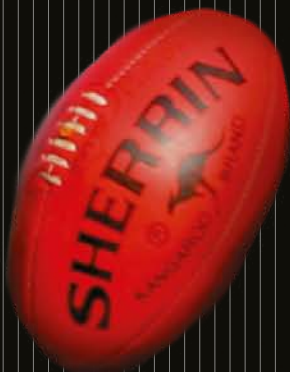


port adelaide football club
2012 annual report



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Port Adelaide Football Club Limited will be held in the upstairs Members' area of The Port Club at Alberton Oval on Friday 14 December 2012, commencing at 7.00 pm.

The club called for nominations for one (1) position on Saturday 27 October 2012, with the nomination period closing at 5pm on Monday 12 November 2012. The following nominations have been received (in alphabetical order):

- George Fiacchi
- Trevor Johnson
- Jason Makarenko
- Alex Panas

Voting by Members for the approval of these nominations will be conducted by an online and postal vote. Online voting must be completed and voting papers must be received in the hands of the Returning Officer by 5pm on Wednesday 12 December 2012.

The approval by Members of one nominee will then be notified to the SA Football Commission.

Members can only nominate or approve the nomination of persons for appointment to the Board. The actual appointment is made by the SA Football Commission following receipt by it of the Member nomination and will be announced as soon as possible.

BUSINESS

1. Receive reports
To table, consider and receive:
 - a) The Directors' Statement and Report in respect to the economic entity for the financial year ended 31 October 2012.
 - b) The financial accounts of the economic entity prepared in respect of the year ended 31 October 2012.
 - c) The auditor's report in respect to the economic entity's financial accounts for the year ended 31 October 2012.
2. To transact other business as shall lawfully be brought before the meeting
3. To provide information to Club Members on club progress and preparedness for the 2013 season:
 - a) Ken Hinkley
 - b) Ken McGregor
 - c) Introduction – new players

By order of the Board



S.D. SMITH
COMPANY SECRETARY



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2012 Financial Results

PREAMBLE

Key points for PAFC Financial Result:

- Consolidated operating loss after grants of \$2,117,071
- Grants from SANFL \$2m
- Consolidated operating loss before grants of \$4.12m (\$3.16m loss in 2011)
- Turnover \$36.6m (\$37m in 2011)
- Football Department (AFL) expenditure \$16.3m (\$14.7m in 2011 - Net increase of approx. \$900,000 after increase in player payments)

The Port Adelaide Football Club recorded an operating loss of \$2,117,071 in 2012.

The club received \$2 million in assistance from the SANFL in 2012 made available through a loan to the SANFL Football Commission from the AFL.

The club is committed to securing an independent financial future, underpinned by investment in football performance. In 2012 the club added further resources in coaching, fitness and medical, list management and recruiting.

The 2012 result includes a net \$900k increase in the club's AFL football expenditure and a modest but strategic investment in administration to prepare the club for the transition to Adelaide Oval where its games will be played from 2014.

While corporate return fell approximately \$600,000 in 2012, the club developed innovative sponsorship arrangements including its ground-breaking Power To End Hunger partnership with food relief agency Foodbank SA.

Port Adelaide's 2012 membership fell less than three per cent, but income declined approximately \$250,000 because of the number of members on lower revenue-yielding packages.

On a positive note, the club achieved an improved performance in its non-football areas including Power Community Ltd, its licensed venues (The Port Club and the Prince of Wales Hotel) and the Power Future Fund.



DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the financial statements of the Port Adelaide Football Club Limited consolidated entity for the year ended 31 October 2012.

DIRECTORS

The Directors in office at the date of this report are:

D. Koch	Chairman
K. Osborn	Director
J. Auld	Director
C. Cardone	Director
R. Haslam	Director
A. Panas	Director
J. Restas	Director
R. Ryan	Director
T. Thiele	Director
A. Vanstone	Director

Board of Directors

David Koch, Chairman (appointed 1 October 2012)

Profession: Co-host, Sunrise (Channel 7); Director, Pinstripe Media
Chairman, Port Adelaide Football Club 2012 – current
Director, Port Adelaide Football Club 2012 - current
Chairman, Organ and Tissue Authority Advisory Board

