



ST KILDA SAINTS FOOTBALL CLUB LTD

CONSOLIDATED ENTITY ABN 86 005 174 836



ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 OCTOBER 2017



CONTENTS

	Page
President's Report	2
Chief Executive Officer's Report	5
Directors' Report	8
Auditor's Independence Declaration	13
Statement of Profit or Loss and Other Comprehensive Income	14
Statement of Financial Position	15
Statement of Changes in Equity	16
Statement of Cash Flows	17
Notes to the Financial Statements	18
Directors' Declaration	35
Independent Audit Report	36



PRESIDENT'S REPORT

There is no escaping the fact that in 2017 we did not reach the heights we were striving for.

Finals football was an on-field objective and ultimately, we fell short of achieving this outcome.

There are many ways to measure success, however while we cannot underestimate the importance of every single season, I firmly believe that in the past year we have strengthened the foundations for future success, both on and off the field.

No journey in sport is straight forward and last season we saw glimpses of what our team is capable of on several occasions.

Two memorable interstate wins, a strong performance against GWS and of course, the incredible victory over the eventual premiers Richmond in Maddie's Match, were moments to savour in 2017.

As a club, we set out to bridge the gap between our best and worst performances, and while progress was made, we unfortunately weren't able to secure a finals berth.

Despite our disappointment, our conviction on where we are heading remains as strong as ever and our future is undoubtedly bright.

In 2017, we witnessed the emergence of several young stars who will be pillars of our club for many years to come.

In his first year as captain, Jarryn Geary led Seb Ross, Dylan Robertson, Jack Billings and Jack Steele through arguably the best year of their careers so far.

With a group of highly touted youngsters recently drafted to the club and another pre-season behind our emerging young stars, 2018 presents an exciting opportunity to take the next step and become a genuine contender for the AFL premiership.

While one group arrives, another departs and as we watch Nick Riewoldt, Leigh Montagna and Sean Dempster move into the next stages of their lives, I wish them all the best for the future and thank them for their significant impact on our club. Their contributions, especially Nick as St Kilda's longest serving captain, have set us on a path toward our next premiership.

Extending the contract of senior coach Alan Richardson is also an important element to achieving on-field success.

The experience, knowledge, structure and commitment he has brought to our club over the past four years has been outstanding and we know moving forward he's the right person to lead our football program.

The arrival of the highly rated Henry Playfair and Ben Dixon will give greater depth to an already impressive coaching team, while our high performance and medical teams continue to go from strength to strength.

In recent years we have faced the challenge lots of emerging clubs face - attracting and retaining players.

It is a testament to the professionalism of the recruiting and management teams and the club generally that we have had success in this area.

Perhaps more importantly, it is a strong message from all those players who have joined the Saints and to all those who have recommitted.

It demonstrates a bond and belief in each other. It is more than a coincidence that this is the same environment that existed during the last rebuild that occurred in the early 2000's and formed the basis for our Grand Final appearances in 2009 and 2010.

Off field

In 2017, the club surpassed 42,000 members for the first time. From the outset, we have placed members at the front of our reshaping of the Saints.

Financially and culturally, it adds considerable depth to our Club and in return we have set out to make sure we service our members and make them feel included and valued.

We want them to feel proud of their commitment to the Saints.

For the first time in many years, every sponsorship category was backed by a commercial partner. We are very fortunate to have sponsors who have been willing to become such close partners with the Saints and whilst we never forget our responsibility to reign commercial value, many have become close friends as well.

The awarding of an AFLW licence for 2020 might be a year later than we would have preferred, but ultimately it allows every young Saint to dream of wearing the red, white and black at the game's highest level.

In the meantime, our dedication to female football continues and grows.

It was heart-warming to see a St Kilda Women's team take the field for the first time ever this season in an exhibition game against the Australian Defence Force.

The game was the culmination of St Kilda hosting the AFL Victoria's Southern Women's Academy during the pre-season, part of our commitment to grow and develop women's football in Bayside Melbourne.

We look forward to continuing to build the participation and talent base in our heartland through the Southern Saints in the VFL Women's competition over the next two years.

Our integration into the heart of Bayside will take another monumental step forward as we return to our spiritual home at Moorabbin next season.

The Saints will call RSEA Park at Linton Street Moorabbin home from early in the 2018 season, with a new state-of-the-art facility set to benefit both the club and the community in which we belong.

We are very proud of the genuine commitment we have made to connecting to and helping build a strong Bayside community.



PRESIDENT'S REPORT (CONTINUED)

Many of these connections happen day-in-day-out with little fanfare. But some are more than that. Their importance is obvious, but they only come about due to a lot of work and total belief in that importance.

The fantastic work with the LGBTI community, highlighted by Pride Game, has been a credit to all.

The Saints' work with Maddie Riewoldt's Vision will again be a prominent part of our 2018 fixture when we take on Richmond in Round 18.

These, along with hundreds of other examples, backs up in action what we infer through How I Want To Be - everyone is welcome at the Saints.

You can't properly understand or succeed at being a strong external community partner or member unless you have that community culture within. The work that has been done internally around culture, respect, leadership and diversity has made us a better organisation.

The work the Club has done regarding player welfare has also been integral, with relationships with players' families, past players and officials remaining a vital link to the ever-growing Saints family. This type of depth in a Club is so critical to success, especially long-term success.

Achieving these outcomes is the result of a lot of effort from many people but can I pay special thanks to Tony Brown, our Player Welfare Manager and the Committee of the Past Players and Officials Association, led by Russell Morris. I also acknowledge the support for the Past Players and Officials Association by our Club Patron Lindsay Fox.

Finances

Soon, the club will finalise a new and significantly improved financial agreement for playing games at Etihad Stadium. The AFL has made significant advancements in recent years to create a highly competitive competition. We all marvelled at the uncertainty of the season just gone. But one missing piece for the Saints has been a fair deal for playing games at Etihad, a deal which respects the commitment we have made to the stadium over a long period. We love playing at Etihad Stadium however it must also give us fair returns.

That said, the AFL has been strong in their support. This support has been earned. They are aware of the efforts we are making not only to progress the Club, but the work we have done in the community and in promoting AFL across Australia, in New Zealand and especially in our heartland, the Bayside region of Melbourne.

