



2017 ANNUAL FINANCIAL REPORT



TOYOTA

31 OCTOBER 2017

Adelaide Football Club Limited & its controlled entities

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Adelaide Football Club Limited & its controlled entities

Directors' report

For the year ended 31 October 2017

The directors present their report together with the consolidated financial statements of Adelaide Football Club Limited ("parent", "AFC") and its controlled entities ("the Club") for the financial year ended 31 October 2017 and the auditor's report thereon.

1. Directors

The directors of the Company at any time during or since the end of the financial year are:

Chapman, Robert Ian

Hazel, James Thomas

Ellis, Kate – appointed 5 April 2017

Fellows, Linda

Fennell, Richard – appointed 5 April 2017

Foord, Robert Lloyd

Gould, Kate Jean – resigned 5 April 2017

Jameson, Rod

McDowell, Jim – appointed 5 April 2017

Payze, Andrew James – resigned 5 April 2017

Ricciuto, Mark Anthony

For detailed information on directors, please see note 8.

Chief Executive Officer – Fagan, Andrew

Company Secretary – Smallacombe, Shane

2. Directors' meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Club during the financial year are:

Director	Directors' Meetings		Committee Meetings	
	A	B	A	B
Chapman, Robert Ian	10	10	-	-
Hazel, James Thomas	9	10	8	10
Ellis, Kate	6	7	-	-
Fellows, Linda	8	10	4	4
Fennell, Richard	7	8	6	7
Foord, Robert Lloyd	9	10	9	9
Gould, Kate Jean	1	3	-	-
Jameson, Rod	9	10	9	10
McDowell, Jim	7	7	-	-
Payze, Andrew James	1	3	-	-
Ricciuto, Mark Anthony	8	10	10	10

A – number of meetings attended

B – number of meetings held during the time the director held office during the year

Adelaide Football Club Limited & its controlled entities

Directors' report (continued)

For the year ended 31 October 2017

3. Principal activities

The principal activities of the Club during the course of the financial year were the playing and promotion of Australian Rules Football. The Club is a member of the Australian Football League.

The Club acquired the business and assets of an eSports team ("Legacy") during the year and registered two controlled entities, AFC eSports Pty Ltd and AFC eSports Trust, to operate the business.

There were no other significant changes in the principal operations of the Club.

4. Objectives and strategies

The Club's primary objective is to deliver consistent finals appearances and ultimately win the AFL Premiership.

Off the field we have identified key objectives to support the success of our Club:

- **People and culture:** The club will offer a high performance culture, with a key focus on strategic planning, measurement and celebration of achievements.
- **Membership:** Continue to grow our Club membership and deliver an exceptional sports entertainment experience.
- **Marketing:** Create a national and international brand.
- **Communications:** Provide compelling content through enhanced digital and mainstream communication channels.
- **Merchandise:** Maximise the Adelaide Football Club's national supporter base to increase merchandise revenue.
- **Commercial Operations:** Deliver sustainable commercial growth through market leading partnerships, diversification of revenue streams and remarkable events.
- **Community:** Engage genuinely with the community through delivering valued programs.

5. Operating and financial review

The Club generated profit from operating activities for the year ended 31 October 2017 of \$3,432,052 (2016: \$1,464,450). A total comprehensive profit of \$648,715 (2016: loss of \$1,346,017) was generated for the year after recognising the Club's distributions and contribution to the development of grassroots football in South Australia through the South Australian National Football League ("SANFL").

6. Events subsequent to reporting date

Subsequent to the reporting date, a scheduled review of the Adelaide Oval Underwrite Agreement has been completed. This review will see a reduction in the amount of the Club's future underwrite expense over the remaining lease term.

No other events subsequent to the reporting date have been identified which would have a material effect on the Club's financial statements at 31 October 2017.

Adelaide Football Club Limited & its controlled entities

Directors' report (continued)

For the year ended 31 October 2017

7. Members' liabilities

The liability of all members is limited in the event of winding up. In the event the AFC is wound up, members must contribute to the AFC's property such monies and other assets necessary to:

- (i) discharge the AFC's debts and liabilities at the date the AFC is wound up and costs, charges and expenses properly incurred in connection with the winding up; and
- (ii) adjust the rights of the contributories among themselves.

Notwithstanding, no member need contribute more than an aggregate of 10 cents (\$0.10) to the winding up of the AFC.

As at 31 October 2017, AFC has one voting member (2016: 1 member).