Kevin Osborn, Deputy Chairman

Profession: Company Director
Deputy Chairman, Port Adelaide Football Club 2011 – current
Director, Port Adelaide Football Club 2011 – current
Chairman, Football Strategic Committee 2012 - current
Non-executive Director, Viterra Inc
Chairman, Invest in South Australia Advisory Board
Deputy Chairman, Economic Development Board of SA
Director, SA Water; Chairman, Adelaide Desalination Project Steering Committee
Foundation Fellow, Australian Institute of Company Directors
Fellow Professional, Institute of Public Accountants

John Auld

Profession: Director of Business Aust./NZ, Yalumba Wine Company
Director, Port Adelaide Football Club 2011- current
Chairman, Seven Under Company
Director, Negotiants New Zealand

Cos Cardone (appointed 1 October 2012)

Profession: Chief Executive Officer, McGuire Media
Director, Port Adelaide Football Club 2012 – current
Master of Business Administration, University of South Australia
European School of Advanced Management - Aarhus University, Denmark

Ross Haslam (appointed 1 October 2012)

Profession: Company Director
Director, Port Adelaide Football Club 2012 – current
Chairman, Michell Holdings Pty Ltd
Chairman, KWP! Advertising
Chairman, Scotch College
Fellow, Institute of Chartered Accountants Australia

Alex Panas

Profession: Managing Director, Brinz Group
Director, Port Adelaide Football Club 2006 – current
Director, Port Adelaide Football Club (SANFL) 2004 – 2006
Director, The Port Club 2009 – current
Chairman, PAFC Gala Auction Committee 2006 - current
Chairman, Magpies Management Committee 2011 - current
Chairman, PAFC Marketing and Brand Committee 2011 - current

Jamie Restas (appointed 1 October 2012)

Profession: Commercial Lawyer; Chairman of Partners, Kelly & Co. Lawyers
Director, Port Adelaide Football Club 2012 – current
Member, Australian Institute of Company Directors
Member, Law Society of South Australia

Richard Ryan AO

Profession: Company Director
Director, Port Adelaide Football Club 2011– current
Chairman, Governance and Remuneration Committee 2012 - current
Director, Menzies School of Health Research (NT)
Councillor, Flinders University
Chairman, Adelaide Festival Board
Deputy Chancellor, Charles Darwin University (NT)
Companion of the Institution of Engineers

Trevor Thiele

Profession: Chartered Accountant; Company Director
Director, Port Adelaide Football Club 2011 - current
Director, Port Adelaide Football Club (SANFL) 2007 – 2010
Director, The Port Club 2012 – current
Chairman, Finance, Risk and Audit Committee 2011 - current
Member, Institute of Chartered Accountants Australia

Amanda Vanstone (appointed 28 November 2012)

Director, Port Adelaide Football Club 2012 – current
Board of Governors, Institute for International Trade (Adelaide University)
Director, Youth Opportunities Australia
Patron, Hutt Street Centre
Patron, Salvation Army Ingle Farm Project
Ambassador to Italy (2007-2010)
Senator for SA (1984-2007)
Member, Foundation Board of World Anti-Doping Authority (2000)

Company Secretary

Shane Smith

Chief Financial Controller
BComm, Flinders University of South Australia

Unless otherwise indicated, all Directors held their position as a Director throughout the entire financial year and up to the date of this report.

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity are to operate the Port Adelaide Football Club and manage its affairs in order to position itself both financially and operationally to successfully field a team in the Australian Football League competition and the South Australian National Football League. During the year, the Port Adelaide Football Club fielded a team for the sixteenth time in the Australian Football League competition and finished 15th and for the 142nd year in the South Australian National Football League and finished 7th.

MEMBERS' LIABILITY

Port Adelaide Football Club is a company limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$0.10 towards meeting any outstanding obligations of the company.

STRATEGIC OBJECTIVES SUMMARY

In fiscal 2012, the Port Adelaide Football Club continued to pursue the strategic objectives contained in its business plan for the 2013 to 2015 period. Our ultimate aim is to win premierships in both the AFL and SANFL competitions.

We will continue to invest in both football and non-football activities, which will drive a more competitive football performance and profitable long term revenue growth to allow us to win premierships in both the AFL and SANFL. Port Adelaide wants continued on field success to reward its members, fans and staff. Our aim is to be the most respected football club in Australia,



Key elements of the business strategy include increased growth in membership, additional corporate sponsorship and services, expanded community activities, expansion in the Central Corridor/ Northern Territory and the exciting move to Adelaide Oval in 2014.

RESULTS

The consolidated loss for 2012 was \$2,117,071 after payment of our SANFL sub-licence distribution of \$377,000.