Acknowledgements

My thanks again to everyone involved this year at the Saints for their hard-work and dedication to the club.

I have already thanked our exceptional sponsors and members, but can I again acknowledge their contribution to the Club during the year.

Likewise, I would like to expand on my earlier thanks to the AFL and congratulate them on a record breaking season. On behalf of the St

Kilda Football Club, I congratulate Mike Fitzpatrick on his period as Chairman of the AFL Commission. We look forward to working with new Chairman, Richard Goyder, to continue the development of the game generally and the building of stronger clubs, the true strength of the game.

To all those acknowledged at the Trevor Barker Award, whether they be winners or new Life Members, I congratulate you, with a special mention to first time winner of the Trevor Barker Medal, Seb Ross.

All of our members are special, but I would like to thank Eric Bana, our Number 1 Ticketholder, and Gerry and Val Ryan for their continued support of the Club. Their passion and support of the club has contributed greatly to many great things being achieved.

To my fellow Directors, I thank you for your efforts, support and guidance. All directors have made an ongoing and valuable contribution, but I would especially like to acknowledge the work of Paul Kirk and Russell Caplan. Paul heads up our Audit, Risk and Compliance Committee as well as the Saints Foundation. Russell has also taken on numerous special projects, not least of all leading the Project Control Group overseeing the Reimaging Moorabbin project.

Matt Finnis has built on the work done in prior years to create an even better and deeper Club. We are very lucky to have someone not only of his talent, but of his passion, leading us on our journey to being the Club we aspire to be. I thank Matt, his executive team and all staff of the Club for the long hours they put in and outcomes they have achieved.

Of course, we are about to lose one key member of that team in Ameet Bains. His appointment as the Western Bulldogs CEO is well deserved and we wish him all the best. While sad to lose someone of his ability, we are proud of the fact he has become such a highly sought after talent in the AFL industry.

One thing difficult to measure is passion. It is something you cannot buy nor manufacture. There is no better example of this than our volunteers, coterie members, cheer squad and supporter groups around the country. The commitment they make, whether it be financially or through donation of countless hours, is the part of every club which defines it. At the Saints, we are blessed to have some of the best in the world.

Unfortunately, the end of every season sees departures and to all those who are leaving the Saints I thank you for your efforts. This group included Jason Holmes, who inspired us all by crossing the world to play a foreign game and committed himself to the Saints. I remind this group that 'once a Saint, always a Saint', so we look forward to seeing you all at Moorabbin and games in the future.

I would like to reiterate our sincere thanks to three champions of our football club, Sean Dempster, Leigh Montagna and Nick Riewoldt, who called time on their careers this season. I wish them and their families, who have all been such a significant part of the Saints, all the very best for the future.

As the Bulldogs showed in 2016, and Richmond proved emphatically this year, through tough decisions, ultimate commitment and incredible passion, anything is possible.



PRESIDENT'S REPORT (CONTINUED)

We all have a part to play and when united we too can bring home the premiership we so desperately crave.

One of my lasting memories of the 2017 season will be the sea of red, white and black in Round 22 when we paused to say thanks to Nick.

Our members have indeed demonstrated their spirit and I know they will get behind our young heroes as we strive to take the next step next season.

I look forward to seeing you all at the football in 2018.

Peter Summers
President



CHIEF EXECUTIVE OFFICER'S REPORT

One of the enduring images of the 2017 AFL season was the sea of red, white and black, rising as one to bid farewell to Nick Riewoldt.

The power of football to evoke incredible emotion was perhaps never clearer than in the "Thanks Rooey" match against North Melbourne in Round 22. It was a fitting tribute for a player who has been an amazing ambassador for St Kilda over the past 17 years. He retires not just a St Kilda champion but one of the AFL's all-time greats.

While Leigh Montagna and Sean Dempster did not receive the match-day send-offs they deserved, both retire as hugely respected individuals, who represented St Kilda with distinction. Our players and coaches, and of course our fans, will long remember the mark they have left on our football club.

The commitment of our fans was one of the highlights of 2017, with the club surpassing 42,000 members for the first time. The final figure of 42,094 represented an increase of almost 11 per cent on the previous year, the second consecutive year the club has posted double digit growth.

But it's not just about membership. Our total home attendances rose to the highest level since 2012, highlighted by the strong turnout for Maddie's Match in Round 16. Those at Etihad Stadium on the night will find it difficult to forget the football displayed by Alan Richardson's men. The victory over the eventual premiers highlighted the standards this group is capable of. Unfortunately, we were unable to capitalise on the momentum, nor achieve the consistency required over the remainder of the season to secure a finals berth.

Foundations for success

Despite our disappointment at this missed opportunity, in 2017 we saw the emergence of a new group of leaders and several highly talented youngsters who will drive this club forward for years to come.

Seb Ross, Dylan Robertson and Jarryn Geary led the way when it came to consistency, and there was no surprise when they filled the first three places in the Trevor Barker Award. Winning a first club best and fairest was great reward for Seb Ross, who has proven to be one of the hardest working players at the club over recent seasons. Importantly, players such as Jack Billings, Jimmy Webster and Jade Gresham finished in the top 10 for the first time, showcasing their talent and the football they are capable of.

In 2017 we had three debutants with Ben Long in Round 4, Josh Battle in 17 and Rowan Marshall in Round 18, all offering a glimpse of their future potential. There were milestones also for Jarryn Geary (150 games) and Jack Steven (150) with the pair and Sean Dempster awarded life membership of the Saints at the Trevor Barker Award.

After a positive start to the season, our VFL affiliate Sandringham also struggled for consistency, eventually finishing out of finals contention. Led by St Kilda assistant coach Lindsay Gilbee, the Zebras importantly provided a launching pad for several of the Saints' squad, with Luke Dunstan, Blake Acres, Jack Lonie and Shane Savage all returning to prominence in the senior side after finding form with the Zebras. The Sandringham Football Club continues to be an important partner in developing our emerging talent and we look forward to working together again in 2018.

A new frontier

Gaining an AFLW licence for 2020 was a landmark moment for the club.

The club was also successful in gaining a licence to compete in the VFL Women's Competition under the banner of the Southern Saints next season, which will assist in building and developing a talent base in bayside Melbourne. The club will work with the Frankston Football Club to facilitate this new VFLW team, expanding our relationship with the Dolphins as they re-enter the VFL competition.

