



GEELONG FOOTBALL CLUB AND CONTROLLED ENTITIES

(ACN 005 150 818)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2013

GEELONG FOOTBALL CLUB LIMITED AND CONTROLLED ENTITIES FOR THE YEAR ENDED 31 OCTOBER 2013

DIRECTORS' REPORT

The Directors present their report together with the financial report of the Geelong Football Club Limited and its Controlled Entities ("the Club") for the year ended 31 October 2013, and the auditor's report thereon.

1. DIRECTORS

The Directors of the Club as at the date of signing the Directors' report were:

COLIN BRUCE CARTER	PRESIDENT
Qualifications	Bachelor of Commerce, MBA
Tenure	Geelong Football Club Limited Director for five years, and President for three years
Experience	Colin joined the Board of Directors in July 2008 after previously serving from 1987 until 1993. Colin stepped down in 1993 as a result of being appointed to the AFL Commission, a role he held until early 2008. Colin is a senior adviser to the Boston Consulting Group and is a Director of Wesfarmers, SEEK, Lend Lease, World Vision and The Ladder Project (the AFL Players' project on youth homelessness). He is also the Federal Government's "Ambassador" to promote Indigenous employment in the corporate sector.
Other Responsibilities	Member of Geelong Football Club Limited Corporate Governance Committee Member of Geelong Football Club Limited Finance & Audit Committee Member of Geelong Football Club Limited Remuneration Committee

GARETH ELIOT TREMAYNE ANDREWS	VICE PRESIDENT
Qualifications	Bachelor of Commerce, A.R.E.I.
Tenure	Geelong Football Club Limited Director and Vice President for fifteen years, and will retire from the Board at the 2013 Annual General Meeting.
Experience	Gareth is the founder and Director of Life Again Ltd, Trustee for Life Again Foundation, a not-for-profit body committed to helping Men through times of change and transition in their lives. 2013 was Gareth's 48th year of involvement in VFL (AFL) football. Gareth played 136 games with Geelong in a nine year career commencing in 1965. In 1974 he transferred to Richmond, playing a further 31 games, including the 1974 Premiership. Gareth was a joint-founder of the VFL/AFL Players Association and is a former President and a Life Member of the AFLPA. For many years, Gareth was a part-time football commentator on ABC Radio and television as well as being an authoritative football writer for The Sunday Age. Gareth is a Life Member of the Geelong Football Club and in 2011 became a Life Member of the Australian Football League.
Other Responsibilities	Chair of Geelong Football Club Limited Remuneration Committee

ALISTAIR NEIL HAMBLIN	DIRECTOR
Qualifications	Bachelor of Commerce, CPA, MAICD
Tenure	Geelong Football Club Limited Director for nine years
Experience	Alistair is a Principal and Director in the integrated financial services practice of Morrows in Southbank. Previously, Alistair founded Commercial Advisory Group (CAG) and became a Principal in WHK (Crowe Horwath) following its acquisition of CAG. In his role as the head of the Business/Tax division, tax, accounting and corporate advisory are provided to a diverse client base with specialisations in sport and fundraising. Alistair has over a number of years been directly involved in a number of Clubs and community organisations engaged in facilitating sport and fundraising.
Other Responsibilities	Chair of Geelong Football Club Limited Finance & Audit Committee

ROBERT JOHN GARTLAND	DIRECTOR
Qualifications	Cert. IV Business (Estate Agency Practice), CEA (REIV) MAICD
Tenure	Geelong Football Club Limited Director for seven years
Experience	Born and educated in Geelong, Bob Gartland has been a member of the Geelong Football Club for 42 years. He is Chairman of the Club's Honouring the Past Committee. Bob has been an active member of the Geelong Business community for 37 years, and involved in the Real Estate and Property industry for in excess of 30 years. He is a Director of Benchmark Developments (Vic) Pty Ltd. He is the Managing Director of Gartland Real Estate Pty Ltd and associated companies, which consults to clients on real estate development and investment, in both commercial and residential sectors. His company currently manages a portfolio in excess of \$300 million and has won substantial recognition for business achievements, including being awarded "Business of the Year" in the Geelong Business Excellence Awards in 2010. Bob has served on various business and community boards and committees throughout the Geelong Region, is a former deputy Chair of the Central Geelong Management Committee, and is an Ambassador for the Anam Cara House Community Hospice.
Other Responsibilities	Member of Geelong Football Club Limited Remuneration Committee

DIANA CLARE TAYLOR	DIRECTOR
Qualifications	Bachelor of Laws (Hons), Bachelor of Arts, AICD Diploma
Tenure	Geelong Football Club Limited Director for four years
Experience	Diana is a qualified lawyer and the Executive Director of the Geelong based company CT Management Group, a management consulting, placement and recruitment business supporting Local Government across Australia. She is also the Director of Taylor Chapman Consulting, a sports and workplace consultancy practice. Diana brought with her to the Geelong Cats Board over 10 years of State and Community Football administration experience with her previous roles including President of the Western Region Football League, Victorian Football League Tribunal member, Victorian Football League Appeal Board member, WRFL Women's Football Foundation chairperson and AFL Victoria Fair Game: Respect Matters chairperson. Diana is currently the Chairperson of Nine-Lives Geelong, a director on the boards of Dousta Galla Aged Services Limited and AFL Victoria's Victorian Community Football Board and chairs AFL Victoria's Fair Game: Respect Matters reference group.
Other Responsibilities	Chair of Geelong Football Club Limited Corporate Governance Committee

HUGH GALBRAITH SEWARD	DIRECTOR
Qualifications	M.B, B.S, D.Obst, R.C.O.G, F.A.C.S.P, F.A.S.M.F, F.S.E.M (UK)
Tenure	Geelong Football Club Limited Director for three years
Experience	Hugh was the Club's doctor for 25 years from 1982 to 2006 and is chair of the Club's Sports Science Committee. Hugh is the Chief Executive Officer of the AFL Doctors Association, a member of the AFL Research Board and Chair of Geelong College. He is an Adjunct Senior Research Fellow at Monash University, and the Australian Sports Commission's independent doctor for the illicit Drugs in Sport Program. Hugh continues to practice as a sports physician and general practitioner in Newtown. Hugh is a Life Member of the Geelong Football Club.
Other Responsibilities	Member of Geelong Football Club Limited Corporate Governance Committee

CRAIG MILTON DRUMMOND	DIRECTOR
Qualifications	Bachelor of Commerce, ACA, S F Fin
Tenure	Geelong Football Club Limited Director for two years Geelong Football Club Foundation Pty Limited Director (Appointed 13 March 2013)
Experience	Craig joined the National Australia Bank in October 2013 as Group Executive, Finance & Strategy and was previously Chief Executive Officer and Country Head of Bank of America Merrill Lynch Australia. Prior to that, Craig joined Goldman Sachs JB Were in 1986 and held various roles including Chief Operating Officer, Executive Chairman and Co-Chief Executive Officer. Craig is a Director of The Florey Institute of Neuroscience and Mental Health. Most importantly Craig has been a passionate Geelong Cats supporter all of his life.
Other Responsibilities	Member of Geelong Football Club Limited Finance & Audit Committee

JUSTIN ANDREWS	DIRECTOR
Qualifications	Bachelor of Commerce
Tenure	Geelong Football Club Limited Director (Appointed 31 July 2013)
Experience	Justin brings a long history of success in Sales and Marketing to the Board. For over four years Justin has been the Managing Director of Luxottica Wholesale and Oakley South Pacific. He is in charge of famous brands such as Oakley, Ray Ban, Vogue and Persol in the South Pacific Region. In 2011 Justin successfully led the integration of the Oakley and Luxottica businesses into one entity. He is now responsible for business growth and reporting financials back to the head offices in Europe and USA. Luxottica is a publicly listed company on the NYSE. Justin and his family are long-time members of the Club.

BRIAN CARLYLE COOK	CHIEF EXECUTIVE OFFICER AND DIRECTOR
Qualifications	Master of Education
Tenure	Geelong Football Club Limited Chief Executive Officer for fourteen years Geelong Football Club Limited Director for four years Geelong Football Club Foundation Pty Limited Director and Chair (Appointed 13 March 2013)
Experience	One of Australia's most respected sporting administrators, Brian took up the post in March 1999. During his tenure, Brian has overhauled the Club's operations, overseen a dramatic transformation in the Club's finances, and a redevelopment of Simonds Stadium while leading the Club to three AFL Premierships. Brian has been awarded with a number of honours including AFL Life Membership, Geelong Football Club Life Membership, the Eunice Gill Award for services coaching at a national level, the Australian Sports Medal and the Australian Sports Executive of the Year in 2007. Brian is also an Ambassador for Wombats Wish (an organisation established to support the bereaved children who lose a parent).
Other Responsibilities	Attends by invitation - Geelong Football Club Limited Corporate Governance Committee Attends by invitation - Geelong Football Club Limited Finance & Audit Committee Attends by invitation - Geelong Football Club Limited Remuneration Committee

The three year term of the Club's current Board of Directors concludes at the Annual General Meeting ("AGM") on 18 December 2013. Nominations for the seven positions on the Board closed on 20 November 2013 and seven nominations were received. The nominations received were from the current Directors, excluding Gareth Andrews who is retiring at the AGM. Therefore the current seven Directors listed above will be declared elected at the AGM for a further three year term.

