



ANNUAL REPORT

ESSENDON FOOTBALL CLUB 2014



CONTENTS

CHAIRMAN'S REPORT	3
CEO'S REPORT	4
FINANCE DIRECTOR'S REPORT	5
DIRECTORS' REPORT	6-7
INDEPENDENT AUDITOR'S REPORT	8
FINANCIAL REPORT	9-15

CHAIRMAN'S REPORT



There is no doubt it has been another challenging year for everyone involved at the Essendon Football Club.

As Chairman, I have been overwhelmed by the loyal and unwavering support of the Essendon family during this difficult period.

I firmly believe the struggle we have endured in the past two years will give us the strength we need to build a stronger and more successful Essendon Football Club for the future.

At the time of writing this note, it remains a very realistic prospect that we will be able to bring all matters relating to the ASADA investigation to a close by the end of the year.

We maintain our confidence that neither harmful nor banned substances were given to the players during the 2012 supplements program.

In every step of this process, our priority is the welfare of our players and the protection of their legal rights. We will not stop until we have cleared our current and past players' names, once and for all.

Through no fault of their own, our players and their families have had to live with the uncertainty of this long running investigation process.

For the players' sake, it's time to close the book on this stressful chapter in our recent history.

As a Club, our aim is to be the most respected, successful and inclusive sporting club in Australia – one that consistently sets the benchmark on and off the field.

In our current position, this might seem like a long way away right now but it should not be lost on anyone how quickly things can turn around and how quickly we can make people proud to be Essendon once again.

Importantly, there are many positives to take out of this year across all areas of our organisation.

On the field, it was a very promising season, albeit a season with a disappointing finish. It is clear we have the talent to compete against the best teams in the competition, but it is also clear we still have more work to do to become a serious contender when it matters most, in September.

There were many individual achievements and positives from the year worth celebrating.

Congratulations to Dyson Heppell and Cale Hooker – both named in the 2014 All Australian side, a wonderful achievement. Dyson winning his first Crichton Medal capped off a remarkable season. Joe Daniher and Jake Carlisle gave us an exciting glimpse of what the future holds for our forward line. Michael Hurley had arguably his best season holding down centre half back. He was rarely beaten. And it was great to see Joe Daniher and Zach Merrett both nominated for the 2014 Rising Star award.

I would like to officially thank Mark Thompson for his outstanding efforts in coaching the team during the 2014 season. In the absence of James Hird, 'Bomber' played a pivotal role in the development of our team for the future.

I would like to acknowledge some very important members of the Essendon family for their continued support of our club.

Thank you to our wonderful coterie groups: the Essendonians, Coleman Club, Diamond Dons, Red & Blacks, Lawdons, Collins Street Dons, Coaches Club, Essendon Women's Network and the Emerging Leaders. A big thank you also to our First 18 and our Number One Ticket Holder, Ron Kirwan. We are extremely grateful for your continued support and shared vision for the future of Essendon.

I would like to formally acknowledge and congratulate our new CEO, Xavier Campbell. Xavier took over as our CEO at a critical time for the Club and has done an exemplary job guiding the ship through a very complex and difficult set of circumstances. It has been a baptism of fire, to say the least, but one that will hold him and the Club in good stead in the years to come.

Finally, as Chairman, I can promise you that the Board will work tirelessly to clear our players' names and at the same time continue to build a stronger and successful Essendon Football Club.

Thank you for your support of our great club.

Go Bombers!

Paul Little
Chairman
Essendon Football Club

CEO'S REPORT

“WE ARE EXTREMELY GRATEFUL AND THANKFUL TO THE THOUSANDS OF MEMBERS AND SUPPORTERS...”

In challenging circumstances for the Club this year, it is pleasing to be able to report a positive financial result for 2014 – a result not possible without the incredible and unwavering support of our members and partners.

Overall, the Club has recorded a trading profit of \$721,517, which includes funds received for the development of the True Value Solar Centre and the legal costs associated with the ASADA investigation.

The trading cash surplus from normal operations exceeded \$4.1 million.

A number of positive factors have contributed to this result, including membership growth and strengthening of commercial partnerships, along with good cost control outcomes across the Club.

The Club has significantly reduced its facility-related debt this year and importantly remains in a strong position from a financial perspective to pay down this debt as quickly as possible.

The True Value Solar Centre is one of the key foundations that has enabled our growth this year and will continue to support our development and improvement as a football club and commercial entity into the future.

We are extremely grateful and thankful to the thousands of members and supporters who have donated to the facility and helped build a multigenerational training and administration base that rivals any other sporting club in Australia.

The bricks and mortar will only take us so far however, collectively we all have a lot of hard work ahead of us to be the successful and respected football club we want to be. It is the ultimate challenge, but a great opportunity.

Make no mistake, we want to make every member and supporter of the Essendon Football Club proud again.

On field, the team is playing an exciting brand of football and although it was a disappointing finish to the year, it was an important step in the right direction to play in our first finals series since 2011.

Off the field, there were many significant achievements worth noting this year – in particular, the continued growth and loyal support of our membership base.

