

\$110

1247096

agent number 000000059  
 agent name KPMG Peat Marwick  
 address 7th Floor 161 Collins St  
 MELBOURNE VIC 3000  
 telephone 288-5555  
 facsimile 288-6666  
 DX



Is a receipt required? YES      ASC Approval Number 90-0003

1990 ANNUAL RETURN OF A COMPANY  
 National Companies & Securities Commission

form 66  
 Companies Code/Act 263(1)  
 reg 56A

ACN: 004 155 211

1. place of incorporation: Victoria  
 registered number: 14601-P      financial year ended: 31.10.90

2. annual general meeting - meeting Held - date of meeting: 19.02.91

3. company name: AUSTRALIAN FOOTBALL LEAGUE

4. registered office: 120 Jolimont Road  
 JOLIMONT VIC 3002

**RECEIVED**  
 28 NOV 1991  
**IPC**  
 3 DEC 1991  
 MELB P.C.

5. class of company: Public Company not listed on an Australian securities exchange  
 was the company exempt for all of financial year of this return? N/A

6. participating states: WA, TAS, SA, QLD, NSW, NT, ACT

7. principal activities: Conduct of Sporting Competitions & Services

8. company officers:

Carter, Colin      date of birth: 15.07.43  
 127 Wattle Valley Road      place of birth: Perth  
 CAMBERWELL VIC 3124  
 offices held & dates appointed: DIR 20.09.84

Casey, Ron      date of birth: 28.12.27  
 68 Head Street      place of birth: Ballarat  
 Elwood VIC 3184  
 offices held & dates appointed: DIR 19.02.91

DURHAM, Gregory Victor      date of birth: 28.01.54  
 18 Stanlake Rise      place of birth: Richmond  
 LOWER TEMPLESTOWE VIC 3107  
 offices held & dates appointed: SEC 20.09.84

ELLIOTT, John Dorman      date of birth: 03.10.41  
 546 Toorak Road      place of birth: Melbourne  
 TOORAK VIC 3142  
 offices held & dates appointed: DIR 20.09.84

=====

AUSTRALIAN FOOTBALL LEAGUE

registered number: VIC 14601-P

ACN: 004 155 211

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8. company officers: (Continued)

✓ Gordon, Noel date of birth: 22.11.37  
105 Belmont Road place of birth: Euroa Vic  
Cremorne NSW 2090  
offices held & dates appointed: DIR 04.04.90

✓ GORDON, Peter date of birth: 10.09.57  
13 Oakbank Street place of birth: Melbourne  
NEWPORT 3015  
offices held & dates appointed: DIR 20.02.90

✓ Humprhis, Michael date of birth: 14.02.50  
76 Blackburn Road place of birth: Melbourne  
Blackburn VIC 3130  
offices held & dates appointed: DIR 20.03.91

✓ HUTCHESSON, Errol Douglas date of birth: 07.09.39  
10 Linton Avenue place of birth: Melbourne  
LOWER TEMPLESTOWE 3107  
offices held & dates appointed: DIR 20.09.84

✓ KANN, Brian Eugene date of birth: 21.07.33  
24 Jocelyn Avenue place of birth: Melbourne  
NORTH BALWYN 3104  
offices held & dates appointed: DIR 21.02.88

✓ KIMBERLEY, Geoffrey Charles date of birth: 20.07.41  
5 Leslie Grove place of birth: Melbourne  
BRIGHTON 3186  
offices held & dates appointed: DIR 13.06.88

✓ LANE, Ralph date of birth: 16.03.30  
4 Bayview Road place of birth: Canterbury NSW  
BEAUMARIS VIC 3193  
offices held & dates appointed: DIR 20.09.84

✓ LEE, Robert William date of birth: 31.01.27  
44 Fawnbrake Crescent place of birth: Hindmarsh S.A.  
WEST BEACH SA 5024  
offices held & dates appointed: DIR 20.03.91

✓ O'Conner, Terry date of birth: 06.02.38  
17 McNeil Street place of birth: Perth  
Peppermint Grove WA 6011  
offices held & dates appointed: DIR 19.02.91

✓ OAKLEY, Ross Graham date of birth: 30.09.42  
41 Erin Street place of birth: Kyneton  
Richmond VIC 3121  
offices held & dates appointed: PEO 20.09.84

✓ SHAW, David date of birth: 29.10.38  
23 Normanby Avenue place of birth: Melbourne  
BRIGHTON 3186  
offices held & dates appointed: DIR 15.03.88

=====

AUSTRALIAN FOOTBALL LEAGUE

registered number: VIC 14601-P

ACN: 004 155 211

-----

8. company officers: (Continued)

TROTT, Stuart Foster date of birth: 25.04.48  
68 Barrett Street place of birth: Melbourne  
Albert Park VIC 3206  
offices held & dates appointed: DIR 19.02.91

WIEGARD, Leon Albert date of birth: 22.05.39  
8 Rangerview Grove place of birth: Melbourne  
NORTH BALWYN VIC 3104  
offices held & dates appointed: DIR 20.09.84