2. COMPANY SECRETARY

The Company Secretary of the Club as at the date of signing the Directors' report was:

ROBERT MICHAEL THRELFALL	COMPANY SECRETARY
Qualifications	Bachelor of Commerce, CPA
Tenure	Geelong Football Club Limited General Manager Finance and Administration for thirteen years Geelong Football Club Foundation Pty Limited Director (Appointed 13 March 2013)
Experience	Robert has held senior finance and administration management roles for over 16 years. Robert joined the Club in 2000 and is responsible for managing the Club's financial and administrative functions, in addition to providing leadership and strategic direction to achieve optimal off-field performance. Robert is also responsible for delivery of the Club's major infrastructure developments. Prior to joining the Club, Robert spent eight years working with Newcrest Mining Ltd, an Australian publicly listed gold mining company. During this time, Robert spent over four years managing the finance and corporate affairs of the Company's interests in Asia. In 2008, Rob was awarded the AFL's Graeme Samuel Scholarship to further his career development with the Club and the AFL.
Other Responsibilities	Attends by invitation - Geelong Football Club Limited Corporate Governance Committee Attends by invitation - Geelong Football Club Limited Finance & Audit Committee Attends by invitation - Geelong Football Club Limited Remuneration Committee

3. PRINCIPAL ACTIVITIES

The principal activities of the Club are the playing and promotion of the game of Australian Rules Football and the operation of related facilities. The Club is a member of the Australian Football League. There has been no significant change in the nature of these activities during the year.

4. OBJECTIVES & STRATEGIES OF THE CLUB

The Club's key objectives and strategies in the short (2014) and long-term (2014-2018) are documented in the Club's business plan and are summarised as follows:

1. Win premierships by having a collaborative environment that enables our people individually and collectively, to evolve and excel, and:
 - high quality player recruitment
 - effective list management
 - a collaborative coaching and football development program
 - optimum and innovative team performance programs
 - a holistic player development program
 - an extensive and challenging development pathway and VFL program
 - best practice provision and usage of technology
2. Grow our member and supporter base and commercial profit by:
 - empowering employees to work collaboratively to exceed commercial targets, provide strategic solutions to partners and exceptional experience to our members, partners, customers and fans
 - engaging with our members and supporters, and providing quality benefits, opportunities and experiences
 - generating merchandise growth through exceeding customer expectations with innovative products, outstanding service and engaging promotions and communication
 - re-establishing Club events and match-day experiences through innovative and creative experiences that challenge the status quo and provide our members and supporters with an interactive and engaging experience
 - creating, delivering and constantly evaluating our long term strategic brand marketing plan
 - providing entertaining experiences with exceptional customer service and offerings, while being a leader in the delivery of socially responsible gambling practices
3. Be an outstanding community contributor by delivering sustainable community development, relations and assistance programs with the ultimate aim of being 'more than a football club', and to protect, preserve and promote the Club's history and tradition.
4. Infrastructure development:
 - Stage 1 of the Club's alternative training venue (ATV) is finalised
 - Stage 4 of the Simonds Stadium redevelopment is completed taking stadium capacity to the optimum level (to be determined)
 - Stage 5 of the Simonds Stadium redevelopment receives adequate funding by 2018
 - A master plan for the ATV to guide future development is prepared to ensure that benefits of the venue over the long term are maximised
5. Have great people and a unified culture by continuing to undertake initiatives to strengthen our Club's culture to one that is considered a benchmark in our community and industry, and by investing in each employee's future and delivering best practice human resource solutions.
6. Deliver ongoing and enhanced profitability each year which will further strengthen the Club's financial position to ensure a sustainable future, and provide precise financial reporting and effective financial and risk management strategies.
7. Operate within a best practice corporate governance structure, ensuring the Club adheres to its policies and decision making protocols and the ethical framework.
8. Provide environmentally responsible facilities and effective information technology and communication infrastructure.
9. Keep our supporters informed and connected by:
 - effectively communicating our key messages through traditional media
 - growing our digital and social presence to be the primary source of information
 - generating consistently high TV audiences of our games

The Club continually reviews its objectives and strategies within its business plan to ensure it has the strategic framework in place to meet its challenges, to be successful and to be sustainable in the long term.

5. OPERATING AND FINANCIAL REVIEW

The Club is pleased to announce a consolidated net profit of \$1,226,349 for 2013 (2012: net loss of \$995,584).

Over the past decade the Club has invested over \$13 million back into Simonds Stadium for stages 1-3 of the stadium's redevelopment so far, and our debt for stages 2-3 is currently \$4.9 million. Whilst no doubt this has been a good investment, our consistent profits over many years are not seen in our current bank balance. We also continue to invest in feasibility studies for stages 4 & 5, having spent \$520k in that area already. Football costs also rose by \$2.1 million or 11% to \$21.4 million, which places pressure on the Club as a whole.

There were a number of significant one-off transactions that have impacted the result which are outlined below. These included revenues of \$3.0 million, mainly comprising a distribution of \$1.5 million upon wind up of the Geelong Cats Sports Foundation plus revenues attracted for the installation of the super screen and a net asset write off of \$1.96 million, mainly due to Keystone Business Park (Keystone) not completing the development and transfer of ownership of the Club's training venue at this stage.

The Club's net asset position is \$11.2 million (2012: \$10.0 million).

Total turnover increased to \$56.1 million (2012: \$49.0 million).

The Club currently has \$1.6 million invested in its foundations, with \$1.5 million of this amount to be held as corpus funds with only the income generated available for operational use going forward.

Corporate

The Club has been very fortunate to have many long term corporate partners over the years. These corporate partners continued their strong support for the Club throughout 2013, with several of our key sponsors extending their agreements with the Club.

Match day attendances

Crowd levels at both Simonds Stadium and Melbourne home games were above budget levels. The opening of the Players Stand was significant in increasing attendance and reserved seating sales at Simonds Stadium resulting in an average crowd of 26,850 per game, and financial returns from our home games in Melbourne against Hawthorn and Essendon were well above expectations.

Membership

Membership increased 7% to 42,920 (2012: 40,200) and seasonal seat sales to 21,700 which was very pleasing. However as always we are determined to maintain and grow our membership base, with research showing that we have around 500,000 supporters throughout Australia. The membership target for 2014 is 50,000.

Football department

We continue to invest significantly in our football department, with costs totalling \$21.4 million (2012: \$19.2 million). For the 9th time in 10 seasons, the Club made the finals and we saw our team in contention for the premiership. The AFL system is set up for teams to rise and fall and the fact that we are still challenging for the premiership is a great achievement by all concerned at the Club. We fell short this time, but we are all confident that we will again be among the leading teams in 2014.

We bid farewell to some champions of the Club. Paul Chapman, Joel Corey, Josh Hunt, James Podsiadly and Trent West have all played huge roles in our success. They are fine people and represented our Club with distinction over a long period. Great players leaving the Club is never easy. It goes without saying that we wish all of our departing players well in all of their future endeavours and we look forward to them being around the Club in future years.

Website and social media

Our website and social media activity has continued to grow this year with unique visitors to the website averaging over 190,000 per month and Cats TV over 250,000 views per month. This, added to our Twitter and Facebook pages, has meant huge growth for our Club in website and social media activity.

Community

Our Club remains committed to a strong community presence and this year has seen our players involved in over 1,000 appearances and events throughout our communities. The Deakin Cats Community Centre opened in June and around 9,000 people have utilised this facility on its first six months of operation. We understand the impact the Club can have on people's lives and are proud of the work we do in this area.

Capital Investments

The Club has continued to make a significant investment into a range of assets and capital projects throughout the course of the year to ensure the long term future of the Club, totalling \$6.1 million. This investment includes primarily the Club's contribution to the construction of the Players Stand, master planning for the proposed Stages 4 & 5 redevelopment of Simonds Stadium and the installation of the giant super screen on the Moorabool Street side of the ground.

Loan principal repayments and associated financing costs for the year were \$1.4 million (2012: \$1.2 million).

Infrastructure

For the first time we hosted a game under lights at Simonds Stadium, the culmination of a long term project that saw the opening of the Players Stand, the installation of the light towers and the super screen. In addition we hosted an AFL final for the first time since 1897. These developments brought significantly improved facilities for members and the general public. A master plan for Stages 4 & 5 of the stadium's redevelopment to "finish the stadium" has been developed and an intensive advocacy program to gain support has commenced. The Club's vision for Simonds Stadium is to provide our members with the very best possible facility and for the stadium to be used for other sports and events which will in turn greatly benefit the Geelong community.

