

Gleneig Football Club Incorporated

ABN 94 586 591 723

Financial Statements

For the Year Ended 31 October 2021

Glenelg Football Club Incorporated

ABN 94 586 591 723

Contents

For the Year Ended 31 October 2021

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Glenelg Football Club Incorporated

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 October 2021

	Note	2021 \$	2020 \$
Income			
Football income	3	1,031,853	379,631
Net membership income		142,559	152,624
Net sponsorship income		399,264	296,410
Net fundraising & coterie groups income		14,752	40,079
Net merchandise sales		98,527	29,504
Distributions from Glenelg Football Club Trust		419,709	285,137
Grants and donations		17,787	35,212
Other income	3	308,539	1,006,268
		<u>2,432,990</u>	<u>2,224,865</u>
Expenditure			
Depreciation expense		74,218	43,573
Finance costs		9,316	-
Senior and junior football		1,237,188	545,313
Occupancy expenses		29,708	24,685
Office and administration expenses		496,979	1,055,406
		<u>1,847,409</u>	<u>1,668,977</u>
Income tax expense		-	-
Profit after income tax		<u>585,581</u>	<u>555,888</u>

The accompanying notes form part of these financial statements.

Glenelg Football Club Incorporated

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Statement of Financial Position

As At 31 October 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	143,485	507,180
Trade and other receivables		16,843	112,829
Inventories		28,853	36,445
Prepayments and other receivables		170	10,000
Distributions receivable from Glenelg Football Club Trust	11(c)	704,846	285,137
TOTAL CURRENT ASSETS		894,197	951,591
NON-CURRENT ASSETS			
Plant and equipment	5	375,561	400,648
Right-of-use assets	6	204,082	-
TOTAL NON-CURRENT ASSETS		579,643	400,648
TOTAL ASSETS		1,473,840	1,352,239
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	190,280	132,046
Lease liabilities		28,804	-
Employee benefits	9	82,530	57,817
Income received in advance		115,000	300,000
TOTAL CURRENT LIABILITIES		416,614	489,863
NON-CURRENT LIABILITIES			
Lease liabilities		191,380	-
Loan from Glenelg Football Club Trust	11(c)	95,912	678,023
TOTAL NON-CURRENT LIABILITIES		287,292	678,023
TOTAL LIABILITIES		703,906	1,167,886
NET ASSETS		769,934	184,353
MEMBERS' FUNDS			
Other reserves		54,552	54,552
Accumulated funds		715,382	129,801
TOTAL MEMBERS' FUNDS		769,934	184,353

The accompanying notes form part of these financial statements.

Glenelg Football Club Incorporated

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Statement of Changes in Equity For the Year Ended 31 October 2021

2021

	Retained Earnings	Ossie Amies Trust Fund	Stan Wickham Memorial Trust Fund	Total
	\$	\$	\$	\$
Balance at 1 November 2020	129,801	51,013	3,539	184,353
Profit for the year	585,581	-	-	585,581
Balance at 31 October 2021	715,382	51,013	3,539	769,934

2020

	Retained Earnings	Ossie Amies Trust Fund	Stan Wickham Memorial Trust Fund	Total
	\$	\$	\$	\$
Balance at 1 November 2019	(426,087)	51,013	3,539	(371,535)
Profit for the year	555,888	-	-	555,888
Balance at 31 October 2020	129,801	51,013	3,539	184,353

The accompanying notes form part of these financial statements.

Glenelg Football Club Incorporated

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Statement of Cash Flows For the Year Ended 31 October 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from football and sponsorship	1,562,483	931,510
Receipts from fundraising and merchandise	124,607	115,220
Receipts from government	390,549	1,101,367
Proceeds from funding held on behalf of council	-	300,000
Payments to suppliers and employees	(1,808,277)	(1,898,901)
Net cash provided by operating activities	12 <u>269,362</u>	<u>549,196</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(14,643)</u>	(15,485)
Net cash (used in) investing activities	<u>(14,643)</u>	<u>(15,485)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowing from Glenelg Football Club Trust	(582,054)	(125,931)
Payment of lease liabilities	<u>(36,360)</u>	-
Net cash (used in) financing activities	<u>(618,414)</u>	<u>(125,931)</u>
Net increase/(decrease) in cash and cash equivalents held	(363,695)	407,780
Cash and cash equivalents at beginning of year	<u>507,180</u>	99,400
Cash and cash equivalents at end of financial year	4 <u>143,485</u>	<u>507,180</u>

The accompanying notes form part of these financial statements.