8. Director information

ROB CHAPMAN

Appointed 15 December 2006; current term expires February 2019



Current position: Chairman

Current committees: Executive
Nominations
Women's Football Advisory Committee

Current directorships:

- Chairman, Adelaide Airport
- Chairman, Fortis Argo
- Chairman, South Australia Investment Attraction Advisory Board
- Director, Economic Development Cabinet Council
- Director, Radio Rentals Pty Ltd
- Chairman, Barossa Infrastructure Ltd
- Director, Coopers Brewery Limited

Previous roles:

- Chairman, BankSA 2012 – 2014
- Chief Executive Officer, St George Bank 2010 – 2012
- Managing Director, BankSA 2002 – 2010
- President, Business SA 2005 – 2007
- President, Committee of Economic Development of Australia 2003 – 2006

Adelaide Football Club Limited & its controlled entities

Directors' report (continued)

For the year ended 31 October 2017

8. Director information (continued)

JIM HAZEL

Appointed 2 November 2010; current term expires February 2018



- Current position:** Deputy Chairman
- Current committees:** Finance & Audit (Chair)
- Current directorships:**
- Chairman, Precision Group
 - Director, Bendigo and Adelaide Bank Limited (ASX: BEN)
 - Director, Rural Bank Limited
 - Deputy Chairman, Centrex Metals Limited (ASX: CXM)
 - Chairman, Ingenia Communities Group (ASX: INA)
 - Director, Coopers Brewery Limited
 - Council Member, University of South Australia
 - Trustee, Adelaide Festival Centre Trust

KATE ELLIS

Appointed 5 April 2017; current term expires February 2018



- Current position:** Director
- Current committees:** Professional Standards and Integrity
- Current business interests:**
- Federal Member for Adelaide
- Previous roles:**
- Former Federal Minister for Sport

LINDA FELLOWS

Appointed 17 September 2015; current term expires February 2018



- Current position:** Director
- Current committees:** Professional Standards & Integrity (Chair)
Women's Football Advisory Committee
- Current business interests:**
- Assistant Commissioner Human Resources, SA Police
- Previous roles:**
- Assistant Commissioner, Regional Operations Service
 - Officer in Charge, Ethical & Professional Standards Branch
 - Officer in Charge, Drug Investigation Branch
 - Officer in Charge, Traffic Support Branch
 - Deputy Member, SA Police Superannuation Board

Adelaide Football Club Limited & its controlled entities

Directors' report (continued)

For the year ended 31 October 2017

8. Director information (continued)

RICHARD FENNELL

Appointed 5 April 2017; current term expires February 2019



Current position:	Director
Current committees:	Finance & Audit
Current business interests:	<ul style="list-style-type: none">▪ Chief Financial Officer and Executive Corporate, Bendigo and Adelaide Bank
Current directorships:	<ul style="list-style-type: none">▪ Director, Helpmann Academy

BOB FOORD[†]

Appointed 16 December 2010; current term expires February 2018



Current position:	Director
Current committees:	Executive Nominations Sales & Marketing (Chairman) Crows Children's Foundation
Current directorships:	<ul style="list-style-type: none">▪ Chairman, Proud Australia Group▪ Chairman, Quality Training Group▪ Chairman, Travel Auctions Australia▪ Director, AllKids Cambodia▪ Chairman, Eckermann Group Advisory Board▪ Director, Still Aware
Previous directorships:	<ul style="list-style-type: none">▪ Chairman, Adelaide Entertainment Centre 2002 - 2015▪ Director, Hockey SA 2012 – 2014▪ Chairman, John Fawcett Foundation (Indonesia) 2003 – 2012▪ Director, Australian Rainforest Foundation 2003 – 2010▪ Past Board Member SA Travel Agency Licensing Board▪ Chairman, South Australian Tourism Commission 2004 – 2011

[†] Vale Bob Foord

Much loved Board Director Bob Foord passed away suddenly in December 2017. He was a greatly respected and generous South Australian who served on Boards in the sporting, tourism and not-for-profit sectors.

Bob was a passionate Crows supporter who made a significant contribution to the Club over a long period.

