Glenelg Football Club Inc and Controlled Entities

ABN 94 586 591 723

Financial Statements - 31 October 2023

Glenelg Football Club Inc and Controlled Entities
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31 October 2023

Glenelg Football Club Inc and Controlled Entities
Statement of profit or loss and other comprehensive income
For the year ended 31 October 2023

	Note	Consolidated 2023 $	Consolidated 2022 $
Revenue			
Football income	3	1,103,091	1,055,493
Net venue income	4	1,420,353	1,315,197
Net gaming revenue	5	1,978,706	1,716,235
Other income	6	605,713	566,959
Net membership income		125,748	134,926
Net sponsorship income		464,683	455,298
Net fundraising & coterie groups income		164,301	121,918
Net merchandise sales		117,370	57,571
Grants and donations		11,488	11,536
		5,991,453	5,435,133
Expenses			
Depreciation expense		(331,230)	(320,951)
Finance costs		(36,747)	(33,048)
Employee benefits expense		(1,393,398)	(1,279,497)
Senior and junior football		(1,465,680)	(1,203,091)
Gaming expenses		(840,857)	(725,939)
Bar expenses		(11,847)	(20,598)
Kitchen expenses		(65,374)	(59,641)
Sales reduction		(133,050)	(106,173)
Occupancy expenses		(313,270)	(288,167)
Function expenses		(35,389)	(21,322)
Office and administration expenses		(1,016,863)	(897,005)
		(5,643,705)	(4,955,432)
Surplus for the year		347,748	479,701
Other comprehensive income for the year		-	-
Total comprehensive income for the year		347,748	479,701

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Glenelg Football Club Inc and Controlled Entities
Statement of financial position
As at 31 October 2023

	Note	Consolidated 2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	7	732,405	936,768
Trade and other receivables		109,119	125,384
Inventories		139,876	102,576
Prepayments and other receivables		(20,160)	8,226
Total current assets		961,240	1,172,954
Non-current assets			
Property, plant and equipment	9	5,169,073	5,340,287
Right-of-use assets	8	128,110	169,594
Intangibles	10	1,080,000	765,013
Total non-current assets		6,377,183	6,274,894
Total assets		7,338,423	7,447,848
Liabilities			
Current liabilities			
Trade and other payables	11	612,998	517,009
Borrowings	12	1,314,551	458,272
Lease liabilities	13	32,772	34,236
Employee benefits	14	150,036	170,031
Income received in advance		96,250	140,300
Total current liabilities		2,206,607	1,319,848
Non-current liabilities			
Borrowings	12	8,075	1,306,741
Lease liabilities	13	111,878	157,144
Total non-current liabilities		119,953	1,463,885
Total liabilities		2,326,560	2,783,733
Net assets		5,011,863	4,664,115
Equity			
Reserves	15	2,984,552	2,984,552
Retained surpluses		2,027,311	1,679,563
Total equity		5,011,863	4,664,115

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

Glenelg Football Club Inc and Controlled Entities
Statement of changes in equity
For the year ended 31 October 2023

Consolidated	Ossie Amies Trust Fund $	Stan Wickham Memorial Trust Fund $	Asset Revaluation Reserve $	Retained Earnings $	Total equity $
Balance at 1 November 2021	51,013	3,539	2,930,000	1,199,862	4,184,414
Surplus for the year	-	-	-	479,701	479,701
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	479,701	479,701
Balance at 31 October 2022	51,013	3,539	2,930,000	1,679,563	4,664,115

Consolidated	Ossie Amies Trust Fund $	Stan Wickham Memorial Trust Fund $	Asset Revaluation Reserve $	Retained Earnings $	Total equity $
Balance at 1 November 2022	51,013	3,539	2,930,000	1,679,563	4,664,115
Surplus for the year	-	-	-	347,748	347,748
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	347,748	347,748
Balance at 31 October 2023	51,013	3,539	2,930,000	2,027,311	5,011,863