Glenelg Football Club Incorporated

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Notes to the Financial Statements For the Year Ended 31 October 2021

The financial statements cover Glenelg Football Club Incorporated as an individual entity. Glenelg Football Club Incorporated is a not-for-profit Association incorporated in South Australia under the *Associations Incorporation Act (SA) 1985* ('the Act').

The functional and presentation currency of Glenelg Football Club Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the Board, the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Associations Incorporation Act (SA) 1985.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

Revenue is measured at the fair value of consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Revenue from the sale of goods or provision of services is recognised upon delivery of the goods or services to the customer. Amounts disclosed as revenue are net of returns, discounts and GST.

When the Association receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the group:

- identifies each performance obligation relating to the grant - recognises a contract liability for its obligations under the agreement;
- recognises revenue as it satisfies its performance obligations.

Glenelg Football Club Incorporated

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Notes to the Financial Statements For the Year Ended 31 October 2021

2 Summary of Significant Accounting Policies (continued)

(a) Revenue and other income (continued)

Revenue from contracts with customers (continued)

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the association:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg, AASB 9 , AASB 16 , AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the association recognises income in profit or loss when or as it satisfies its obligations under the contract.

(b) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(d) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

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Notes to the Financial Statements For the Year Ended 31 October 2021

2 Summary of Significant Accounting Policies (continued)

(e) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Amortised cost

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

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Notes to the Financial Statements For the Year Ended 31 October 2021

2 Summary of Significant Accounting Policies (continued)

(e) Financial instruments (continued)

Financial assets (continued)

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

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Notes to the Financial Statements For the Year Ended 31 October 2021

2 Summary of Significant Accounting Policies (continued)

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Leases

At inception of a contract, the Association assesses whether a lease exists.

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(h) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Glenelg Football Club Incorporated

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Notes to the Financial Statements For the Year Ended 31 October 2021

3 Revenue and Other Income

Football income

	2021	2020
	\$	\$
SANFL Distributions	515,170	306,721
SANFL land divestment	300,000	-
Senior football	146,110	31,608
Junior football	70,573	41,302
	<u>1,031,853</u>	<u>379,631</u>

Other income

COVID19 Cashflow boost	-	100,000
COVID19 Jobkeeper	305,307	850,243
COVID19 State government support	3,000	51,000
Other income	232	5,025
	<u>308,539</u>	<u>1,006,268</u>

4 Cash and Cash Equivalents

Cash on hand	3,155	595
Bank balances	140,330	506,585
	<u>143,485</u>	<u>507,180</u>

5 Property, plant and equipment

Plant and equipment		
At cost	731,844	833,436
Accumulated depreciation	(363,521)	(442,438)
Total plant and equipment	<u>368,323</u>	<u>390,998</u>
Motor vehicles		
At cost	62,880	62,880
Accumulated depreciation	(55,642)	(53,230)
Total motor vehicles	<u>7,238</u>	<u>9,650</u>
Total property, plant and equipment	<u>375,561</u>	<u>400,648</u>

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Notes to the Financial Statements For the Year Ended 31 October 2021

6 Leases

Association as a lessee

The Association leases land and buildings from the City of Holdfast Bay as their principal place of business.

Right-of-use assets

	Land and buildings	Total
	\$	\$
Year ended 31 October 2021		
Additions to right-of-use assets	238,570	238,570
Depreciation charge	(34,488)	(34,488)
Balance at end of year	204,082	204,082

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2021	2020
	\$	\$
Interest expense on lease liabilities	9,395	-

7 Trade and Other Payables

CURRENT

Trade payables	148,063	83,643
Sundry creditors and accruals	42,217	48,403
	190,280	132,046

8 Borrowings

The Glenelg Football Club Inc, in conjunction with the Glenelg Football Club Trust, has an overdraft facility with the ANZ Banking Group of \$160,000 and a Business Loan of \$444,333. All borrowings are secured by cross guarantee between the Glenelg Football Club Trust and Glenelg Football Club Inc, over all present and after-acquired property.

9 Employee Benefits

Current liabilities		
Long service leave	35,945	29,509
Annual leave	46,585	28,308
	82,530	57,817

Glenelg Football Club Incorporated

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Notes to the Financial Statements For the Year Ended 31 October 2021

10 Contingencies

In the opinion of the Members of the Board, the Association did not have any contingencies at 31 October 2021 (31 October 2020:None).