In 2014 we reached a record 60,716 members, over 4,000 members more than in the previous year. We had the 4th highest membership in the AFL, the highest ever number of members renewed and we had more than half a million people attend Essendon home games in 2014. The unwavering support of our members is truly inspiring and something we don't take for granted.

Our community footprint continues to prosper with meaningful programs and partnerships.



In particular, we celebrated the 10th anniversary of both the Dreamtime at the 'G and The Long Walk this year – two significant achievements unique to our Club and a genuine source of pride for everyone associated with Essendon.

Commercially, our turnover exceeded \$61 million. Record sponsorship was also achieved through a good mix of new and existing commercial partners that has been very encouraging for the Club.

I would like to thank our major partners, Fujitsu General, in their first year with the Club, and Kia Motors Australia. Your support this year has been nothing short of extraordinary and we as a Club are eager to repay the faith over the coming years.

To our facility naming rights partner True Value Solar, thank you for your ongoing support of the Bombers, a partnership that is now in its fifth year.

Thank you also to our other valued commercial partners – adidas, HostPLUS, TOLL, Antler, Yakult, Treasury Wine Estates (Wolf Blass), Red Energy, BetEasy, Coca Cola, Gatorade, Advance Vision Technology, Waterford and Jump Factory.

I would also like to pay tribute to the passionate and hard working staff at the Essendon Football Club who continue to work tirelessly day-in, day-out in unique circumstances and pressure. To my Executive Management group in particular, thank you for continuing to take our business forward at a time where much of my focus was spent on the ASADA issue.

Finally, to the members of Essendon, your energy and passion for our Club has been overwhelming and I'd like to take this opportunity on behalf of every player, coach, volunteer and administrator to express our sincere gratitude for the way the Essendon family has rallied behind the Club.

Xavier Campbell
CEO
Essendon Football Club



FINANCE DIRECTOR'S REPORT

On behalf of the Board I have the pleasure of presenting the Financial Report of the Club for the year ended 31 October 2014.

TRADING RESULTS

The Club has reported a net profit of \$721,517 for the year ended 31 October 2014, compared to a profit of \$2,148,492 in the previous year. Given the circumstances in which the Club has operated over the past two years, this is an excellent result and a credit to our staff, players, members and sponsors.

Particularly pleasing is the very strong Earnings before Interest, Depreciation and Amortisation which has been generated in 2014. This gives a much better picture of our cash profit from operations and augurs well for our ability to pay off our debt as quickly as possible.

	2014	2013
	\$	\$
Net Profit for the year per Statement of Comprehensive Income	721,517	2,148,492
Add depreciation and amortisation	3,254,466	2,474,348
Add/(deduct) interest expense/(income)	139,961	(100,464)
Net trading cash surplus from normal operations	<u>4,115,944</u>	<u>4,522,376</u>

The above result is after charging an amount of \$1,071,438 consisting of legal and consulting fees, net of insurance recoveries, in relation to the ASADA investigation. The corresponding cost in 2013, which included the fine imposed by the AFL, was \$3,939,710.

The result is also after bringing to account donations and grants of \$2,060,504 (2013 \$5,343,247).

Some of the other key factors which affected our result for 2014 were:

- Our membership numbers increased from 56,402 to 60,716 paid up members. While the yield on memberships was slightly reduced as a result of our investment in attracting new and, in particular, junior members, the overall contribution from memberships increased by \$600,000 year on year.

- Our major sponsors, including a new co major sponsor in Fujitsu General, remained hugely supportive, increasing their overall net investment by over \$700,000.
- We continued to invest in the football department, with an increased spend of \$400,000.
- Site expenses increased by \$1,500,000, reflecting the cost of running two football centres, and in particular the additional costs including depreciation, resulting from our first full year at the True Value Solar Centre.

FINANCIAL POSITION

At 31 October 2014, the net assets of the Club were \$38,415,328 (2013 \$37,693,811).

During the year a further \$1.7 million was invested to complete the initial development of the True Value Solar Centre. At 31 October 2014, our borrowings remain at \$5 million, while we have access to further undrawn facilities of \$2.9 million.

LOOKING AHEAD

At 31 October 2014, the Club is in a healthy financial position and we will continue to build upon that in coming years. Our objective continues to be to extinguish the debt relating to the True Value Solar Centre as quickly as possible while at the same time continuing to invest enough to give us the best possible opportunity to win a premiership.

The costs relating to the ASADA investigation are likely to cause a delay of two or three years in the repayment of our debt, but we still expect all borrowings to be repaid within a reasonable timeframe.

2015 will present a number of new challenges, including maintaining strong revenue growth and containing expenditure. However, we will continue to apply strict financial controls, which, coupled with the ongoing support of our members, sponsors and other stakeholders, will allow us to maintain a strong financial position to achieve on-field success.

Paul Brasher
Finance Director



DIRECTORS' REPORT

Your directors submit their report on Essendon Football Club (the 'Company') for the financial year ended 31 October 2014.

1. DIRECTORS

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

P. Little <i>(Chairman)</i>	J. Albert	P. Brasher	G. Brown	K. Egan
C. Heffernan	D. Jackson	S. Madden <i>(Appointed 16 December 2013)</i>	P. Pryor	

All of these directors have been in office since the start of the financial year to the date of this report, unless otherwise stated.