-----

9. principal business office in Australia

care of:  
unit, floor, building:  
street number & name: 120 Jolimont Road  
suburb/city: JOLIMONT VIC Postcode: 3002  
telephone: 6541244 facsimile: 6541143

-----

10. ultimate holding company N/A

-----

11. current auditor

name: KPMG PEAT MARWICK

business office: 7th Floor  
161 Collins Street  
MELBOURNE VIC Postcode: 3000

date of appointment:

-----

12. issued shares and options

class	description	nominal value \$
class	shares	options issued by company

-----

13. list of members/shareholders Can the company claim exemption under subsection 265(1) or (1A) [337(1) or (2)] YES

Address of register of members:  
120 Jolimont Road  
JOLIMONT VIC Postcode: 3002

-----

14. annual general meeting for previous financial year

Has an annual general meeting for the previous financial year been held since the last annual return was lodged? NO

-----

=====

AUSTRALIAN FOOTBALL LEAGUE

registered number: VIC 14601-P

ACN: 004 155 211

-----

15. addresses of principal offices in participating states or territories

Registered in Australian Capital Territory

Registered in Northern Territory

Floor

P & O Buliding, 9th 2 Castlere Street

SYDNEY NSW

Postcode: 2000

Registered in Queensland

Registered in South Australia

Registered in Tasmania

Registered in Western Australia

-----

16. business names states or territories

VFL Marketing, VFL Final Series

VIC

World Series Football, Australian Football Development

VIC

-----

17. key financial data

as at the end of the financial year

current assets \$	4,766,311
other assets \$	46,376,732
net tangible assets \$	30,404,777
current liabilities \$	8,385,415
other liabilities \$	12,352,851
share capital and reserves \$	30,404,777

for the financial year operating profit and  
extraordinary items after income tax \$ 315,466

Where the company acts as a trustee

liabilities incurred by the company as a trustee \$  
the amount by which the company has the right to be  
indemnified out of trust assets \$

-----

18. auditor's report Were the company accounts for the financial year  
audited ? Yes

if yes, did the auditors report for the financial year  
contain a statement of

- reasons for auditor not being satisfied as  
to any matter referred to in paragraph 285(3)(a), or  
(aa) ? NO

- details of deficiency, failure or shortcoming  
concerning any matter referred to in subsection  
285(4) ? NO

=====

AUSTRALIAN FOOTBALL LEAGUE

registered number: VIC

14601-P

ACN: 004 155 211

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18. auditor's report (Continued)

An exempt proprietary company whose auditor makes one or both of these statements must attach a certified copy of that auditor's report (subparagraph 56A(b)(i) of the Companies Regulations).

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DECLARATION

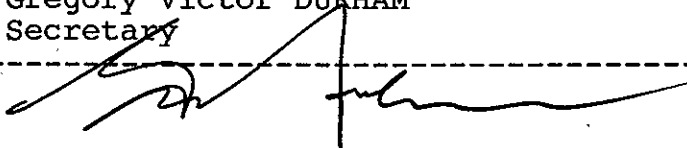
I certify that

- the information given on this Annual Return and on the Statement of Changes is complete and correct at the date of signing
- any key financial data shown at item 17 has been accurately extracted from accounting records in accordance with subsection 267(1)
- there are reasonable grounds to believe that the company will be able to pay its debts when they fall due
- this declaration is made under a resolution by the company's board of directors to adopt the contents of this Annual Return

-----

name: Gregory Victor DURHAM  
Secretary

signature



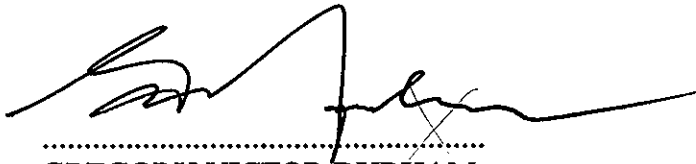
date: 12/09/91

=====

+-----+  
| lodged with the commission |  
+-----+

**AUSTRALIAN FOOTBALL LEAGUE**

This is an annexure of 19 pages marked "A" forming part of the Annual Return of a company, Australian Football League, signed by me and dated the 12<sup>th</sup> day of SEPTEMBER, 1991.

A handwritten signature in black ink, appearing to read 'G. V. Durham', written over a horizontal dotted line.

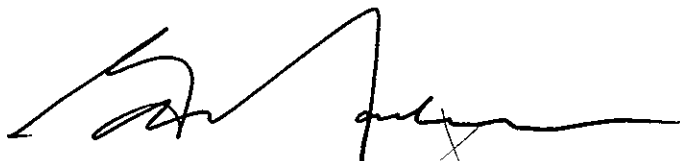
GREGORY VICTOR DURHAM

"A"

**AUSTRALIAN FOOTBALL LEAGUE  
A.C.N. 004 155 211  
CO 14601P**

I hereby certify this to be a true copy of all accounts and group accounts (if any) required by law to be laid before the company at the Annual General Meeting with a copy of every document required to be attached or annexed thereto.