In a sign of our commitment in this space, St Kilda hosted a special masterclass series this season, bringing together the best players in Bayside for a special insight into elite performance over four sessions.

St Kilda are committed to creating a genuine and sustainable pathway for women's football in the region and helping shape the future of the sport.

Strengthening our connection with community

St Kilda's Next Generation Academy kicked off this year with great success. The aim of the Academy is to increase engagement, participation and talent outcomes for boys and girls across our NGA zone with a particular focus on providing opportunities for indigenous and multicultural youth.

More than 150 boys and girls aged 11-15 took part in sessions throughout the year at hubs in Moorabbin and Seaford under the guidance of Saints NGA staff, including the Saints NGA Head Coach Nick Dal Santo. In addition, a select group of talented players aged 16-19 with multicultural and indigenous heritage participated in a program at the club with a focus on on-field skill enhancement and personal development. This provided these young players with an invaluable insight into what it takes to make it as a Saint at the elite level.

On top of visiting 135 schools, 25 Auskick centres and 45 junior clubs, new community programs working with Bayside schools were established under the enhanced St Kilda Community Strategy. Play to Your Strengths and Saints Active have both been piloted in 2017 with plans for further roll out in 2018.

Building a strong and robust business

In order to fast track St Kilda's journey towards premiership success, the club is striving to increase the investment in our football program. To achieve this, we have developed a resilient business model that includes growing both football related and independent revenue streams.

In 2017, the St Kilda Football Club pleasingly delivered an operating profit before grant funding revenue, depreciation, amortisation and interest of \$796,001 (2016: \$150,589) and an overall accounting net profit of \$5,267,414 (2016: \$1,107,311).

Included within the net profit is Moorabbin Reserve grant funding revenue of \$8,855,565, depreciation expenses of \$4,032,350 which incorporates an additional depreciation charge due to the clubs expected relocation to Moorabbin of \$2,910,722, amortisation of gaming licences of \$125,454 and interest expense of \$226,348.

CHIEF EXECUTIVE OFFICER'S REPORT (CONTINUED)

In 2017 our operating revenue generated was the highest recorded by the club at \$39.09m with a \$4.6m increase on FY16, largely due to an increase in sponsorship, membership, AFL distributions and match returns.

Key highlights from a revenue perspective include:

- **Sponsorship:** For the first time in many years, the club filled every sponsorship category, with XBlades (on-field apparel), Holman Industries (coach), Hankook Tyres (shorts), New Era (headwear) and Virus (compression) joining the club. In addition, RSEA Safety have come on board as naming rights partner of Moorabbin Reserve for the next three years.
- **Corporate Hospitality and Events:** Through the support of our two major coterie groups - the True Believers and The Halos, our committed player sponsors, and events such as the Saints Business in Sport Lunch and the Pride Match, Sponsorship and Events revenue grew by \$0.33m.
- **Membership:** Record membership of 42,094, built on the back of a retention rate of 88.5 per cent, provided an increase in membership revenue of \$0.83m.
- **AFL Distribution:** Distributions from the AFL rose by over \$3m (\$2.11m which can be attributed to increased player payments due to the introduction of a new collective bargaining agreement (CBA)).

Against the above revenue outcomes, the following material changes in expenditure are worth noting:

- **Football department spending:** An increased investment in our football department spending of \$2.99m (\$2.11m increase related to the introduction of new CBA).
- **Administration:** The Administration cost increase of \$3.5m includes a non-cash adjustment of \$2.9m relating to the Seaford Leasehold and further investments in our capabilities across marketing, human resources and the club's Foundation.

Returning home

In 2017, giant steps were taken in the redevelopment of Moorabbin Reserve, now named RSEA Park.

Returning to the club's spiritual home will be a poignant moment in St Kilda's history and inject a level of enthusiasm that cannot be underestimated.

In early 2017, ADCO Constructions (Vic), was appointed as the main works contractor in the redevelopment at RSEA Park and by the end of the Club's financial year our new home had well and truly taken shape. The new state-of-the-art facility will provide an important headquarters for our men's side and in the future our AFLW side.

It will also be the headquarters for the South Metro Football league and the Southern Football Netball League, the Sandringham Dragons and St Kilda's academy programs.

Conclusion

Football clubs cannot operate without a contribution from a range of groups, made up of incredibly passionate people.

I would like to firstly thank our executive team for their tireless work in helping the club achieve many of its ambitious objectives and for constantly pursuing excellence. This talented group is of course supported by their staff who go above and beyond to help St Kilda raise the bar in all areas.

To that end, I must offer my thanks to Alan and Jarryn and the remainder of the coaching team and playing group, for your continued support and professionalism.

Our volunteers, coterie groups, sponsors, community partners and of course members and supporters have all contributed enormously to our Club in their unique ways throughout 2017.

And finally, I want to thank President Peter Summers, the Board of Directors and their respective partners, for their support, guidance and commitment to advancing the St Kilda Football Club.

Together we have built a strong platform for success and I look forward to 2018 and continuing to strive for a historic second premiership cup.



Matt Finnis
Chief Executive Officer



ST KILDA SAINTS FOOTBALL CLUB LIMITED

ABN 86 005 174 836 CONSOLIDATED ENTITY

2017 ANNUAL REPORT

CHIEF EXECUTIVE OFFICER'S REPORT (CONTINUED)

2017 HONOURS AND AWARDS

AFL Life Membership: Leigh Montagna

Trevor Barker Award: Sebastian Ross

Runner Up: Dylan Robertson

Third Place: Jarryn Geary

Leading Goal Kicker: Tim Membrey (38 goals)

Best Emerging Player: Jack Billings

Robert Harvey Best Clubman Award: Jarryn Geary

Lenny Hayes Player Trademark Award: Jack Steele

John Moran Loyalty Award: Russell Holmesby

Life Membership: Sean Dempster, Jarryn Geary, Jack Steven,
Peter Maddern, Peter Thomas, Greg Leal

Milestones: 150: Nathan Brown, Jarryn Geary, Jack Steven
100: Jake Carlisle, Jack Newnes, Mav Weller.
50: Tim Membrey, Billy Longer, Jack Billings

Debutants: Ben Long (Round 4), Josh Battle (Round 17),
Rowan Marshall (Round 18)



DIRECTORS' REPORT

Your directors submit their report together with the financial statements of the consolidated entity, being St Kilda Saints Football Club Ltd and its Controlled Entities (the "Group") for the year ended 31 October 2017.