REVIEW OF OPERATIONS

Key points for 2012 include:

- Consolidated operating loss after grants of \$2,117,071, compared with \$887,971 profit in 2011
- Consolidated operating loss before grants of \$4.12m, compared with a \$3.16m loss in 2011
- Grants from SANFL \$2m, down from \$4.05m in 2011
- Turnover \$36.6m, down from \$37m in 2011
- Football Department expenditure (AFL) \$16.3m, up from \$14.7m in 2011 (a net increase of approx. \$900,000 after increase in player payments)"

DIVIDENDS

The Constitution of the Company prohibits the payment of dividends to the Members of the Company. Accordingly, no dividends have been paid or declared since the commencement of the financial year.

STATE OF AFFAIRS

In the opinion of the Directors, there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial period under review not otherwise disclosed in this report or the financial statements.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no significant events after the balance date.

LIKELY DEVELOPMENTS

The Directors have excluded from this report any information on the likely developments of the operations of the consolidated entity and the expected results of those operations in the future financial years, as the Directors have reasonable grounds to believe that it would be likely to result in unreasonable prejudice to the competitive position of the consolidated entity.

ENVIRONMENTAL REGULATION AND PERFORMANCE

There have been no known breaches of environmental regulations during the year.

DIRECTORS' BENEFITS

Since the end of the financial year, no Director of the consolidated entity has or become entitled to receive a benefit by reason of a contract made by the consolidated entity with a Director or with a firm of which he is a Member, or with a company in which he has a substantial financial interest except as stated in Note 22.

DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings held during the financial year whilst the Directors were in office and the number of meetings attended by each Director:

	Number of Meetings Attended	Number of Meetings Held
Brett Duncanson - resigned 17/09/2012	9	9
Bruce Abernethy - resigned 1/10/2012	5	8
Michael O'Connor - resigned 1/10/2012	10	10
Alex Panas	12	12
David Basheer - resigned 30/09/2012	10	10
Nick House - resigned 2/10/2012	9	10
Trevor Thiele	11	12
Kevin Osborn	12	12
John Auld	10	12

Richard Ryan	8	12
David Koch - appointed 1/10/2012	2	2
Jamie Restas - appointed 1/10/2012	2	2
Ross Haslam - appointed 1/10/2012	1	2
Cos Cardone - appointed 1/10/2012	2	2
Amanda Vanstone - appointed 28/11/2012	0	0

In addition to their attendance at Board meetings, Board members are actively involved in a number of committees and sub committees that meet regularly through the year to consider matters crucial to the current and future success of the Port Adelaide Football Club. These committees include, but are not limited to, the Finance, Risk & Audit Committee, the Remuneration Committee, the Governance Committee and the Marketing and Brand Committee.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

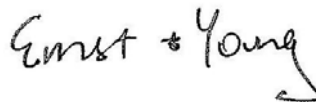
To the extent permitted by law, the company has indemnified each director and officers against liability arising from their role as directors and officers, by paying premiums on an insurance contract. This insurance contract prohibits disclosure of the premium paid. No liabilities have arisen under these indemnities as at the date of this report.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The directors received the following declaration from the auditor of Port Adelaide Football Club Ltd.

Auditor's Independence Declaration to the Directors of Port Adelaide Football Club Ltd

In relation to our audit of the financial report of Port Adelaide Football Club Ltd for the financial year ended 31 October 2012, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



Ernst & Young, Adelaide




David Sanders
Partner
29 November 2012

NON-AUDIT SERVICES

Ernst & Young received or are due to receive the following amounts for the provision of non-audit services:

GST Margin Scheme Advice \$4,161

This report has been made in accordance with a resolution of the Board of Directors:



D. KOCH
Chairman

Dated at Adelaide this 29th day of November 2012



PORT ADELAIDE FOOTBALL CLUB LIMITED

A.B.N. 49 068 839 547

(A COMPANY LIMITED BY GUARANTEE)

Please note the following in relation to the concise financial report of the Port Adelaide Football Club for the year ended 31 October 2012;

- (a) the concise financial report is an extract from the financial report;
- (b) the financial statements and specific disclosures included in the concise financial report have been derived from the financial report;
- (c) the concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the financial report; and
- (d) further financial information can be obtained from the financial report which is available, free of charge, on request to the entity.

