



ST KILDA SAINTS FOOTBALL CLUB LIMITED

CONSOLIDATED ENTITY **ABN 86 005 174 836**



ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDING 31 OCTOBER 2014



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PRESIDENT'S REPORT

Football is a very measured industry. Statistics are everywhere and new ones are invented every year. Ladder positions are absolute and undeniable. Players and clubs are assessed and rated constantly.

In the end there is one winner and 17 other clubs move forward to next year looking for whatever it is that moves them closer to being the one - the premiers of the AFL.

At this point I acknowledge and congratulate the premiers for 2014, the Hawthorn Football Club and especially President Andrew Newbold, CEO Stuart Fox, senior coach Alastair Clarkson and the playing group led by Luke Hodge.

Financially, reflecting our on field performance, the year produced a result which was disappointing. Unfortunately, the nature of the competition is that for other than a few large clubs, not making finals will result in many clubs not making a profit. This is an area both the St Kilda Football Club specifically, and the AFL more broadly, are attempting to address. To the extent we can responsibly prioritise our spend on football, we have continued to do so. However, we are not a big spending club and the results reflect shortfalls in revenue across most key areas. We continue to work hard to address all areas for improvement.

While we don't shy away from the microscope of statistics and ladders and our relative performance in 2014 both on and off the field, it is important you, our members, understand why we continue to drive ourselves.

We want St Kilda to be a club that is sustainably successful on all levels. We want it to be a club which is continuously successful on the field but stands for so much more. We want it to be a club which is respected and a club which adds positively to the community and all those who are involved with it.

Everything we are doing is aimed at achieving that. It has driven the changes we have made and the plans we have established.

There are aspects that ladders and statistics don't measure. And without showing a lack of respect for the 2014 outcomes I can comfortably say that in areas that are critical to becoming the club we want to be, we are making progress.

Leadership is critical to any business and I am confident we have the right people in place.

The board, which has undergone considerable change over the last few years, is one which I believe is of the highest quality. We will continue to seek change as required but equally ensure we stay true to our aspirations of being the club we all want along with stability. I thank all Directors for the time they have dedicated this year and the support and guidance they have given to me and all involved in the club.

One of the board enhancements made this year was the appointment of New Zealand-based Liz Dawson, the first internationally based director of an AFL club. This followed the decision by Jack Rush to step down as a director following his appointment to the full bench of the Supreme Court of Victoria. I would like to congratulate and thank Jack for his efforts as a director. Jack continues to assist the club wherever he can and it is appropriate.

The appointment of a new CEO earlier this year was a critical decision for the club and Matt Finnis has taken to the role with vigour. He has strengthened the executive team and brought about a new level of professionalism. Coming into the role he has been able to combine his considerable industry experience and contacts with a fresh look at the challenges and opportunities that exist. It must be remembered that he has been in the role for a relatively short period and I'm sure the ground work that has started this year will bear fruit going forward.

Alan Richardson joined us a little over 12 months ago. Alan's contributions to the Saints were immediate and I believe he showed us and the whole football world why he was such a popular appointment. His maturity and club-first approach have been important in a year that has thrown up challenges on the field and his willingness to communicate openly and frequently with members and supporters has been equally commendable.

Like all of us new to our roles I am sure Alan has learned much throughout the year and is looking forward to getting on with the job next season.

While we have seen new appointments of President, CEO and senior coach in the past year, one constant in terms of leadership has been our captain, Nick Riewoldt. His example of not only being the leader of the team, but also a leader of the club, has been outstanding. His loyalty to the club he now has captained more than any other person is clear for all of us to see and admire.



PRESIDENT'S REPORT (CONTINUED)

To win the Trevor Barker Award for a sixth time and to earn his fifth All Australian selection demonstrates not only his obvious talent but his continued professionalism and desire to succeed.

Since the end of 2012 we have seen 20 new players join the club, mostly at the very start of their careers. How important it was, therefore, for our senior players to commit to the stage of development now underway. Nick and all the senior players, together with the leadership group should be proud of the commitment they have shown to this period of rebuilding.

Of course, one of those senior players was the universally admired, Lenny Hayes. Lenny's career has been well documented in recent months and the send-off given by the Saints fans, in fact all fans of the game, was a credit to what he has given us and the game over his career. We wish Lenny, wife Tara and son Hunter all the best for the future and they will always be Saints.

To other players who moved on at the end of the season, we thank you for your contributions. It is always sad to see players move on, whether it be to other clubs or retirement, but we wish them all the very best for the future. I am always reluctant to single out people but I think it is fair to pay particular thanks to Clinton Jones and James Gwilt. Both have been popular and hard-working players and represented the Saints in the 2009 and 2010 Grand Finals.

To others who have departed the club in the past year, we also offer our thanks. In particular, I would like to thank Terry Dillon and Chris Pelchen. Terry took on the acting CEO role for a number of months prior to Matt joining us. His efforts during this period were tireless and much appreciated.

Chris faced many challenges when he first came to the club and he set about addressing all in a professional manner. Many required unpopular or difficult decisions but his determination to see the mighty Saints challenge again was paramount. Chris leaves us in good shape as evidenced by the re-signing of 19 of our young players. He has also assisted in a deepening of our skills in recruiting and list management. Ameet Bains has worked alongside Chris throughout much of this period and is certainly one of the talents emerging in AFL management ranks. And of course we continue to benefit from the exceptional experience and talent of Tony Elshaug and the legendary John Beveridge among others. This critical area of the club is in good hands.

One final acknowledgement before ending my thanks and acknowledgements in relation to those who are retiring or departing (although as I have always said, once a Saint always a Saint, so maybe departing isn't quite the right word). At the Trevor Barker Award I acknowledged on behalf of the St Kilda Football Club the career and retirement of our former captain, Luke Ball.

As a club who aspires to be inclusive of all, past present and future, it said a lot to me about the quality of our members in terms of the warm response given to the comments made about Luke.

