



ASSOCIATION OF AUSTRALIAN
FOOTBALL CLUBS

Association of Australian Football Clubs Limited

ACN 617 929 469

Annual Financial Report

For the Financial Period

13th March 2017 (being date of Incorporation) to 31st December 2017

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Association of Australian Football Clubs Limited
Director's report
for the financial period ended 31st December 2017

The directors present their report on the entity Association of Australian Football Clubs Limited (the 'Company') during the financial period ended 31 December 2017.

The Company is incorporated and domiciled in Australia as a company limited by guarantee.

Directors

The following persons were directors of Association of Australian Football Clubs Limited during the financial period and up to the date of this report.

Upon incorporation of the Company on 13 March 2017, the following Directors were appointed:

Mr. T. Kalas

Mr N. Galatas

Mr D. Hennessey

Mr E. Hikmet

Mr P. Jusup

Mr P. Kotsiris

At the inaugural Annual General Meeting of the company on 3 July 2017, a new Company Constitution was adopted by the members. With the exception of Mr D. Hennessey all of the above Directors resigned and the following Directors elected by the Members from each of the States or Territories noted below:

Mr R. Krayem	Chairman & Director	Queensland
Mrs V.A. Morton	Deputy Chairman & Director	Tasmania
Mr B.G. Marra	Secretary & Director	New South Wales
Mr C. Patsan	Treasurer & Director	Northern New South Wales
Mr A. Ayoubi	Director	South Australia
Mr D. Hennessey	Director	Victoria
Mr G.D. Marocchi	Director	Western Australia
Mr J.P. Thiele	Director	Victoria

Qualifications, experience of directors in office at the date of this report

Mr Rabieh Krayem

Rabieh has more than 30 years' experience in professional and amateur sport. He was the inaugural CEO of the North Queensland Cowboys in the NRL, and also served as the Chairman and then CEO of North Queensland Fury in the A-League and later in the Queensland NPL. He is currently a director of Moreton Bay Jets FC in the Queensland NPL. Rabieh serves on the Board of Stadiums Queensland and is a member of the Premiers' Business Advisory Council. He is also currently CEO and a Director of PRC People Pty Ltd. He was elected as a Director and Chairman of the Association of Australian Football Clubs Limited in July 2017.

Mrs Victoria Morton

Victoria has been President of South Hobart FC in the Tasmanian NPL since 2010 as part of her over 20 year involvement in football in Tasmania. She is also President of the Central Zone Football Association in the Hobart area which has over 3,500 registered players. Victoria is a Member of the Australian Institute of Company Directors and was recently awarded a scholarship by the Tasmanian Government recognising women in the Tasmanian business arena. She was elected as a Director and Deputy Chairman of the Association of Australian Football Clubs Limited in July 2017.

Mr Gino Marra

Gino currently serves as Secretary of the Southern Districts Soccer Football Association which has over 12,000 registered players in the Western Sydney region. He is also Secretary of SD Raiders FC in the New South Wales NPL. Professionally, Gino is CEO and a Director of Potentia Capital Financial Pty Ltd and a Director of Moneta Investment Management Ltd. He holds a Masters of Securitisation (Banking & Finance). Gino was elected as a Director and Secretary of the Association of Australian Football Clubs Limited in July 2017.

Mr Christo Patsan

Christo is Chairman of Newcastle Olympic SFC Inc, in the Northern NSW NPL with an involvement spanning over 20 years with that club. He previously served as a representative of NPL clubs on the NPL Implementation Committee in Northern NSW. Christo is a management consultant to the international oil and gas industry and professional company director. He is currently Non-Executive Chairman of Ampcontrol Testing & Monitoring Pty Ltd and subsidiary companies, Director of Prosmiden Associates Pty Ltd, and a Director of EDF International Pty Ltd. Christo is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand, a member of the Australian Institute of Company Directors, and a member of the Safety Institute of Australia. He holds a Masters in Marketing, and Bachelor of Commerce from the University of Newcastle, Australia and a Diploma in Workplace Health & Safety. He was elected as a Director and Treasurer of the Association of Australian Football Clubs Limited in July 2017.