Statement of Financial Position

AT 31 October 2012

	CONSOLIDATED	
	2012	2011
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	371,736	536,742
Trade and other receivables	1,354,392	845,762
Inventories	208,376	367,232
Other	738,216	552,006
Land and building classified as held for sale	-	229,679
TOTAL CURRENT ASSETS	2,672,720	2,531,421
NON-CURRENT ASSETS		
Property, plant & equipment	14,501,776	15,172,947
TOTAL NON-CURRENT ASSETS	14,501,776	15,172,947
TOTAL ASSETS	17,174,496	17,704,368
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	4,431,485	2,924,177
Interest bearing loans and borrowings	2,685,880	2,586,051
Provisions	520,721	500,466
TOTAL CURRENT LIABILITIES	7,638,086	6,010,694
NON-CURRENT LIABILITIES		
Interest bearing loans and borrowings	2,297,419	2,433,843
Provisions	517,766	421,535
TOTAL NON-CURRENT LIABILITIES	2,815,185	2,855,378
TOTAL LIABILITIES	10,453,271	8,866,072
NET ASSETS	6,721,225	8,838,296
EQUITY ATTRIBUTABLE TO MEMBERS OF THE PARENT		
Contribution on entry to AFL	2,500,000	2,500,000
Other reserves	(561,516)	(561,516)
Retained earnings	5,137,781	7,254,852
Parent interests	7,076,265	9,193,336
Non-Controlling Members Interests	(355,040)	(355,040)
TOTAL EQUITY ATTRIBUTABLE TO MEMBERS OF THE PARENT	6,721,225	8,838,296



PORT ADELAIDE FOOTBALL CLUB LIMITED

A.B.N. 49 068 839 547

(A COMPANY LIMITED BY GUARANTEE)

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 October 2012

	Note	CONSOLIDATED	
		2012	2011
		\$	\$
Continuing Operations			
Revenue from trading operations	3	36,649,694	37,017,885
Cost of sales		(8,024,928)	(7,130,885)
Gross profit		28,624,766	29,887,000
Net profit/(loss) on disposal of property, plant & equipment		(2,847)	(3,237)
Football expenses		(17,430,245)	(15,682,596)
Administration expenses		(3,892,009)	(4,505,880)
Marketing expenses		(1,375,637)	(1,473,844)
Finance costs		(262,541)	(299,918)
Licensed Club expenses		(7,401,558)	(6,667,763)
Profit/(loss) before sub-licence distribution		(1,740,071)	1,253,761
Sub-Licence distribution		(377,000)	(365,790)
Profit/(loss) from continuing operations		(2,117,071)	887,971
Other comprehensive income		-	-
Total comprehensive income/(loss)		(2,117,071)	887,971
Profit/(loss) for the period is attributable to:			
Non-controlling members interest		-	-
Members of the parent		(2,117,071)	887,971
Total profit/(loss)		(2,117,071)	887,971
Total comprehensive income/(loss) for the period is attributable to:			
Non-controlling members interest		-	-
Members of the parent		(2,117,071)	887,971
Total comprehensive income/(loss)		(2,117,071)	887,971

Statement of Changes in Equity

FOR THE YEAR ENDED 31 October 2012

	Contribution on entry to AFL \$	Other Reserves \$	Retained Earnings \$	Members of the Parent \$	Non-Controlling Interest \$	Total \$
CONSOLIDATED						
At 1 November 2010	2,500,000	(561,516)	6,366,881	8,305,365	-	8,305,365
Profit/(loss) for the year	-	-	887,971	887,971	-	887,971
Other comprehensive income	-	-	-	-	-	-
Acquisition of controlling interest - PAMFC	-	-	-	-	(355,040)	(355,040)
At 1 November 2011	2,500,000	(561,516)	7,254,852	9,193,336	(355,040)	8,838,296
Profit/(loss) for the year	-	-	(2,117,071)	(2,117,071)	-	(2,117,071)
Other comprehensive income	-	-	-	-	-	-
At 31 October 2012	2,500,000	(561,516)	5,137,781	7,076,265	(355,040)	6,721,225



PORT ADELAIDE FOOTBALL CLUB LIMITED

A.B.N. 49 068 839 547

(A COMPANY LIMITED BY GUARANTEE)