Whilst the season just past has had its challenges there has also been plenty to celebrate. I have already congratulated Nick Riewoldt on his Trevor Barker Award win and his All-Australian selection. To the other winners announced at the Trevor Barker award night, we congratulate you on your success.

To our life members Sam Fisher, Lyn Gandolfo, Len Burns, and Bruce Duperouzel and Bruce Eva who were acknowledged at the Trevor Barker Award, thank you for your contributions to the Saints over such long periods. The amazing speech given by Bruce Eva on behalf of all life member recipients sums up the passion of the special people we have at our club.

We also acknowledge the winner of the John Moran Loyalty Award for a volunteer who has demonstrated selfless service to the club.

The John Moran Loyalty Award is awarded to a volunteer who has demonstrated selfless service to the club. This year the winner of the John Moran award was Geoff Caudwell who has been a member of the Sinners Supporters Group since 1995.

To our cheer squad, coterie groups and interstate supporter groups, we appreciate the time and commitment you put in. You continue to be vital parts of the Saints and we would be very much poorer without you. Thank you!

I would also like to congratulate our NAB Rising Star nominees, Luke Dunstan and Jack Billings. It was obvious as we watched these young men start their AFL journey that they have great careers ahead of them.

To Peta Searle and Barb Datson who scooped the pools at the recent Football Woman of the Year awards, I congratulate you.

Peta became the first female to hold a coaching position at AFL level and was recognised for her significant contribution to the game by winning the 2014 Football Woman of the Year award.



PRESIDENT'S REPORT (CONTINUED)

Barb is the President of our womens' supporter group the Angels and was awarded the "heart and soul award" for volunteering her time to the community and our football club.

One of the great success stories for the year was a hugely improved relationship with our VFL affiliate, Sandringham. This was seen at all levels including the excellent improvements to the ground and much greater communication and respect between our clubs. This is an important relationship which is so critical to the development of a young list and we thank all involved with the Zebras for their efforts this year. We also congratulate them on making the finals which hopefully serves as a platform for a successful 2015.

A special thanks to our Patron Lindsay Fox. Before the ball was even bounced for round one at Etihad Stadium against the Demons, Lindsay held a function for past players and officials at his house. It was a great event where past friendships and bonds were obvious to see. The group then moved on to see current champions and the next generation combine for a great opening season victory.

Eric Bana, our Number 1 ticket holder, is as passionate a Saint fan there is. We thank Eric for his ongoing support.

Gerry Ryan, a contributor to so many areas of sport and the community, continues to be a major supporter of important initiatives at St Kilda. Gerry, we greatly appreciate that support. As has been the case for many years, Gordon and Michelle Duncan, through their sponsorship of the Linen House Centre and involvement in so many other areas of the club, have shown their continued dedication to the Saints. We are very lucky to have such passionate and loyal supporters as these great people.

Speaking of Linen House, we thank the City of Frankston for their role in our important relationship. The bayside remains our heartland and our greater involvement in the Frankston region is an important element and one we intend to continue to develop further.

No club can survive without its sponsors and supporters. Thanks to our major sponsor, LEDified and its CEO Suren Chandrajit.

We also acknowledge other significant sponsors in Watersun, AMC, Linen House, ISC, Jayco and Positively Wellington.

The AFL is the greatest sporting competition in Australia and one of the best in the world. Getting involved more in this industry has made me realise how many great people are involved at all levels and how passionate so many are about the game itself. As with clubs, great organisations require great leadership. Overseeing such a high profile competition can be challenging but I believe the game is in good hands. We at the Saints thank everyone at the AFL for their leadership and support during the year. We congratulate Andrew Demetriou on his hugely successful time at the AFL and we are confident that in handing the reigns to Gillon McLachlan, the game will be taken to even greater heights.

Moving into next year, we do so in full knowledge of the need to improve. The AFL is a fast-moving environment and we are coming from some way back. But we do so with confidence that we have the right people in roles to make the most of the opportunities that are in front of us. There are a number of exciting initiatives ahead of us, including the redevelopment of Moorabbin and we are determined to create new opportunities and develop a culture that results in us achieving our goals and becoming the club we aspire to be.

On the playing front, we enter 2015 having re-signed 19 of our brightest young talent. This was a significant step and shows the confidence that we are on the right path and the desire of this group to create a special period. A number of other important players have re-signed and will continue to provide great leadership to the younger players.

Finally to you, our loyal members, thank you for your ongoing support of the Saints. We exist for you and because of you. I look forward to seeing you in 2015 as we enjoy watching our players give everything for the Red, White and Black.

Peter Summers
President



DIRECTORS' REPORT

Your directors submit their report on the St Kilda Saints Football Club Limited Consolidated Entity ("Group") for the year ended 31 October 2014.

Directors

The names and details of the directors in office at any time during the year and up to the date of this report are:

Peter Summers	President
Qualifications	Bachelor of Economics & Member of Chartered Accountants Australia & New Zealand
Experience	Peter Summers is the Managing Director and Chief Executive Officer AV Jennings Limited. He has been a Director of the Company since August 1998 and an employee of the Company and its related corporations since 1984. Prior to his appointment as Managing Director and Chief Executive Officer in February 2009, Peter was the Company's Chief Financial Officer and Finance Director. Mr. Summers is a Chartered Accountant having worked previously with Price Waterhouse, has extensive experience in general and financial management as well as mergers and acquisitions.
Other responsibilities	Chairman of Meetings and Member of the Audit Committee
Andrew Thompson	Vice President
Qualifications	Diploma of Financial Planning
Experience	Investment advisor for Canaccord. Worked as an investment advisor for ABN AMRO Morgans from 2004 to 2008. Represented the St Kilda Football Club in 221 games (including 11 finals) from 1997-2007, winning the Trevor Barker award for St Kilda's Best and Fairest player in 2000.
Ian McLeod	Vice President
Qualifications	Bachelor of Commerce, Harvard Business School
Experience	Ian joined Australian conglomerate Wesfarmers in May 2008 as Managing Director of the Coles Food, Liquor & Convenience chain, with the task of restoring customer confidence and team member pride in company after a decade of declining business performance. Ian spent most of his career with ASDA supermarkets where he was a member of the UK Management Board and also the Executive Board of Wal-Mart Germany. Prior to his Coles appointment, he was CEO of Halfords Group Plc and was part of the private equity backed team that improved Halfords performance and successfully floated the company on the London Stock Exchange in 2004. Ian has a large breadth of experience from the sporting world. He spent two years as CEO of Celtic plc, the listed Company controlling Celtic Football Club and was a Non-Executive Director for 5 years of the Fulham Football Club in the English Premier League. He is also a director of Melbourne Victory in the A-League.
Matt Finnis	Director and Chief Executive Officer
Appointed	16 October 2014
Qualifications	Bachelor of Arts (Psych), Bachelor of Laws (Hons), Advanced Management Program (INSEAD)
Experience	<p>Matt was appointed Chief Executive Officer of the St Kilda Football Club in April 2014 after previously holding the position of Chief Executive Officer at the AFL Players' Association from September 2009. During his time at the PA Matt drove an agenda which resulted in the agreement to introduce free agency to the AFL to secure recognition for the significant part AFL footballers play in the phenomenal and growing success of the code. He also represented player interests in a range of issues, including commercial rights and individual grievances, and chaired the AFLPA Agent Accreditation Board.</p> <p>Prior to joining the PA Matt worked as a commercial lawyer advising numerous sporting organisations, businesses, athletes and government.</p> <p>Matt also has extensive experience in supporting community causes and organisations having been chairman of Ladder – an AFL Players charitable initiative to tackle youth homelessness and a director of AFL SportsReady – the AFL industry's group training company. He is also a director of Surfing Australia – the peak governing body for the sport of surfing, and has been a director and company secretary of Surf Life Saving Victoria since 2002. Matt was also a founding director of HeartKids Australia, a charity supporting children born with congenital heart disease.</p>



DIRECTORS' REPORT (CONTINUED)

Nathan Burke	Director
Qualifications	Diploma of Teaching, Diploma of Business Management.
Experience	<p>Currently Director and Chief Operations Officer at CallActive Pty Ltd. Owner/Director of YardStick Concepts Pty Ltd specialising in culture and leadership review and development.</p> <p>Represented the St Kilda Football Club in 323 games (including 8 finals) from 1987-2003, winning the Trevor Barker award for St Kilda's Best and Fairest player in 1993, 1996 and 1999.</p>
Paul Kirk	Director
Qualifications	Bachelor of Economics and Member, Australian Institute of Company Directors and Member of Chartered Accountants Australia & New Zealand
Experience	A Corporate Advisor, Paul Kirk is a specialist in business strategy and business improvement. He is a Chartered Accountant and previously held the position of senior Partner of PwC, where he led the firm's global Restructuring Practice from Tokyo and New York for a number of years. He has been a Special Advisor to Lazard, a leading Corporate Advisory firm and is also the Managing Director of his own corporate restructuring consultancy, Collins Pitt Associates.
Other responsibilities	Chairman of the Audit Committee
Russell Caplan	Director
Qualifications	Bachelor of Laws, Fellow of the Institute of Company Directors and Fellow of the Australian Institute of Management
Experience	<p>Russell Caplan graduated in Law from Melbourne University in 1968. He joined the Shell Oil Company in Melbourne. In a 42 year career with Shell, he lived in England, Europe and the USA, working over many disciplines and retired in 2010 as Chairman of Shell in Australia.</p> <p>Russell is Chairman of Orica Limited and a director of Aurizon Holdings Limited. He is Chairman of the Melbourne and Olympic Parks Trust and a Trustee of the Australian Cancer Research Foundation.</p>
Danni Roche OAM	Director
Qualifications	Master of Business Administration
Experience	<p>A lifetime St Kilda supporter, Danni Roche is an Olympic Gold medallist and was a member of the Australian women's hockey team that secured gold at the 1996 Atlanta Olympics. In that same year Danni was also awarded an Order of Australia in recognition of her services to Sport.</p> <p>With over ten years of experience working in the financial sector, Danni has held finance and commercial positions with Telstra and has also been a Director at UBS, a Partner at Evans and Partners and a Director of a privately owned fraud and risk management business.</p> <p>Danni was a Director of Hockey Australia for seven years and holds a Master of Business Administration.</p>
Other responsibilities	Member of the Audit Committee



DIRECTORS' REPORT (CONTINUED)

Liz Dawson	Director
Appointed	16 October 2014
Qualifications	Bachelor of Commerce, Trained Teachers'Certificate and New Zealand Ski Instructors'Alliance
Experience	<p>Liz has extensive corporate governance experience across a wide variety of sports organisations including NZ Cricket, NZ Olympic Committee, Hurricanes, The Central Pulse and Westpac Stadium Trust Board.</p> <p>Liz has held senior and consulting roles in marketing and executive management in Sports, Retail, FMCG and Financial Services companies, in both New Zealand and Australia, including being a member of the Bid Team delivering New Zealand's successful proposal to host the Rugby World Cup in 2011.</p>
Jack Rush	Director
Resigned	17 July 2014
Qualifications	Bachelor of Laws
Experience	<p>Jack Rush is a Queens Counsel and has practised in all jurisdictions in Australia since 1976. Recently he was appointed to the Full Bench of the Supreme Court of Victoria.</p> <p>Jack is an active member of the Royal Australian Navy Reserve and holds the rank of Captain. Between 1997 and 2012 Jack was Chair of the AFL Grievance Tribunal and was responsible for mediating or deciding disputes between players and clubs. A lifetime Saints supporter, Jack is a former president of the Old Xaverians Football Club and a former member of the Executive of the Victorian Amateur Football Association.</p> <p>Jack is also a former Chairman of the Victorian Bar Council and has served on the Executive of the Law Council of Australia and the Australian Bar Association.</p>