Dated this 12<sup>th</sup> day of ~~SEPTEMBER~~ 1991.

A handwritten signature in black ink, appearing to read 'G. V. Durham', written over a dotted line.

GREGORY VICTOR DURHAM

AUSTRALIAN FOOTBALL LEAGUE

DIRECTORS' REPORT

The Directors have pleasure in presenting their report, together with the accounts of the Australian Football League and the Auditors' Report thereon for the year ended 31st October, 1990.

1. Directors

The names and relevant qualifications of the Australian Football League Directors in office at the date of this report are -

- Mr.R.W. Lee - Director, Adelaide Football Club Ltd
- Mr.N. Gordon - Company Director & Director, Natala Investments Pty Ltd.
- Mr.J. Elliott - President Carlton Football Club Ltd.  
- Bachelor of Commerce (Hons.)  
- Master of Business Administration
- Mr.E. Hutchesson - Director, Collingwood Football Club Ltd.  
- Bachelor of Economics
- Mr. D. Shaw - Solicitor, Campbell & Shaw  
- Director Essendon Football Club Ltd.
- Mr.L. Wiegard - Chairman, Fitzroy Football Club Ltd.  
- Consultant & Radio Broadcaster
- Mr P. Gordon - President, Footscray Football Club Ltd.  
Solicitor, Slater and Gordon
- Mr. C. Carter - Director Geelong Football Club Ltd.  
- Director Pappas, Carter, Evans & Koop and Byron Holdings Ltd.
- Mr.B. Kann - Director, Hawthorn Football Club Ltd.  
- Bachelor of Economics
- Mr.R. Lane - Director, Melbourne Football Club Ltd.  
- Accountant, F.A.S.A., C.P.A.
- Mr.R. Casey - Company Director and Director, North Melbourne Football Club Ltd.



AUSTRALIAN FOOTBALL LEAGUE  
DIRECTORS' REPORT

- Mr.A. Fairley - Director, Richmond Football Club Ltd.  
- Solicitor, Hunt & Hunt
- Mr.C. Kimberley - Director Sydney Australian Football Club  
Pty Ltd  
- Managing Director, Just Jeans Pty Ltd.
- Mr.M.D. Tilley - Director, St.Kilda Football Club Ltd.  
F.A.C.A., F.A.S.A.
- Mr.J. Adams - Director, Indian Pacific Ltd.  
- Solicitor, Adams, Maguire and Sier

2) Principal Activities

The principal activities of the League in the course of the financial year have been to promote, control, manage and encourage Australian football and no significant change in the nature of those activities has occurred during that period.

3) Operating Result

The operating loss before abnormal and extraordinary items of the Australian Football League for the year under review was \$140,167 (1989 \$262,000 surplus).

4) Dividends

The Memorandum of Association of the Australian Football League specifically prohibits the payment of dividends to members.

	<u>1990</u>	<u>1989</u>
5) <u>Review of Operations</u>		
Total Income	\$30,470,939	\$28,589,350
	=====	=====
Operating Surplus before interest, deferred finance charges, depreciation and grants to AFL Clubs	17,736,160	16,287,101
Less Interest & Deferred Finance Charges	(1,515,218)	(1,541,929)
	-----	-----
	16,220,942	14,745,172
Less Depreciation	(745,430)	(257,584)
	-----	-----
	15,475,512	14,487,588
Less Grants to Clubs	(15,615,679)	(14,225,588)
	-----	-----
Surplus of Expenditure over Income	(140,167)	262,000
Abnormal Item	455,633	1,050,000
Extraordinary item	-	(2,087,652)
	-----	-----
Surplus of Income over Expenditure after Abnormal and Extraordinary Item	\$315,466	\$( 775,652)
	=====	=====

6. State of Affairs

In the opinion of the Directors' there were no significant changes in the state of affairs of the League that occurred during the financial year under review not otherwise disclosed in this report or the accounts.

7. Post Balance Date Events

There are no matters which have arisen since the end of the financial year which have significantly affected or may significantly affect the operation of the Australian Football League, the results of those operations, or the state of affairs of the Australian Football League in subsequent financial years with the exception of Note 18 disclosed in the accounts.

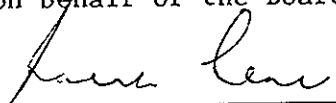
8. Likely Developments

The Directors do not anticipate any major changes in the basis of operations of the Australian Football League and the results thereon.


9. Directors' Benefits

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit by reason of a contract made by the League or a related corporation, with a Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

This report is made by authority of a resolution of the Directors and signed on behalf of the Board by -

  
\_\_\_\_\_  
Director

R. LANE F.A.S.A., C.P.A.

  
\_\_\_\_\_  
Director

D.H. SHAW L.L.B.

Dated at Melbourne this 5th day of February, 1991.