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 and New Zealand
Experience	Peter Summers is the Managing Director and Chief Executive Officer of 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.
Other responsibilities	Chairman of Meetings, Member of the Audit, Risk and Compliance Committee and Remuneration Committee
Andrew Thompson	Vice President
Qualifications	Diploma of Financial Planning
Experience	Head of Private Wealth and partner at Lucerne Investment partners. Previously worked as a director of Wealth Management and advisor for Canaccord between 2008 and 2015. 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.
Matt Finnis	Director and Chief Executive Officer
Qualifications	Bachelor of Arts (Psych), Bachelor of Laws (Hons), Advanced Management Program (INSEAD), Vincent Fairfax Fellowship
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 AFLPA 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>Before his roles in the AFL Matt worked as a commercial lawyer advising numerous sporting organisations, businesses, athletes and government. 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. Matt was a director of Surfing Australia – the peak governing body for the sport of surfing between 2007 and 2016 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> <p>Matt has been a founding member of the Sport Male Champions of Change Group since 2015 working with influential leaders to redefine men's role in taking action on gender inequality.</p>
Paul Kirk	Director
Qualifications	Bachelor of Economics and Member of Australian Institute of Company Directors and Member of Chartered Accountants Australia and 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. Paul is also a Non-Executive Director of a number of other entities.
Other responsibilities	Chairman of the Audit, Risk and Compliance Committee and Member of the Remuneration Committee



ST KILDA SAINTS FOOTBALL CLUB LIMITED

ABN 86 005 174 836 CONSOLIDATED ENTITY

2017 ANNUAL REPORT

DIRECTORS' REPORT (CONTINUED)

Russell Caplan	Director
Qualifications	Bachelor of Laws, Fellow of the Institute of Company Directors and Fellow of the Australian Institute of Management
Experience	Russell Caplan graduated in Law from Melbourne University in 1968 and joined the Shell Oil Company in Melbourne. In a 42 year career with Shell, he worked in many parts of the business in England, Europe, the USA and Australia, retiring in 2010 as Chairman of Shell in Australia. He is Chairman of Horizon Roads Pty Ltd, Chairman of the Melbourne and Olympic Parks Trust, a Director of Aurizon Ltd and a Trustee of the Australian Cancer Research Foundation.
Other responsibilities	Chairman of the Remuneration Committee
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 is currently a Trustee of The State Sports Centre Trust of Victoria and a Commissioner of the Australian Sports Commission.</p>
Other responsibilities	Member of the Audit, Risk and Compliance Committee (resigned August 2017)
Liz Dawson	Director
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, gaming, infrastructure and corporate organisations, including New Zealand Racing Board and Westpac Stadium Trust Board. She is currently a director on the boards of NZ Cricket, NZ Olympic Committee, Hurricanes Rugby, and is the Chair of Kiwi Insurance Ltd.</p> <p>She is a Member of the Oceania Olympic Women and Sport Commission, and has recently served as an independent Panel member of the Review into Respect and Responsibility for NZ Rugby.</p>
Dean Anderson	Director
Qualifications	Bachelor of Economics & Post Graduate Diploma in Finance and Investment
Experience	Currently Client Director, Large Corporates, HSBC Bank Australia Limited and worked in the Banking and Finance industry for 26 years, including 15 years with National Australia Bank Limited. Represented Hawthorn and St Kilda Football Clubs in 150 games including two Premierships with Hawthorn in 1989 and 1991. Over 10 years coaching experience in the Victorian Amateur Football Association and a further 10 years coaching Junior Football.
Andrew Bassat	Director
Qualifications	Bachelor of Science, Bachelor of Laws (Hons), Master of Business Administration
Experience	Andrew is the CEO of SEEK Limited and an Executive Director and co-founded the company in 1997. He has been involved in all stages of the development of the business since then. In particular, Andrew has driven since inception the strategy of the group and led the creation and development of the international and education businesses. Prior to co-founding SEEK, Andrew was a management consultant with Booz Allen & Hamilton and prior to that, he worked as a solicitor at Corrs Chamber Westgarth.



DIRECTORS' REPORT (CONTINUED)

Jack Rush	Director
Appointed	23rd February 2017
Qualifications	<p>Bachelor of Science, Bachelor of Laws (Hons), Master of Business Administration</p> <p>Upon graduating in Law from Monash University B.Juris, LLB, Jack has practised as a barrister in major litigation in all areas of law in jurisdictions throughout the country. He is a Queen's Counsel, a former Chairman of the Victorian Bar Council and from 2013 to 2015 served as a Supreme Court Judge returning to the Bar on 1 February 2016. Jack has served in the Royal Australian Navy Reserve for in excess of 30 years and holds the rank of Commodore. He is currently Deputy Judge Advocate General – Navy.</p> <p>Prior to joining the St Kilda Football Club Board, Jack was Chair of the AFL Grievance Tribunal and provided legal advice to the AFL on a range of football matters. Jack also has a long association with the Victorian Amateur Football Association having served on the executive of the Association and is a former president of the Old Xaverian Football Club.</p> <p>Jack is a lifelong supporter of the Saints.</p>

Directors' Meetings

The number of directors' meetings and the number of meetings attended by each of the directors during the financial year were:

	Number of meetings eligible to attend	Number of meetings attended
Peter Summers	9	9
Andrew Thompson	9	8
Matt Finnis	9	9
Paul Kirk	9	8
Russell Caplan	9	8
Danni Roche	9	7
Liz Dawson	9	2
Dean Anderson	9	8
Andrew Bassat	9	9
Jack Rush	7	7

Company Secretary

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

Yohan Pereira – Bachelor of Business (Accounting), Member of Chartered Accountants Australia and New Zealand. Yohan has worked for the St Kilda Saints Football Club since 2010, firstly as the Finance Manager and currently as the General Manager – Finance & Administration. He has held previous roles with Grant Thornton, Origin Energy and United Biscuits UK. Yohan was appointed Company Secretary on 24th August 2015.

Principal Activities

The principal activities of the 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.