The Club also saw the current arrangement with Keystone cease but we continue to work with them in trying to find a solution. In recent times, Keystone has experienced several setbacks resulting in the venue not being developed and ownership therefore not transferring to the Club at this stage. This net asset was valued at \$1.93 million, and has now been written off in keeping with appropriate accounting practice. Most of this valuation represented the agreed value of Keystone's sponsorship of the Club over the past few years and does not represent the actual cash investment by the Club in the project.

While this outcome is obviously disappointing, the impact on the team's training and preparation in the short term is minimal. The Club continues to use Simonds Stadium as its central training base. The Club's goal was to establish an alternative training venue for the Club to utilise when Simonds Stadium is being used for other events. It was never intended to be our primary base. We do wish for Simonds Stadium to be used for more than AFL in the years to come and so we will continue to strive to identify opportunities in relation to future alternative training venues.

2014 and beyond

The Board and management recognise that we have been extremely fortunate to experience a sustained period of on-field success. Despite this success, we continue to face many challenges and are working hard to address them. The requirement for ongoing innovation and improvement across all areas of our business is critical to ensuring the long-term success of the Club. The Club is continually looking for new ways to grow our revenue and contain expenses so that we can continue to be well placed financially in a competitive environment that is changing at an unprecedented rate; something we are actively planning for and consider vital to ongoing business sustainability.

The Club continually reviews the objectives and strategies within its business plan to ensure the Club has the strategic framework in place to meet its challenges and be successful and sustainable in the long term.

Final words

This past year has been a difficult one for the AFL industry. Many of the headlines have not been positive. We want you to know that our Club is committed to the highest possible standards and one of our core values is to "play within the rules". We want to thank our staff – and particularly the leaders – for their professionalism and commitment to high ethical standards.

Finally, we would like to thank you, our members, for your continued support of our Club. There is an emotional and financial investment in being a member and we understand that. We do not take it for granted and seek to provide a return on that investment. It doesn't mean that we will always win the premiership – they are VERY hard to win. But we will be doing everything we can to compete for the premiership, while maintaining our standards and perspective in the way we go about our business.

6. SIGNIFICANT EVENTS AFTER BALANCE DATE

No matters or circumstances have arisen between the end of the financial year and the date of this report that have or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in subsequent financial years.

7. ENVIRONMENTAL REGULATION

The Directors believe that the operations of the Club are not subject to any particular or significant environmental regulations.

8. AUDITOR'S INDEPENDENCE DECLARATION

The Directors have received the Independence Declaration from the auditor of the Club. The Independence Declaration is set out on page 10 and forms part of the Directors' report for the year ended 31 October 2013.

Non-audit services

Following are the non-audit services that were provided by the Club's auditor, Ernst & Young. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

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

Assurance Related	\$ 10,000
Total non audit fees	\$ 10,000

9. DIRECTORS' MEETINGS

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director were as follows:

Director

Directors' Meetings	Corporate Governance Committee Meetings	Remuneration Committee Meetings	Finance & Audit Committee Meetings
Number Held - Attended	Number Held - Attended	Number Held - Attended	Number Held - Attended
Colin Bruce Carter	9 - 9	3 - 3	3 - 2
Gareth Eliot Tremayne Andrews	9 - 6		3 - 3
Alistair Neil Hamblin	9 - 8		8 - 7
Robert John Gartland	9 - 8		3 - 3
Diana Clare Taylor	9 - 9	3 - 3	
Hugh Galbraith Seward	9 - 8	2 - 2	
Craig Milton Drummond	9 - 8		8 - 7
Brian Carlyle Cook	9 - 8	3 - 3	3 - 3
Justin Tremayne Andrews (appointed 31 July 2013)	2 - 2		

10. INDEMNIFICATION AND INSURANCE OF OFFICERS

During the year the Club paid insurance premiums totalling \$8,092 in respect of Directors' and Officers' liability insurance. The policies do not specify the premium for individual Directors and Officers. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against Directors and Officers in their capacity as Directors and Officers of the Club.

The Club has not, during or since the end of the financial year, in respect of any person who is or has been an auditor of the Club or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability incurred, including costs and expenses in successfully defending legal proceedings, or paid or agreed to pay a premium in respect of a contract against a liability incurred for the costs or expenses to defend legal proceedings.



11. MEMBERS' GUARANTEE

The Club is a company limited by guarantee and domiciled in Australia. Accordingly the liability of the members of the Company is limited. As stated in clause 7 of the Club's Memorandum of Association, each member of the Club undertakes to contribute to the assets of the Club in the event of it being wound up while they are a member or within one year afterwards for payment of the debts and liabilities of the Club contracted before they cease to be a member and of the costs, charges and expenses of winding up the Club and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding two dollars (\$2). At 31 October 2013 the number of members was 42,920 (2012: 40,200).

Signed in accordance with a resolution of Directors on this 27th day of November 2013.

A handwritten signature in black ink, appearing to read "Col. Carter".

Colin Bruce Carter
Director and President

A handwritten signature in black ink, appearing to read "Alistair Hamblin".

Alistair Neil Hamblin
Director



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Auditor's Independence Declaration to the Directors of the Geelong Football Club Limited

In relation to our audit of the financial report of the Geelong Football Club Limited for the financial year ended 31 October 2013, 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

Don Brumley
Partner
Melbourne
27 November 2013

CORPORATE GOVERNANCE STATEMENT

Policy

The Board of Directors ("the Board") recognise the importance and value of good corporate governance, which establishes a framework of clear objectives, responsibilities and accountability for the Board and management and provides policies and procedures for the Board and management to carry out their duties within.

The Board has determined to apply the "Essential Corporate Governance Principles" ("Principles") as summarised by the Australian Securities Exchange Corporate Governance Council (ASX CGC), to the fullest extent possible and practical, given the nature of the business of the Club.

The Board believes the foundation of an effective corporate governance model is a corporate structure that includes

- The owners of the Club in the form of its members appoint a number of Directors to form the Board
- The Board oversee their interests in the Club and who in turn retains a Chief Executive Officer ("CEO")
- The CEO develops business strategies, employs resources, builds and operates processes, generates profits and increases the value for our members

The role of the Board

The Board is committed to act in the best interest of the Club at all times to ensure it is properly managed and governed.

The Board's key responsibilities are to:

- Act in the interests of the Club as a whole
- Observe their duties as Directors in terms of corporations law, common law, the Club Constitution and other relevant legislation
- Provide strategic direction for the Club and effective oversight of the CEO

The Board's key functions include:

- Ensuring a diverse and effective Board, in line with the Club Constitution
- Appointing, supporting and providing advice and counsel to, evaluating and rewarding the CEO taking an active role in overseeing the growth of the Executive leadership talent pool
- Appointing, evaluating and rewarding the Senior Coach
- Through constructive engagement with senior management and key stakeholders, review, add-value to, approve and monitor the Club's purpose, core values, ethical framework, strategic direction and objectives
- Reviewing, approving and monitoring the implementation of the corporate plan, linked to the strategic objectives, ensuring appropriate resources are available
- Supporting, reviewing and monitoring the operational and financial performance of the Club
- Monitoring key financial and non-financial risk areas by ensuring the implementation of an effective risk management and internal control framework
- Consider and agree on committee and management recommendations on key issues
- The power to make, add to, alter or rescind any Club rules, regulations and by-laws as it thinks fit
- Evaluating Board processes and performance of the Board as a whole, as well as contributions by individual Directors, ensuring the Board's effectiveness in delivering good governance
- Transparent reporting and communications to the stakeholders on the Board's governance, stewardship and financial performance
- Ensuring that there are strong working relationships with the AFL

Board composition and tenure

The composition and tenure of the Board is governed by the Club's Constitution.

The minimum number of Directors is seven and the maximum is nine. In addition, the CEO is a Director of the Club.

A full Board election is conducted every three years.

Board committees

The Board has established three committees to assist it in the discharge of the Board's role and responsibilities. The committees focus on specific responsibilities in greater detail than is possible for the Board as a whole.

Each formally constituted committee has a written charter, approved by the Board.

The Directors who are members of these committees are outlined in the Directors' report.

The committees and their key roles are set out below:

Corporate Governance committee

The Corporate Governance committee assists the Board with its responsibilities by monitoring implementation of corporate governance principles and reporting to the Board in respect to compliance, non-compliance and recommendations for improvement.

The key responsibilities of the Corporate Governance committee are:

- Board structure, effectiveness and succession
- Board operations and governance and relations with management
- Director performance
- Constitution currency and compliance

Finance and Audit committee

The Finance and Audit committee assists the Board with its responsibilities by governing the operations of the Club's finance and audit functions.

The key responsibilities of the Finance and Audit committee are:

- Financial reporting
- Longer term financial strategies
- Accounting, financial and internal controls
- Appointment and independence of external auditors and the scope of external audit
- IT plans and strategies
- Risk management

Remuneration committee

The Remuneration committee assists the Board with its responsibilities by governing the Club's remuneration function.