Chartered Accountants

Incorporating Touche Ross Australia

500 Bourke Street  
Melbourne VIC 3000  
Australia

GPO Box 2291U  
Melbourne VIC 3001  
Australia

Telephone: (03) 640 5555  
Telex: 32 168 PEATMEL  
DX 300 Melbourne  
Facsimile: (03) 602 2744

Our Ref:

AUDITORS' REPORT TO THE MEMBERS OF  
AUSTRALIAN FOOTBALL LEAGUE

We have audited the accounts set out on pages 5 to 17 in accordance with Australian Auditing Standards.

In our opinion the accounts are properly drawn up in accordance with the provisions of the Companies (Victoria) Code and so as to give a true and fair view of:

- i) the state of affairs of the Australian Football League at 31st October, 1990 and the result of the Australian Football League for the year ended on that date;
- ii) the other matters required by Section 269 of that Code to be dealt with in the accounts;

and are in accordance with applicable Approved Accounting Standards and Australian Accounting Standards.

*KPMG Peat Marwick*

KPMG PEAT MARWICK



P.M. SHANNON - Partner  
Chartered Accountants

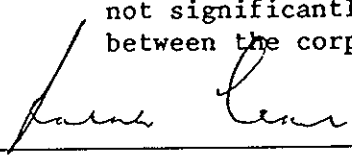
Melbourne  
5th February, 1991



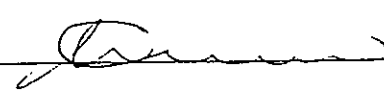
AUSTRALIAN FOOTBALL LEAGUE

STATEMENT BY DIRECTORS

1. In the opinion of the Directors of the Australian Football League -
  - (a) the accompanying Statement of Income and Expenditure of the League is drawn up so as to give a true and fair view of the results of the Australian Football League for the year ended 31st October, 1990;
  - (b) the accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the Australian Football League as at 31st October 1990;
  - (c) as at the date of this statement, there are reasonable grounds to believe that the Australian Football League will be able to pay its debts as and when they fall due.
2. The accompanying accounts of the Australian Football League are made out in accordance with applicable Approved Accounting Standards and Australian Accounting Standards.
3. Under Seventh Schedule, Clause 35(a)
  - a) it was deemed unnecessary that V.F.L. Management Services Pty. Ltd. and V.F.L. Funding Pty. Ltd. be consolidated in the accounts as it is preferable in the interests of the members that the accounts be prepared in the form in which they are prepared as V.F.L. Management Services Pty. Ltd. is a management service organisation and VFL Funding Pty. Ltd. is a funding company and are both not directly involved in football administration.
  - b) in the opinion of the Directors, the accounts so prepared are not significantly affected by transactions and balances between the corporations covered by the accounts.

  
\_\_\_\_\_  
R. LANE F.A.S.A., C.P.A.

Director

  
\_\_\_\_\_  
D.H. SHAW L.L.B.

Director

Dated at Melbourne this 5th day of February, 1991.

AUSTRALIAN FOOTBALL LEAGUE

INCOME AND EXPENDITURE STATEMENT - YEAR ENDED 31 OCTOBER 1990

	NOTE	1990 \$	1989 \$
Operating Income	2	<u>30,470,939</u>	<u>27,589,350</u>
Operating Surplus(Loss) before Abnormal Item	3	(140,167)	262,000
Abnormal Item	4	455,633	1,050,000
		-----	-----
Operating Surplus after Abnormal Item		315,466	1,312,000
Extraordinary item	5	-	(2,087,652)
		-----	-----
<u>OPERATING SURPLUS AND EXTRAORDINARY ITEM</u>		315,466	( 775,652)
Retained Surplus at beginning of year		3,965,097	4,790,749
Adjustment required on adoption of Approved Accounting Standard ASRB 1021			
"Depreciation of Non Current Assets"	1(c)	(1,954,536)	-
		-----	-----
<u>TOTAL AVAILABLE FOR APPROPRIATION</u>		2,326,027	4,015,097
Transfers to Asset Replacement Reserve	16	(50,000)	(50,000)
		-----	-----
<u>RETAINED SURPLUS AT 31 OCTOBER 1990</u>		2,276,027	3,965,097
		=====	=====

The accompanying notes form part of these accounts.