2. PRINCIPAL ACTIVITY

The principal activity of the Company during the course of the financial year was to conduct the Essendon Football Club and manage its affairs and to promote the Australian game of football, and there was no significant change in the nature of that activity during the financial year.

3. OBJECTIVES AND STRATEGIES OF THE COMPANY

The Company's short term (2015) objectives are to:

- continue to effectively invest in a high quality, success-focussed football program;
- focus on the recruitment, improvement and development of our playing list driven through knowledge, learning and innovation and developing our players for life beyond football;
- reinvigorate our brand through initiatives aimed at increasing our engagement with our members, employees, supporters, coterie groups, sponsors and all other key stakeholders;
- embed a strong cultural framework across the organisation and continue to implement structure, process and procedural improvements to ensure responsibility and accountability in all club activities;
- grow the level of football-driven commercial returns to help deliver a healthy surplus and cashflow from operations to assist in the reduction of debt and ensure the continuing financial strength of the Company;
- take our membership base to 65,000 and beyond; and
- drive sustainable and tangible outcomes to maintain the Company's position as a leader in the community.

The Company's medium to long term (2016-2019) objectives are to:

- maintain and where possible enhance levels of investment in the football program to deliver a strong and sustainable football team capable of winning finals and Premierships;
- deliver ongoing and enhanced profitability and cashflow to further strengthen the Company's financial position and to repay the debt required to finance the new administration and training facility as quickly as possible;
- continue to grow our membership base and our engagement with them;
- maximise the returns from investments whilst seeking other new complementary profit opportunities;
- increase the number of collaborative partnerships delivering sustainable outcomes in the community; and
- strive to attain and retain an industry leadership position.

In pursuing the achievement of these objectives the Company will always apply these underlying principles:

- invest in high quality operational facilities;
- preserve our heritage and enhance the Essendon culture;
- employ and retain the best people;
- apply appropriate process and governance to all facets of our operations; and
- maintain and protect our financial strength.

4. OPERATING RESULT

For the year ended 31 October 2014 the Company had an operating profit of \$721,517 (2013: \$2,148,492).

5. MEETINGS OF DIRECTORS

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

NAME OF DIRECTOR	DIRECTORS' MEETINGS		AUDIT COMMITTEE		NOMINATION COMMITTEE MEETINGS	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
J. Albert	16	16	4	4	3	3
P. Brasher	16	14	4	4	3	3
G. Brown	16	9	-	-	-	-
K. Egan	16	16	-	-	-	-
C. Heffernan	16	16	-	-	3	3
D. Jackson	16	15	-	-	-	-
P. Little	16	15	-	-	-	-
S. Madden	14	14	-	-	-	-
P. Pryor	16	14	4	3	-	-

6. INFORMATION ON CURRENT DIRECTORS

PAUL LITTLE AO – CHAIRMAN
FAICD, FCIT

Paul joined the Board in 2011 and is also Chairman of the fundraising working group for the new elite training and administration facility at Melbourne Airport. Paul was managing director of Toll Holdings from 1986 to 2011. He is chairman and founder of the Little Group, a director of Little Projects, Little Real Estate, Property Exchange Australia (PEXA) and ASN Cement. Paul won the inaugural Trans-Tasman Business Leader Award in 2005, the CA/Zurich Business Leader Award in 2002 and in 2008 he was awarded the Doctor of Business (Honoris causa) by RMIT University. In 2010 Paul received an Officer of the Order of Australia for service to the transport and logistics industries and to the community.

PAUL BRASHER – FINANCE DIRECTOR & DEPUTY CHAIRMAN
Bachelor of Economics (Hons), FCA

Paul was appointed to the Board in October 2011 and is finance director and chairman of the Audit Committee and a member of the Nomination Committee. Paul was a partner in the accounting and professional services firm PricewaterhouseCoopers from 1982 to 2009. He chaired the Australian firm and was chairman of the global Board of PwC from 2005 to 2009. Paul is chairman of Incitec Pivot Limited and a director of Amcor Limited and Perpetual Limited. He was previously chairman of the Reach Foundation and a number of other philanthropic organisations and a board member of the Victorian Arts Centre Trust.

JO-ANNE ALBERT

Bachelor of Business, MAICD

Jo-Anne has spent her working life in the financial services sector and has been a director of the Essendon Football Club since 2008. She is Managing Director of an independent financial and business advisory practice that she founded in 1989. Her current EFC board responsibilities include membership of the Audit Committee; Chair, Nomination Committee and Board representative on the Centenary Commemoration 2015 Anzac Day Working Group. Previously Jo-Anne served on the club's Innovation and Investment Committees. A long time member, she is active in Club affairs as a founding member of the Essendon Women's Network; Jo-Anne is also a member of the Dick Reynolds Club.

GREG BROWN OAM

Greg was elected to the Board in December 2006. A life member of the club, Greg played 83 games and was a premierships player in 1965, the club's first marketing manager in 1978 and chairman of the Dick Reynolds Club until 2005. Greg was awarded an OAM for services to the community. He is past president of the Rotary Club of Frankston and Frankston Wranglers Charity Club and is current chairman of the Lord's Taverners Australia. Greg formerly owned a financial planning business, is a life member of the AMP Advisers Association, Trustee of the EFC Past Players Foundation and Chairman of Pretlock Ltd.