DIRECTORS' REPORT (CONTINUED)

Objectives and Strategies of the Group

The Group's short term objectives are to:

- Be a top 4 side that is positioned to be a consistent premierships contender
- Redevelop sporting and social facilities at our Moorabbin premises
- Increase in our membership base and fan engagement
- Attract and retain high quality people into all on and off-field roles
- Develop a hallmark community engagement platform to direct meaningful positive contribution in the community
- Further develop our Foundation capable of supporting significant infrastructure and community initiatives
- Deliver sustainable cash profits through improving revenues from football and non-football related trading activities
- Have infrastructure and home match stadium returns the equivalent of our competitors

The Group's long term objectives are to:

- Have more than 50,000 members
- 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

Review and Results of Operations

The net profit of the consolidated group for the financial year after providing for income tax, finance costs and asset write-downs is \$5,267,414 (2016: \$1,107,311). Included within the net profit is: Moorabbin Reserve grant funding revenue of \$8,855,565 (2016: \$5,413,959); an additional depreciation charge due to the clubs expected relocation to Moorabbin of \$2,910,722 which is included within our total depreciation expense of \$4,032,350.

Excluding the grant funding revenue, depreciation and amortisation expenses the Club produced an operating profit before interest of \$796,001 which is up on the 2016 result of \$150,589. The improved result can be attributed to commercial and consumer growth in sponsorship and membership and the support provided by the AFL under their Investment model.

Profit from the commercial areas of the business which include sponsorship, fundraising, hospitality and events, grew by \$240,623 and the consumer business grew by \$410,574 largely due to the growth in members of 3,993 (10%) to 42,094. The Club funded the increased investment in non-player and player football department expenditure of \$2,990,508 through an increase in AFL funding of \$3,477,213 which also assisted in growing our community programs, match day support and social club decline due to the Moorabbin redevelopment works. The increased AFL funding was due to the new player collective bargaining agreement (CBA) and the AFL's revised funding model framework.

After Balance Date Events

Information regarding after balance date events is provided in Note 23 of the Financial Statements.

Indemnification and Insurance of Officers

Indemnification

Under the Group'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 Group to pay and satisfy all such costs, losses, expenses and liabilities.

Insurance Premiums

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



DIRECTORS' REPORT (CONTINUED)

Proceedings on Behalf of the Company

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

Environmental Regulation

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

Contribution in Winding Up

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 42,094 members (2016: 38,101).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 October 2017 has been received and can be found in page 13 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 27th November 2017

Collins Square, Tower 1
727 Collins Street
Melbourne Victoria 3000

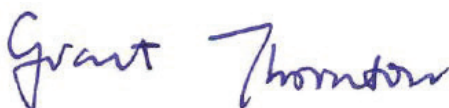
Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.granthornton.com.au

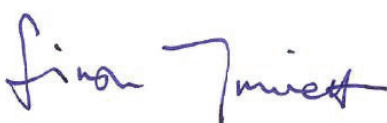
Auditor's Independence Declaration to the Directors of St Kilda Saints Football Club Limited

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 2017, 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, 27 November 2017

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation.



ST KILDA SAINTS FOOTBALL CLUB LIMITED

ABN 86 005 174 836 CONSOLIDATED ENTITY

2017 ANNUAL REPORT

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 October 2017

	Notes	Consolidated	
		2017	2016
		\$	\$
Operating revenues	2	39,097,101	34,514,609
Non-operating revenues	2a	8,855,565	5,413,959
Total revenue		47,952,666	39,928,568
Administration & facilities management		8,841,659	8,859,136
Community		822,358	381,825
Football		23,715,001	20,724,493
Fundraising		58,779	117,042
Ground & maintenance		188,438	175,609
Match day		151,819	116,720
Membership & reserved seats		3,726,290	3,287,800
Merchandise		565,045	664,129
Social club		1,317,705	1,275,250
Sponsorship & events		3,071,810	2,964,502
Total Expenses other than finance costs		42,458,904	38,566,506
Profit/(loss) before related income tax expense and finance costs		5,493,762	1,362,062
Finance costs	3	226,348	254,751
Profit before related income tax expense		5,267,414	1,107,311
Income tax expense	4	-	-
Profit/(loss) after related income tax expense		5,267,414	1,107,311
Other comprehensive income from the year, net of tax		-	-
Total comprehensive income/(loss) for the year		5,267,414	1,107,311

The accompanying notes form part of these financial statements.



STATEMENT OF FINANCIAL POSITION

As at 31 October 2017

	Notes	Consolidated	
		2017	2016
		\$	\$
Current assets			
Cash and cash equivalents	7	4,809,098	4,451,224
Trade and other receivables	8	1,088,750	635,212
Inventories	9	139,687	38,148
Other assets	13	344,794	288,188
Total current assets		6,382,329	5,412,772
Non-current assets			
Property, plant and equipment	11	15,137,883	8,021,585
Intangibles	12	600,804	726,258
Total non-current assets		15,738,687	8,747,843
Total assets		22,121,016	14,160,615
Current liabilities			
Trade and other payables	14	8,387,951	5,838,758
Other current liabilities	15	1,680,582	1,591,247
Other short term loans	16	2,857,570	-
Short-term borrowings	17	3,348,240	133,891
Employee benefits	18	902,075	713,847
Total current liabilities		17,176,418	8,277,743
Non-current liabilities			
Other long term loans	16	-	2,857,570
Long-term borrowings	17	96,424	3,412,156
Employee benefits	18	215,335	247,721
Total non-current liabilities		311,759	6,517,447
Total liabilities		17,488,177	14,795,190
Net assets (deficiency)		4,632,839	(634,575)
Members' equity			
Contributed equity	19	5	5
Accumulated earnings (losses)		4,632,834	(634,580)
Total members' equity		4,632,839	(634,575)

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 October 2017

Consolidated Group	Accumulated losses \$	Contributed equity \$	Total \$
Balance at 1 November 2015	(1,741,891)	5	(1,741,886)
Total comprehensive income attributable to members of Group	1,107,311	-	1,107,311
Balance at 31 October 2016	(634,580)	5	(634,575)
Total comprehensive income attributable to members of Group	5,267,414	-	5,267,414
Balance at 31 October 2017	4,632,834	5	4,632,839

The accompanying notes form part of these financial statements.