AUSTRALIAN FOOTBALL LEAGUE

BALANCE SHEET AS AT 31 OCTOBER 1990

	NOTE	1990 \$	1989 \$
<b>CURRENT ASSETS</b>			
Cash		600	600
Receivables	6	4,670,394	5,551,942
Inventories	8	<u>95,317</u>	<u>74,052</u>
<b>TOTAL CURRENT ASSETS</b>		<u>4,766,311</u>	<u>5,626,594</u>
<b>NON CURRENT ASSETS</b>			
Investments	7	4	4
Receivables	9	2,454,035	2,462,101
Property Plant & Equipment	10	43,762,276	43,909,766
Other	11	<u>160,417</u>	<u>-</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>46,376,732</u>	<u>46,371,871</u>
<b>TOTAL ASSETS</b>		<u>51,143,043</u> =====	<u>51,998,465</u> =====
<b>CURRENT LIABILITIES</b>			
Creditors and Borrowings	12	5,088,663	5,243,225
Provisions	13	<u>3,296,752</u>	<u>2,430,606</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>8,385,415</u>	<u>7,673,831</u>
<b>NON-CURRENT LIABILITIES</b>			
Creditors and Borrowings	14	4,661,812	6,122,571
Provisions	15	<u>7,691,039</u>	<u>6,158,216</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>12,352,851</u>	<u>12,280,787</u>
<b>TOTAL LIABILITIES</b>		<u>20,738,266</u> =====	<u>19,954,618</u> =====
<b>NET ASSETS</b>		<u>30,404,777</u> =====	<u>32,043,847</u> =====
<b>ACCUMULATED FUNDS</b>			
Reserves	16	28,128,750	28,078,750
Retained Surplus		<u>2,276,027</u>	<u>3,965,097</u>
<b>TOTAL ACCUMULATED FUNDS</b>		<u>30,404,777</u> =====	<u>32,043,847</u> =====

The accompanying notes form part of these accounts.

AUSTRALIAN FOOTBALL LEAGUE  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
YEAR ENDED 31 OCTOBER 1990

NOTE 1  
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In order to assist in an understanding of the figures presented in the accounts, the following summary explains the significant accounting policies that have been adopted in the preparation of the League's accounts for the year ended 31 October 1990.

- a) The accounts have been prepared in accordance with conventional historical cost principles, together with the basic concepts of going concern and the accrual basis of accounting. The accounts of the company have also been drawn up in accordance with accounting standards and disclosure requirements of the Australian accounting bodies, applicable Approved Accounting Standards and the provisions of Schedule 7 of the Companies (Victoria) Code. The accounts have not been adjusted for changes in the general purchasing power of the dollar or for changes in the prices of specific assets, except to the extent that the revaluation of certain assets (as noted in the accounts) partially reflects such changes.
- b) Grants are made to clubs of the Australian Football League to enable the Australian Football League to carry out the promotion, control, management and encouragement of Australian football.
- c) Items of Property, Plant and Equipment are capitalised at historical cost and depreciated as outlined below.

The valuation of land and buildings is regularly reviewed by the Directors' and where considered appropriate, revalued amounts are incorporated in the financial statements. A valuation has been undertaken in the current year and the current valuations are disclosed by way of a note to the accounts (Note 22), and these valuations have not been brought to account in the financial statements.

Depreciation on furniture, fittings, equipment and motor vehicles is calculated on a reducing balance basis so as to write off the net cost of each fixed asset during its effective working life. Additions are depreciated from date of purchase. The principal annual rates are -

Motor Vehicles	22 <sup>1</sup> / <sub>2</sub> %
Furniture, Fittings and Equipment	20%

Depreciation on buildings has been brought to account for the first time in this financial year in accordance with ASRB 1021. The assets concerned, AFL Waverley Stadium Complex and AFL House Jolimont Road, are now depreciated at 1% and 2% respectively. The financial effect of this change is to decrease profit by \$413,924 in the current year and decrease accumulated funds by \$1,954,536.

- d) Taxation - The surplus of the company is exempt from income tax under Section 23 of the Income Tax Assessment Act 1936 as amended, as the company's activities are solely the promotion, administration and development of Australian Rules football.

AUSTRALIAN FOOTBALL LEAGUE  
 NOTES TO AND FORMING PART OF THE ACCOUNTS  
 YEAR ENDED 31 OCTOBER 1990

- e) The Australian Football League has an unsecured loan from a subsidiary company, VFL Funding Pty. Ltd., on which no interest is currently payable. Finance charges are incurred throughout the period and have therefore been provided for in the accounts as a provision for deferred finance charges.

The finances raised by VFL Funding Pty. Ltd. are secured by a registered mortgage over the Australian Football League assets, AFL Waverley and AFL House, and a registered debenture mortgage (floating charge) over the League's assets.

- f) The accounts of the Australian Football League are not consolidated with the accounts of its subsidiary companies for the reasons stated in the Statement by the Directors attached to these accounts.

- g) Expenditure of a material amount is carried forward to the extent it is recoverable out of future revenue, where it does not relate solely to revenue which has already been brought to account, and where it contributes to the future earning capacity of the League.

Deferred expenditure is amortised over the period in which the related benefits are expected to be realised, being 5 years.