KEVIN EGAN

Kevin was elected to the Board in December 1995. He was a 1965 premierships player and is a life member of the Club. Kevin played 65 games before transferring to play with Port Adelaide in the S.A.N.F.L. He coached successfully in the Diamond Valley Football League before returning to the Essendon Football Club in 1976 as a full time administrator, spending the next 16 years as football manager. Kevin is a former chairman of selectors.

CHRIS HEFFERNAN

Bachelor of Business (Admin), Master of Applied Finance
Chris joined the Board in October 2011 and is a member of the Nomination Committee. He played 170 games and was a member of the club's 2000 premierships team. After retiring from football in 2007, Chris worked with Deutsche Bank's funds management business in New York for three years, before returning to Melbourne in 2011 to join Ernst & Young. Currently an Associate Director in the Mergers and Acquisitions team at Ernst & Young, Chris provides advice to large private and ASX listed companies on acquisitions, mergers, capital raisings and business divestments.

DARYL JACKSON AO

Dip.Arch., B.Arch., Hon. Doctorate
Daryl joined the Board in 2004. He is a distinguished architect and a Gold Medallist of RAI, best known in sporting areas for his work at the MCG, Etihad Stadium, Subiaco and the Gabba. Daryl was captain of the Essendon Under 19s, an Essendon reserves player and a Coleman Club member for some 15 years. His former public roles include vice-president of Melbourne Cricket Club, National Gallery of Victoria and chairman of Wesley College Council, the Australian Film Institute and Melbourne Major Events Corporation.

SIMON MADDEN

Diploma of Teaching, Grad Dip. Special Ed.
Simon was elected to the Board in 2013. He played 378 games for the club and played in the 1984-85 premierships teams. He is a Life Member of the Essendon Football Club, AFL and AFL Players Association. He is also a member of the Essendon Hall of Fame and the AFL Hall of Fame. Originally a teacher, Simon has worked in business for 17 years. He runs his own small business-coaching consultancy, Winning Pty Ltd and is also a Director of Leap Performance, an elite performance coaching organisation. He has previously been the President and a Director of the AFL Players Association.

PHIL PRYOR

Bachelor of Economics, FAICD
Phil was elected to the Board in 2008 and is a member of the Audit Committee. He played in the Under 19s and Reserves. He has been a senior company manager and director for over 30 years. He has worked for prominent Australian and International companies with extensive experience in Asia. Phil is currently the CEO/Executive Director of Priority One Network Limited and a director of the listed UK company Ezybonds UK PLC.

7. AUDITOR INDEPENDENCE

The Board of Directors, in accordance with advice from the Audit Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- The nature of all non-audit services is reviewed and approved by the Audit Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided does not compromise the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

The following fees for non-audit services were paid/payable to the external auditors during the year ended 31 October 2014:

	\$
Taxation services	18,615
Other assurance services	24,000
	<u>42,615</u>

AUDITOR'S INDEPENDENCE DECLARATION

An independence declaration has been provided by the Company's auditor, Grant Thornton Audit Pty Ltd. This is set out on page 8 of this financial report.

8. MEMBERS' GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Company. At 31 October 2014 the number of members was 60,716 (2013: 56,402).

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



P. Little
Director



P. Brasher
Director

Signed this 10th day of November, 2014.

DIRECTORS' DECLARATION

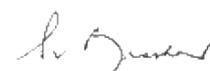
The directors of the Company declare that:

- (1) the financial statements and notes, as set out on pages 9 to 15, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Company as at 31 October 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements in Australia (including the Australian Accounting Interpretations) and Corporations Regulations 2001.
- (2) in the directors' 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.



P. Little
Director



P. Brasher
Director

Signed this 10th day of November, 2014.

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF ESSENDON FOOTBALL CLUB

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

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

GRANT THORNTON AUDIT PTY LTD
Chartered AccountantsA. J. PITITTO
Partner - Audit & Assurance

Melbourne, 10 November 2014

INDEPENDENT AUDITOR'S REPORT

To the Members of Essendon Football Club,

We have audited the accompanying financial report of the Essendon Football Club (the "Company"), which comprises the statement of financial position as at 31 October 2014, the statement of profit or loss and other comprehensive income, statement of changes in member funds and 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 Company.

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 - Reduced Disclosure Requirements 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.