The key responsibilities of the Remuneration committee are:

- Remuneration of all employees and consultants
- Total player payments rules compliance
- Succession planning

Relationship with management

The CEO is responsible for the overall day-to-day management and the performance of the Club. The CEO manages the Club in accordance with strategy, delegations, business plans and policies approved by the Board to achieve agreed goals and objectives included therein.

The Board is responsible for reviewing and ensuring that all necessary and appropriate delegations are in place to enable the CEO to meet this responsibility.

To assist in the execution of its responsibilities, the CEO and Executive management have established a number of management-driven committees which meet on an as needed basis.

Board code of conduct

The Board takes ethical and responsible decision making very seriously. Directors are required to act in accordance with the Club's Board code of conduct at all times.

The code of conduct deals with:

- Compliance with laws, regulations, duties and the code
- Giving or receiving gifts
- Protection of the Club's assets
- Proper accounting and dealing with auditors
- Unauthorised public statements
- Conflict of interest and use of inside information, confidential information and confidential documents

Communication with members

The Board aims to ensure that members are informed of all major developments affecting the Club. Information is communicated to members as follows:

- The audited financial report is made available to all members on the Club's website
- An annual report is distributed to all members in late November, reviewing the season's performance
- Regular emails are broadcast to those members who have provided their email addresses to the Club
- Members and supporters are communicated with electronically on Cats TV, Cats Twitter and the Cats Facebook page
- Club information is provided from time to time in various newspapers and on telephone recorded and on-hold messages
- The Club website www.geelongcats.com.au and App are regularly updated
- The Club Annual General Meeting is held each year before 31 January
- The Board and Executive management are always available to speak to members



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ending 31 October 2013

	Notes	2013 \$	2012 \$
Income			
Revenue	3	56,056,564	48,957,150
		56,056,564	48,957,150
Expenses			
Cost of sales		(14,231,898)	(13,196,604)
Football expenses		(21,419,102)	(19,200,072)
Marketing and related costs		(8,535,032)	(8,401,353)
Finance and administration		(4,021,800)	(3,621,033)
Facilities costs		(3,382,270)	(2,610,399)
Finance costs	4	(1,292,637)	(1,605,719)
Assets written-off	4	(1,958,248)	(1,318,280)
Total expenses from ordinary activities		(54,840,987)	(49,953,460)
Net profit/(loss) attributable to members of Geelong Football Club Limited	16	1,215,577	(996,310)
Other Comprehensive Income			
Net fair value gains/(losses) on available-for-sale financial assets		10,772	(726)
Total Comprehensive Income/(expense) for the period attributable to members of Geelong Football Club Limited		1,226,349	(995,584)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 October 2013

	Notes	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	5	2,597,205	1,812,446
Trade and other receivables	6	741,086	892,612
Inventories	7	330,753	709,827
Available-for-sale financial assets	2(k)	-	124,716
Other current assets	8	402,374	226,276
TOTAL CURRENT ASSETS		4,071,418	3,765,877
NON CURRENT ASSETS			
Intangible assets	9	15,449,090	19,817,402
Finance lease assets	11	8,780,963	9,207,961
Plant and equipment	10	7,155,712	7,095,968
TOTAL NON CURRENT ASSETS		31,385,765	36,121,331
TOTAL ASSETS		35,457,183	39,887,208
CURRENT LIABILITIES			
Trade and other payables	12	3,689,613	4,587,156
Income received in advance	2(p)	549,565	1,242,226
Interest bearing loans and borrowings	13	1,794,283	1,208,853
Finance lease liabilities	14	175,035	180,835
Employee provisions	15	1,238,419	1,172,578
TOTAL CURRENT LIABILITIES		7,446,915	8,391,648
NON CURRENT LIABILITIES			
Trade and other payables	12	1,597,528	2,224,325
Income received in advance	2(p)	714,263	6,115,816
Interest bearing loans and borrowings	13	4,839,675	3,353,259
Finance lease liabilities	14	9,500,749	9,675,785
Employee provisions	15	174,540	169,231
TOTAL NON CURRENT LIABILITIES		16,826,755	21,538,416
TOTAL LIABILITIES		24,273,670	29,930,064
NET ASSETS		11,183,513	9,957,144
EQUITY			
Retained profits		11,183,493	9,967,916
Trust funds		20	-
Investment fluctuation reserve		-	(10,772)
TOTAL EQUITY	16	11,183,513	9,957,144

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ending 31 October 2013

	Notes	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		60,181,863	54,082,310
Distribution received from the Geelong Cats Sports Foundation		1,511,481	-
Realised settlements		675,000	-
Superscreen contributions received		850,000	-
Interest received		77,093	32,566
Dividends received		4,782	7,220
Payments to suppliers and employees (inclusive of GST)		(57,315,941)	(50,578,190)
Interest paid		(300,589)	(285,887)
NET CASH PROVIDED BY/(USED IN)			
OPERATING ACTIVITIES		5,683,689	3,258,019
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from realised investments		114,834	-
Payment for plant and equipment		(966,076)	(1,072,981)
Payment for intangibles		(5,169,266)	(1,664,452)
Payment for available for sale investments		-	2
NET CASH PROVIDED BY/(USED IN)			
INVESTING ACTIVITIES		(6,020,508)	(2,737,431)
CASH FLOWS FROM FINANCING ACTIVITIES			
Trust funds on establishment of Foundations		20	-
Repayment of borrowings		(4,141,373)	(943,507)
Proceeds from borrowings		6,213,220	1,286,072
Repayment of finance lease principal and interest		(950,289)	(912,708)
NET CASH PROVIDED BY/(USED IN)			
FINANCING ACTIVITIES		1,121,578	(570,143)
Net increase/(decrease) in cash and cash equivalents held		784,759	(49,555)
Cash and cash equivalents at the beginning of the year		1,812,446	1,862,001
CASH AND CASH EQUIVALENTS AT THE			
END OF THE FINANCIAL YEAR	5	2,597,205	1,812,446

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ending 31 October 2013

	Notes	Retained Profits	Trust Funds of Consolidated Foundations	Investment Fluctuation Reserve	Total Equity
		\$	\$	\$	\$
At 1 November 2012		9,967,916	-	(10,772)	9,957,144
Profit/(loss) for the period		1,215,577	-	-	1,215,577
Trust funds on establishment of Foundations		-	20	-	20
Other comprehensive income		-	-	10,772	10,772
Total Comprehensive Income for the period		1,215,577	20	10,772	1,226,369
At 31 October 2013	16	11,183,493	20	-	11,183,513
At 1 November 2011		10,964,226	-	(10,046)	10,954,180
Profit/(loss) for the period		(996,310)	-	-	(996,310)
Other comprehensive income		-	-	(726)	(726)
Total Comprehensive Income for the period		(996,310)	-	(726)	(997,036)
At 31 October 2012	16	9,967,916	-	(10,772)	9,957,144

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - CLUB INFORMATION

Geelong Football Club Limited ("the Club"), the Parent entity of the Consolidated Group, is a company limited by guarantee where statutory members guarantee its liabilities to the extent of \$2.

The registered office of the Club is:
Simonds Stadium
Kardinia Park
Geelong, Victoria, 3220

The principal activities of The Club are the playing and promotion of the game of Australian Rules Football and the operation of related facilities. The Club is a member of the Australian Football League.

The financial report of the Club for the year ended 31 October 2013 was authorised for issue in accordance with a resolution of the Directors on Wednesday 27th November 2013.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. The following is a summary of the material accounting policies adopted by the Club in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

(a) Basis of Preparation

This consolidated financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board

With the exception of available-for-sale investments, which are measured at fair value, this report is prepared on an accrual basis in accordance with the historical cost convention and except where stated, does not take into account current valuations of non-current assets.

The financial report is presented in Australian dollars.

(b) Statement of Compliance

Reduced Disclosure Regime

The Club early adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards from Reduced Disclosure Requirements in the financial year beginning on 1 November 2010.

The Club is a not-for-profit public entity which classifies it as a Tier 2 entity allowing it to prepare consolidated general purpose financial statements in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB - RDRs) (including Australian interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The adoption of AASB 1053 and AASB 2010-2 allowed the Club to remove a number of disclosures. Accounting policies adopted are consistent with those of the prior year financial statements.

(c) New accounting standards and interpretations

Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year.

Other Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Club for the annual reporting period ended 31 October 2013.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Geelong Football Club Ltd and its controlled entities as at and for the period ended 31 October 2013. These controlled entities include:

- Geelong Football Club Foundation Pty Ltd;
- Geelong Cats Stadium & Player Facilities Foundation; and
- Geelong Cats Community Foundation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Controlled entities are those entities over which the Club has the power to govern the financial and operating policies so as to obtain 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 for the same reporting period as the Parent, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances, transactions, 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.

Investments in controlled entities held by Geelong Football Club Ltd are accounted for at cost in the separate financial statements of the Parent less any impairment.