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

Glenelg Football Club Inc and Controlled Entities
Statement of cash flows
For the year ended 31 October 2023

	Note	Consolidated 2023 $	2022 $
Cash flows from operating activities			
Receipts from football and sponsorship		1,680,501	1,797,532
Receipts from fundraising and merchandise		309,838	157,868
Receipts from customers		5,550,847	4,643,678
Payments to suppliers and employees		(7,108,353)	(5,947,227)
Finance costs		(30,290)	(24,765)
Net cash from operating activities	19	402,543	627,086
Cash flows from investing activities			
Payments for property, plant and equipment		(127,302)	(361,162)
Proceeds from disposal of property, plant and equipment		-	29,031
Net cash used in investing activities		(127,302)	(332,131)
Cash flows from financing activities			
Repayment of borrowings		(350,795)	(399,417)
Repayment of lease liabilities		(37,217)	(37,087)
Net proceeds from / (repayment of) asset financing		(91,592)	81,840
Net cash used in financing activities		(479,604)	(354,664)
Net decrease in cash and cash equivalents		(204,363)	(59,709)
Cash and cash equivalents at the beginning of the financial year		936,768	996,477
Cash and cash equivalents at the end of the financial year	7	732,405	936,768

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

Note 1. General information

The financial statements cover Glenelg Football Club Inc and Controlled Entities as an individual entity. The financial statements are presented in Australian dollars, which is Glenelg Football Club Inc and Controlled Entities 's functional and presentation currency.

Glenelg Football Club Inc and Controlled Entities is a not-for-profit group incorporated incorporated and domiciled in Australia. Its registered office and principal place of business is:

ACH Group Stadium - Brighton Road
Glenelg East SA 5045

Note 2. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern
The group recorded a deficiency in net current assets of $1,240,126 for the financial year ended 31 October 2023 (2022: $146,894).

The Directors have prepared the financial statements on a going concern basis and are satisfied that there are reasonable grounds to believe the group will meet its obligations as and when they fall due. In making this assessment, the Directors have considered:

- the current and forecasted financial position of the group;
- the ability to generate positive cash flows from operations;
- the continued financial support from the City of Holdfast Bay Council, noting that subsequent to year end, Council has confirmed that the outstanding loan will not be called upon within 12 months from the date of signing these financial statements.

Basis of preparation
In the Board Members' opinion, the consolidated entity is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the South Australian legislation the Associations Incorporation Act 1985. The Board Members have determined that the accounting policies adopted are appropriate to meet the needs of the Members of Glenelg Football Club Inc and Controlled Entities .

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') 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', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures'.

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Note 2. Significant accounting policies (continued)

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Glenelg Football Club Inc and Controlled Entities ('incorporated association' or 'parent entity') as at 31 October 2023 and the results of all subsidiaries for the year then ended. Glenelg Football Club Inc and Controlled Entities and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Revenue recognition
The consolidated entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Membership fees income
Revenue from membership fees is recognised on a straight line basis over the period of membership.

Note 2. Significant accounting policies (continued)

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
As the consolidated entity is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Inventories
Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment
Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Note 2. Significant accounting policies (continued)

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 2. Significant accounting policies (continued)

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 3. Football income

	Consolidated	
	2023	2022
	$	$
SANFL Distributions	655,125	569,970
SANFL land divestment	300,000	350,000
Junior football	147,966	135,523
	1,103,091	1,055,493

Note 4. Net venue income

	Consolidated 2023 $	Consolidated 2022 $
Bar sales	1,288,311	1,089,938
Cost of sales - Bar	(457,653)	(403,000)
Kitchen sales	1,047,687	955,100
Cost of sales - Kitchen	(457,992)	(326,841)
	1,420,353	1,315,197