Adelaide Football Club Limited & its controlled entities

Directors' report (continued)

For the year ended 31 October 2017

8. Director information (continued)

ROD JAMESON

Appointed 26 February 2015; current term expires February 2018



- Current position:** Director & AFC Life Member
- Current committees:**
- Past Players & Officials (Chair)
 - Finance & Audit
 - Heritage & Hall of Fame
 - Women's Football Advisory Committee
- Current business interests:**
- ABC Radio National AFL Broadcast & SANFL Finals 2000 - current
 - Craniofacial Australia, Ambassador 2009 - current
 - Neil Sachse Foundation Ambassador 2009 – current
 - Regional Development Manager, Bendigo and Adelaide Bank
 - Win 5050 Pty Ltd
- Previous directorships & business interests:**
- Business Director, Westpac Sports and Entertainment
 - Business Director, Childhood Cancer Association
 - Football Director, Glenelg Football Club

JIM MCDOWELL

Appointed 5 April 2017; current term expires February 2020



- Current position:** Director
- Current business interests:**
- Chancellor, University of South Australia
- Current directorships**
- Chairman, Australian Nuclear Science & Technology Organisation
 - Chairman, Total Construction Pty Ltd
 - Chairman, Australian Defence Accelerator Ltd
 - Non-Executive Director, Codan Ltd
 - Non-Executive Director, Austal Ltd
 - Non-Executive Director, Micro-X
 - Member, RAA Board
 - Governor, St Peter's College Council of Governors
 - Board Member, Australian Strategic Policy Institute

Adelaide Football Club Limited & its controlled entities

Directors' report (continued)

For the year ended 31 October 2017

8. Director information (continued)

MARK RICCIUTO

Appointed 1 July 2014; current term expires February 2019



Current position:	Director & AFC Life Member
Current committees:	List Management (Chair) Executive
Current business interests:	<ul style="list-style-type: none">▪ Part owner – Alma Tavern, Port Lincoln Hotel, Hackney Hotel▪ Part owner – Aruma River Resort▪ Presenter Triple M Breakfast Announcer▪ Fox Footy Expert Opinion and Special Comments▪ Ambassador for Adelaide Tools, Peter Kittle Toyota and UBet
Background:	<ul style="list-style-type: none">▪ Played 312 games for the Adelaide Football Club 1993 – 2007▪ Brownlow Medallist▪ Premiership player – 1998▪ Eight time All Australian, twice Captain▪ Three time Malcolm Blight Medallist▪ Adelaide Football Club Captain 2001 – 2007▪ Adelaide Football Club Life Member▪ Member of the AFL Hall of Fame▪ Member of the SANFL Hall of Fame

ANDREW FAGAN

Appointed to the role of Chief Executive Officer 7 October 2014



Current position:	Chief Executive Officer
Current committees:	Executive Nominations Finance & Audit List Management
Previous roles:	<ul style="list-style-type: none">▪ General Manager – National Teams and Operations, Australian Rugby Union▪ Chief Executive Officer, Brumbies Rugby▪ General Manager, Brumbies Rugby▪ Program Manager, Australian Sports Commission

Adelaide Football Club Limited & its controlled entities

Directors' report (continued)

For the year ended 31 October 2017

8. Director information (continued)

SHANE SMALLACOMBE

Appointed to role of Company Secretary August 2014



Current position: Chief Financial Officer and Corporate Secretary


Current committees:

- Finance & Audit
- List Management

9. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 10 and forms part of the director's report for the financial year ended 31 October 2017.

This report is made in accordance with a resolution of the directors:



R I Chapman
Chairman

Dated at Adelaide this 6th day of February 2018



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Adelaide Football Club Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Adelaide Football Club Limited for the financial year ended 31 October 2017 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit

A stylized, handwritten signature in black ink, appearing to read 'KPMG'.

KPMG

A handwritten signature in black ink, appearing to read 'S. C. Fleming'.

Scott Fleming

Partner

Adelaide

6 February 2018

Adelaide Football Club Limited & its controlled entities

Consolidated statement of comprehensive income

For the year ended 31 October 2017

<i>In AUD</i>	<i>Note</i>	2017	2016
Football operations revenue	4	53,519,096	46,743,127
Net merchandise revenue	5	518,027	568,875
Grant revenue	4	75,000	300,000
Other revenue from operations	4	842,667	715,895
		54,954,790	48,327,897
Employee benefit expenses		(29,748,189)	(27,342,585)
Season ticket, AFL membership and sponsorship expense		(12,453,519)	(11,622,518)
Other football expenses		(2,085,730)	(1,308,792)
AFL revenue sharing and equalisation payments	6	-	(910,092)
Travel and training expenses		(1,156,732)	(858,998)
Administrative expenses		(2,895,655)	(2,045,631)
Marketing and advertising expenses		(1,559,036)	(1,183,242)
Other expenses from ordinary activities		(1,482,228)	(1,413,855)
Interest income		-	505
Interest expense	7	(141,649)	(178,239)
Net profit from operating activities		3,432,052	1,464,450
Depreciation expense	12	(1,331,629)	(1,347,289)
Unwind of discount on deferred liabilities		(288,042)	(305,537)
SANFL charges:			
SANFL League Fee		(418,666)	(413,701)
Adelaide Oval Underwrite Payments	18	(695,000)	(694,000)
Contribution to Crows Children's Foundation		(50,000)	(50,000)
Net profit/(loss) for the year		648,715	(1,346,077)
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year attributable to members of Adelaide Football Club Limited		648,715	(1,346,077)

The notes on pages 15 to 29 are an integral part of these financial statements.