DIRECTORS' REPORT (CONTINUED)

	Number of meetings eligible to attend	Number of meetings attended
Peter Summers	9	9
Andrew Thompson	9	9
Ian McLeod	9	6
Nathan Burke	9	8
Paul Kirk	9	8
Russell Caplan	9	8
Danni Roche	9	9
Jack Rush	7	7
Liz Dawson	1	0
Matt Finnis	1	1

Company Secretary

The following person held the position of Company secretary during and at the end of the financial year:

Mr. Marcus van Lint – Bachelor of Business (Accounting), Member of Chartered Accountants Australia & New Zealand. Mr. van Lint has worked for St Kilda Saints Football Club Ltd for the past ten years, firstly as the Finance Manager and currently as the General Manager – Finance. He was previously employed by William Buck as a Senior Auditor. Mr. van Lint was appointed Company Secretary on 6th July 2007.

Principal Activities

The principal activities of the consolidated group during the financial year consisted of competing as a member of the Australian Football League competition, the promotion of Australian Rules Football and offering sporting and social facilities to members.

There has been no significant change in those activities.

Objectives and Strategies of the Company

The Company's short term objectives are to:

- Return the Club to a profitable financial position through improving revenues from football and non-football related trading activities
- Redevelop sporting and social facilities at our Moorabbin premises
- Increase in our membership base and fan engagement
- Develop our playing list and team performance to provide competitive on-field results
- Attract and retain high quality people into all on and off-field roles
- Establish a supporter base and ongoing sustainable presence in New Zealand
- Establish a Foundation capable of supporting significant infrastructure and community initiatives

The Company's long term objectives are to:

- Be a top 4 side that is positioned to be a consistent premiership contender
- Have more than 50,000 members (5,000 in New Zealand)
- Deliver annual profits year on year to enable investment into our key strategic initiatives that will underpin a prosperous future
- Be admired for our culture, built on a foundation of respect and accountability
- Have developed a working environment that continues to attract the very highest calibre of people
- Be a club that has meaningful relationships with our business and community partners
- Have infrastructure and home match stadium returns the equivalent of our competitors.



DIRECTORS' REPORT (CONTINUED)

Review and Results of Operations

The consolidated loss before income tax and finance costs is \$3,640,175 (2013: \$2,454,688). The net loss of the consolidated group for the financial year after providing for income tax, finance costs and asset write-downs is \$3,912,922 (2013: \$2,614,837)

Overall expenditure of the Club was relatively stable and actually down \$460,813 for the year. It was the Club's revenues which have been impacted greatly in 2014 and the cause of the significant loss. Total revenue was down \$1,646,300 on the prior year, even with an increase in AFL funding of \$954,000.

Sponsorship and Events experienced the largest variance, with revenue down \$1,520,152 from 2014 due to not securing a second co-major sponsor, and variances in other properties.

The number of members dropped by 2,121 or 6.5%, resulting in a \$612,439 decrease in membership revenue.

Merchandise also performed poorly, with revenue dropping by \$395,420 to \$840,197.

After Balance Date Events

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

Indemnification and Insurance of Officers

Indemnification

Under the Company's Constitution, the directors and officers shall be indemnified by the Company against all costs, losses, expenses and liabilities incurred by the directors or officers thereof in the course of the business and it shall be the duty of directors out of the funds of the Company to pay and satisfy all such costs, losses, expenses and liabilities.

Insurance Premiums

During the financial year the Company paid insurance premiums in respect of directors' and officers' liability insurance contracts on behalf of the consolidated group. Such insurance contracts insure against certain liabilities (subject to specific exclusions) for persons who are or have been directors or officers of the consolidated group.

The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the consolidated group.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings.

Environmental Regulation

The operations of the consolidated group are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 October 2014 has been received and can be found in page 10 of the directors' report.

Signed in accordance with a resolution of the Board of Directors.

Peter Summers
President

Paul Kirk
Director

Melbourne
Dated on this 24th November 2014

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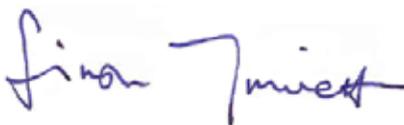
**Auditor's Independence Declaration
To the Directors of St Kilda Saints Football Club Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of St Kilda Saints Football Club Limited for the year ended 31 October 2014, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



S.C. Trivett
Partner - Audit & Assurance

Melbourne, 24 November 2014

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 October 2014

	Notes	Consolidated	
		2014	2013
		\$	\$
Operating Revenues	2	30,235,195	31,881,495
Total Revenue		30,235,195	31,881,495
Administration & Facilities Management		4,906,290	4,841,267
Football		19,288,028	19,453,217
Fundraising		350,754	245,636
Ground & Maintenance		174,058	172,545
Membership & Reserved Seats		2,984,596	2,966,070
Merchandise		776,580	1,108,763
New Zealand		369,951	364,454
Social Club		1,187,076	1,209,890
Sponsorship & Events		3,838,037	3,974,341
Total Expenses		33,875,370	34,336,183
Loss before related income tax expense, finance costs and asset write-down		(3,640,175)	(2,454,688)
Finance Costs	3	272,747	160,149
Loss before related income tax expense		(3,912,922)	(2,614,837)
Income tax expense/(benefit)	4	-	-
Loss after related income tax expense		(3,912,922)	(2,614,837)
Other Comprehensive Income from the year, net of tax		-	-
Total Comprehensive loss for the year		(3,912,922)	(2,614,837)

The accompanying notes form part of these financial statements.