(e) Going Concern

The consolidated financial report has been prepared on the basis that the Club is a going concern although there is a net current asset deficiency of \$3,375,497 (2012: \$4,625,771). The going concern basis is considered appropriate as due to the seasonal nature of the Club's activities it expects to generate sufficient funds in the next quarter from gaming, membership, reserved seat sales and sponsorship to meet its debts as and when they become due and payable and to continue to fund its ongoing operations.

It should be noted that the Club outlaid \$6,135,342 in cash in the current financial year on a range of assets and capital projects. This includes contributions made to the construction of Stage 3 and the proposed Stage 4 redevelopments of Simonds Stadium. It also includes the purchase of gaming machines and a range of property, plant and equipment. All capital projects have been funded from the Club's carried forward financial surplus and its borrowings from Bendigo Bank.

Long term marketing and financial strategies have been developed to manage the Club's debt levels, improve trading profitability and ensure long term viability. The Directors are confident that these strategies will be successful in allowing the Club to continue to participate in the Australian Football League.

(f) Cash and Cash Equivalents

For the purpose of the Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows, cash and cash equivalents includes cash at bank, cash on hand and short-term deposits either held at call or with an original maturity of three months or less.

(g) Trade and Other Receivables

Trade receivables, which generally have 7 to 30 day payment terms from the date of the invoice/statement, are initially recognised at fair value and then subsequently measured at fair value less an allowance for impairment.

Other receivables are measured at amortised cost using the effective interest method, are non-interest bearing and are settled based on various commercial terms and conditions, generally in 30 to 90 day terms.

Collectability of trade and other receivables is reviewed on an ongoing basis by Club management. Individual debts that are known to be uncollectable are written off when identified. An impairment provision is recognised when there is objective evidence that the Club will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value:

- Merchandise is valued at weighted average cost.
- Memorabilia is valued at purchase cost.
- Food and Beverage is valued at purchase cost.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(i) Leases**

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Finance leases, which transfer to the Club substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Club will obtain ownership by the end of the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

(j) Intangible Assets

Intangible Assets acquired are initially measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any impairment losses. Internally generated intangible assets are not capitalised and expenditure is recognised in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful life and tested for impairment individually or at the cash-generating unit level on an annual basis or when there is an indication that the intangible asset or cash-generating unit may be impaired (see note 2(j) for methodology). The amortisation period and the amortisation method for an intangible asset are reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Comprehensive Income in the expense category consistent with the function of the intangible asset.

(k) Available-for-sale financial assets

The Club intends to invest the distribution received from the Geelong Cats Sports Foundation in 2013 in a combination of equity securities and a cash management fund. Upon investment, these funds will be classified as available-for-sale investments and will be measured at fair value with gains and losses being recognised as a separate component of equity until the investment is derecognised or until the investment is deemed to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in the Consolidated Statement of Comprehensive Income. Fair value of investments is determined by reference to quoted market bid prices at the close of business on balance date.

(l) Plant and Equipment***(i) Owned Assets***

Plant and equipment and leasehold improvements are stated at historical cost, less accumulated depreciation and any accumulated impairment losses. Where an asset is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition.

(ii) Leased Assets

Leases in terms of where the Club assumes substantially all of the risks and rewards of ownership are classified as finance leases which are recognised on the Club's Consolidated Statement of Financial Position. All other leases are classified as operating leases and the leased assets are not recognised on the Club's Consolidated Statement of Financial Position.

(iii) Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Club and its cost can be reliably measured. The carrying amount of the part replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised as an expense in the Consolidated Statement of Comprehensive Income as incurred.

(iv) Memorabilia

Over the years the Club has collected a considerable amount of memorabilia. The memorabilia collection has an estimated value of \$3,200,000 (unaudited) but is not recorded in the financial report. The AFL will conduct a formal valuation of the Club's memorabilia in December 2013.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the ground lease or the estimated useful lives of the improvements. The following depreciation useful life ranges have been used:

	USEFUL LIVES	DEPRECIATION BASIS
Furniture & fittings	2-15 years	Straight Line
Motor vehicles	4 years	Straight Line
Computer equipment	3 - 5 years	Straight Line
Gaming equipment	7 years	Straight Line
Leasehold improvements	5-40 years	Straight Line

Assets' useful lives and depreciation methods are also reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(vi) Disposal

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Consolidated Statement of Comprehensive Income.

(m) Impairment

Plant & Equipment and Intangibles

The carrying values of the Club's tangible and intangible assets are reviewed for impairment at each reporting date, to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount, with an impairment loss recognised in the Consolidated Statement of Comprehensive Income.

Financial Assets

The Club assesses at each balance date whether a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss has been incurred on a financial asset, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The discount rate used for financial assets carried at amortised cost is the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition).

(n) Income Tax

The Club is exempt from income tax as an exempt sporting organisation in accordance with Section 50-45 of the Income Tax Assessment Act 1997

(o) Trade and Other Payables

Trade and other payables are carried at amortised cost and are recognised for amounts to be paid in the future for goods or services received, whether or not they have been billed to the Club. Trade payables are unsecured and are normally settled within 7-30 days. Other payables are settled on various commercial terms and conditions, typically within 30 days.

(p) Income 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Interest Bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of the interest and other costs that the Club incurs in connection with the borrowing of funds.

(r) Employee Provisions

(i) Wages, salaries annual leave and sick leave

Provisions for employee benefits are recognised when the Club has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

Liabilities arising from wages and salaries, annual leave and accumulating sick leave, which will be settled within 12 months of reporting date, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs in respect of employees' services up to the reporting date. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. 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 31 October 2013 on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

In December 2002 the AFL Clubs and players entered into a Federally Certified Long Service Leave Agreement. This agreement removed the State Long Service Leave entitlements of the players. Instead, the players receive additional annual leave after a set number of years of service and consequently clubs are not required to accrue for long service leave liabilities for its current players.

(iii) Superannuation

Contributions are made by the Club to an employee superannuation fund and are charged as expenses when incurred. All superannuation guarantee legislative requirements have been met.

(s) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Club and the revenue can be reliably measured, net of the amount of goods and services tax (GST).

(i) Sales Revenue

Sales revenue is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement with those goods. Sales revenue is detailed in note 3 and comprises revenue earned from AFL dividends and prize money, membership, reserved seating, merchandise, sponsorships, fundraising, gate receipts, food and beverage, gaming activities and interest on investments. Sponsorships involving contra arrangements are recognised as revenue equivalent to the fair value of the services provided by the sponsor. Interest income is recognised as it accrues using the effective interest method.

(ii) AFL Distributions and Match Returns

AFL distributions are recognised as they are received or become receivable. Match day income is recognised at the conclusion of each AFL home game.

(iii) Membership Revenue

Membership income is recognised throughout the duration of the AFL home and away season to which it relates. Subscriptions received in advance from members that relate to future years are included as a liability in income received in advance and will be recognised as revenue in the years to which they relate.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***(iv) Marketing and Sponsorship Income***

Marketing and Sponsorship income is recognised when amounts are due and payable in accordance with the terms and conditions of the sponsorship contract. Sponsorship monies received in advance that relate to future years are included as a liability in income received in advance and will be recognised as revenue in the years to which they relate.

(v) Gaming Revenue

Gaming, bar, bistro and function revenue is recognised as it is earned. Deposits on functions received in advance that relate to functions to be held in future years are included as a liability in income received in advance and will be recognised as revenue in the year to which the function relates.

(vi) Grant Revenue

Grant revenue, including contributions of assets, is recognised in the Consolidated Statement of Comprehensive Income when it is controlled or the Club has the right to receive the contribution. When there are conditions attached to the grant relating to the use of grant funds for specific purposes this is disclosed in the relevant note to the financial statements.

(vii) Non-reciprocal contributions

The Club occasionally receives non-reciprocal contributions of assets from third parties for nominal or zero value. These assets are recognised at fair value on the date of acquisition in the Consolidated Statement of Financial Position, with a corresponding amount of revenue recognised in the Consolidated Statement of Comprehensive Income.

(t) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office. The amounts reported for receivables and payables on the Consolidated Statement of Financial Position at balance date are inclusive of GST. The net amount of GST receivable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Consolidated Statement of Financial Position.

Cash flows from operating activities are included in the Consolidated Statement of Cash Flows on a gross basis. The GST components of cash flows applicable to investing and financing activities that are recoverable from, or payable to, the ATO are classified in operating cash flows.

(u) Comparative Figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

(v) Members' Liability on Winding Up

The Club is a company limited by guarantee and domiciled in Australia. Accordingly the liability of the members of the Company is limited. As stated in clause 7 of the Club's Memorandum of Association, each member of the Club undertakes to contribute to the assets of the Club in the event of it being wound up while they are a member or within one year afterwards for payment of the debts and liabilities of the Club contracted before they cease to be a member and of the costs, charges and expenses of winding up the Club and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding two dollars (\$2).