Adelaide Football Club Limited & its controlled entities

Consolidated statement of financial position

As at 31 October 2017

<i>In AUD</i>	<i>Note</i>	2017	2016
Assets			
Cash and cash equivalents	8	669,238	335,203
Trade and other receivables	9	834,610	945,202
Inventories	10	121,042	287,610
Other current assets	11	1,998,781	1,322,529
Total current assets		3,623,671	2,890,544
Property, plant and equipment	12	22,306,850	23,069,495
Total non-current assets		22,306,850	23,069,495
Total Assets		25,930,521	25,960,039
Liabilities			
Trade and other payables	13	5,404,558	3,999,118
Provisions	16	1,105,987	900,180
Unearned income	14	4,945,883	6,041,601
Total current liabilities		11,456,428	10,940,899
Trade and other payables	13	6,236,748	6,679,864
Loans and borrowings	15	1,212,891	1,966,132
Provisions	16	179,893	177,298
Total non-current liabilities		7,629,532	8,823,294
Total Liabilities		19,085,960	19,764,193
Net Assets		6,844,561	6,195,846
Equity			
Reserves	17	371,617	371,617
Retained earnings		6,472,944	5,824,229
Total Equity		6,844,561	6,195,846

The notes on pages 15 to 29 are an integral part of these financial statements.

Adelaide Football Club Limited & its controlled entities

Consolidated statement of changes in equity

For the year ended 31 October 2017

<i>In AUD</i>	Reserves	Retained Earnings	Total Equity
Balance at 1 November 2015	371,617	7,170,306	7,541,923
<i>Total comprehensive loss for the year</i>			
Loss for the year	-	(1,346,077)	(1,346,077)
Total comprehensive loss for the year	-	(1,346,077)	(1,346,077)
Balance at 31 October 2016	371,617	5,824,229	6,195,846
Balance at 1 November 2016	371,617	5,824,229	6,195,846
<i>Total comprehensive profit for the year</i>			
Profit for the year	-	648,715	648,715
Total comprehensive profit for the year	-	648,715	648,715
Balance at 31 October 2017	371,617	6,472,944	6,844,561

The notes on pages 15 to 29 are an integral part of these financial statements.

Adelaide Football Club Limited & its controlled entities

Consolidated statement of cash flows

For the year ended 31 October 2017

<i>In AUD</i>	<i>Note</i>	2017	2016
Cash flows from operating activities			
Cash receipts from customers		57,662,364	52,111,346
Cash paid to suppliers and employees		(55,154,183)	(47,267,489)
Interest received		-	505
Interest paid		(141,649)	(178,239)
Net cash from operating activities		2,366,532	4,666,123
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	25,454
Acquisition of property, plant and equipment		(568,984)	(1,300,186)
Game Development Grant – SANFL		(710,272)	(690,000)
Net cash used in investing activities		(1,279,256)	(1,964,732)
Cash flows from financing activities			
Repayment of borrowings		(753,241)	(2,528,970)
Net cash used in financing activities		(753,241)	(2,528,970)
Net increase in cash and cash equivalents		334,035	172,421
Cash and cash equivalents at beginning of year		335,203	162,782
Cash and cash equivalents at end of year	8	669,238	335,203

The notes on pages 15 to 29 are an integral part of these financial statements.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements

For the year ended 31 October 2017

1 Parent entity

Adelaide Football Club Limited (the Company) is a not-for-profit company limited by guarantee, incorporated and domiciled in Australia. The address of the Company's registered office is 105 West Lakes Boulevard, West Lakes SA 5021. The consolidated financial statements, comprising the Company and its controlled entities (together "the Group"; "the Club") are as at and for the year ended 31 October 2017.

2 Basis of preparation

(a) Statement of compliance

In the opinion of the directors, the Club is not publicly accountable. The financial statements are Tier 2 general purpose consolidated financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the Corporations Act 2001. These consolidated financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements.

The consolidated financial statements were authorised for issue by the Board of Directors on 6 February 2018.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Adelaide Football Club Limited and its controlled entities as at the period end and at any time during the period. These controlled entities include AFC eSports Pty Ltd and AFC eSports Trust.

