,496	41,519
		<u>3,154,329</u>	<u>2,948,983</u>
EXPENDITURE			
Administration & Office Expenses		180,788	227,310
Auditors' Remuneration	2	6,300	6,300
Bar Purchases & Expenses		716,837	702,490
Borrowing Costs (Interest)		4,444	6,874
Depreciation of Property, Plant & Equipment	1(e)	112,560	117,474
Dining Room Expenses		593,035	541,453
Sponsorship West Adelaide Football Club		210,000	115,000
Function Room Expenses		555,606	482,750
Gaming Machine Costs		332,932	325,392
Insurance		19,047	18,140
Rent & Occupancy		411,211	403,910
		<u>3,142,760</u>	<u>2,947,093</u>
PROFIT /(LOSS) FROM ORDINARY ACTIVITIES		11,569	1,890
Retained Profits at the beginning of the financial year		<u>516,588</u>	<u>514,698</u>
RETAINED PROFITS at the end of the financial year		<u>528,157</u>	<u>516,588</u>

These accounts are to be read in conjunction with the accompanying notes which form part of the accounts.

WEST ADELAIDE FOOTBALLERS CLUB INC.
BALANCE SHEET
AS AT 31 OCTOBER 2011

	Notes	2011 \$	2010 \$
CURRENT ASSETS			
Cash Assets		81,270	132,405
Receivables		126,350	122,986
Inventories		74,918	85,000
TOTAL CURRENT ASSETS		282,538	340,391
NON-CURRENT ASSETS			
Loan West Adelaide Football Club Inc		468,896	297,388
Plant & Equipment - at cost		2,210,495	2,140,210
Less Accumulated Depreciation		(1,767,534)	(1,654,974)
	3	442,961	485,236
Intangible Asset	4	1,500,000	1,500,000
TOTAL NON-CURRENT ASSETS		2,411,857	2,282,624
TOTAL ASSETS		2,694,395	2,623,015
CURRENT LIABILITIES			
Payables		572,990	525,412
Interest Bearing Liabilities:			
- Finance Loan (unsecured)	7	18,711	28,251
Provision for Employee Benefits	1(g)	42,243	26,716
TOTAL CURRENT LIABILITIES		633,944	580,379
NON-CURRENT LIABILITIES			
Interest Bearing Liabilities:			
- Finance Loan (unsecured)	7	32,294	26,048
TOTAL NON-CURRENT LIABILITIES		32,294	26,048
TOTAL LIABILITIES		666,238	606,427
NET ASSETS		2,028,157	2,016,588
EQUITY			
Retained Profits		528,157	516,588
Asset Revaluation Reserve	6	1,500,000	1,500,000
TOTAL EQUITY		2,028,157	2,016,588

These accounts are to be read in conjunction with the accompanying notes which form part of the accounts.

WEST ADELAIDE FOOTBALLERS CLUB INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2011

	Retained Earnings \$	General Reserves \$	Total \$
Balance at 1 November 2009	514,698	-	514,698
Profit/ (Loss) attributable to members	<u>1,890</u>	-	<u>1,890</u>
Revaluation Increment/ (Decrement)		1,500,000	1,500,000
Balance at 31 October 2010	<u>516,588</u>	<u>1,500,000</u>	<u>2,016,588</u>
Profit/ (Loss) attributable to members	11,569	-	11,569
Revaluation Increment/ (Decrement)	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 October 2011	<u>528,157</u>	<u>1,500,000</u>	<u>2,028,157</u>

These accounts are to be read in conjunction with the accompanying notes which form part of the accounts.