Cash Flow Statement

FOR THE YEAR ENDED 31 October 2012

	CONSOLIDATED	
	2012	2011
	\$	\$
Cash flows from operating activities		
members, sponsors and operations	37,719,829	36,323,921
Receipts from grants	2,000,000	4,050,000
Payments to suppliers and employees	(38,952,194)	(38,865,558)
Payments for player transfers	(348,101)	(337,961)
Interest received	18,437	25,564
Interest and other finance costs paid	(262,541)	(299,918)
Net cash flows from/(used in) operating activities	175,430	896,048
Cash flows from investing activities		
Payments for property, plant and equipment	(533,521)	(534,201)
Payments for land & buildings held for sale	(60,321)	(229,679)
Proceeds from sale of land & buildings held for sale	290,000	-
Cash acquired/(paid) on acquisition of non-controlling members interest	-	213,616
Net cash flows from/(used in) in investing activities	(303,842)	(550,264)
Cash flows from financing activities		
Proceeds from/(Repayment of) borrowings & finance leases (excluding bank overdraft)	90,387	(11,238)
Proceeds from/(Repayments of) borrowings	(308,891)	(703,495)
Net cash flows from/(used in) financing activities	(218,504)	(714,733)
Net increase/(decrease) in cash and cash equivalents	(346,915)	(368,949)
Cash and cash equivalents at beginning of the financial year	536,742	905,691
Cash and cash equivalents at end of the financial year	189,827	536,742
Cash at bank and in hand	371,736	536,742
Bank overdraft	(181,909)	-
Net cash and cash equivalents at end of the financial year	189,827	536,742

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The concise financial report has been derived from the full 2012 Financial Report, as approved by the Company members, which comply with the Corporations Act 2001 and Australian Accounting Standards. This concise financial report has been prepared in accordance with accounting standard AASB1039, Concise Financial Reports, and the relevant provisions of the Corporations Act 2001. A full description of the accounting policies adopted by the Port Adelaide Football Club Limited is provided in the full 2012 Financial Statements. The financial report is presented in Australian dollars.

Going Concern

The consolidated entity has net current liabilities of \$4.97m (2011: \$3.48m) and an operating loss of \$2.117m (2011: operating profit \$0.888m) for the year ended 31 October 2012. The ability of the club to continue as a going concern including the ability to pay their debts as and when they fall due is dependent upon the Club being able to successfully generate funds through membership, sponsorship, fundraising, gate receipts and other sources, including the Australian Football League ("AFL") and the South Australian National Football League ("SANFL") distributions. The accounts have been prepared on the basis that the Port Adelaide Football Club Limited is a going concern as the AFL has provided notification outlining its continued support. The club also expects continued support from its lenders. If the consolidated entity is unable to secure continued support at an amount and timing necessary to meet the future operational plans, there is material uncertainty as to its ability to continue as a going concern. No adjustments have been made relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.



PORT ADELAIDE FOOTBALL CLUB LIMITED

A.B.N. 49 068 839 547

(A COMPANY LIMITED BY GUARANTEE)

2 REVENUES

	CONSOLIDATED	
	2012	2011
	\$	\$
Revenue and Expenses from Continuing Operations		
AFL Distribution	7,956,876	7,382,004
AFL Prize money	40,000	-
Revenue from Football Operations	18,392,234	18,199,114
Licensed Venues	7,749,607	6,822,171
Other Revenue	2,510,977	4,614,596
Total revenue from trading operations:	36,649,694	37,017,885
Breakdown of other revenue		
- Interest received or receivable	18,437	25,564
- Grant revenue	2,000,000	4,050,000
- Other	492,540	539,032
Total other revenue	2,510,977	4,614,596
Net profit/(loss) on disposal of property, plant & equipment	(2,847)	(3,237)

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

This discussion and analysis is provided to assist readers in understanding the concise financial report. The concise financial report has been derived from the full 2012 financial statements of the Port Adelaide Football Club Limited. The Port Adelaide Football Club Limited consolidated entity consists of the Port Adelaide Football Club Limited and its controlled entities. The principal activities of the Port Adelaide Football Club Limited consolidated entity during the financial year comprised the operation of the Port Adelaide Football Club and the management of its affairs in order to position itself both financially and operationally to successfully field a team in the Australian Football League. During the year, the Port Adelaide Football Club fielded a team for the fifteenth time in the Australian Football League competition.

Income Statement

The Port Adelaide Football Club's consolidated operating loss after SANFL sub-licence distribution for the financial year was \$2,117,071, which includes \$2 million of SANFL grants, compares to a profit of \$887,971 in 2011 after \$4.05 million of SANFL grants. Operating revenue decreased by 0.99% or \$368,191 over the year, whilst operating expenses increased by \$2,626,0315 or 7.34%.