Note 5. Net gaming revenue

	Consolidated 2023 $	Consolidated 2022 $
Net gaming revenue	1,978,706	1,716,235
Turnover on gaming machines ($)	25,094,566	21,585,873
Less: 'Wins' returned to players ($)	(22,917,095)	(19,702,691)
Net receipts including GST ($)	2,177,471	1,883,182
Net receipts excluding GST ($)	1,978,706	1,716,235
Net receipts (%)	8.69	8.71
Number of gaming machines	36.00	36.00
Gaming tax paid	649,255.00	538,894.00
Gaming tax % of net receipts	32.81	31.40

Note 6. Other income

	Consolidated 2023 $	Consolidated 2022 $
Keno income	7,984	6,412
Function hire income	17,951	14,302
Gain on disposal of plant and equipment	-	29,031
Rental income	127,912	118,508
Other income	136,879	173,693
Gain on gaming machine entitlement revaluation	314,987	225,013
	605,713	566,959

Note 7. Cash and cash equivalents

	Consolidated 2023 $	Consolidated 2022 $
Current assets		
Cash on hand	84,737	89,996
Bank balances	647,668	846,772
	732,405	936,768

Note 8. Right-of-use assets

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

	Consolidated 2023 $	Consolidated 2022 $
Non-current assets		
Land and buildings - right-of-use	258,958	273,058
Less: Accumulated depreciation	(130,848)	(103,464)
	128,110	169,594

There were no additions to the right-of-use assets during the year and depreciation charged to profit or loss was $32,712.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the consolidated 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:

	Consolidated 2023 $	Consolidated 2022 $
Interest expenses on lease liabilities	6,457	8,283

Note 9. Property, plant and equipment

	Consolidated 2023 $	Consolidated 2022 $
Non-current assets		
Leasehold improvements - at fair value	4,835,791	4,832,196
Less: Accumulated depreciation	(379,529)	(282,202)
	4,456,262	4,549,994
Plant and equipment - at cost	2,250,301	2,134,328
Less: Accumulated depreciation	(1,538,991)	(1,346,036)
	711,310	788,292
Motor vehicles - at cost	19,991	19,991
Less: Accumulated depreciation	(18,490)	(17,990)
	1,501	2,001
	5,169,073	5,340,287

Note 10. Intangibles

	Consolidated 2023 $	Consolidated 2022 $
Non-current assets		
Gaming machine entitlements at fair value	1,080,000	765,013

Note 10. Intangibles (continued)

Gaming machine entitlements have been brought to account at the market value. The members of the Board have determined this value with reference to the "Gaming Machine Entitlement Trading System" as set out in the Gaming Machine Regulations 2005.

Each entitlement is valued at $40,000, however in accordance with the Gaming Machines (Miscellaneous) Amendment Act 2004 which states that 25% of entitlements will be withheld if sold, the Board has valued each entitlement at $30,000.

Note 11. Trade and other payables

	Consolidated	
	2023	**2022**
	$	**$**
Current liabilities		
Trade payables	267,953	342,448
Sundry creditors and accruals	345,045	174,561
	612,998	517,009

Note 12. Borrowings

	Consolidated	
	2023	**2022**
	$	**$**
Current liabilities		
Asset finance liabilities	35,381	107,477
City of Holdfast Bay Council debenture loans	1,029,923	200,000
SANFL loan	21,580	50,795
ANZ business loan	227,667	100,000
	1,314,551	458,272
Non-current liabilities		
ANZ business loan	-	227,667
SANFL loan	-	21,580
Asset finance liabilities	8,075	27,571
City of Holdfast Bay Council debenture loans	-	1,029,923
	8,075	1,306,741
	1,322,626	1,765,013

The Group has borrowing facilities with the ANZ Banking Group, which includes a Business loan of $227,667 and Overdraft Facility with a limit of $160,000. The overdraft facility is unused at 31 October 2023. Subsequent to the end of the financial year, ANZ Banking Group has extended the finance facility to 30 November 2024, with interest only repayments.