ST KILDA SAINTS FOOTBALL CLUB LIMITED

ABN 86 005 174 836 CONSOLIDATED ENTITY

2017 ANNUAL REPORT

STATEMENT OF CASH FLOWS

For the year ended 31 October 2017

	Notes	Consolidated	
		2017	2016
		\$	\$
Cash flows from operating activities			
Receipts from customers, members, sponsors & Australian Football League		42,383,658	37,988,158
Moorabbin redevelopment funds		8,750,000	5,951,000
Payments to suppliers and employees		(41,757,335)	(37,979,926)
Interest received		107,256	9,434
Finance costs		(226,348)	(254,751)
Net cash flows provided by operating activities	21(a)	9,257,231	5,713,915
Cash flows from investing activities			
Purchase of property, plant and equipment		(8,587,840)	(1,404,711)
Purchase of intangible assets		(210,134)	(229,525)
Net cash flows used in investing activities		(8,797,974)	(1,634,236)
Cash flows from financing activities			
Repayment of borrowings		(6,250,000)	(2,300,000)
Proceeds from borrowings		6,250,000	1,000,000
Repayment of finance leases		(101,383)	(172,398)
Net cash flows used in financing activities		(101,383)	(1,472,398)
Net increase in cash and cash equivalents held		357,874	2,607,281
Add cash and cash equivalents at the beginning of the financial year		4,451,224	1,843,943
Cash and cash equivalents at the end of the financial year	21(c)	4,809,098	4,451,224

The accompanying notes form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2017

1. Statement of Significant Accounting Policies

The financial report includes the consolidated financial statements and notes of St Kilda Saints Football Club Ltd 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 27th November 2017.

Basis of Preparation

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), and the Corporations Act 2001. St Kilda Saints Football Club Ltd 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 profit of \$5,267,414 for the year ended 31st October 2017 (2016: \$1,107,311). At year end the Group has net assets of \$4,632,839 (2016 deficiency: \$634,575) and a net current asset deficiency of \$10,794,089 (2016: \$2,864,971). This result includes Moorabbin Reserve grant funding revenue and additional depreciation charged due to the clubs expected relocation to Moorabbin. Post balance date the Group extended its loan facilities with Westpac to 31st December 2019 and the Australian Football League (AFL) to the 7th December 2018. 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 AFL including:
 - a. The continued guarantee of the Group's borrowing facilities with Westpac totalling \$6.75m (currently drawn to \$3.25m).
 - b. Funding assistance in 2018 together with other agreed support package arrangements.
 - c. Working capital capacity with the AFL enabling the Group to receive periodic advances of monies to pay its creditors.
2. Having continued success with other strategic initiatives, profit enhancement plans and fundraising efforts in future years.

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

The financial report of the Group does not include any adjustments relating to the recoverability or classification of recorded asset amounts or classification of liabilities, which might be necessary should the group not be able to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

1. Statement of significant accounting policies (continued)

c) Principles of Consolidation

Subsidiaries are all entities over which the group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which the control is transferred to the Group. They are deconsolidated from the date that control ceases.

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

The acquisition method of accounting is used to account for business combinations by the group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

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 less, where applicable, any accumulated depreciation and impairment losses.

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.

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 profit or loss during the financial period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

1. Statement of significant accounting policies (continued)

g) Depreciation Expense

The depreciable amount of all fixed assets 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	2.5 – 7.2 years	Straight line
Leased plant and equipment	5 years	Straight line
Plant and equipment	3 – 20 years	Straight line

The asset's 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 profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

h) 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.

i) Financial Instruments Initial Measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are initially measured at fair value.

Classification and Subsequent Measurement

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables
- financial liabilities

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

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

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

(ii) Financial Liabilities

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

Amortised cost is calculated as:

- a. the amount at which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. 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
- d. less any reduction for impairment.

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 profit or loss.

j) 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 profit or loss.

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.

k) 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

1. Statement of significant accounting policies (continued)

(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 high-quality corporate bonds 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.

l) 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.

m) 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.

n) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. 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 revenues are recognised when the amount of revenue can be measured reliably, collection is probable, and when the criterion for each of the Group's different activities have been met. Details of the activity-specific recognition criteria are described below:

- 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.
- Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.
- Fundraising donations which have been directly received by the Company are recognised on receipt.
- Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.
- Grant revenue is recognised in the profit or loss 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.

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

o) 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.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

1. Statement of significant accounting policies (continued)

p) 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.

q) 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 — Provision for Impairment of Receivables

Included within accounts receivable at 31 October 2017 is an amount receivable from one debtor with a balance aged greater than the Group's standard trading terms. The provision for impairment of receivables provides for this debtor. The Group will nevertheless be pursuing full payment of this debt.

r) Intangibles and Amortisation Expense

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, and are amortised on a straight line basis. It is assessed annually for impairment.

s) 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 2017

	Consolidated	
	2017	2016
	\$	\$
2. Revenue		
<i>Revenue from operating activities</i>		
AFL distributions and other income	20,602,885	17,125,673
Community	267,326	30,000
Finance & administration	167,143	102,313
Fundraising	239,519	282,597
Match returns	1,525,634	1,623,290
Membership & reserved seats	7,477,148	6,646,174
Merchandise	710,803	791,796
Social club	1,934,045	2,069,132
Sponsorship & events	6,170,905	5,838,157
	39,095,408	34,509,132
<i>Revenue from other activities</i>		
Interest – financial institutions	1,693	5,477
Total revenue from operating and other activities	39,097,101	34,514,609
2a. Non-operating revenue		
Moorabbin redevelopment funds – government grants and contributions	8,855,565	5,413,959
Total revenue	47,952,666	39,928,568

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 October 2017

	Consolidated	
	2017	2016
	\$	\$
3. Expenses		
<i>Finance costs:</i>		
Financial Institutions	100,372	123,481
Other	125,976	131,270
<i>Total Finance costs</i>	226,348	254,751
<i>Depreciation of:</i>		
Leasehold improvements – RSEA Park	24,378	32,849
Leasehold improvements – Linen House Centre	3,516,462	3,492,922
Property, plant and equipment	491,510	550,917
Total depreciation and amortisation of property, plant and equipment	4,032,350	4,076,688
<i>Amortisation of:</i>		
Licenses – gaming entitlements	125,454	125,798
<i>Net expense including movements in:</i>		
Provision for impairment of receivables	(20,661)	(112,595)
<i>Net expense for movements in provision for:</i>		
Employee entitlements	155,842	104,478
<i>Rental expense on Operating leases:</i>		
Minimum lease payments	63,772	67,448
<i>Employee Benefit Expenses</i>		
Salary, wages, termination expense and other benefits	24,285,276	22,211,939
Defined contribution superannuation expense	1,487,909	1,385,718
Total employee benefit expense	25,773,185	23,597,657