Controlled entities are those entities over which the Club has the power to govern the financial and operating policies so as to obtain the benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Club controls another entity.

The financial statements of the controlled entities are prepared from the date of their inception, 16 May 2017, for the period ended 31 October 2017, using accounting policies consistent with those of the Club. In preparing the consolidated financial statements, all intercompany balances, transactions and unrealised gains and losses resulting from intra-club transactions have been eliminated in full.

Controlled entities are fully consolidated from the date on which control was obtained by the Club and will cease to be consolidated from the date on which control is transferred out of the Club.

(d) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Club's functional currency.

(e) Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no judgements made by management in the application of Australian Accounting Standards that have a significant effect on the financial report or estimates with a significant risk of material adjustment in the next year.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

2 Basis of preparation (continued)

(f) Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

The Club has a current assets deficiency of \$7,810,677 (2016: \$8,050,355) primarily due to the timing of the membership and season tickets program. Subsequent to year end, membership and season ticket sales have generated additional net cash reserves which have been applied to the seasonal working capital facility with Bendigo and Adelaide Bank.

The Club has a strong relationship with its banker Bendigo and Adelaide Bank, and is in constant communication with regards to ensuring that its finance facilities are adequate to support the working capital requirements of the business.

The Club has prepared a cash flow forecast which supports it being able to pay its debts as and when they fall due.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Club.

(a) Financial instruments

(i) *Non-derivative financial assets*

The Club initially recognises loans and receivables and deposits on the date that they are originated.

The Club derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Club is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Club has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Club has the following non-derivative financial assets: loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

3 Significant accounting policies (continued)

(a) Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Club in the management of its short-term commitments.

(ii) *Non-derivative financial liabilities*

The Club initially recognises debt securities issued and subordinated liabilities on the date that they are originated.

The Club derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Club classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings and trade and other payables.

(iii) *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(b) Property, plant and equipment

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- the cost of materials and direct labour;
- any costs directly attributable to bringing the assets to a working condition for the intended use;
- when the Club has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Assets obtained by grant or donation are recorded at the fair value of the future benefits to be derived based on a commercial value assessment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) *Subsequent costs*

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Club. Ongoing repairs and maintenance are expensed as incurred.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

3 Significant accounting policies (continued)

(b) Property, plant and equipment (continued)

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is recognised in profit or loss. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

The estimated depreciation rates for the current and comparative years of significant items of property, plant and equipment are as follows:

▪ Plant and equipment	20 – 50%	Straight line
▪ Buildings on leasehold land	1.7 – 6.3%	Straight line
▪ Buildings	5%	Straight line
▪ Motor vehicles	20%	Diminishing value
▪ Player facilities	2.5%	Straight line

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. Inventory held for resale is recognised on a average cost basis.

(d) Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Club on terms that the Club would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults.

The Club considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Club uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

3 Significant accounting policies (continued)

(d) Impairment (continued)

(ii) Non-financial assets

The carrying amounts of the Club's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use, being the depreciated replacement cost of the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU (or group of CGUs) on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(e) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Club has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(iii) Other long-term employee benefits

The Club's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on high quality corporate bonds that have maturity dates approximating the terms of the Club's obligations in which the benefits are expected to be paid.

In 2003 the AFL announced an agreed Player Long Service Leave policy which was ratified by the AFL Players Association and the Industrial Relations Commission. AFL Players will have an annual long service leave entitlement built into the end of season break, based on the number of years service. An AFL Player with greater than 4 years continuous service, but less than 8 years will be entitled to 1 week additional entitlement and a player with greater than 8 years continuous service will be entitled to 2 weeks.

(f) Revenue received in advance

Income received in advance is recognised in line with the terms of specific contracts. Sponsorship income and membership income received in advance is recognised in line with the sponsorship contracts or membership subscription period and the respective service obligations of the Club.

(g) Player acquisition costs

Player acquisition costs are written off in the year they are incurred as uncertainty exists as to the term over which the benefit will be received.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

3 Significant accounting policies (continued)

(h) Revenue

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all investment in those goods.

All revenue is stated at net of the amount of Goods and Services Tax (GST).

Sales revenue

Sales revenue from football activities comprises revenue earned from the sales of memberships, corporate marketing, sponsorships, the sale of merchandise, gate receipts and AFL distributions.

AFL distribution and prize money

AFL distribution and prize money income is recognised as it is received.

Membership and match day income

Membership income is recognised throughout the duration of the AFL Home and Away season. Match day income is recognised at the conclusion of each AFL home game.

Sponsorship income

Sponsorship income is recognised in the consolidated statement of comprehensive income in proportion to the stage of completion of the transaction at balance date in accordance with the terms and conditions of the sponsorship contract.