Balance Sheet

Total assets decreased by \$529,872 or 2.99%.

Total liabilities increased by \$1,587,199 or 17.90% from the previous financial year.

Cash Flow Statement

The decrease in cash flows from operations is primarily as a result of the trading loss posted for the year offset by the SANFL & AFL support. The investing cash outflow in 2012 primarily relates to the finalisation of the upgrade to the Allan Scott Power Headquarters training and administration facility, funded by 2008 State & Federal Government Grants, investment in gaming machines at both licenced venues, the Port Club and Prince of Wales Hotel and upgrading fitness technology in the football department.

The financing cash outflow is a result of the principal repayments on the Port Club loan during the year including the application of the balance of funds raised during the 'Back in Black' campaign to clear this debt.



PORT ADELAIDE FOOTBALL CLUB LIMITED

A.B.N. 49 068 839 547

(A COMPANY LIMITED BY GUARANTEE)

3 STATEMENT OF COMPREHENSIVE INCOME

(a) Consolidated Profit/(Loss)	2012	2011
	\$	\$
Revenue		
Revenue from football operations	18,943,211	18,763,710
Revenue from SANFL financial support	2,000,000	4,050,000
AFL Distribution	7,956,876	7,382,004
Licensed Venue	7,749,607	6,822,171
Total Revenue	36,649,694	37,017,885
Net profit/(loss) on disposal of property, plant & equipment	(2,847)	(3,237)
Expenses		
Football expenses	17,430,245	15,682,596
Administration expenses	3,892,009	4,505,880
Marketing costs/ cost of goods sold	9,400,565	8,604,730
Licensed Venue	7,401,558	6,667,763
Finance costs	262,541	299,918
Total Expenses	38,386,918	35,760,887
Operating profit/(loss) before sub-licence distribution	(1,740,071)	1,253,761
SANFL Sub-Licence Distribution	(377,000)	(365,790)
Net Profit/(loss) after sub-licence distribution attributable to members of the parent	(2,117,071)	887,971
(b) Reconciliation of Consolidated Profit/(Loss)	2012	2011
	\$	\$
Port Adelaide Football Club (before sub-licence distribution)	(2,220,390)	1,371,424
Port Adelaide Football & Community Club (PAFCC)	52,951	(68,931)
Power Future Fund (PFF)	278,883	(139,830)
Power Community Limited (PCL)	168	-
Port Adelaide Magpies Football Club (PAMFC)	54,508	(49,567)
Port Adelaide Magpies Football Club T/as Prince of Wales Hotel (Prince)	200,290	140,665
Intercompany profit elimination	(106,481)	-
Operating Profit before sub-licence distribution	(1,740,071)	1,253,761
SANFL Sub-Licence Distribution	(377,000)	(365,790)
Net Profit/(loss) after sub-licence distribution attributable to members of the parent	(2,117,071)	887,971

4 REMUNERATION OF DIRECTORS

None of the Directors of the parent entity and the Group were paid, or were due to be paid, income directly or indirectly from the parent entity or any related party.

5 RELATED PARTIES

Directors of the Group and directors of its related parties, or their director related entities, conduct transactions with entities within the Group that occur within a normal employee, customer or supplier relationship on terms and conditions no more favourable than those with which it is reasonable to expect the entity would have adopted if dealing with the director or director-related entity at arm's length in similar circumstances. These transactions include the following and have been quantified below where the transactions are considered likely to be of interest to the users of these financial statements:

- B. Duncanson - Building products and services provided by Macweld Industries (of which Mr Duncanson was Managing Director) \$2,252 (2011: \$6,730).
- D. Basheer - Goods and services provided by The Strathmore Hotel (of which Mr Basheer is Managing Director) \$2,382 (2011: \$4,427).
- D. Basheer - Goods and services provided by The Brompton Hotel (of which Mr Basheer is Managing Director) \$0 (2011: \$2,055).
- N. House - Goods and services provided by House Bros Pty Ltd (of which Mr House is Managing Director) \$91,993 (2011: \$nil).

6 SUBSEQUENT EVENTS

No matter or circumstance has arisen since the end of the financial year which has materially affected, or may materially affect, the operations of the group, the results of those operations, or the state of affairs of the group in financial years subsequent to that to which this report relates.





port adelaide football club

portadelaidefc.com.au

portmagpies.com.au