11 Related Parties

(a) Board of Directors

The names of the Directors in office at any time during or since the end of the year are:

Peter Carey (President & League Director)
David Whellan (Vice President & Finance Director)
Nick Chigwidden
Michael Michaels
Robert Gilles
Catherine Sayer
Teri Hopkins

(b) Remuneration of Directors

The Directors in office during the year ended 31 October 2021 did not receive any remuneration for their services.

(c) Glenelg Football Club Inc and Glenelg Football Club Trust

	2021	2020
	\$	\$
Amounts due to Glenelg Football Club Trust	(95,912)	(678,023)
Amounts due from Glenelg Football Club Trust	704,846	285,137
Total	608,934	(392,886)

The Glenelg Football Club Inc and Glenelg Football Club Trust operate in unison to provide a football team and licensed club facilities to support football activities. Glenelg Football Club Trust has previously provided a loan to Glenelg Football Club Inc and from time to time will also make donations to the Club.

Glenelg Football Club Incorporated

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Notes to the Financial Statements For the Year Ended 31 October 2021

12 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2021	2020
	\$	\$
Profit for the year	585,581	555,888
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	74,218	43,573
- interest and other expenses on AASB 16 leases	17,974	-
Changes in assets and liabilities:		
- (increase)/decrease in trade receivables	95,986	(51,285)
- (increase)/decrease in other receivables	(419,709)	(285,137)
- (increase)/decrease in prepayments	9,830	273
- (increase)/decrease in inventories	7,592	(4,512)
- increase/(decrease) in income in advance	(185,000)	300,000
- increase/(decrease) in trade and other payables	58,177	(3,138)
- increase/(decrease) in employee benefits	24,713	(6,466)
Cashflows from operations	<u>269,362</u>	<u>549,196</u>

13 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

14 Statutory Information

The registered office and principal place of business of the Association is:

Glenelg Football Club Incorporated
ACH Group Stadium - Brighton Road
Glenelg East SA 5045

Glenelg Football Club Incorporated

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Statement by Members of the Board

The members of the Board have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

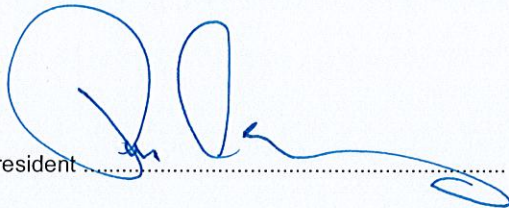
In the opinion of the Board the financial report as set out on pages 1 to 13:

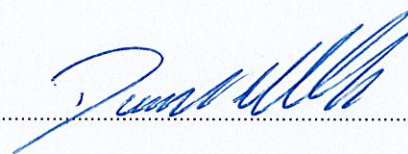
1. Presents fairly the results of the operations of Glenelg Football Club Incorporated as at 31 October 2021 and the state of its affairs for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Glenelg Football Club Incorporated will be able to pay its debts as and when they fall due.

The board hereby states that during the financial year ended 31 October 2021:

3. (a) no officer of the association;
(b) no firm of which an officer is a member; and
(c) No body corporate in which an officer has a substantial financial interest has received or become entitled to receive, a benefit outside of normal trading terms as a result of a contract between the officer, firm or body corporate and the association; and
4. No officer of the Association has received directly or indirectly from the Association any payment or other benefit of a pecuniary value other than disclosed amounts shown in Note 11.

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

President 

Vice President 

Dated 1 February 2022

Glenelg Football Club Incorporated

Independent auditor's report to members

Report on the Audit of the Financial Statements

Opinion

We have audited the financial report of Glenelg Football Club Incorporated ("Association") which comprises the statement of financial position as at 31 October 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the Board.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 31 October 2021, and 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 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 are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (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.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Glenelg Football Club Incorporated to meet the requirements of the members. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

ACCOUNTANTS & ADVISORS

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Adelaide SA 5001
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williambuck.com

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the members and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

https://auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our independent auditor's report.

A handwritten signature in black ink that reads 'William Buck'.

William Buck (SA)
ABN 38 280 203 274

A handwritten signature in black ink that reads 'G. Martinella'.

G.W. Martinella
Partner

Adelaide, 1st February 2022