(i) Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

Capital grants relating to the construction or acquisition of assets are initially deferred as unearned revenue and are recognised as revenue in the period in which all grant conditions are met and the benefit arising from the asset is realised.

(j) Interest income and interest expenses

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(k) Tax

No income tax is payable as the Club is an exempt sporting organisation in accordance with Section 50-45 of the Income Tax Assessment Act 1997.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

3 Significant accounting policies (continued)

(I) New accounting policies – New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2017, and have not been applied in preparing these financial statements. Those which may be relevant to the Club are set out below. The Club does not plan to adopt these standards early and is assessing the potential impact on its financial statements resulting from the application of the new standards.

(i) *AASB 9 Financial Instruments (2014)*

AASB 9, approved in December 2014, replaces the existing guidance in AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018.

(ii) *AASB 15 Revenue from Contracts with Customers*

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue, AASB 111 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018.

(iii) *AASB 16 Leases*

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. AASB 16 substantially carries forward the lessor accounting requirements in AASB 117 Leases.

AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

In AUD

2017

2016

4 Revenue

Football operations revenue

Season ticket sales and AFL membership	21,498,606	20,354,578
Sponsorship and fundraising	17,123,561	14,642,251
AFL sourced revenue	13,142,957	10,138,488
Corporate boxes and reserved seating	1,753,972	1,607,810
	53,519,096	46,743,127

Grant revenue from operations

Ready Set Crow Program	75,000	300,000
	75,000	300,000

Other revenue from operations

Sundry income	842,667	715,895
	842,667	715,895

5 Net merchandise revenue

Revenue from sale of merchandise	1,342,914	1,058,611
Cost of goods sold	(957,694)	(666,709)
	385,220	391,902
Net revenue from match day merchandise sales	94,494	95,779
Net revenue from online merchandise sales	38,313	81,194
	518,027	568,875

6 AFL revenue sharing and equalisation payments

Revenue sharing	-	180,000
Equalisation payments	-	730,092
	-	910,092

Revenue sharing is a redistribution of AFL broadcast revenue based on an AFL HQ assessment of the financial health of each club. Equalisation payments comprise the Equalisation Gate Levy imposed by the AFL which is deducted from the the proceeds of match day stadium returns before the funds are remitted to the club. The revenue sharing and equalisation payment model ceased to be in effect for the 2017 year.

7 Interest expense

Interest on finance facilities	141,649	178,239
	141,649	178,239

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

<i>In AUD</i>	2017	2016
8 Cash and cash equivalents		
Bank balances	658,709	324,674
Cash on hand	10,529	10,529
Cash and cash equivalents in the consolidated statement of cash flows	669,238	335,203
9 Trade and other receivables		
Trade receivables	922,255	1,227,727
Provision for impairment of trade receivables	(87,645)	(282,525)
	834,610	945,202
The movement in the allowance for impairment in respect of receivables during the year was as follows:		
Balance at 1 November	282,525	30,400
Impairment loss recognised	57,245	252,125
Amounts written-off	(252,125)	-
Balance at 31 October	87,645	282,525
10 Inventories		
Merchandise (net of provision for obsolescence)	121,042	287,610
11 Other current assets		
Prepayments	1,980,545	1,304,293
Prepaid deposits	18,236	18,236
	1,998,781	1,322,529

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

12 Property, plant and equipment

<i>In AUD</i>	Land	Buildings on leasehold land	Buildings	Player facility	Plant and equipment	Motor vehicles	Capital work in progress	Total
Cost								
Balance at 1 November 2016	145,455	6,995,663	475,410	20,061,772	4,878,262	190,593	298,730	33,045,885
Additions	-	41,473	-	-	435,390	7,850	84,271	568,984
Balance at 31 October 2017	145,455	7,037,136	475,410	20,061,772	5,313,652	198,443	383,001	33,614,869
Accumulated depreciation and impairment losses								
Balance at 1 November 2016	-	2,194,120	204,824	3,539,089	3,928,702	109,655	-	9,976,390
Depreciation for the year	-	110,113	22,624	475,613	710,663	12,616	-	1,331,629
Balance at 31 October 2017	-	2,304,233	227,448	4,014,702	4,639,365	122,271	-	11,308,019
Carrying amounts								
At 31 October 2016	145,455	4,801,547	270,586	16,548,614	923,628	80,938	298,727	23,069,495
At 31 October 2017	145,455	4,732,903	247,962	16,047,070	674,287	76,172	383,001	22,306,850

The Club leases the land on which the Administration Building and Player Facility are situated from the SANFL. This lease is due to expire in 2048. The Club has exclusive rights to certain assets at Adelaide Oval for a period expected to be not less than 60 years (2014 to 2073).