NOTE 2.  
 OPERATING INCOME

	<u>1990</u>	<u>1989</u>
	\$	\$
Income from Trading Operations	30,033,132	26,893,609
<u>Other Income</u>		
Proceeds on sale of non-current assets	10,610	266,155
Interest received - other corporations	<u>427,197</u>	<u>429,586</u>
	<u>30,470,939</u>	<u>27,589,350</u>

NOTE 3.  
 OPERATING SURPLUS

Operating surplus is arrived at after charging;

Depreciation of property, plant and equipment	745,430	257,584
Amortisation of deferred expenditure	40,012	-
Bad and doubtful debts expense	28,305	82,488
Auditors Remuneration - Audit	15,500	12,500
- Other Services	35,000	33,000
Interest Paid or Payable to;		
- Other Persons	131,681	-
Profit on sale of non-current assets	(483)	(52,975)
Provisions		
- Long Service Leave	17,605	24,356
- Deferred finance charges	1,515,218	1,541,929
- Grants to clubs	15,615,679	14,225,588
- AFL Waverley Seat Replacement	-	144,500
- Insurance Pool - Player Personal Accident (State of Origin Matches)	45,000	-



**AUSTRALIAN FOOTBALL LEAGUE**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**YEAR ENDED 31 OCTOBER 1990**

	1990	1989
	\$	\$
<b>NOTE 4</b>		
<b>ABNORMAL ITEM</b>		
Licence Royalty Received - Sydney Licensee	455,633	1,050,000
	<u>          </u>	<u>          </u>

**NOTE 5**  
**EXTRAORDINARY ITEM**

Advances and legal settlement in respect of Sydney Rules Pty Ltd.(in liquidation)	-	(2,087,652)
	<u>          </u>	<u>          </u>

**NOTE 6**  
**RECEIVABLES (CURRENT)**

Trade debtors	526,814	1,640,233
Other debtors	4,187,034	3,863,037
Provision for doubtful debts	(65,000)	(65,000)
	<u>          </u>	<u>          </u>
	4,648,848	5,438,270
Short Term deposits	-	98,485
SEC Deposits	7,980	9,613
Amount owing from subsidiary	13,566	5,574
	<u>          </u>	<u>          </u>
	4,670,394	5,551,942
	<u>          </u>	<u>          </u>

**NOTE 7**  
**INVESTMENTS**

Details of the Australian Football League's Investments

	<u>Place of</u>	<u>Book Value</u>		<u>Class of</u>	<u>Beneficial</u>
	<u>Incorporation</u>	<u>1990</u>	<u>1989</u>	<u>Share</u>	<u>Interest</u>
Shares in Subsidiaries		\$	\$		
V.F.L. Management Services Pty. Ltd.	Victoria	2	2	Ordinary	100%
VFL Funding Pty.Ltd.	Victoria	<u>2</u>	<u>2</u>	Ordinary	100%
		<u>4</u>	<u>4</u>		

AUSTRALIAN FOOTBALL LEAGUE  
 NOTES TO AND FORMING PART OF THE ACCOUNTS  
 YEAR ENDED 31 OCTOBER 1990

	1990	1989
	\$	\$
<b>NOTE 8.</b>		
<b>INVENTORIES</b>		
Stock of uniforms, apparel and marketing stores	95,317	74,052
	=====	=====
- Valued at the lower of cost and net realisable value		
<b>NOTE 9</b>		
<b>RECEIVABLES (NON-CURRENT)</b>		
Long Term Deposit	742,000	848,000
Amount owing from subsidiary company	1,110,000	1,110,000
Other Non-Current Debtors	<u>602,035</u>	<u>504,101</u>
	2,454,035	2,462,101
	=====	=====
<b>NOTE 10</b>		
<b>PROPERTY PLANT AND EQUIPMENT</b>		
<u>AFL Waverley Stadium Complex (1)</u>		
Land - At Directors' 1985 Valuation (2)	<u>6,137,800</u>	<u>6,137,800</u>
Complex - At Directors' 1985 Valuation (2)	32,936,843	32,936,843
Additions - at cost	2,264,837	-
Less Provision for Depreciation	<u>(1,985,304)</u>	<u>-</u>
	<u>33,216,376</u>	<u>32,936,843</u>
Furniture, Fittings & Equipment at cost	1,045,531	1,000,557
Less Provision for Depreciation	<u>(714,493)</u>	<u>(654,328)</u>
	<u>331,038</u>	<u>346,229</u>
<u>Total AFL Waverley Stadium</u>	<u>39,685,214</u>	<u>39,420,872</u>
	=====	=====
<u>AFL House, Jolimont Road</u>		
Land - at Directors Valuation 1985 (2)	<u>283,969</u>	<u>283,969</u>
Buildings - at Directors Valuation 1985 (2)	3,095,379	3,095,379
Less Provision for Depreciation	<u>(371,400)</u>	<u>-</u>
	<u>2,723,979</u>	<u>3,095,379</u>
<u>Total AFL House</u>	<u>3,007,948</u>	<u>3,379,348</u>
	=====	=====

**AUSTRALIAN FOOTBALL LEAGUE**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**YEAR ENDED 31 OCTOBER 1990**

	1990	1989
	\$	\$
Furniture, Fittings and Equipment - at cost	829,334	764,070
<u>Less Provision for Depreciation</u>	<u>(509,242)</u>	<u>(439,298)</u>
	320,092	324,772
	=====	=====
Motor Vehicles - at cost	1,099,719	930,635
<u>Less Provision for Depreciation</u>	<u>(350,697)</u>	<u>(145,861)</u>
	749,022	784,774
	=====	=====
<u>TOTAL WRITTEN DOWN VALUE</u>	<u>43,762,276</u>	<u>43,909,766</u>
	=====	=====

(1) The Australian Football League has granted an option to purchase the AFL Waverley Stadium Complex to its subsidiary VFL Funding Pty. Ltd. at a consideration equal to the book value of the complex at 1st November, 1984. The option is exercisable up to 30th June, 1992.