Mr Amin Ayoubi

Amin is currently Chairman of West Torrens Birkalla SC in the South Australian NPL. He also serves on the Board of the Western Zone Football Council in the Adelaide area as part of an over 20 year involvement in playing, coaching and administration in football in South Australia. During the 2015 Asian Cup, he liaised with the Asian Football Confederation for the Bahrain national team. A successful businessman in the private sector who has also worked with government to secure facilities funding for football infrastructure. Amin is a Director of AA Investments Pty Ltd and Three Stars Pty Ltd. He was elected as a Director of the Association of Australian Football Clubs Limited in July 2017.

Mr Dean Hennessey

Dean has been involved across many facets of football over the past 40 years. He played professional football in the UK USA & Australia with over 250 league games in Victoria with clubs, Albion Rovers, Box Hill, Faulkner, and Thomastown in Victorian State League. As a football coach, he holds an AFC Senior B Licence and is completing his AFC A Licence in 2018. He is currently Technical Director at Pascoe Vale FC in the Victorian NPL. Dean is also currently serving on Football Federation Victoria's NPL Review Board. He is a radio football journalist and commentator on the Macquarie Network's "Box 2 Box" program. Dean is a successful businessman that has worked in marketing, logistics and the development of sports programmes. Dean was one of the founding Directors of the Association of Australian Football Clubs Limited in March 2017, and was re-elected to that position in July 2017.

Mr Gary Marocchi

Gary has over 50 years of active involvement in football as a player, coach & administrator. He played professional football with Adelaide Juventus between 1977 and 1982 in the National Soccer League. During his career he was selected to play in Western Australian and South Australian state representative teams. His crowning achievement as a player was being selected as captain of the Australian national football team – the Socceroos – in 1978, in a period between 1975 and 1978 as a regular member of Socceroos teams. Moving into coaching, Gary has coached in the Western Australian State League with Perth Azzuri and Swan IC and served as coach of the Western Australian State representative team. He coached the Perth Kangaroos in the Singaporean 'S league' in 1995 and was also the inaugural coach of Perth Glory in the NSL from 1995 to 1998. Currently Gary is President of Perth SC in the Western Australian NPL. Professionally, Gary has been Director of structural engineering consultancy Marocchi Engineering Group for 30 years. He holds a Bachelor of Engineering from the University of Western Australia, is a Member of the Institute of Engineers Australia and is a Chartered Engineer. He was elected as a Director of the Association of Australian Football Clubs Limited in July 2017.

Mr Jon Thiele

Jon has over 25 years involvement in sports administration experience across multiple sports, including more than 10 of those as President of Tuggeranong United FC in the Capital Football NPL. After a long career in the Australian Defence Force Jon is now a human resources professional within the federal government. Jon was elected as a Director of the Association of Australian Football Clubs Limited in July 2017.

Meetings of directors

The numbers of meetings of the Company's board of directors held during the financial period ended 31 December 2017, and the numbers of meetings attended by each director were:

	Eligible	Attended
Mr A. Ayoubi	7	6
Mr N. Galatas	4	4
Mr D. Hennessey	11	10
Mr E. Hikmet	4	4
Mr P. Jusup	4	4
Mr. T. Kalas	4	4
Mr P. Kotsiris	4	4
Mr R. Krayem	7	7
Mr B.G. Marra	7	7
Mr G.D. Marocchi	7	6
Mrs V.A. Morton	7	7
Mr C. Patsan	7	5
Mr J.P. Thiele	7	6

Loans to directors

No loans have been advanced to directors by the Company during the period and no loan amounts are outstanding from directors.

Expenses incurred by directors

The directors of the Company personally incurred \$20,113 in travel related and other expenses to attend meetings for and on behalf of the company. None of the expenses have been reimbursed by the company, not are the directors seeking reimbursement.