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.

The City of Holdfast Bay (“Council”) agreed to provide financial support to the Group until 31 October 2023. Prior to 31 October 2023, the Council extended the financial support to 29 February 2024. Therefore, the loan payable to the Council is classified as current liabilities. Subsequent to 31 October 2023, the Council has confirmed that the outstanding loan will not be called upon within 12 months from the date of signing these financial statements.

Note 13. Lease liabilities

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

	Consolidated	
	2023 $	2022 $
Current liabilities		
Lease liability	32,772	34,236
Non-current liabilities		
Lease liability	111,878	157,144
	144,650	191,380

Note 14. Employee benefits

	Consolidated	
	2023 $	2022 $
Current liabilities		
Annual leave	88,357	81,468
Long service leave	61,679	88,563
	150,036	170,031

Note 15. Reserves

	Consolidated	
	2023 $	2022 $
Asset revaluation reserve	2,930,000	2,930,000
Other reserves	54,552	54,552
	2,984,552	2,984,552

Note 16. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

		Ownership interest	
Name	Principal place of business / Country of incorporation	2023 %	2022 %
Glenelg Football Club Trust	Australia	-	-
Glenelg Footballers Club Inc.	Australia	100.00%	100.00%

The Glenelg Football Club Trust was created on 31 October 2019. Glenelg Football Club Inc. is the principal and only beneficiary of the trust. The operations and net liabilities of the Glenelg Club Inc. were transferred to the Glenelg Football Club Trust on 1 November 2019. The consolidated financial reports includes the results of this entity from that date.

Note 17. Contingencies

In the opinion of the Members of the Board, the Group did not have any contingencies at 31 October 2023 (31 October 2022:None).

Note 18. Related party transactions

(a) Board of Directors

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

David Whelan (President)
Peter Carey
Nick Chigwidden
Michael Michaels (resigned 31/01/2023)
Robert Gillies
Catherine Sayer (resigned 26/06/2023)
Teri Hopkins
Dion Moroney (appointed 28/03/2023)
Lorraine Caruso (appointed 28/03/2023)

(b) Remuneration of Directors

The Directors in office during the year ended 31 October 2023 did not receive any remuneration for their services.

Note 19. Reconciliation of surplus to net cash from operating activities

	Consolidated	
	2023 $	2022 $
Surplus for the year	347,748	479,701
Adjustments for:		
Depreciation and amortisation	331,228	320,951
Net gain on disposal of property, plant and equipment	-	(29,031)
Gain in revaluation of gaming machine entitlement	(314,987)	(225,013)
Interest and other expenses on AASB 16 leases	(742)	8,283
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	7,933	(14,628)
Decrease/(increase) in inventories	(37,300)	21,286
Decrease in prepayments	28,386	8,114
Increase in trade and other payables	104,321	14,493
Increase/(decrease) in employee benefits	(19,995)	17,630
Increase in income in advance	(44,049)	25,300
Net cash from operating activities	402,543	627,086

Note 20. Events after the reporting period

No matter or circumstance has arisen since 31 October 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Glenelg Football Club Inc and Controlled Entities
Board Members' report
31 October 2023

The members of the Board have determined that the group 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 2 to 15:

1. Presents fairly the results of the operations of Glenelg Football Club Inc and Controlled Entities as at 31 October 2023 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 Inc and Controlled Entities 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:

President

6th February ~~January~~ 2024

Vice President

Glenelg Football Club Inc and Controlled Entities

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 Inc. (the Association and its controlled entities (the Group)), which comprises the consolidated statement of financial position as at 31 October 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated 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 Group as at 31 October 2023, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 2 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 Group 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 2 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Glenelg Football Club Inc. and its Controlled Entities 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.

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 Group'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 Group'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.

William Buck

William Buck (SA)
ABN 38 280 203 274

G.W. Martinella
Partner

Adelaide, 6th February 2024