(2) Refer to Note 22 in respect to valuation of Land and Buildings at 31 October, 1990.

**NOTE 11.**

**OTHER NON-CURRENT ASSETS**

Deferred Expenditure	200,429	-
less Amortisation	<u>(40,012)</u>	<u>-</u>
	160,417	-
	=====	=====

**NOTE 12.**

**CREDITORS AND BORROWINGS (CURRENT)**

Bank Bill of Exchange (Secured)	1,820,000	-
Trade Creditors	1,229,782	1,799,070
Other Creditors	712,869	1,175,306
Amounts Owing to subsidiary	16,500	16,500
Bank overdraft (Secured)	<u>1,309,512</u>	<u>2,252,349</u>
	5,088,663	5,243,225
	=====	=====

**NOTE 13.**

**PROVISIONS (CURRENT)**

Provision for Grants to AFL Clubs	3,251,752	2,430,606
Insurance Pool - Player Personal Accident (State of Origin Matches)	45,000	-
	<u>3,296,752</u>	<u>2,430,606</u>
	=====	=====

AUSTRALIAN FOOTBALL LEAGUE  
 NOTES TO AND FORMING PART OF THE ACCOUNTS  
 YEAR ENDED 31 OCTOBER 1990

	1990	1989
	\$	\$
<b>NOTE 14.</b>		
<b>CREDITORS AND BORROWINGS (NON-CURRENT)</b>		
Amount Owing to Subsidiaries;		
Loan - VFL Funding - Unsecured (Note 1(e))	4,661,812	6,122,571
	<u>4,661,812</u>	<u>6,122,571</u>

<b>NOTE 15.</b>		
<b>PROVISIONS (NON-CURRENT)</b>		
Provision for deferred finance charges (note 1(e))	7,115,153	5,599,936
Provision for long service leave	142,386	124,780
Provision for AFL Waverley seat replacements	<u>433,500</u>	<u>433,500</u>
	<u>7,691,039</u>	<u>6,158,216</u>

<b>NOTE 16.</b>		
<b>RESERVES</b>		
Asset Revaluation Reserve	25,365,638	25,365,638
Capital Profits Reserve	1,123,112	1,123,112
Asset Replacement Reserve (1)	530,000	480,000
Matrix Screen Construction Reserve	<u>1,110,000</u>	<u>1,110,000</u>
	<u>28,128,750</u>	<u>28,078,750</u>

(1) An amount of \$50,000 was transferred from Accumulated Funds to Asset Replacement Reserve.

**AUSTRALIAN FOOTBALL LEAGUE**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**YEAR ENDED 31 OCTOBER 1990**

**NOTE 17.**  
**SEGMENT REPORTING**

The Australian Football League's activities are entirely the administration and promotion of Australian Rules Football and are confined to Australia except for the sale of television rights to various overseas countries and conduct of exhibition matches in support of television rights in overseas countries.

**NOTE 18.**  
**EVENT SUBSEQUENT TO BALANCE DATE**

On the 13th November 1990, the League entered into a Bill Acceptance & Discount Agreement with Westpac Banking Corporation Limited for a sum of \$2.8m to finance a special grant to the fourteen (14) existing Licenced AFL Clubs of \$200,000 each.

The Bill Facility provided by the League's Bankers, will be serviced and redeemed by amounts due to the League, pursuant to a Licence Agreement entered into by the League and the South Australian National Football League Inc. to facilitate the entry of Adelaide Football Club Limited to the AFL competition, such Licence Agreement having been executed on 11th October 1990.

The Licence fees payable to the League under this agreement, are in instalments payable annually upon execution of the Licence Agreement until the last payment, due on 1st October 1999.

**NOTE 19.**  
**REMUNERATION OF DIRECTORS.**

No Director of the Company receives remuneration in connection with his services to the Company nor are any Superannuation contributions paid by the Company in respect of Directors.

**NOTE 20.**  
**STAFF SUPERANNUATION FUND**

The Company has established a Superannuation Fund which is managed by Australian Mutual Provident Fund Society Ltd.

Membership of the Fund by employees is not compulsory, those employees participating in the Fund contribute five per cent of Salary as contribution, and the Company makes a further contribution to the retirement benefit of members of the Fund.

The Company's contributions are determined periodically by the Fund's Managers to ensure that benefits payable, as per the Trust Deed, to Members in the event of normal retirement will be available upon retirement of each respective member. In the event of the Fund's termination, or voluntary or compulsory termination of employment of each employee of the holding company and other group corporations, sufficient assets are available to meet all benefits payable.