(w) Significant Accounting Judgements, Estimates and Assumptions

In applying the Club's accounting policies management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Club. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and lease terms (for leased equipment). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Finance lease commitments - Club as lessee

The Club has lease agreements for the usage of gym equipment and Simonds Stadium. The Club has determined that it retains substantially all the significant risks and rewards of ownership of the gym equipment and Simonds Stadium primarily as the leases are for the major part of the economic useful lives of the leased assets. Thus the Club has classified these leases as finance leases.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating lease commitments - Club as lessee

The Club has lease agreements over the land and buildings at The Brook on Sneydes and various items of office equipment. The Club has determined that it does not retain substantially all the significant risks and rewards of ownership of these leased items and thus the Club has classified these leases as operating leases.

Impairment of Intangibles

The Club assesses whether intangibles are impaired at least annually in accordance with the accounting policy set out in Note 2(m). These calculations involve estimating the recoverable amount of the cash generating units to which the intangibles are allocated.

Impairment of available for sale assets

The Club holds a number of available-for-sale financial assets and follows the requirements of AASB 139 Financial Instruments: Recognition and Measurement in determining when an available-for-sale asset is impaired. For the year ended 31 October 2013 the Club has determined that any decline in value of individual available-for-sale assets was not considered significant or prolonged.

Long service leave provision

As outlined in Note 2(r), the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at balance date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

	2013	2012
	\$	\$
NOTE 3 - REVENUE		
(a) Revenue from Operating Activities		
AFL dividends and prize money	8,241,232	7,606,364
Gaming, food and beverage	13,704,820	11,359,106
Membership, seating and gate receipts	12,128,646	11,536,630
Merchandise	1,814,893	2,699,798
Sponsorship, advertising and fundraising	17,039,348	15,696,889
	52,928,939	48,898,787
(b) Revenue from Other Activities		
Distribution received from the Geelong Cats Sports Foundation	1,511,481	-
Superscreen distributions received	850,000	-
Realised settlements	675,000	-
Interest revenue	77,094	32,566
Dividends on investments	4,782	7,220
Other	9,268	18,577
	3,127,625	58,363
Total Revenue	56,056,564	48,957,150

NOTE 4 - EXPENSES

The Consolidated Statement of Comprehensive Income includes the following specific expenses:

(a) Finance costs

- Interest paid on debts and borrowings	300,589	285,887
- Finance charges payable under finance leases	831,370	780,743
- Deferred liability interest charge	160,678	539,089

Total finance costs

1,292,637	1,605,719
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(b) Depreciation, amortisation and asset write offs

- Amortisation of intangible assets	675,028	262,856
- Amortisation of leasehold improvements	265,021	267,154
- Amortisation of finance lease asset	426,997	368,954
- Depreciation of plant and equipment	696,934	582,415
- Plant and equipment written off	25,641	1,318,280
- Net right to acquire land and buildings written off	1,932,607	-

Total depreciation, amortisation and write offs

4,022,228	2,799,659
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(c) Employee expenses

26,507,126	24,046,249
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(d) Bad debts written off

22,873	32,394
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(e) Operating lease rentals

1,442,364	1,388,944
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NOTE 5 - CASH AND SHORT-TERM DEPOSITS

Reconciliation of cash and short-term deposits

Cash and cash equivalents at the end of the financial year as shown in the Consolidated Statement of Cash Flows is reconciled to the related items in the Consolidated Statement of Financial Position as follows:

Cash on hand	303,390	362,761
Cash at bank and short-term deposits	2,293,815	1,449,685
	2,597,205	1,812,446

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Club, and earn interest at the respective short-term deposit rates.

Of the above cash and cash equivalents, \$456,512 (2012: \$997,464) relates to Club donations received in the form of discretionary grants in the current financial year or carried forward from previous periods from the Australian Sports Foundation which must be spent in accordance with the project purpose. This purpose is to upgrade Simonds Stadium in the Kardinia Park precinct in the areas of player, training and spectator facilities (including debt reduction), purchase sports related equipment and assist in the cost of developing an exclusive training venue. The Club will use the funding to continue to invest in capital projects at Simonds Stadium and provide elite training equipment for our players.

Furthermore, \$1,544,492 relates to funds held as corpus funds in the Geelong Cats Stadium & Player Facilities Foundation. The Board has resolved that only the income generated from the corpus will be available for operational use going forward.

	2013 \$	2012 \$
NOTE 6 - TRADE AND OTHER RECEIVABLES		
Trade receivables	255,430	355,652
Less allowance for doubtful debts	-	-
Net trade and other receivables	255,430	355,652
Accrued revenue	189,681	260,798
Other debtors	295,975	276,162
	485,656	536,960
Total trade and other receivables	741,086	892,612

Trade receivables are non-interest bearing and are generally on credit terms of 7 to 30 days.

NOTE 7 - INVENTORIES

Merchandise	139,963	292,950
Memorabilia	34,941	123,457
Food and beverage	155,849	293,420
Total inventories at the lower of cost and net realisable value	330,753	709,827

(a) Inventory expense

Inventories recognised as an expense for the year ended 31 October 2013 totalled \$3,554,302 (2012: \$4,079,997). This expense has been included in the cost of sales line item in the Consolidated Statement of Comprehensive Income.

(b) Inventory impairment

An impairment loss is recognised when there is objective evidence that inventories are being carried at an amount higher than net realisable value. Merchandise written down to its net realisable value and recognised as an expense in the current financial year totalled \$56,763 (2012: Nil). This expense is recognised in cost of sales in the Consolidated Statement of Comprehensive Income.

(c) Inventory gains/expense

Merchandise stock loss recognised as an expense in the current financial year totalled \$41,792 (2012: \$32,819 gain). This expense is recognised in cost of sales in the Consolidated Statement of Comprehensive Income.

NOTE 8 - OTHER ASSETS

Prepayments	397,374	221,276
Bank Guarantees & Deposits	5,000	5,000
	402,374	226,276

All amounts are considered to be short-term and the carrying values are considered to be a reasonable approximation of their fair value.

	Notes	2013 \$	2012 \$
NOTE 9 - INTANGIBLE ASSETS			
(a) Carrying amounts of intangible assets measured at cost			
Leasehold rights at cost		13,090,323	8,236,885
Less accumulated amortisation		(1,070,575)	(843,479)
Net carrying amount	(i)	12,019,748	7,393,406
Licences at cost		3,131,524	3,142,524
Less accumulated amortisation		(400,255)	(88,073)
Net carrying amount	(ii)	2,731,269	3,054,451
Software		908,677	808,085
Less accumulated amortisation		(399,812)	(260,927)
Net carrying amount	(iii)	508,865	547,158
Right to acquire land and buildings	(iv)	181,727	8,822,387
Trademarks		7,481	-
Total intangible assets net carrying amount		15,449,090	19,817,402

(b) Reconciliation of carrying amounts at the beginning and end of the period:

Year ended 31 October 2013	Software \$	Leasehold Rights \$	Trademarks \$	Licences \$	Right to Acquire Land & Buildings \$	Total \$
At 1 November 2012	547,158	7,393,407	-	3,054,450	8,822,387	19,817,402
Additions	166,347	4,853,438	7,481	-	142,000	5,169,266
Disposals	(3,135)	-	-	(11,000)	-	(14,135)
Transfers	(65,755)	-	-	-	-	(65,755)
Amortisation expense	(135,750)	(227,097)	-	(312,181)	-	(675,028)
Impairment of assets	-	-	-	-	(8,782,660)	(8,782,660)
At 31 October 2013 (net of accumulated amortisation and impairment)	508,865	12,019,748	7,481	2,731,269	181,727	15,449,090

NOTE 9 - INTANGIBLE ASSETS (CONTINUED)

(c) Description of the Club's intangible assets

(i) Leasehold rights

Leasehold rights have been acquired via the Club's contributions to all four stages of redevelopment at Simonds Stadium and are being carried at cost less accumulated amortisation and accumulated impairment losses. Amounts relating to Stages 1, 2 and 3 of the intangible asset are being amortised using the straight line method over the remaining Simonds Stadium lease term commencing at the completion of each stage of the development (32-40 years). Stage 3 leasehold rights commenced amortisation on 1 June 2013 and Stage 4 leasehold rights will commence amortisation upon completion of any future redevelopment. These assets are subject to impairment testing on an annual basis or whenever there is an indication of impairment.

(ii) Licences

(a) The Club acquired 182 gaming entitlements from the State Government in 2012 via an interest-free loan for a nominal amount of \$3,507,733. The entitlements became effective on 16 August 2012 and have a useful life of 10 years inline with their expiry. The asset was initially recorded at its present value and is subject to impairment testing on an annual basis or whenever there is an indication of impairment. Two licences expired during the 2013 financial year (Melbourne and Surf Coast), and as such have been disposed of for accounting purposes.

(b) The Club acquired a gaming licence from the Victorian Casino and Gaming Authority to operate from its Point Cook gaming venue. All costs associated with this acquisition were capitalised at cost and are being carried at cost less accumulated amortisation and accumulated impairment losses. The asset is being amortised using the straight line method over its useful life of ten years, which currently has five years remaining.