WEST ADELAIDE FOOTBALLERS CLUB INC.
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2011

	2011	2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members, SANFL, public etc	3,679,102	3,424,114
Payments to suppliers and employees	(3,480,706)	(3,203,383)
Interest Received		
Interest Paid	(4,444)	(6,874)
Net cash flows provided by operating activities	<u>193,952</u>	<u>213,857</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(70,285)	(106,228)
Loan (repayments)/received	(171,508)	(65,044)
Net cash flows (used in) investing activities	<u>(241,793)</u>	<u>(171,272)</u>
Cash flows from financing activities		
Repayment of finance leases	(3,294)	(34,950)
Net cash flows (used in) financing activities	<u>(3,294)</u>	<u>(34,950)</u>
NET INCREASE/(DECREASE) IN CASH HELD	(51,135)	7,635
Opening Cash at Bank	132,405	124,770
CASH AT BANK AT 31 OCTOBER 2011	<u>81,270</u>	<u>132,405</u>
 (b) Reconciliation of the net cash provided by operating activities to profit from ordinary activities:		
Profit/(Loss) from Ordinary Activities	11,569	1,890
Non-Cash flows in profit from ordinary activities		
Depreciation	112,560	117,474
Changes in assets and liabilities:		
Receivables	(3,364)	(18,469)
Inventories	10,082	(1,742)
Payables	47,578	105,113
Provisions	15,527	9,591
	<u>193,952</u>	<u>213,857</u>

These accounts are to be read in conjunction with the accompanying notes which form part of the accounts.

WEST ADELAIDE FOOTBALLERS CLUB INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2011

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (SA) 1985. The board has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (SA) 1985 and the following Australian Accounting Standards:

AASB 1031	Materiality
AASB 110	Events after the Balance Sheet Date

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

(a) Income Tax

No income tax is payable as the Club is exempt from income tax by virtue of section 50 - 45 of the Income Tax Assessment Act 1997.

(b) Inventories

Inventories are valued at the lower of cost or net realisable value.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(d) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

WEST ADELAIDE FOOTBALLERS CLUB INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2011

(e) Depreciation of property, plant and equipment

The depreciable amount of all fixed assets are depreciated on either a straight line or diminishing value basis over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Buildings	2.50%
Plant & Equipment	5% - 33.3%

(f) Impairment of Assets

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(g) Employee Entitlements

Provision is made for the Club's liability for annual and long service leave arising from services rendered by employees to balance date.

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

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(i) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Association has an unconditional right to defer settlement of the liability for a least 12 months after the balance sheet date.

(j) Borrowing Costs

Borrowing costs are recognised as an expense when incurred.

(k) Comparatives

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information

WEST ADELAIDE FOOTBALLERS CLUB INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2011

2 REMUNERATION OF AUDITOR	2011	2010
	\$	\$
Audit Services	6,300	6,300
Other Services	-	-
	6,300	6,300

3 PROPERTY, PLANT & EQUIPMENT

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

	Plant & Equipment
Balance at beginning of year	485,236
Additions	70,285
Disposals	
Depreciation Expense	(112,560)
Carrying amount at the end of the year	442,961

4 INTANGIBLES

The Intangible Asset revalued in the accounts for \$1,500,000 represents a value for the licence of the gaming machines.

5 LOAN - BANK

The National Australia Bank holds a registered mortgage over the land and buildings of the West Adelaide Football Club Inc and a charge over all assets of both West Adelaide Football and Footballers Clubs.

6 ASSET REVALUATION RESERVE	2011	2010
	\$	\$
Opening Balance	1,500,000	1,500,000
Add: Gaming License Revaluation Increment	-	-
Closing Balance	1,500,000	1,500,000

7 CAPITAL AND LEASING COMMITMENTS

Hire Purchase Commitments Payable		
- not later than 1 year	21,899	31,607
- later than 1 year and not later than 5 years	33,811	27,330
Minimum HP loan payments	55,710	58,937
Less future finance charges	(4,705)	(4,638)
Total hire purchase liability	51,005	54,299
Represented by:		
Current liability	18,711	28,251
Non-current liability	32,294	26,048
	51,005	54,299

**WEST ADELAIDE FOOTBALLERS CLUB INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2011**

8 CONTINGENT LIABILITIES

- (a) The West Adelaide Football Club Inc. Guarantees the bank overdraft of the West Adelaide Footballers' Club Inc.
- (b) The West Adelaide Footballers' Club Inc. guarantees the secured bank loan of the West Adelaide Football Club Inc.