AUSTRALIAN FOOTBALL LEAGUE  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
YEAR ENDED 31 OCTOBER 1990

NOTE 21

RELATED PARTY DISCLOSURES

1. RELATED PARTY TRANSACTIONS

The Australian Football League has related party transactions with the following entities;

VFL Management Services Pty Ltd  
VFL Funding Pty Ltd  
Victorian Football Development Foundation

i) VFL MANAGEMENT SERVICES PTY LTD

Transactions between the related parties include the charging of a service fee by VFL Management Services Pty Ltd to the AFL which represents a charge for the use of the Video Matrix Screen at AFL Waverley and provision of Office Computers at AFL House. The service fee for the year ended 31 October, 1990 amounted to \$612,079.

The Australian Football League has loaned VFL Management Services Pty Ltd \$1,110,000, being the leasehold residual deposit on the Video Matrix Screen.

ii) VFL FUNDING PTY LTD

The Australian Football League has an intercompany liability account with VFL Funding Pty Ltd of \$4,661,812 on which quarterly instalments are paid. VFL Funding Pty Ltd holds an option to purchase the AFL Waverley Complex which is exercisable up to 30 June 1992.

iii) VICTORIAN FOOTBALL DEVELOPMENT FOUNDATION INC.(VFDF)

The Australian Football League has provided a Grant of \$550,000 to the Victorian Football Development Foundation who have recorded this as income in the current year.

2. DIRECTORS

The names of persons who were Directors of the Australian Football League during the financial year are set out in the Directors' Report on pages 1 to 3. Information regarding the remuneration of Directors is set out in Note 19.

3. ACCOUNTS RECEIVABLE OR PAYABLE

Included in Trade Debtors and Other Debtors of the Australian Football League is an amount receivable from a related corporation of \$249,629 (being Victorian Football Development Foundation).

AUSTRALIAN FOOTBALL LEAGUE  
 NOTES TO AND FORMING PART OF THE ACCOUNTS  
 YEAR ENDED 31 OCTOBER 1990

NOTE 22.  
 REVALUATION OF NON-CURRENT ASSETS

An independent valuation was carried out as at 31 October 1990 on AFL Waverley Stadium Complex and AFL House, Jolimont Road by P. Mackarness A.A.I.V., R.J. Anderson A.A.I.V. and D.R. Tunbridge A.A.I.V. respectively, of Sallmans (Vic) Pty Ltd, being Registered Valuers. The valuation of the AFL Waverley Stadium Complex is on the basis of market value of the existing use of the land and the current gross replacement cost of the buildings with appropriate adjustments being made for age, condition, functional and environmental obsolescence. The valuation of AFL House, Jolimont Road has been performed assuming a sale with vacant possession. The results of the valuation are;

AFL Waverley Stadium Complex

Land - at independent valuation	\$18,920,000
Buildings - at independent valuation	<u>\$93,350,000</u>
	\$112,270,000
	=====

AFL House, Jolimont Road

Land - at independent valuation	\$2,100,000
Buildings - at independent valuation	<u>\$2,200,000</u>
	\$4,300,000
	=====

NOTE 23.  
 SECURITY - WESTPAC BANKING CORPORATION

Both the Bank Overdraft and Bank Bill of Exchange are secured by charges over AFL House, AFL Waverley Stadium Complex and all of the Assets and Undertakings of the League.

AUSTRALIAN FOOTBALL LEAGUE  
STATEMENT OF SOURCES AND APPLICATIONS OF FUNDS  
FOR THE YEAR ENDED 31 OCTOBER 1990

	1990 \$	1989 \$
<b>SOURCES OF FUNDS</b>		
<b>FUNDS FROM OPERATIONS (1)</b>		
Inflows of Funds from Operations	30,470,939	28,285,091
less Outflows of Funds from Operations	<u>(12,177,013)</u>	<u>(12,913,207)</u>
	18,293,926	15,371,884
Decrease in Current Assets	860,283	-
Proceeds from Sale of Assets	10,610	266,155
Increase in Current Liabilities	-	<u>3,104,395</u>
	<u>19,164,819</u>	<u>18,742,434</u>
	=====	=====
<b>APPLICATION OF FUNDS</b>		
Increase in Current Assets	-	1,907,912
Increase in Non Current Assets	192,363	479,547
Decrease in Current Liabilities	154,562	-
Decrease in Non-Current Liabilities	1,460,759	1,649,010
Fixed Assets Acquired	2,562,602	1,008,459
Grants paid/credited to AFL Clubs	<u>14,794,533</u>	<u>13,697,506</u>
	<u>19,164,819</u>	<u>18,742,434</u>
	=====	=====

Note (1) Reconciliation of Funds from operations with Operating surplus after Abnormal and Extraordinary items is as follows:-

	1990 \$	1989 \$
Funds from Operations	<u>18,293,926</u>	<u>15,371,884</u>
<u>less</u> Depreciation	745,430	257,584
Amortisation	40,012	-
Provisions	17,193,501	15,942,927
<u>Add</u> Profit on Sale of Assets	<u>483</u>	<u>52,975</u>
Operating Loss After Abnormal & Extraordinary Item	<u>315,466</u>	<u>(775,652)</u>
	=====	=====