(iii) Software

Software purchased is being carried at cost less accumulated amortisation and accumulated impairment losses. Software assets are amortised using the straight line method over their useful lives of between 3-7 years. These assets are subject to impairment testing on an annual basis or whenever there is an indication of impairment

(iv) Right to acquire land and buildings

The amount capitalised as a right to acquire land and buildings represents the fair value of the right to acquire land in Armstrong Creek through its sponsorship with Villawood. The rights are being carried at fair value at date of acquisition less any accumulated impairment losses. The assets will commence being amortised when the club receives title to the land and buildings and begins using them, but will be subject to impairment testing on an annual basis or whenever there is an indication of impairment.

\$8,782,660 pertaining to the right to receive land and buildings in Keystone Business Park comprising an alternative training venue has been written off in the 2013 financial year as the developer has not completed the development and transferred the venue to the Club within the agreed contract period.

2013	2012
\$	\$

NOTE 10 - PLANT AND EQUIPMENT

(a) Carrying amounts of plant and equipment measured at cost

Leasehold improvements at cost	6,468,532	6,423,840
Less accumulated amortisation	(2,657,630)	(2,392,608)
Net carrying amount	3,810,902	4,031,232
Plant and equipment at cost	7,013,750	6,043,573
Less accumulated depreciation	(3,668,940)	(2,978,837)
Net carrying amount	3,344,810	3,064,736
Total net carrying amount	7,155,712	7,095,968

NOTE 10 - PLANT AND EQUIPMENT (CONTINUED)

(b) Reconciliation of carrying amounts at the beginning and end of the period:

	Leasehold	Plant and Equipment	Total
	\$	\$	\$
For the year ended 31 October 2013			
Carrying amount at 1 November 2012	4,031,232	3,064,736	7,095,968
Additions	44,691	921,385	966,076
Transfers	-	65,755	65,755
Disposals	-	(10,132)	(10,132)
Asset write offs	-	-	-
Depreciation/amortisation expense	(265,021)	(696,934)	(961,955)
Carrying amount at 31 October 2013	3,810,902	3,344,810	7,155,712
		2013	2012
		\$	\$

NOTE 11 - FINANCE LEASE ASSETS

(a) Carrying amounts of finance leased assets

Finance lease asset - Simonds Stadium	9,657,431	9,657,431
Less accumulated amortisation	(961,271)	(693,010)
Net carrying amount	8,696,160	8,964,421
Finance lease asset - gym equipment	493,935	493,935
Less accumulated amortisation	(409,132)	(250,395)
Net carrying amount	84,803	243,540
Total net carrying amount	8,780,963	9,207,961

(b) Reconciliation of total minimum lease payments and their present value

The Club has finance leases for which the estimated future minimum lease payments amount to \$26,212,175 (2012: \$27,162,463). They are non-cancellable leases which have an implicit interest rate of 7.86%. The finance lease over Simonds Stadium has a remaining lease term of 32 years and the finance lease over gym equipment has a remaining lease term of <1 year.

Within one year	928,965	950,288
Later than one year and not later than five years	3,279,984	3,388,953
Later than five years	22,003,226	22,823,222
Minimum lease payments	26,212,175	27,162,463
Less future finance charges	(16,536,391)	(17,305,843)
Total recognised as liability at 31 October 2013	9,675,784	9,856,620

The leased liabilities are secured by the underlying leased assets.

		2013 \$	2012 \$
NOTE 12 - TRADE AND OTHER PAYABLES			
Current			
Trade payables	(b)	1,468,624	2,343,177
Other creditors and accruals		2,220,989	2,243,979
		3,689,613	4,587,156
Non-Current			
Trade payables		-	-
Other creditors and accruals	(c)	1,597,528	2,224,325
		1,597,528	2,224,325
Total Trade and other payables		5,287,141	6,811,481

(a) Terms and conditions

All payables are non-interest bearing and are normally settled in accordance with the creditors payment terms.

(b) Trade payables

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

(c) Other creditors

(i) Gaming entitlements

In 2010 the Club purchased gaming entitlements from the State Government for its two gaming venues, Club Cats and The Brook on Sneydes for a nominal amount of \$3,507,733. This amount is repayable interest free in equal quarterly instalments which commenced in August 2012 and will conclude in February 2017. The Club has paid \$1,341,888 to date, with a future obligation of \$2,165,845 payable over the next four years.

The fair value of the liability has been calculated by discounting the expected future cashflows at the Club's implicit interest rate of 6.70%.

(ii) Site licences

In 2012 the Club committed \$155,001 to the purchase of site licences for the Club's football department, payable over a 3 year term which commenced in December 2011. Their carrying value is assumed to approximate their fair value.

	2013 \$	2012 \$
NOTE 13 - INTEREST BEARING LOANS AND BORROWINGS		
Current		
Bank loans (secured)	1,794,283	1,208,853
	1,794,283	1,208,853
Non-Current		
Bank loans (secured)	4,839,675	3,353,259
	4,839,675	3,353,259
Total Interest bearing loans and borrowings	6,633,958	4,562,112

(a) Financing facilities

At 31 October 2013 the Club has the following loans from the Bendigo Bank:

(i) Club Cats bank loan

The Club borrowed a total of \$866,000 in 2007 which was used to refurbish Club Cats. The outstanding balance at 31 October 2013 is \$173,200 (2012: \$346,400) and is subject to a variable rate of interest which is currently 5.69% (2012: 7.64%). Annual fixed principal repayments commenced on 31 March 2010 and one repayment remains.

(ii) The Brook bank loan

The Club borrowed \$750,000 in 2009 which was used to fund the fit-out of The Brook on Sneydes. The remaining balance at 31 October 2013 is \$375,000 (2012: \$468,750) and is subject to a variable rate of interest which is currently 5.21% (2012: 6.21%) Annual fixed principal repayments commenced on 31 March 2010 and four repayments remain.

(iii) Premiership Stand bank loan

The Club borrowed a total of \$3,820,780 over the course of 2010 and 2011 to finance Club contributions to the Simonds Stadium Premiership Stand Redevelopment which is subject to a variable rate of interest which is currently 5.25% (2012: 5.88%) At 31 October 2013, the balance is \$1,770,780 (2012: \$2,454,114). Annual fixed principal repayments commenced on 31 March 2011 and three repayments remain.

(iv) Club Cats gaming loan

The Club borrowed a total of \$919,848 in March 2012 which was used to purchase electronic gaming machines for Club Cats. The loan is subject to a variable rate of interest which is currently 5.73% (2012: 6.72%) and quarterly fixed principal repayments commenced on 31 March 2013 and will continue for a period of five years.

(v) The Brook gaming loan

The Club borrowed a total of \$373,000 in March 2012 which was used to purchase electronic gaming machines for The Brook on Sneydes. The loan is subject to a variable rate of interest which is currently 5.73% (2012: 6.71%) and quarterly fixed principal repayments commenced on 31 March 2013 and will continue for a period of five years.

NOTE 13 - INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

(vi) *Players Stand loan*

The Club borrowed a total of \$3,174,130 over the course of 2013 to finance Club contributions to the Simonds Stadium Players Stand Redevelopment which is subject to a variable rate of interest which is currently 5.74%. At 31 October 2013, the balance is \$3,174,130. Annual fixed principal repayments will commence on 31 March 2014 and continue for a period of seven years.

(vii) *Overdraft facility*

The Club has access to an overdraft facility with a limit of \$500,000 all year round. This limit temporarily increases to \$1,000,000 for the months of August to December. As at 31 October 2013, the Club was not utilising any of its overdraft facilities.

(b) **Security for borrowings**

Bank loans and overdraft facilities with Bendigo Bank are secured by a registered debenture mortgage over the assets of the Club.

(c) **Defaults and breaches**

During the current and prior years, there were no defaults or breaches on any of the loans.

	2013 \$	2012 \$
NOTE 14 - FINANCE LEASE LIABILITY		
Current		
Finance lease liability - Simonds Stadium	70,212	50,259
Finance lease liability - Gym equipment	104,823	130,576
	175,035	180,835
Non-Current		
Finance lease liability - Simonds Stadium	9,500,749	9,570,962
Finance lease liability - Gym equipment	-	104,823
	9,500,749	9,675,785
Total finance lease liability	9,675,784	9,856,620

Leased liabilities are secured by the underlying leased assets.

2013
\$
2012
\$

NOTE 15 - EMPLOYEE PROVISIONS

Current

Provision for annual leave	505,335	468,179
Provision for long service leave	733,084	704,399
	1,238,419	1,172,578

Non-Current

Provision for long service leave	174,540	169,231
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Total Employee Provisions

1,412,959	1,341,809
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The current portion of these liabilities represents the Club's obligation to which employees have a current legal entitlement.

Number of Employees

Number of full time equivalent ("FTE") employees at balance date	107	114
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Refer to note 2(r) for the relevant accounting policy and a description of the nature and timing of employee provisions. Furthermore, this note contains a discussion on the significant estimations and assumptions applied in the measurement of this provision.