9 RELATED PARTY TRANSACTIONS	2011	2010
	\$	\$
(a) <u>Related Bodies Incorporated</u>		
Provision of an unsecured interest free loan by the West Adelaide Footballers' Club Inc. to the West Football Club Inc.	468,896	297,388
Rent paid to the West Adelaide Football Club Inc. by the West Adelaide Footballers' Club Inc. for the lease of the clubrooms	390,000	390,000
Sponsorship paid to the West Adelaide Football Club Inc by the West Adelaide Footballers' Club Inc	210,000	115,000

(b) Board

The names of each person who held office as a Member of the Board during the year are:

P Sperling (President)	M Matschoss	J. Levy
W Henson (Vice President)	G Barton	R Sykes
D Tidswell	B Abraham	
R Day	A Kedzior	

(c) Remuneration of the Board Members

The Board members of the committee receives no remuneration for their services. This statement excludes benefits received or due and receivable by Board members for salaries paid as employees and normal commercial transactions with committee member related entities, upon terms and conditions no more favourable than those which it is reasonable for the Club to expect, if dealing at arms length in the same circumstances.

(d) Loans to Board Members

No loans have been made, guaranteed or secured by the Club to a Board Member or a related entity of a Board Member, during the year under review.

(e) Disclosure of Interest

In accordance with the requirements of section 31 of the Associations Incorporation Act 1985, the following disclosure of interest of Board Members of the West Adelaide Football Club Inc and West Adelaide Footballers' Club inc., in contracts with the Club for the year ended 31 October 2011, is made:

There were no payments for goods or services to Board Members during this year.

**WEST ADELAIDE FOOTBALLERS CLUB INC.
BOARD REPORT**

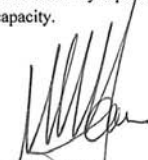
In accordance with section 35(5) of the Associations Incorporation Act 1985, the Board of the West Adelaide Footballers Club hereby states that during the financial year ending 31 October 2011:

- (a) (i) no officer of the West Adelaide Footballers Club;
(ii) no firm of which an officer is a member;
and
(iii) no body corporate in which an officer has a substantial financial interest;
Has received or become entitled to receive a benefit as a result of contract between the officer, firm or body corporate and the Association.
- (b) no officer of the West Adelaide Footballers Club has received directly or indirectly from the Association any or other benefit of a pecuniary value. Members of the Board act in an honorary capacity and receive no remuneration or benefits from the Association for acting in that capacity.

This report is made in accordance with a resolution of the Board



P SPERLING
President
West Adelaide Football Club Inc.



W HENSON
Director
West Adelaide Football Club Inc.

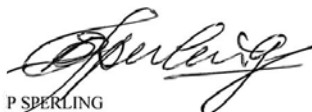
ADELAIDE: 20th day of January 2012

STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the Board of the West Adelaide Footballers Club Inc. the accompanying financial reports for the year ended 31 October, 2011:

1. Presents a true and fair view of the financial position of West Adelaide Footballers Club Inc as at 31 October 2011 and its performance for the year ended on that date
2. As at the date of this statement, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:



P SPERLING
President
West Adelaide Football Club Inc.



W HENSON
Director
West Adelaide Footballers Club Inc.

ADELAIDE: 20th day of January 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WEST ADELAIDE FOOTBALLERS CLUB INC

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial statement of The West Adelaide Footballers Club Inc, which comprises the balance sheet as at 31 October 2011, the income statement, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the board.

Board Members' Responsibility for the Financial Report

The board members of the association are responsible for the preparation of the financial statement and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporations Act (SA) 1985* and is appropriate to meet the needs of the members.

The board members' responsibility also includes such internal controls as the board determine is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board members, as well as evaluating the overall presentation of the financial statement.

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

Independence

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

Tel 618 7421 1400 | Fax 618 7421 1499
adelaide@pkf.com.au | www.pkf.com.au
A South Australian Partnership | ABN 21 903 784 597
Level 2 | 139 Frome Street | Adelaide | South Australia 5000
GPO Box 2505 | Adelaide | South Australia 5001

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of The West Adelaide Footballers Club Inc as of 31 October 2011 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the board members' financial reporting responsibilities under the *Associations Incorporations Act (SA) 1985*. As a result, the financial report may not be suitable for another purpose.



PKF
Chartered Accountants



I. J. Painter
Partner

Signed in Adelaide this 20th day of January 2012