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

	Consolidated	
	2017	2016
	\$	\$
4. Income Tax Expense		
(a) The components of tax expense comprise		
Current Tax	-	-
Under/(over) provision in respect of prior years	-	-
	-	-
(b) The prima facie tax on loss before income tax is reconciled to the income tax as follows:		
Prima facie tax expense on profit before income at 30%	(1,580,224)	(332,193)
Add:		
Tax effect of:		
- Unrecognised tax losses and temporary differences	(2,515)	(10,397)
- losses exempt from income tax	1,582,739	342,590
Income tax attributable to the entity	-	-
5. Transactions with Key Management Personnel		
Key management personnel compensation included in employee benefits expenses are:	3,133,248	3,185,702
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	46,750	44,250
- AFL specific compliance	15,000	15,000
- other services	3,000	3,000
	64,750	62,250
7. Cash and Cash Equivalents		
Cash at bank	4,710,340	4,351,047
Cash on hand	98,758	100,177
	4,809,098	4,451,224

Included in the cash at bank balance are unspent funds held for the Moorabbin Reserve redevelopment totalling \$4,344,390 (2016: \$4,134,624).



ST KILDA SAINTS FOOTBALL CLUB LIMITED

ABN 86 005 174 836 CONSOLIDATED ENTITY

2017 ANNUAL REPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

	Consolidated	
	2017	2016
	\$	\$
8. Trade and Other Receivables		
Current		
Trade receivables	923,336	425,329
Provision for impairment of receivables	(20,379)	(41,039)
	902,957	384,290
Other receivables	185,793	250,922
	1,088,750	635,212

(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 as per Note 3.

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

	Opening Balance 01/11/2015	Charge for The year	Amount Written Off	Closing Balance 31/10/2016
Consolidated Group	\$	\$	\$	\$
(i) Current Trade Receivables	153,635	(91,704)	(20,892)	41,039

	Opening Balance 01/11/2016	Charge for The year	Amount Written Off	Closing Balance 31/10/2017
Consolidated Group	\$	\$	\$	\$
(i) Current Trade Receivables	41,039	(20,846)	(41,506)	20,379

	Consolidated	
	2017	2016
	\$	\$
9. Inventories		
Merchandise Stock	172,719	135,693
Food & Liquor	6,146	4,806
Provision for Stock Obsolescence	(39,178)	(102,351)
	139,687	38,148

10. Controlled Entities

	Controlling Interest	
	2017	2016
St Kilda Football Club Ltd	100%	100%
	Country of incorporation	
	Australia	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

	Consolidated	
	2017	2016
	\$	\$
11. Property, Plant and Equipment		
Leasehold Improvements		
At cost	12,721,573	12,687,671
Accumulated amortisation	(10,950,052)	(7,409,213)
	1,771,521	5,278,458
Plant and Equipment		
At cost	5,281,179	5,093,609
Accumulated depreciation	(4,306,640)	(3,859,012)
	974,539	1,234,597
Capital Works in Progress		
At cost	12,391,823	1,508,530
Total Property, Plant and Equipment		
At cost	30,394,575	19,289,810
Accumulated depreciation / amortisation	(15,256,692)	(11,268,225)
	15,137,883	8,021,585

(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	1,234,597	5,278,458	1,508,530	8,021,585
Additions	231,452	33,903	10,883,293	11,148,648
Disposals	-	-	-	-
Transfers	-	-	-	-
Depreciation Expense	(491,510)	(3,540,840)	-	(4,032,350)
Carrying amount at the end of year	974,539	1,771,521	12,391,823	15,137,883

	2017	2016
	\$	\$
12. Intangible Assets		
Gaming Licences		
At cost	1,254,540	1,254,540
Accumulated Amortisation	(653,736)	(528,282)
Total Intangible Assets	600,804	726,258

(a) Movement in Carrying Amounts

	Gaming Licences	Total
	\$	\$
Consolidated Group:		
Balance at the beginning of year	726,258	726,258
Additions	-	-
Disposal	-	-
Amortisation charge	(125,454)	(125,454)
Carrying value at the end of year	600,804	600,804



ST KILDA SAINTS FOOTBALL CLUB LIMITED

ABN 86 005 174 836 CONSOLIDATED ENTITY

2017 ANNUAL REPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

	Consolidated	
	2017	2016
	\$	\$
13. Other Assets		
Current		
Prepayments	344,794	288,188
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	7,636,259	4,467,908
Sundry payables & accrued expenses	751,692	1,370,850
	8,387,951	5,838,758
Current unsecured liabilities includes a \$3,775,653 trade payable due to the Australian Football League.		
15. Other Current Liabilities		
Income in advance	1,680,582	1,591,247
16. Other Loans		
Current		
Unsecured Liabilities Other loans	2,857,570	-
Non-current		
Unsecured Liabilities Other loans	-	2,857,570
The Group currently has a non interest bearing unsecured loan which has a review date of 7 th November 2017. Post balance date, the unsecured loan has been extended and now expires on the 7 th November 2018.		
17. Financial Liabilities		
Current		
Secured Liabilities		
Commercial Bill	3,250,000	-
Finance leases	98,240	133,891
	3,348,240	133,891
Non-current		
Secured Liabilities		
Commercial Bill	-	3,250,000
Finance leases	96,424	162,156
	96,424	3,412,156
Commercial Bill facilities		
Total facilities available	6,750,000	6,750,000
Facilities utilised at balance date	(3,250,000)	(3,250,000)
Facilities not utilised at balance date	3,500,000	3,500,000

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****For the year ended 31 October 2017**

The facility is summarised as follows:

The Commercial Bill facility expires on 31st December 2017 and is classified as a current liability. Since balance date, the Commercial Bill facility has been extended and now expires on the 31st December 2019. The Group has one Commercial Bill outstanding at 31st October 2017. The 16 day Commercial Bill for \$3,250,000 will mature on 9th November 2017 at an interest rate of 2.75%.