NOTE 16 - RETAINED EARNINGS AND RESERVES

(a) Movements in retained earnings and reserves were as follows:

Balance 1 November 2012	9,957,144	10,954,180
Net profit/(loss) attributable to members of the Geelong Football Club Limited	1,215,577	(996,310)
Trust funds on establishment of Foundations	20	-
Investment fluctuation reserve movement	10,772	(726)
Balance 31 October 2013	11,183,513	9,957,144

(b) Nature and purpose of reserves

The investment fluctuation reserve is used to record increases and decreases in the fair value (net unrealised gains) of available-for-sale financial assets.

2013
\$

2012
\$

NOTE 17 - REMUNERATION OF KEY MANAGEMENT PERSONNEL

(a) Compensation for key management personnel

Short-term employee benefits	3,001,536	2,728,077
Other short-term employee benefits (c)	8,092	9,801
Total Compensation	3,009,628	2,737,878

(b) Definition of key management personnel

Key management personnel have been determined by The Club to be as follows:

(i) Board of Directors

The names of the persons who were Directors of the Club for all or part of the financial year are listed below.

Colin Bruce Carter	Hugh Galbraith Seward
Gareth Eliot Tremayne Andrews	Craig Milton Drummond
Alistair Neil Hamblin	Justin Andrews (Appointed 31 July 2013)
Robert John Gartland	Nicholas Livingstone Carr (Resigned 25 February 2013)
Diana Claire Taylor	Brian Carlyle Cook (Chief Executive Officer)

(ii) Other Key Management Personnel (KMP)

General Manager - Community Development	Sarah Albon
Hospitality & Venues Manager	Paula Allen
General Manager - Football	Neil Balme
General Manager - Public Relations	Kevin Diggerson
General Manager - Commercial Operations	Steven Hocking
General Manager - People and Culture	Rosie King
Senior Coach	Chris Scott
General Manager - Finance and Administration	Robert Threlfall

(c) Other short-term benefits

Other short-term benefits consist of Directors' and Officers liability insurance taken out by The Club on behalf of the Board of Directors totalling \$8,092 (2012: \$9,801). This is the only financial benefit provided to the Board of Directors.

NOTE 18 - RELATED PARTIES

(a) Key management personnel

Details relating to KMP, including remuneration paid, are included in Note 17.

(b) Transactions with KMP and their related parties

During the year a number of key management personnel purchased club membership packages, match day tickets, club merchandise, attended club functions, made donations and contributed towards fundraising activities. The terms and conditions of the transactions with KMP's and their KMP related entities were no more favourable than those available, or which might be reasonably expected to be available on similar transactions to non-KMP related entities on an arm's length basis.

Collectively, either individually or through their director related entities, the Directors contributed the following to the Club during the year ended 31 October 2013:

31 October 2013	Sales to KMP	Cost of KMP Sales in Expenses	Purchases from Related Entities	Other Revenue from KMP	Total
	\$	\$	\$	\$	\$
Corporate Sales (Revenue)	46,019	-	-	-	46,019
Donations (Revenue)	-	-	-	187,230	187,230
Other Sales (Revenue)	-	-	-	50	50
Cost of Sales (Expense)	-	(21,629)	-	-	(21,629)
Purchases (Expense)	-	-	(7,230)	-	(7,230)
	46,019	(21,629)	(7,230)	187,280	204,440

31 October 2012	Sales to KMP	Cost of KMP Sales in Expenses	Purchases from Related Entities	Other Revenue from KMP	Total
	\$	\$	\$	\$	\$
Corporate Sales (Revenue)	60,540	-	-	-	60,540
Donations (Revenue)	-	-	-	98,350	98,350
Other Sales (Revenue)	-	-	-	1,875	1,875
Cost of Sales (Expense)	-	(28,454)	-	-	(28,454)
Purchases (Expense)	-	-	(6,425)	-	(6,425)
	60,540	(28,454)	(6,425)	100,225	125,886

(c) Other balances with KMP and their related parties

Trade and other receivables recognised at reporting date in relation to KMP and their related parties totalled \$1,848 (2012: \$1,029).

2013
\$

2012
\$

NOTE 19 - COMMITMENTS FOR EXPENDITURE

(a) Operating lease payable commitments:

Future non-cancellable operating lease rentals of property, plant and equipment, not recognised as liabilities in this financial report and payable:

- Not later than 1 year	1,333,150	1,342,008
- Later than 1 year but not later than 5 years	5,003,231	4,816,405
- Later than 5 years	16,373,352	16,661,536
	22,709,733	22,819,949

The Club leases property, plant and equipment under non-cancellable operating leases contracted for but not recognised in the financial report with 1-20 year terms, typically with an option to renew the leases after they expire. Of the non-cancellable operating leases at 31 October 2013, \$22,444,556 (2012: \$22,455,668) relates to The Brook on Sneydes, the Club's Point Cook gaming venue which has been taken out over a 20 year lease term.

(b) Capital expenditure commitments

Capital expenditure contracted at reporting date but not recognised as a liability in the accounts are payable as follows:

- Not later than 1 year	-	3,505,500
- Later than 1 year but not later than 5 years	-	-
- Later than 5 years	-	-
	-	3,505,500

(i) Simonds Stadium redevelopment

At 31 October 2012, the Club was committed to contributing \$4,125,000 to Stage 3 of the Simonds Stadium redevelopment of which \$619,500 had already been spent in previous periods. The remaining \$3,505,500 balance was paid in the current financial year, and disclosed in Note 9 as a leasehold right.

(c) Remuneration commitments

The Club has contractual remuneration commitments extending beyond this financial period in respect of players, coaches and staff. The commitments as they stand at the time of preparing this report are detailed below. These figures include estimates of matches played and incentive payments for both players and coaches. The Club is not aware of any material contingent commitments that have not been recognised in this financial report.

- Not later than 1 year	10,928,152	13,894,838
- Later than 1 year but not later than 2 years	6,806,300	9,267,580
- Later than 2 years but not later than 5 years	2,689,760	6,575,700
	20,424,212	29,738,118

	2013 \$	2012 \$
NOTE 20 - INFORMATION RELATING TO GEELONG FOOTBALL CLUB LIMITED (PARENT)		
Current assets	2,437,168	3,765,877
Total Assets	33,822,933	39,887,208
Current liabilities	5,897,994	8,391,648
Total liabilities	22,724,751	29,930,064
Retained earnings	11,098,182	9,967,916
Investment fluctuation reserve	-	(10,772)
	11,098,182	9,957,144
Profit/(loss) of the Parent entity	1,119,494	(996,310)
Total comprehensive income/(loss) of the Parent entity	1,130,266	(995,584)

NOTE 21 - SUBSEQUENT EVENTS

No matters or circumstances have arisen between the end of the financial year and the date of this report that has or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in subsequent financial years.

NOTE 22 - ECONOMIC DEPENDENCY

A significant portion of the income of the Club is derived from the holding of licences issued by the Australian Football League and the Victorian Commission for Gambling Regulation.

DIRECTORS' DECLARATION

In accordance with a resolution of the Board of Directors of Geelong Football Club Limited, we declare that:

In the opinion of the Directors:

1. the consolidated financial statements and notes of the Geelong Football Club Limited and its controlled entities are in accordance with the Corporations Act 2001, and:
 - (a) comply with Australian Accounting Standards and Corporations Regulations 2001; and
 - (b) give a true and fair view of the consolidated Club's financial position as at 31 October 2013 and of the performance for the year ended on that date;
2. the Chief Executive Officer and the General Manager - Finance & Administration have each declared that:
 - (a) the financial records of the consolidated Club for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the consolidated financial statements and notes for the financial year comply with Accounting Standards; and
 - (c) the consolidated financial statements and notes for the financial year give a true and fair view;
3. there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Col. Carter'.

Colin Bruce Carter
Director and President

A handwritten signature in black ink, appearing to read 'Alistair Hamblin'.

Alistair Neil Hamblin
Director

Geelong
27 November 2013



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Independent auditor's report to the members of Geelong Football Club Limited

Report on the financial report

We have audited the accompanying financial report of Geelong Football Club Limited, which comprises the consolidated statement of financial position as at 31 October 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Geelong Football Club Limited and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

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

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

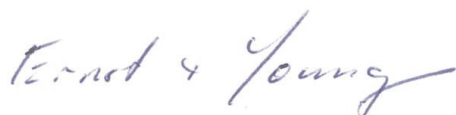
In conducting our audit we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.



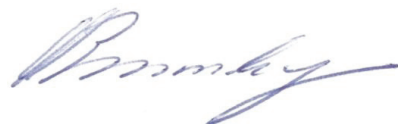
Opinion

In our opinion the financial report of Geelong Football Club Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the financial position of the consolidated entity at 31 October 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.



Ernst & Young



Don Brumley
Partner
Melbourne
27 November 2013