STATEMENT OF FINANCIAL POSITION

As at 31 October 2014

	Notes	Consolidated	
		2014	2013
		\$	\$
Current assets			
Cash and cash equivalents	7	1,706,554	99,006
Trade and other receivables	8	656,188	768,065
Inventories	9	148,199	264,267
Other assets	13	287,608	224,802
Total current assets		2,798,549	1,356,140
Non-current assets			
Property, plant and equipment	11	10,999,653	11,298,161
Intangibles	12	992,510	1,117,964
Total non-current assets		11,992,163	12,416,125
Total assets		14,790,712	13,772,265
Current liabilities			
Trade and other payables	14	3,809,806	4,421,559
Other current liabilities	15	1,105,907	524,440
Short-term borrowings	17	56,652	4,568,588
Employee Benefits	18	585,005	524,547
Total current liabilities		5,557,370	10,039,134
Non-current liabilities			
Trade and other payable	14	459,047	627,270
Other Long term loans	16	2,857,570	-
Long-term borrowings	17	6,731,701	-
Employee Benefits	18	79,217	87,132
Total non-current liabilities		10,127,535	714,402
Total liabilities		15,684,905	10,753,536
Net assets/(liabilities)		(894,193)	3,018,729
Members' equity			
Contributed equity	19	5	5
Accumulated profits/(losses)		(894,198)	3,018,724
Total members' equity		(894,193)	3,018,729

The accompanying notes form part of these financial statements.



STATEMENT OF CHANGES IN EQUITY

For the year ended 31 October 2014

Consolidated Group	Retained Earnings \$	Contributed Equity \$	Total \$
Balance at 1 November 2012	5,633,561	5	5,633,566
Total comprehensive income attributable to members of consolidated group	(2,614,837)	-	(2,614,837)
Balance at 31 October 2013	3,018,724	5	3,018,729
Total comprehensive income (loss) attributable to members of consolidated group	(3,912,922)	-	(3,912,922)
Balance at 31 October 2014	(894,198)	5	(894,193)

The accompanying notes form part of these financial statements.



STATEMENT OF CASH FLOWS

For the year ended 31 October 2014

	Notes	Consolidated	
		2014	2013
		\$	\$
Cash flows from operating activities			
Receipts from customers, members, sponsors & Australian Football League		31,655,112	33,700,945
Payments to suppliers and employees		(34,104,938)	(33,488,091)
Interest received		7,670	7,531
Finance costs		(272,747)	(160,149)
Net cash flows provided by (used in) operating activities	21(a)	(2,714,903)	60,237
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		20,634	-
Purchase of property, plant and equipment		(550,271)	(391,414)
Purchase of intangible assets		(225,247)	(250,908)
Net cash flows provided by (used in) investing activities		(754,884)	(642,322)
Cash flows from financing activities			
Proceeds from borrowings		2,000,000	460,000
Repayment of borrowings		-	(300,000)
Proceeds from finance leases		238,353	-
Proceeds from other loans		2,857,570	-
Net cash flows provided by (used in) financing activities		5,095,923	160,000
Net increase/(decrease) in cash held		1,626,136	(422,085)
Add cash at the beginning of the financial year		80,418	502,504
Cash and cash equivalents at the end of the financial year	21(b)	1,706,554	80,418

The accompanying notes form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2014

1. Statement of Significant Accounting Policies

The financial report includes the consolidated financial statements and notes of St Kilda Saints Football Club Limited and St Kilda Football Club Limited, collectively St Kilda Saints Football Club Ltd Consolidated Entity ('Group'). The financial statements were authorised for issue by the directors on the 24th November 2014.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australia Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations), and the Corporations Act 2001. St Kilda Saints Football Club Limited and St Kilda Football Club Limited are unlisted public companies limited by guarantee and incorporated and domiciled in Australia. The Group is a not-for-profit entity for the purpose of preparing the financial report. The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Adoption of New and Revised Accounting Standards

The Group has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have a significant impact on the financial performance or position of the Group.

No other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been early adopted.

The directors have considered the impact of Accounting Standards and Interpretations issued but not yet effective and do not believe the impact of these will be significant to the financial statements in future reporting periods.

b) Going Concern

The financial report has been prepared on the basis that the Group is a going concern.

The Group has reported a net loss of \$3,912,922 for the year ended 31 October 2014. At year end the Group has a net asset deficiency of \$894,193, (2013 surplus: \$3,018,729) and a current asset deficiency of \$2,758,821 (2013: \$8,682,994). The Group's ability to continue as a going concern and meet its debts as and when they fall due is dependent on the Group:

1. Receiving continued financial support from the Australian Football League (AFL) including:
 - a. The continued guarantee of the Group's borrowing facilities with Westpac totalling \$6.75m (currently drawn to \$6.55m) and the availability of credit.
 - b. Funding assistance in 2015 of \$3.8 million from the Club Future Fund and Revenue Sharing Pool, together with other agreed support package arrangements.
 - c. Loan facility with the AFL enabling the Group to receive periodic advances of monies to pay its creditors.
2. Having success with other strategic initiatives currently under consideration, in particular the Groups debt reduction campaign and fundraising efforts in future years.

In the Directors' opinion, there are reasonable grounds to believe that such funding will continue to be available.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

1. Statement of significant accounting policies (continued)

c) Principles of Consolidation

A controlled entity is any entity St Kilda Saints Football Club Ltd has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 10 to the financial statements.

As at reporting date the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year ended. Where controlled entities have entered (left) the consolidated group during the year, their operating results have been included (excluded) from the date of control was obtained (ceased).

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

d) Income Tax

The companies in the group are exempt from income tax as an exempt sporting organisation in accordance with s.50-45 of the Income Tax Assessment Act, with the exception of St Kilda Football Club Ltd, which is a tax paying entity.