Principal activities

The principal activities of the Company during the course of the financial period was to represent the interests of its National Premier League club members by:

- a. providing a measured, consultative and professional voice to find solutions that will help benefit football;
- b. taking considered action on issues impacting upon the vibrancy and sustainability of our Members;
- c. representing the interests of clubs to international, national and local governing bodies as a strong voice;
- d. engaging with all stakeholders in Football for the betterment of the sport; and
- e. enabling and nurturing our Member Clubs to improve in all areas of operations;

Short and long term objectives

The Company has established short and longer term objectives which are reviewed on an annual basis. The Company's short-term objectives are to pursue representation at the FFA Congress; and to develop a model for national second division competitions for men and women. The longer term objectives are to secure the sustainability of clubs in the NPL including redressing ever increasing cost pressures which are placed on grassroots, parents & volunteers; and overcome restrictions which prevent Clubs maximising their growth and development potential.

Dividends

The Company is a not for profit organisation and is prevented by its constitution from paying dividends.

Events since the end of the financial period

There has been no other matter or circumstance that has arisen since the end of the financial period that has significantly affected, or may affect company operations in future financial years, the results of those operations or the company's state of affairs in future financial years.

Environmental legislation

Company operations are not subject to any particular or significant environmental regulation under a law of the Commonwealth or a State or Territory of Australia.

Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$200 each towards any outstanding obligations of the entity. At 31st December 2017, the total amount that members of the company are liable to contribute if the company is wound up is \$18,800.

Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

Rounding of Amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest dollar.

Signed in accordance with a resolution of the directors.



Rabieh Krayem
Chairman



Christo Patsan
Director

16 February 2018



Auditor's Independence Declaration

As lead auditor for the audit of Association of Australian Football Clubs Limited for the period 13 March 2017 to 31 December 2017, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'C. Mara'.

Caroline Mara
Partner
PricewaterhouseCoopers

Newcastle
16 February 2018

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Association of Australian Football Clubs Limited
Statement of comprehensive income
for the financial period ended 31st December 2017

	Note	2017 \$
Revenue from continuing operations	2	
Operating Revenue	2	9,400
Other Income	2	1
Revenue		<u>9,401</u>
Formation expenses		827
Marketing and communications expenses		1,453
Members' meeting expenses		1,170
Surplus before income tax for the period		<u>5,951</u>
Income tax benefit/(expense)		-
Surplus for the year from continuing operations		<u>5,951</u>
Other comprehensive income		-
Total comprehensive surplus for the period		<u><u>5,951</u></u>
Total comprehensive income for the period is attributable to:		
Members of Association of Australian Football Clubs Limited	4	<u>5,951</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Association of Australian Football Clubs Limited
Statement of financial position
as at 31st December 2017

	Note	2017 \$
ASSETS		
Current assets		
Cash and cash equivalents	3	5,951
Total current assets		<u>5,951</u>
Total assets		<u>5,951</u>
LIABILITIES		
Current liabilities		
Trade and other payables		-
Total current liabilities		<u>-</u>
Total non-current liabilities		<u>-</u>
Total liabilities		<u>-</u>
Net assets		<u><u>5,951</u></u>
MEMBERS' EQUITY		
Retained earnings	4	5,951
Total members' equity		<u><u>5,951</u></u>

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

Association of Australian Football Clubs Limited
Statement of changes in equity
for the financial period ended 31st December 2017

	Notes	Retained profits	Total attributable to members of the company
		\$	\$
As at 13th March 2017		-	-
Surplus for the financial period	4	5,951	5,951
Other comprehensive income		-	-
As at 31st December 2017		5,951	5,951

The above statement of changes in equity should be read in conjunction with the accompanying notes

Association of Australian Football Clubs Limited
Statement of cash flows
for the financial period ended 31 December 2017

	Note	2017 \$
Cash flows from operating activities		
Receipts from members		9,400
Payments to suppliers and employees		3,450
Interest received		1
Net cash inflow from operating activities		<u>5,951</u>
Cash flows from investing activities		
Net cash (outflow) from investing activities		<u>-</u>
Cash flows from financing activities		
Net cash inflow (outflow) from financing activities		<u>-</u>
Net increase (decrease) in cash and cash equivalents		5,951
Cash and cash equivalents at the beginning of the financial period		-
Cash and cash equivalents at end of period	3	<u>5,951</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Association of Australian Football Clubs Limited
Notes to the financial statements
for the financial period ended 31 December 2017

The financial report of the Association of Australian Football Clubs Ltd for the financial period ended 31 December 2017 was authorised for issue in accordance with a resolution of the Directors on 16 February 2018. The financial statements are for the Association of Australian Football Clubs Limited as an individual entity incorporated and domiciled in Australia. The Association of Australian Football Clubs Limited is a company limited by guarantee.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Company Interpretations and the *Corporations Act 2001*. For the purposes of preparing the financial statements, the entity is a not for-profit entity.