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 the Essendon Football Club is in accordance with the Corporations Act 2001, including:

- giving a true and fair view of the Company's financial position as at 31 October 2014 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

GRANT THORNTON AUDIT PTY LTD
Chartered AccountantsA. J. PITITTO
Partner - Audit & Assurance

Melbourne, 10 November 2014

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2014**

	Note	2014	2013
		\$	\$
Revenues from operations	3(a)	61,258,047	63,690,189
Expenses from operations	3(b)	(60,536,530)	(61,541,697)
NET PROFIT FROM OPERATIONS		<u>721,517</u>	<u>2,148,492</u>
OTHER COMPREHENSIVE INCOME			
Item that cannot be reclassified to profit or loss: Gains on property revaluation	7	-	485,562
OTHER COMPREHENSIVE INCOME FOR YEAR		<u>-</u>	<u>485,562</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>721,517</u></u>	<u><u>2,634,054</u></u>

STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2014

	Note	2014	2013
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	14(a)	1,771,706	2,118,526
Trade and other receivables	4	2,677,321	3,501,292
Inventories	5	595,374	891,504
Other assets	6	1,044,720	354,369
TOTAL CURRENT ASSETS		<u>6,089,121</u>	<u>6,865,691</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	44,256,115	44,663,139
Intangibles	8	2,862,402	3,229,706
TOTAL NON-CURRENT ASSETS		<u>47,118,517</u>	<u>47,892,845</u>
TOTAL ASSETS		<u>53,207,638</u>	<u>54,758,536</u>
CURRENT LIABILITIES			
Trade and other payables	9	5,076,961	5,487,933
Employee benefits	10	1,265,704	1,124,521
Income in advance	11	192,609	1,057,258
Other financial liabilities	12	618,609	5,706,150
TOTAL CURRENT LIABILITIES		<u>7,153,883</u>	<u>13,375,862</u>
NON-CURRENT LIABILITIES			
Trade and other payables	9	1,100,000	1,600,000
Employee benefits	10	164,506	93,437
Other financial liabilities	12	6,373,921	1,995,426
TOTAL NON-CURRENT LIABILITIES		<u>7,638,427</u>	<u>3,688,863</u>
TOTAL LIABILITIES		<u>14,792,310</u>	<u>17,064,725</u>
NET ASSETS		<u>38,415,328</u>	<u>37,693,811</u>
MEMBERS' FUNDS			
Accumulated funds		34,982,266	34,260,749
Asset revaluation reserve		3,433,062	3,433,062
TOTAL MEMBERS' FUNDS		<u>38,415,328</u>	<u>37,693,811</u>

**STATEMENT OF CHANGES IN MEMBERS' FUNDS FOR THE YEAR ENDED
31 OCTOBER 2014**

	Asset Revaluation Reserve	Accumulated Funds	Members' Funds
	\$	\$	\$
BALANCE AT 31 OCTOBER 2012	<u>2,947,500</u>	<u>32,112,257</u>	<u>35,059,757</u>
Profit for the year	-	2,148,492	2,148,492
Other comprehensive income	485,562	-	485,562
Total comprehensive income	<u>485,562</u>	<u>2,148,492</u>	<u>2,634,054</u>
BALANCE AT 31 OCTOBER 2013	<u>3,433,062</u>	<u>34,260,749</u>	<u>37,693,811</u>
Profit for the year	-	721,517	721,517
Other comprehensive income	-	-	-
Total comprehensive income	<u>-</u>	<u>721,517</u>	<u>721,517</u>
BALANCE AT 31 OCTOBER 2014	<u>3,433,062</u>	<u>34,982,266</u>	<u>38,415,328</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2014

	Note	2014	2013
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members, sponsors, supporters and other operations		59,015,276	56,511,386
Receipts from grants and donations		2,060,504	5,343,247
Payments to suppliers, employees and players		(58,093,455)	(54,167,707)
Finance costs		(246,368)	(48,106)
Interest received		241,589	366,753
NET CASH FLOWS FROM OPERATING ACTIVITIES	14(b)	<u>2,977,546</u>	<u>8,005,573</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment		(2,480,138)	(22,166,266)
Payment for gaming entitlements		(844,228)	(876,997)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		<u>(3,324,366)</u>	<u>(23,043,263)</u>
NET CASH FLOWS USED IN FINANCING ACTIVITIES			
Gross proceeds from borrowings		-	5,000,000
NET CASH FLOWS USED IN INVESTING ACTIVITIES		<u>-</u>	<u>5,000,000</u>
Net decrease in cash and cash equivalents		(346,820)	(10,037,690)
Cash and cash equivalents at beginning of the financial year		2,118,526	12,156,216
CASH AT END OF THE FINANCIAL YEAR	14 (a)	<u>1,771,706</u>	<u>2,118,526</u>

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations), other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Essendon Football Club (the “Company”) is an unlisted public company limited by guarantee and incorporated and domiciled in Australia. The Financial Report of the Company was authorised for issue by the directors on 10 November 2014. The Company is a not-for-profit entity for the purpose of preparing the financial statements.

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, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make estimates, judgements and assumptions 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. Actual results may differ from these estimates.

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

Going concern basis of accounting

The financial report has been prepared on a going concern basis. This contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

At 31 October 2014 the Company had net current liabilities, being current assets less current liabilities, of \$1,064,762 (2013 \$6,510,171).

The Directors have considered the position of the Company and consider that the going concern basis is appropriate for the preparation of the financial report due to the following factors:

- i) 2015 forecast which shows positive contributions;
- ii) continued support of the Company's bankers which the Company expects to continue to receive; and
- iii) unused finance facilities available to the Company.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

(a) Adoption of new and revised accounting standards

The Company has adopted all of 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 Company.

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

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. Annually, the directors assess inventory balances for impairment.