The income tax expense (revenue) for the year comprises current income tax expense (revenue) and deferred tax expense (revenue).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expenses (revenues) are charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax base of assets and liabilities and their full carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantially enacted at reporting date. The measurement also reflects the manner in which management expects to recover or settle the carrying amount of their related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

e) Inventories

Inventories are measured at lower of cost and net realisable value. Cost is based on an actual weighted average. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

f) Property, Plant and Equipment

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

g) Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

1. Statement of significant accounting policies (continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

h) Depreciation and amortisation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land and memorabilia, is depreciated on a straight-line basis over their useful lives to the consolidated group 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 lease or the estimated useful lives of the improvements.

The useful lives used for each class of assets are:

	Useful lives	Depreciation basis
Leasehold improvements	4 – 50 years	Straight line
Leased plant and equipment	5 years	Straight line
Plant and equipment	3 – 20 years	Straight line
Gaming licenses	10 years	Straight line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet 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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss and Other Comprehensive Income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

i) Leased Assets

Finance leases

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards of ownership of the leased asset. Where the group is a lessee in this type of arrangement, the related asset is recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognised as a finance lease liability.

Operating leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

j) Financial Instruments

Classification and Subsequent Measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

1. Statement of significant accounting policies (continued)

The Group does not designate any interest in subsidiaries or associates as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Loans and receivables

Loan and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market and are subsequently measured at amortised costs using the effective interest rate method.

(ii) Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

k) Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets 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. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

l) Employee Benefits

(i) Wages, salaries and annual leave

Provision is made for the consolidated group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries and annual leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. 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

Liabilities for long service leave are measured at the present value of the estimated future cash outflows to be made by the entity in respect of services provided by employees up to the reporting date. Interest rates attaching, as at reporting date, to Commonwealth Government Guaranteed Securities are used to discount the estimated future cash flows to their present value.

In December 2002 the AFL Clubs and the 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 will not be required to accrue for long service leave liabilities for its current players.

(iii) Superannuation

Contributions are made by the consolidated group to employee superannuation funds and are charged as expenses when incurred.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

1. Statement of significant accounting policies (continued)

m) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

n) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

o) Revenue Recognition

Sales revenue comprises revenue earned from the sales of memberships, reserved seating, corporate marketing, sponsorships, events and fundraising, sale of merchandise, gate receipts, AFL distributions, Social Club activities and gaming revenue. Sales revenue is recognised when the goods or services are provided.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

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

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

Grant revenue is recognised in the Statement of Profit or Loss and Other Comprehensive Income when it is controlled. When there are conditions attached to the grant relating to the use of grant funds for specific purposes it is recognised in the Balance Sheet as a liability until those conditions are met or services provided.

p) Borrowing Costs

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

All other borrowing costs are recognised in the income period in which they are incurred.

q) Goods and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

1. Statement of significant accounting policies (continued)

r) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates — Impairment

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgments — Doubtful Debts Provision

Included within accounts receivable at 31 October 2014 are amounts receivable from eleven debtors with balances ranging from \$212 to \$583,751 and aged greater than the Group's standard trading terms. The doubtful debt provision provides for each of these debtors. The Group will nevertheless be pursuing full payment of these debts.

s) Intangibles

Gaming Licences

Gaming licences that are acquired by the Group are stated currently at cost less accumulated amortisation. The gaming machine entitlements commenced on 16th August 2012 and are effective for 10 years thereafter. It is assessed annually for impairment.

t) Comparatives

The 2013 financial statements had a category of sponsorship and events expenditure netted against the corresponding revenue. The comparatives contained in this report have been grossed up. The net effect on the 2013 Statement of Profit or Loss and Other Comprehensive Income is NIL.

u) Football Expenses

Football expenses include football department related costs including total player payments, coaching and support staff remuneration and recruiting costs.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

	Consolidated	
	2014	2013
	\$	\$
2. Revenue		
<i>Revenue from Operating Activities</i>		
AFL & Gate Receipts	14,106,720	13,196,162
Finance & Administration	112,699	93,286
Fundraising	416,558	353,566
Membership & Reserved Seats	6,302,454	6,914,893
Merchandise	840,197	1,235,617
New Zealand	816,505	790,623
Social Club	2,071,464	2,208,737
Sponsorship & Events	5,560,928	7,081,080
	30,227,525	31,873,964
<i>Revenue from Other Activities</i>		
Interest – Financial institutions	7,670	7,531
Total Revenue	30,235,195	31,881,495



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

	Consolidated	
	2014	2013
	\$	\$
3. Expenses		
<i>Finance costs:</i>		
Financial Institutions	250,517	160,149
Other	22,230	-
<i>Total Finance costs</i>	272,747	160,149
<i>Amortisation of:</i>		
Leasehold improvements – Linton Street	9,571	9,608
Leasehold improvements – Linen House Centre	579,652	577,218
<i>Depreciation of:</i>		
Property, plant and equipment	590,915	543,821
Total depreciation and amortisation of property plant and equipment	1,180,138	1,130,647
Amortisation of:		
Licenses – gaming entitlements	125,454	125,454
<i>Net expense including movements in:</i>		
Provision for impairment of receivables	578,421	21,699
<i>Net expense for movements in provision for:</i>		
Employee entitlements	52,543	16,856
<i>Rental expense on Operating leases:</i>		
Minimum lease payments	79,652	95,405
<i>Employee Benefit Expenses</i>		
Salary, wages, termination expense and other benefits	19,841,029	20,084,702
Superannuation expense	1,202,641	1,087,980
Total employee benefit expense	21,043,670	21,172,682