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

<i>In AUD</i>	2017	2016
13 Trade and other payables		
Current		
Trade payables	1,587,466	1,187,257
Accrued expenses	2,728,932	1,762,196
Goods and services tax	371,080	353,471
SANFL game development grant liability ⁽ⁱ⁾	717,080	696,194
	<u>5,404,558</u>	<u>3,999,118</u>
Non-current		
SANFL game development grant liability ⁽ⁱ⁾	<u>6,236,748</u>	<u>6,679,864</u>
(i) In March 2014, the Club committed to support the development of football in South Australia through a Game Development Grant payable to the SANFL over the next 15 years. The liability for these future payments is recognized at its net present value.		
14 Unearned income		
Current		
Income received in advance	<u>4,945,883</u>	<u>6,041,601</u>
15 Loans and borrowings		
Non-current		
Commercial bills	<u>1,212,891</u>	<u>1,966,132</u>
The effective interest rate on short term borrowings was 4.91% (2016: 5.04%).		
As at 31 October 2017, the Club has a loan facility of \$5,000,000 (2016: \$5,000,000) with Bendigo and Adelaide Bank, maturing March 2019.		
16 Provisions		
Current		
Liability for long service leave	710,025	586,414
Liability for annual leave	395,962	313,766
	<u>1,105,987</u>	<u>900,180</u>
Non-current		
Liability for long service leave	<u>179,893</u>	<u>177,298</u>
During the year, the Club recognised \$1,793,400 contribution to defined contribution plans in the profit or loss (2016: \$1,762,008).		

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

17 Issued Capital

Share capital

The Parent Company is limited by guarantee. If the Company is wound up, the Articles of Association state that each member is required to contribute any sums unpaid on shares held towards meeting any outstanding obligations of the Company. At 31 October 2017, there is one member (2016: one member).

Nature and purpose of the reserves

Establishment reserves

Establishment reserves represents administration and consultancy costs contributed by the South Australian National Football League in the formation of the Adelaide Football Club.

18 Capital and leasing commitments

(I) Player and coaching remuneration contracts

The Club negotiates individual contracts of varying length and terms for each of the football players and coaching staff. Certain players are entitled to receive base payments regardless of their level of performance or number of games played, as well as entitlements should player employment contracts be terminated before expiry. Selected coaching staff are also entitled to performance related payments. As contract terms in this regard vary considerably, with some future payments dependent upon number of matches played, level of performance, whether players remain on approved lists and early termination, it is not practical to estimate the total future commitments or contingencies under playing and coaching contracts. However, base contractual commitments are as follows:

<i>In AUD</i>	2017	2016
Payables		
Within one year	15,312,893	15,140,200
One year or later and no later than five years	17,730,000	16,599,500
	33,042,893	31,739,700

(II) Adelaide Oval Underwrite Agreement

In March 2014, the Club entered an agreement with the SANFL to facilitate the relocation of football from AAMI Stadium to Adelaide Oval and to assist the SANFL to repay its debt.

In any year in which the Club uses Adelaide Oval as its home ground, it will pay an Underwrite Fee, being a fixed amount from 2014 to 2018, and a variable amount from 2019.

As the initial term of the Sub-licence Agreement to play football at Adelaide Oval has a term of 20 years, the minimum lease payments are being recognised as an expense on a straight-line basis. The following table summarises the minimum lease payments in the years in which the actual payment is to be made.

At 31 October, the future minimum payments under the club funding deed are non-cancellable, and will be treated as an operating lease, which are payable as follows:

<i>In AUD</i>	2017	2016
Within one year	1,504,000	1,526,000
One year or later and no later than five years	2,040,000	3,034,000
More than five years	5,610,000	6,120,000
	9,154,000	10,680,000

During the year, an underwrite expense of \$695,000 operating lease expense was recognised in profit or loss.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

19 Related parties

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Club and includes the directors and executive management.

Executive management comprises:

A Fagan	Chief Executive Officer
S Smallacombe	Chief Financial Officer
N Smart	Chief Operating Officer
D Johnston	Chief Commercial Officer
B Burton	Head of Football (appointed 1 November 2016)
K Berry	General Manager, Human Resources (resigned 16 December 2016)
I Shuttleworth	General Manager, Media & Communications
N McArdle	General Manager, Strategy & Projects
C Wood	General Manager, People, Performance & Culture (appointed 27 March 2017)

The total key management personnel compensation recognised during the year was \$2,623,044 (2016: \$2,234,300).