(c) Financial instruments

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets. Trade and other receivables of the Company fall into this category.

Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Trade and other payables of the Company fall into this category.

Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Profit or Loss.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are debited against the allowance account. Changes in the carrying amount of the allowance account are recognised in Profit or Loss.

(d) Property, plant and equipment

Property, plant and equipment are brought to account at cost or at independent or directors' valuation, less, where applicable, any accumulated depreciation or amortisation and impairment losses.

Land

Freehold land is shown at fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on an annual valuation by external independent valuers. Land is not depreciated.

Asset revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of land and decreases to the extent such decreases relate to an increase on the same asset previously recognised in equity.

Plant and equipment/Leasehold improvements

Plant and equipment and leasehold improvements are measured at cost less depreciation and impairment losses.

The depreciable amounts of all fixed assets including leasehold improvements, but excluding freehold land, are depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed assets	Depreciation rate
Leasehold improvements	3% - 10%
Plant & equipment	10% - 33.3%

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.

(e) Cash and cash equivalents

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

(f) Impairment of assets

At each reporting date, the Company reviews the carrying values of its 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 Profit or Loss.

(g) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year (benefits arising from wages and salaries and annual leave) have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

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. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Probabilities have been applied in the calculation of long service leave entitlements in order to estimate the likelihood of an employee remaining with the Company until they are entitled to long service leave. These probabilities are based on historical trends and patterns. Employees with service in excess of 7 years have their long service leave liability included as a current liability as the Company does not have an unconditional right of deferral at balance date.

Contributions are made by the Company to complying superannuation funds and are charged as expenses when incurred.

(h) Income received in advance

Income is brought to account in the period to which it relates. Income received prior to 31 October 2014 which relates to future periods has been recorded as income received in advance.

(i) Income tax

Income Tax has not been provided for in the accounts of the Company, as the Company is an exempt sporting organisation in accordance with Section 50-45 of the Income Tax Assessment Act.

(j) Football expenses

Football expenses include football department related costs including total player payments, coaching and support staff remuneration, recruiting costs and costs in respect of our standalone VFL team.

(k) Revenue

Revenue is measured as the fair value of the consideration received/receivable. All amounts are net of returns, discounts, allowances and rebates.

Revenue is recognised when the amount can be reliably measured and it is probable that the future economic benefits will flow to the Company and the following additional criteria have been met:

- Revenue from the sale of goods is recognised upon the delivery of goods to customers which is the date of the transfer of risks.
- Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
- Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.
- Fundraising donations which have been directly received by the Club are recognised on receipt.
- Grant income from the Australian Sports Foundation is recognised when the approved grant has been received by the Company.
- Grant income from government and AFL special distributions are recognised where there is a reasonable assurance that the grant will be received and all the attached conditions will be complied with.
- Any costs reimbursed are netted off against direct costs incurred and are not shown as revenue.

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

(l) Goods and Services 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, is classified as operating cash flows.

(m) Leases

Leases where a significant portion of the risks and rewards of ownership are not transferred to the Company are classified as operating leases.

Payments made under operating leases are recognised in Profit or Loss on a straight line basis over the term of the lease.

(n) Intangible assets

Gaming entitlements

Gaming entitlements acquired are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over the estimated useful economic lives of the assets. The useful lives of intangible assets can be either finite or indefinite.

Gaming entitlements have a finite useful life of 10 years commencing 16 August 2012. The gaming entitlements are amortised over a 10 year period.

(o) Financial Liabilities

Gaming liabilities

Gaming liabilities relate to instalment payments for the acquisition of gaming entitlements for the Windy Hill Venue and Melton Country Club. Gaming liabilities are included as non-current liabilities except those with maturities less than 12 months from the reporting date, which are classified as current.

Gaming liabilities are measured at amortised cost, using the effective interest method.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(p) Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below.

Actual results may differ.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them.

Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

Uncertainty exists as actual useful lives may differ from that estimated.

Liabilities arising from legal matters

Liabilities arising from legal matters are recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably.

Such liabilities are estimated based on either objective evidence or where objective evidence is not available management's best estimate.

Timing or the amount of the outflow may still be uncertain.

Trade and other receivables

Trade and other receivables from external parties are carried at the amount expected to be received on settlement.

Where the amount of the inflow is uncertain the amount is recognised based on either objective evidence or where objective evidence is not available management's best estimate.

Timing or the amount of the inflow may still be uncertain.

2. ESSENDON FOOTBALL CLUB

Essendon Football Club is an unlisted public company limited by guarantee with a registered office and principal place of business at 275 Melrose Drive, Melbourne Airport, Victoria 3045. The liability of each member of the Company is limited to \$20.



NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2014

3. PROFITS FROM OPERATIONS

	2014	2013
	\$	\$
(a) Revenue from ordinary activities		
(i) Operating revenue		
AFL annual distribution	8,714,004	8,396,244
AFL prizemonies	65,000	30,000
Marketing revenues	17,690,850	16,837,899
Membership revenues	10,877,022	10,347,024
Merchandise - sale of goods	3,196,779	3,249,850
Match receipts	367,170	637,773
Windy Hill Fitness Centre	4,408,705	4,682,196
Venues revenue - sales of food and liquor	4,972,313	5,119,229
Venues revenue - other	8,588,240	8,664,331
Total operating revenue	<u>58,880,083</u>	<u>57,964,546</u>
(ii) Non-operating revenue		
Australian Sports Foundation grants	1,266,732	1,240,093
Donations received	693,772	138,154
Government grants	100,000	640,000
AFL future fund distribution	-	3,325,000
Interest received	241,589	366,753
Rental income	75,871	15,643
Total non-operating revenue	<u>2,377,964</u>	<u>5,725,643</u>
Total revenue from Operations	<u>61,258,047</u>	<u>63,690,189</u>
(b) Expenses from operations		
Administration	2,146,601	2,453,762
AFL/ASADA investigation fine, legal and consulting net expenses	1,071,438	3,939,710
Football expenses	21,220,483	20,824,236
IT expenses	621,130	690,404
Marketing expenses	11,354,608	10,342,245
Membership expenses	4,066,261	4,227,785
Merchandise - cost of sales	1,376,813	1,652,903
Rental expenses	274,747	269,709
Site expenses	3,127,121	1,623,196
Loss on disposal of assets	-	235,467
Windy Hill Fitness Centre	3,516,305	3,555,960
Venue expenses	11,379,473	11,460,031
Financing costs	381,550	266,289
Total expenses from Operations	<u>60,536,530</u>	<u>61,541,697</u>
Profit from Operations	<u>721,517</u>	<u>2,148,492</u>
(c) Profit from operations above has been determined after:		
Charging as expenses:		
Depreciation of:		
- Plant and equipment	1,225,093	960,218
Amortisation of:		
- Leasehold improvements	1,662,069	1,146,826
- Intangibles	367,304	367,304
Doubtful debts provided for or written off	93,918	248,552
Venue cost of sales - food and liquor	1,610,007	1,686,438
Employee expenses	17,727,576	16,939,941

4. TRADE AND OTHER RECEIVABLES

	2014	2013
	\$	\$
Current		
Trade and sundry debtors	2,801,239	3,753,776
Less allowance for impairments	(123,918)	(252,484)
	<u>2,677,321</u>	<u>3,501,292</u>
Allowance for impairment of receivables		
An allowance for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in administration expenses. A reconciliation of the movement in the allowance for impairment of trade receivables is shown below.		
	2014	2013
	\$	\$
Opening balance	252,484	52,130
Additional allowance	93,918	248,552
Amounts used	(222,484)	(48,198)
Closing balance	<u>123,918</u>	<u>252,484</u>

5. INVENTORIES

	2014	2013
	\$	\$
Merchandise - at cost	625,577	754,669
Less provision for obsolescence	(180,115)	(28,561)
Food and liquor - at cost	149,912	165,396
	<u>595,374</u>	<u>891,504</u>

6. OTHER ASSETS

	2014	2013
	\$	\$
Prepaid expenses	<u>1,044,720</u>	<u>354,369</u>

7. PROPERTY, PLANT AND EQUIPMENT

	2014	2013
	\$	\$
Land - at independent valuation (a)	5,350,000	5,350,000
Plant and equipment - at cost	11,044,379	5,328,320
Accumulation depreciation	(3,973,258)	(2,645,417)
	<u>7,071,121</u>	<u>2,682,903</u>
Leasehold improvements - at cost	39,922,979	43,158,902
Accumulation amortisation	(8,087,985)	(6,528,666)
	<u>31,834,994</u>	<u>36,630,236</u>
Total property, plant and equipment	<u>44,256,115</u>	<u>44,663,139</u>

(a) An independent valuation of freehold land in Napier Street, Essendon, was undertaken on 10 September 2014 by P.W. Stokes CEA FAPI FREI. This valuation showed no change in the carrying value of the land booked in the financial report at 31 October 2013.

7. PROPERTY, PLANT AND EQUIPMENT (cont.)

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

2014	Land	Plant & equipment	Leasehold improvements	Total
	\$	\$	\$	\$
Beginning of the year	5,350,000	2,682,903	36,630,236	44,663,139
Additions	-	784,973	1,695,165	2,480,138
Transfers in/(out)	-	4,828,338	(4,828,338)	-
Depreciation expense	-	(1,225,093)	(1,662,069)	(2,887,162)
End of financial year	<u>5,350,000</u>	<u>7,071,121</u>	<u>31,834,994</u>	<u>44,256,115</u>

2013	Land	Plant & equipment	Leasehold improvements	Total
	\$	\$	\$	\$
Beginning of the year	4,864,438	2,737,593	16,751,792	24,353,823
Additions	-	991,466	21,174,800	22,166,266
Disposals	-	(85,938)	(149,530)	(235,468)
Revaluations	485,562	-	-	485,562
Depreciation expense	-	(960,218)	(1,146,826)	(2,107,044)
End of financial year	<u>5,350,000</u>	<u>2,682,903</u>	<u>36,630,236</u>	<u>44,663,139</u>

During the previous financial year the Company moved its football and administrative operations to the True Value Solar Centre at Melbourne Airport. Included in leasehold improvements is approximately \$1.3m (2013: \$1.4m) in respect of the vacated space at Windy Hill which were previously used by the football and administrative departments. The Company is currently in discussions with external parties regarding the future use of this space for commercial purposes. The carrying value of these assets is less than their estimated recoverable amount (value in use) determined on the basis that these assets are planned to be used for commercial purposes.