(b) Comparative information

The company was incorporated on 13 March 2017. In accordance with a resolution of the members of the company at the Annual General Meeting on 3 July 2017 these financial statements are the first financial statements of the company. Accordingly, no comparative information is provided.

(c) Compliance with Australian Accounting Standards – Reduced Disclosure Requirements

The financial statements of the company comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

(d) Historical cost convention

These financial statements have been prepared on a historical cost basis.

(e) Currency

The financial report is presented in Australian Dollars.

(f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

(g) Cash and cash equivalents

For the purposes of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions.

(h) Trade and other payables

Any liabilities represent expenses incurred for goods and services provided to the company prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Association of Australian Football Clubs Limited
Notes to the financial statements
for the financial period ended 31 December 2017

(i) Income Tax

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(j) Goods and Services Tax

Given the financial value of company operations during the financial period, the company is not registered for GST. Any GST incurred in regard to company expenses is not recoverable from the Australian Taxation Office. Accordingly, the GST paid is recognised as part of the cost of supply of goods and services.

(k) Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

2. OPERATING REVENUE AND OTHER INCOME

	2017
	\$
Operating Revenue	
Membership fees	9,400
Other Income	
Interest received	1
	1
Total Revenue and other income	9,401

3. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2017
	\$
Cash at bank	5,951
	5,951
	5,951

Reconciliation to cash at the end of the period

The above figures are reconciled to cash at the end of the financial period as shown in the statement of cash flows as follows:

Cash at bank	5,951
Balances per statement of cash flows	5,951

Association of Australian Football Clubs Limited
Notes to the financial statements
for the financial period ended 31 December 2017

4. RETAINED PROFITS

	2017
	\$
Retained profits at the beginning of the financial period	-
Net surplus for the financial period	5,951
Retained earnings at the end of the financial period	<u>5,951</u>

5. CONTINGENT LIABILITIES

The company did not have any contingent liabilities as at 31 December 2017.

6. COMMITMENTS

The company had no outstanding commitments as at 31 December 2017.

7. RELATED PARTY TRANSACTIONS

There were no transactions with related parties during the financial period.

No remuneration or any other form of payment was made to any Director or entities associated with any Director of the company.

8. FINANCIAL RISK MANAGEMENT

Credit risk arises from cash and cash equivalents maintained with banks and financial institutions which is managed at a Company level. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

Association of Australian Football Clubs Limited
Directors' declaration
for the financial period ended 31 December 2017

In accordance with a resolution of the directors the Association of Australian Football Clubs Ltd, we state that:

- a. the financial statements and notes set out on pages 7 to 13 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Accounting Standards – Reduced Disclosure Requirements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the company's financial position as at 31 December 2017 and of their performance for the financial period ended on that date; and
- b. 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 directors.



Rabieh Krayem
Chairman



Christo Patsan
Director

16 February 2018



Independent auditor's report

To the members of Association of Australian Football Clubs Limited

Our opinion

In our opinion:

The accompanying financial report of Association of Australian Football Clubs Limited (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 31 December 2017 and of its financial performance for the period 13 March 2017 to 31 December 2017
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 31 December 2017
- the statement of comprehensive income for the period 13 March 2017 to 31 December 2017
- the statement of changes in equity for the period 13 March 2017 to 31 December 2017
- the statement of cash flows for the period 13 March 2017 to 31 December 2017
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

Independence

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Company's for the period 13 March 2017 to 31 December 2017, including Director's Report, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

PricewaterhouseCoopers

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C. Mara

Caroline Mara
Partner

Newcastle
16 February 2018