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

	Consolidated	
	2014	2013
	\$	\$
4. Income Tax Expense		
(a) The components of tax expense comprise		
Current Tax	-	-
Under/(over) provision in respect of prior years	-	-
	<hr/>	<hr/>
	-	-
(b) The prima facie tax on loss before income tax is reconciled to the income tax as follows:		
Prima facie tax credit on loss before income at 30%	1,173,876	784,451
Less:		
Tax effect of:		
- Unrecognised tax losses and temporary differences	3,728	6,405
- losses exempt from income tax	(1,177,604)	(790,856)
Income tax attributable to the entity	<hr/>	<hr/>
	-	-
5. Transactions with Key Management Personnel		
Key management personnel compensation included in employee benefits expenses are:	2,742,018	3,319,037
Number of key management personnel	13	12
6. Auditor's Remuneration		
Amounts received, or due and receivable by the auditor for:		
- auditing or reviewing the accounts and consolidated accounts of the St Kilda Saints Football Club Ltd and the accounts of each of its controlled entities	41,750	41,750
- other services	11,750	10,500
	<hr/>	<hr/>
	53,500	52,250
7. Cash and Cash Equivalents		
Cash at bank	1,611,099	-
Cash on hand	95,455	99,006
	<hr/>	<hr/>
	1,706,554	99,006



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

	Consolidated	
	2014	2013
	\$	\$
8. Trade and Other Receivables		
Current		
Trade receivables	1,101,714	641,423
Provision for impairment of receivables	(642,426)	(64,004)
	459,288	577,419
Other receivables	196,900	190,646
	656,188	768,065

(b) Provision for Impairment of Receivables

Current trade and term receivables are non-interest bearing loans and generally on 30 day terms. Trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.

Movement in the provision for impairment of receivables is as follows:

	Opening Balance 01/11/2012	Charge for The year	Amount Written Off	Closing Balance 31/10/2013
	\$	\$	\$	\$
Consolidated Group				
(i) Current Trade Receivables	42,305	39,675	(17,976)	64,004
	Opening Balance 01/11/2013	Charge for The year	Amount Written Off	Closing Balance 31/10/2014
	\$	\$	\$	\$
Consolidated Group				
(i) Current Trade Receivables	64,004	594,234	(15,812)	642,426

	Consolidated	
	2014	2013
	\$	\$
9. Inventories		
Merchandise Stock	140,852	254,223
Food & Liquor	7,347	10,044
	148,199	264,267

10. Controlled Entities

	<i>Country of incorporation</i>	Controlling Interest	
		2014	2013
St Kilda Football Club Ltd	Australia	100%	100%



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

	Consolidated	
	2014	2013
	\$	\$
11. Property, Plant and Equipment		
Leasehold Improvements		
At cost	12,637,439	12,602,052
Accumulated amortisation	(3,289,397)	(2,700,175)
	9,348,042	9,901,877
Plant and Equipment		
At cost	4,369,772	3,586,891
Accumulated depreciation	(2,820,162)	(2,253,607)
	1,549,610	1,333,283
Capital Works in Progress		
At cost	102,001	63,000
Total property, Plant and Equipment		
At cost	17,109,213	16,251,943
Accumulated depreciation / amortisation	(6,109,559)	(4,953,782)
	10,999,653	11,298,161

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year

	Plant and equipment	Leasehold improvements	Capital works in progress	Total
	\$	\$	\$	\$
Consolidated Group:				
Balance at the beginning of year	1,333,283	9,901,877	63,000	11,298,161
Additions	825,882	35,388	39,001	900,271
Disposals	(18,640)	-	-	(18,640)
Transfers	-	-	-	-
Depreciation Expense	(590,915)	(589,223)	-	(1,180,138)
Carrying amount at the end of year	1,549,610	9,348,042	102,001	10,999,653
			2014	2013

12. Intangible Assets

Gaming Licences

At cost	1,254,540	1,254,540
Accumulated Amortisation	(277,030)	(151,576)
	977,510	1,102,964

Other Intangibles

At cost	15,000	15,000
Total Intangible Assets	992,510	1,117,964

(a) Movement in Carrying Amounts

	Gaming Licences	Other Intangibles	Total
	\$	\$	\$
Balance at the beginning of year	1,102,964	15,000	1,117,964
Additions	-	-	-
Amortisation charge	(125,454)	-	(125,454)
Carrying value at the end of year	977,510	15,000	992,510



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

	Consolidated	
	2014	2013
	\$	\$
13. Other Assets		
Current		
Prepayments	<u>287,608</u>	224,802
All amounts are short term and the carrying values are considered to be a reasonable approximation of their value.		
14. Trade and Other Payables		
Current		
Unsecured Liabilities		
Trade payables	2,570,112	2,340,737
Sundry payables & accrued expenses	<u>1,239,694</u>	2,080,822
	<u>3,809,806</u>	4,421,559
Non Current		
Unsecured Liabilities		
Sundry payables & accrued expenses	<u>459,047</u>	627,270
15. Other Current Liabilities		
Income in advance	<u>1,105,907</u>	524,440
16. Other Loans		
Non Current		
Unsecured Liabilities		
Other loans	<u>2,857,570</u>	-
The Group currently has a non interest bearing unsecured loan none of which is payable within the next twelve months.		
17. Financial Liabilities		
Current		
Secured Liabilities		
Commercial Bill	-	4,550,000
Bank Overdraft	-	18,588
Finance leases	<u>56,652</u>	-
	<u>56,652</u>	4,568,588
Non Current		
Secured Liabilities		
Commercial Bill	6,550,000	-
Finance leases	<u>181,701</u>	-
	<u>6,731,701</u>	-
Commercial Bill facilities		
Total facilities available	6,750,000	4,750,000
Facilities utilised at balance date	<u>(6,550,000)</u>	(4,568,588)
Facilities not utilised at balance date	<u>200,000</u>	181,412



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

The facility is summarised as follows:

The Commercial Bill facility expires on 31st October 2016 and is classified as a non current liability. The previous Commercial Bill facility was classified as a current liability as it expired within 12 months. The Group has one Commercial Bill outstanding at 31st October 2014. The 90 day Commercial Bill for \$6,550,000 will mature on 29th January 2015 at an interest rate of 3.085%.

Security

Guarantee limited to \$6,750,000 given by the Australian Football League ACN 004 155 211 to expire on 31st October 2016.