8. INTANGIBLES

	2014	2013
	\$	\$
Gaming entitlements	3,673,038	3,673,038
Accumulated amortisation	(810,636)	(443,332)
	<u>2,862,402</u>	<u>3,229,706</u>
Opening balance	3,229,706	3,597,010
Amortisation	(367,304)	(367,304)
Closing balance	<u>2,862,402</u>	<u>3,229,706</u>

9. TRADE AND OTHER PAYABLES

	2014	2013
	\$	\$
Current		
Trade creditors	544,485	829,788
Accruals and other liabilities	4,532,476	4,658,145
	<u>5,076,961</u>	<u>5,487,933</u>
Non-current		
Other liabilities	<u>1,100,000</u>	<u>1,600,000</u>

10. EMPLOYEE BENEFITS

	2014	2013
	\$	\$
Current		
Annual leave	811,792	711,234
Long service leave	453,912	413,287
	<u>1,265,704</u>	<u>1,124,521</u>
Non-current		
Long service leave	<u>164,506</u>	<u>93,437</u>

11. INCOME RECEIVED IN ADVANCE

	2014	2013
	\$	\$
Trading income received in advance	<u>192,609</u>	<u>1,057,258</u>

12. OTHER FINANCIAL LIABILITIES

	2014	2013
	\$	\$
Current		
Borrowings	-	5,000,000
Gaming entitlement instalments	618,609	706,150
	<u>618,609</u>	<u>5,706,150</u>
Non-current		
Borrowings	5,000,000	-
Gaming entitlement instalments	1,373,921	1,995,426
	<u>6,373,921</u>	<u>1,995,426</u>

13. BANK FACILITIES

Unused limits/facilities	Amount of facility	Unused
	\$	\$
Westpac finance facility	5,000,000	-
Bendigo Bank finance facility	2,935,000	2,935,000
	<u>7,935,000</u>	<u>2,935,000</u>

Covenants

The Bendigo Bank facility requires the Company to maintain specific financial covenants and is secured by the freehold land assets of the Company.

14. NOTES TO THE STATEMENT OF CASH FLOWS

a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, the entity considers cash to include cash on hand, cash in banks and short-term investments, net of outstanding bank overdrafts. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the Statement of Financial Position as follows:

	2014	2013
	\$	\$
Cash on hand	370,751	355,483
Cash at bank	1,400,955	1,763,043
Total cash	<u>1,771,706</u>	<u>2,118,526</u>

b) Reconciliation of net cash from operating activities to net profit

	2014	2013
	\$	\$
Profit for the year	721,517	2,148,492
<i>Adjustments for:</i>		
Loss from disposal of fixed assets	-	235,467
Financing costs	135,182	218,183
Depreciation and amortisation	3,254,466	2,474,348
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables and other assets	262,186	(2,422,204)
Increase/(decrease) in provision for doubtful debts	(128,566)	200,360
(Increase)/decrease in inventory	144,576	(241,966)
Increase/(decrease) in provision for obsolete stock	151,554	(23,482)
Increase/(decrease) in payables and income in advance	(1,775,621)	5,285,600
Increase in provision for employee entitlements	212,252	130,775
	<u>2,977,546</u>	<u>8,005,573</u>



15. CAPITAL AND LEASING COMMITMENTS

	2014	2013
	\$	\$
(a) Operating lease commitments		
Payable:		
- not later than one year	519,143	411,000
- later than one year but not later than 5 years	1,339,536	1,536,872
- later than 5 years	4,827,625	4,174,416
	<u>6,686,304</u>	<u>6,122,288</u>

Operating lease commitments relate to the lease of Windy Hill precinct, Melton Country Club and True Value Solar Centre, along with an annual distribution to EFCSC Limited.

(b) Capital expenditure commitments

Capital expenditure contracted for at reporting date but not recognised as a liability in the accounts.

Payable:		
- not later than one year	<u>-</u>	<u>1,021,162</u>

Capital expenditure commitments relate to the development of the True Value Solar Centre at Melbourne Airport.

16. CONTINGENT LIABILITIES

The Company is in discussions with external and internal stakeholders in relation to claims or disputes arising in the course of business. At this point in time, the amount of liability, if any, cannot be quantified.

17. KEY MANAGEMENT PERSONNEL

Transactions with key management personnel

	2014	2013
	\$	\$
Short term employee benefits	2,341,657	2,098,461
Post employment benefits	119,872	108,485
The key management personnel compensation included in employee expenses are:	<u>2,461,529</u>	<u>2,206,946</u>

18. SUBSEQUENT EVENTS

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



Essendon Football Club
 275 Melrose Drive,
 Melbourne Airport, VIC, 3045
 PO Box 17, Essendon 3040
 Telephone: 03 8340 2000
 Facsimile: 03 8340 2001
essendonfc.com.au
 ABN 22 004 286 373