Security

Guarantee limited to \$6,750,000 has been given by the Australian Football League ACN 004 155 211 to expire on 31st January 2018. Since balance date the Guarantee has been extended and now expires on the 31st January 2020. The fair value of current borrowings approximates their carrying amount as the impact of discounting is not significant. This is further explained in Note 23.

18. Employee Benefits**Current**

	Consolidated	
	2017	2016
	\$	\$
Annual Leave	529,365	509,124
Long Service Leave	372,710	204,723
	902,075	713,847

Non-current

Long Service Leave	215,335	247,721
--------------------	----------------	---------

(a) Aggregate Employee Entitlements

1,117,410	961,568
------------------	---------

(b) Number of Employees

Number of full time employees at year end	85	82
---	-----------	----

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
------------------------------	----------	---

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 42,094 members (2016: 38,101).

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 2017

Consolidated

2017	2016
\$	\$

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	82,344	82,344
later than one year and not later than five years	284,688	284,688
later than five years	1,174,352	1,242,430
	1,541,384	1,609,462

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 31st October 2011.

(b) Minimum Player Payments

not later than one year	12,938,500	10,926,000
later than one year and not later than five years	14,865,000	11,725,000
later than five years	-	-
	27,803,500	22,651,000

(c) Finance Lease Commitments

The Group has a number of plant and equipment under finance lease with a current carrying value of \$336,776.

not later than one year	108,067	133,894
later than one year and not later than five years	106,067	162,156
later than five years	-	-
	214,133	296,050

(d) Moorabbin Reserve capital commitments:

The entity has entered into various contracts for the development of a new training and administration facility at Linton Street in Moorabbin, Victoria. The remaining of the contractual commitments is as follows:

not later than one year	19,602,240	1,307,673
later than one year and not later than five years	24,100	16,500
later than five years	-	-
	19,626,340	1,324,173

Grant revenue for the Moorabbin Reserve redevelopment that has been recognised since 2015 is \$14,419,524, the difference between this revenue and the capital commitments in Note 20 (d) relate to grants/fundraising that is yet to be received as of balance date.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

	Consolidated	
	2017	2016
	\$	\$
21. Cash Flow information		
(a) Reconciliation of cash flow from operations with profit after income tax		
Profit/(loss) after income tax	5,267,414	1,107,311
Non cash flows in profit from ordinary activities		
– Net (profit)/loss on disposal or write-off of property & equipment	-	8,481
– Depreciation and Amortisation of non-current assets	4,157,804	4,202,486
Changes in assets and liabilities		
– (Increase) / decrease in trade and other receivables	(453,537)	589,017
– (Increase) / decrease in inventory	(101,541)	48,941
– (Increase) / decrease in other assets	(56,606)	(111,247)
– Increase / (decrease) in employee benefits	155,842	104,478
– Increase / (decrease) in other current liabilities	89,335	216,885
– Increase / (decrease) in trade and other payables	198,520	(452,437)
Cash flow from operations	9,257,231	5,713,915
(b) Non-cash investing and financing activities		
Acquisition of plant and equipment by means of finance leases	168,764	290,245
(c) Reconciliation of cash		
Cash balance comprises:		
– cash at bank	4,710,340	4,351,052
– cash on hand	98,758	100,172
Closing cash balance	4,809,098	4,451,224

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****For the year ended 31 October 2017****22. Parent entity information**

Information relating to St Kilda Saints Football Club Limited (Parent)

Statement of financial position

Current assets	6,368,549	5,398,573
Total assets	22,115,016	14,157,614
Current liabilities	17,170,841	8,274,743
Total liabilities	17,482,177	14,792,190
Net assets	4,632,839	(634,576)
Retained earnings	4,632,839	(634,576)
Total equity	4,632,839	(634,576)

Statement of profit or loss and other comprehensive income

Profit for the year	5,267,414	1,107,311
Other comprehensive income	-	-
Total comprehensive income	5,267,414	1,107,311

The Parent Entity has capital commitments of \$19,626,340 to purchase plant and equipment (2016: \$1,324,173).

The Parent Entity has not entered into a deed of cross guarantee nor are there any contingent liabilities at year end.

23. Events After the Balance Sheet Date

Post balance date the loan facilities with Westpac and the Australian Football League (AFL) were extended. The Westpac Business Finance Agreement has been extended by a further two years and now expires on the 31st December 2019 and the AFL Loan Agreement has been extended to the 7th November 2018. Given the agreements were extended post balance date they are disclosed as current liabilities in the financial statements. This puts the Group's net current asset deficiency at \$10,794,089. Had the new agreements been in place at balance date, the net current asset deficiency would have been \$4,686,519.

24. Contingent Liabilities

There are no contingent liabilities that have been incurred by the Group in relation to 2017.

25. 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.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2017

26. 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 14 to 34, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards Reduced Disclosure Requirements including the Australian Accounting Interpretations and the Corporations Regulations 2001; and
 - b. give a true and fair view of the financial position as at 31 October 2017 and of the performance for the year ended on that date of the 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 27th November 2017

Collins Square, Tower 1
727 Collins Street
Melbourne Victoria 3000

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report to the Members of St Kilda Saints Football Club Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of St Kilda Saints Football Club Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 October 2017, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) in the financial statements, which indicates that, as at 31 October 2017, the Group's current liabilities exceeded its current assets by \$10,794,089. As stated in Note 1(b), these events or conditions, along with other matters as set forth in note 1(b), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 October 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors' for the Financial Report

The Directors of the Group 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.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

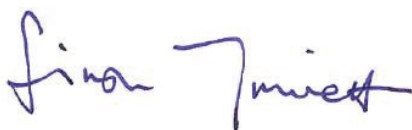
Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.

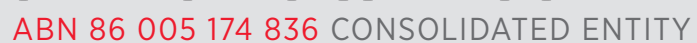


GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



S C Trivett
Partner - Audit & Assurance

Melbourne, 27 November 2017





ST KILDA SAINTS FOOTBALL CLUB LIMITED

ABN 86 005 174 836 CONSOLIDATED ENTITY

2017 ANNUAL REPORT

NOTES



ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 OCTOBER 2017