The fair value of current borrowings approximates their carrying amount as the impact of discounting is not significant.

	Consolidated	
	2014	2013
	\$	\$
18. Employee Benefits		
Current		
Annual Leave	385,598	393,094
Long Service Leave	199,407	131,453
	585,005	524,547
Non Current		
Long Service Leave	79,217	87,132
(a) Aggregate Employee Entitlements	664,222	611,679
(b) Number of Employees		
Number of full time employees at year end	74	70

The current portion of these liabilities represents St Kilda Saints Football Club Limited's obligations to which the employee has a current legal entitlement. These liabilities arise mainly from accrued annual leave entitlement at reporting date.

A provision has been recognised for employee entitlements relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1.

19. Issued Capital

5 fully paid ordinary shares	5	5
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There are no voting rights attached to the shares

St Kilda Saints Football Club Ltd is a Company limited by guarantee. Under the Company's Constitution the liability of members is limited to \$20 each (for members who joined prior to 1st November 2006) and \$1 each (for members who joined on or after 1st November 2006) in the event of the Company being wound up. At the end of the financial year there were 30,627 members (2013: 32,748).

No dividends were declared since the start of the financial year. No recommendation for payment of dividends has been made.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

Consolidated	
2014	2013
\$	\$

20. Capital and Leasing Commitments

(a) Operating lease payable commitments:

Future non-cancellable operating lease rentals of property, plant and equipment, not provided for in the financial statements and payable:

not later than one year	97,556	97,518
later than one year and not later than five years	320,336	349,784
later than five years	1,378,587	1,446,665
	1,796,479	1,893,968

Operating lease commitments include the lease of property located at 32-60 Linton Street, Moorabbin. The lease with the City of Kingston Council has a 75 year term that ends on 1st January 2040. Lease payments are payable in arrears on the last day of the month. Operating leases also include photocopiers and computer equipment. The Club has entered into a 50 year lease with the Frankston City Council to lease the facilities, oval and car park at Linen House Centre, Seaford. The leased premises at Seaford house the Club's administration and training facilities. The total value of the lease payments over the lease period is \$50 which was prepaid at 31 October 2011.

(b) Minimum Player Payments

not later than one year	6,784,122	8,444,315
later than one year and not later than five years	5,912,000	6,100,765
later than five years	-	-
	12,996,122	14,545,080

(c) Finance Lease Commitments

The Group has a number of finance lease commitments of plant and equipment with a current carrying value of \$294,125.

not later than one year	80,542	-
later than one year and not later than five years	181,701	-
later than five years	-	-
	262,243	-



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

	Consolidated	
	2014	2013
	\$	\$
21. Cash Flow information		
(a) Reconciliation of cash flow from operations with profit after income tax		
Profit/(loss) after income tax	(3,912,922)	(2,614,837)
Non cash flows in profit from ordinary activities		
– Net (profit)/loss on disposal or write-off of property & equipment	(1,056)	-
– Gift of plant and equipment	(350,000)	-
– Depreciation and Amortisation of non-current assets	1,305,592	1,256,101
Changes in assets and liabilities		
– (Increase) / decrease in trade and other receivables	111,357	(31,748)
– (Increase) / decrease in inventory	116,068	(114,822)
– (Increase) / decrease in other assets	(62,807)	70,743
– Increase / (decrease) in employee benefits	52,544	16,857
– Increase / (decrease) in other current liabilities	581,466	(84,991)
– Increase / (decrease) in trade and other payables	(555,145)	1,562,934
Cash flow from operations	(2,714,903)	60,237
(b) Reconciliation of cash		
Cash balance comprises:		
– cash at bank	1,611,099	(18,588)
– cash on hand	95,455	99,006
Closing cash balance	1,706,554	80,418

22. Events After the Balance Sheet Date

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



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2014

23. Contingent Liabilities

There are no contingent liabilities that have been incurred by the Group in relation to 2014.

24. Economic Dependency

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

25. Company Details

The registered office of the Company is:

St Kilda Saints Football Club Ltd
32-60 Linton Street
Moorabbin Victoria 3189

The principal place of business of the Company is:

St Kilda Saints Football Club Ltd
151 East Road
Seaford Victoria 3198



DIRECTORS' DECLARATION

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 11 to 30, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards Reduced Disclosure Requirements and the Corporations Regulations 2001; and
 - b. give a true and fair view of the financial position as at 31 October 2014 and of the performance for the year ended on that date of the Company and consolidated group;
2. the Chief Executive Officer and Chief Financial Officer have each declared that:
 - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c. the financial statements and notes for the financial year give a true and fair view;
3. in the director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Peter Summers
President

Paul Kirk
Director

Melbourne

Dated on this 24th November 2014

The Rialto, Level 30
525 Collins St
Melbourne Victoria 3000

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Melbourne Victoria 3001

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Independent Auditor's Report To the Members of St Kilda Saints Football Club Limited

We have audited the accompanying financial report of St Kilda Saints Football Club Limited (the "Company"), which comprises the consolidated statement of financial position as at 31 October 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 Company 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 Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view 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 Company's internal control. 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.

Auditor's opinion

In our opinion, the financial report of St Kilda Saints Football Club Limited:

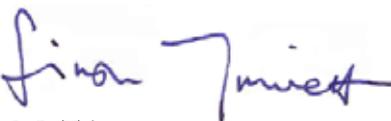
- a is in accordance with the Corporations Act 2001, including giving a true and fair view of the consolidated entity's financial position as at 31 October 2014 and of its performance for the year ended on that date; and
- b complies with Australian Accounting Standards and the Corporations Regulations 2001.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1(b) in the financial report which indicates that the company incurred a net loss of \$3,912,922 during the year ended 31 October 2014 and, as of that date, the company's liabilities exceeded its assets by \$894,193. These conditions, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



S.C. Trivett
Partner - Audit & Assurance

Melbourne, 24 November 2014