Transaction with related parties

Transactions between the Club and related parties are on normal commercial terms no more favourable than those available to other external parties.

(I) Directors' transactions

During the year the directors purchased club membership and coterie packages, finals tickets, attended Club functions, made donations and contributed towards fundraising auctions. The terms and conditions of the transactions with the directors and their director related entities were no more favourable than those available, or which might be reasonably expected to be available, on similar transactions to non-director related entities on an arm's length basis.

In AUD	2017	2016
Net (income)/expenses from director related entities:		
Adelaide Airport	-	(3,900)
Maxxia	58,645	2,562
Alma Hotel	5,000	1,552
Port Lincoln Hotel	1,061	-
Hackney Hotel	1,591	832
Bendigo and Adelaide Bank	(131,231)	(171,540)
Rundle Mall Management Authority	(15,768)	(40,697)
University of South Australia	9,400	-
Adelaide Festival Centre	(500)	-

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

19 Related parties (continued)

(II) Australian Football League (AFL)

The AFL became a related party in 2014 when it became the sole voting member of the Company.

The Club entered into the following transactions with the AFL in addition to those disclosed in Note 6:

<i>In AUD</i>	2017	2016
Distribution to the Club	10,944,941	9,738,488
Net goods and services		
Revenue	3,398,276	1,820,428
Expenses	(3,838,334)	(2,977,270)
Net expense	(440,058)	(1,156,842)
Net receivables/(payables)	(404,508)	7,371

20 Subsequent events

Subsequent to the reporting date, a scheduled review of the Adelaide Oval Underwrite Agreement has been completed. This review will see a reduction in the amount of the Club's future underwrite expense over the remaining lease term.

No other matters subsequent to the reporting date have been identified which would have a material effect on the Club's financial statements at 31 October 2017.

21 Economic dependency

A significant portion of income derived by the Club is received from the Australian Football League.

Adelaide Football Club Limited & its controlled entities

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2017

22 Group entities

In May 2017, the Club acquired Legacy eSports and incorporated two new controlled entities which own the assets of the business. eSports is competitive video gaming with tournaments played online. Sydney based Legacy eSports is one of eight top tier League of Legends professional teams competing in the Oceania Pro League.

	Country of incorporation	Ownership interest	
		2017	2016
<i>Parent entity</i>			
Adelaide Football Club Limited	Australia		
<i>Controlled entities</i>			
AFC eSports Pty Ltd	Australia	100%	-
AFC eSports Trust	Australia	100%	-

23 Parent entity disclosures

Adelaide Football Club Limited is the parent entity of the Group for the financial year ended 31 October 2017.

<i>In AUD</i>	Parent	
	2017	2016
Profit/(loss) for the year	772,736	(1,346,077)
Total comprehensive income/loss attributable to the member	772,736	(1,346,077)
Financial position of the parent entity at the year end		
Current assets	3,747,691	2,890,544
Non-current assets	22,306,851	23,069,495
Total assets	26,054,542	25,960,039
Current liabilities	11,456,428	10,940,899
Non-current liabilities	7,629,532	8,823,294
Total liabilities	19,085,961	19,764,193
Equity	6,968,581	6,195,846

As at 31 October 2017 there were no material or significant legal claims or contingencies against the parent entity (2016: \$nil).

Adelaide Football Club Limited & its controlled entities

Directors' declaration

In the opinion of the directors of Adelaide Football Club Limited (the Company):

- (a) the Company is not publicly accountable;
- (b) the financial statements and notes that are set out on pages 11 to 29, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 October 2017 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Regime and the Corporations Regulations 2001; and
- (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.



R I Chapman
Chairman

Dated at Adelaide this 6th day of February 2018.



Independent Auditor's Report

To the Members of Adelaide Football Club Limited

Opinion

We have audited the Financial Report of Adelaide Football Club Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group and Company's financial position as at 31 October 2017 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards - Reduced Disclosure Requirements* and the *Corporations Regulations 2001*.

The Financial Report comprises:

- Consolidated statement of financial position as at 31 October 2017;
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors Declaration.

The Group consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Other Information

Other Information is financial and non-financial information in Adelaide Football Club Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards - Reduced Disclosure Requirements* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_files/ar3.pdf. This description forms part of our Auditor's Report.

A stylized, handwritten signature of the KPMG firm, appearing as 'KPMG' in a cursive script.

KPMG

A handwritten signature of Scott Fleming, written in a cursive script.

Scott Fleming
Partner

Adelaide

6 February 2018

