ST KILDA FOOTBALL CLUB
ANNUAL REPORT 2009

ACTIONS. NOT WORDS.

CONTENTS

THIS IS SAINTS FOOTY

PRESIDENT'S REPORT

INTRODUCTION

St Kilda's 2009 AFL campaign was a watershed season for our Club. We set new benchmarks throughout the league, thrilled the nation with our exciting style of football and played in one of the most pulsating Grand Finals in recent history. However, we ultimately finished the year with an unsatisfied hunger and no illusions that we still have work to do in order to achieve our ultimate goal of a Premiership.

ON FIELD PERFORMANCE

Our year produced a record winning streak of 19 games and in doing so we became the first team to ever win a home and away match in every state of Australia during the course of a season. We claimed the McClelland Trophy as minor premiers for the first time in over a decade and turned Etihad Stadium into our own red, white and black fortress, registering an unprecedented 18 consecutive wins at the venue. More than half a million fans watched us play at Etihad Stadium in 2009 which is a reflection of the great devotion shown by our members and supporters.

Our attack at the football was ruthless as the Saints broke the all-time AFL record for most tackles in a game, then re-broke it with 118 in that thrilling Grand Final. We held our opponents to the lowest cumulative score in the modern era and had the highest percentage of any Club since 1911.

St Kilda's dominance of the 2009 season was illustrated with the selection of five players in the All-Australian team, including Nick Riewoldt as captain. Ross Lyon fittingly won 'Coach of the Year' for his efforts in transforming the St Kilda Football Club into one of the toughest and most unrelenting teams in the AFL.

Our year was also buoyed with the recommitment of some of our superstars. Club captain Nick Riewoldt was one of many Saints who pledged their future to the Club mid-season by signing a lengthy contract extension. Appropriately, Nick capped a magnificent year by claiming a Club record fifth Trevor Barker Medal at the 2009 JELD-WEN Best & Fairest.

I would like to acknowledge the hard work of senior coach Ross Lyon, his assistants and the football department as a whole for shaping this team into a unified and committed outfit.

FOOTBALL DEPARTMENT

In 2009 we continued to invest money in our football department, taking total football expenditure to $15.2 million. While it's a significant increase from previous years, it still only places us in the middle of the road when viewed in the wider context of the AFL. It's therefore been very pleasing to see what we have been able to achieve with concentrated but modest investment in football.

In 2009, the results from our investments started to come to fruition as we saw a dramatic reduction in the amount of injuries sustained by our players. In fact, just a month from the finals we had only used 27 players compared to the 30 used by the Western Bulldogs and 33 used by Geelong at that same point.

When one season ends, we begin preparing for the next almost immediately. Another frenetic trade week has been and gone and we are delighted to welcome our new recruits to the Club.

Additionally, we have acquired some exciting young prospects in the NAB AFL National Draft after tireless scouting and homework undertaken by our recruitment staff. We look forward to watching them start their career at our Club and wish them all the best for the long road ahead.

FINANCIAL PERFORMANCE

In a positive outcome, we posted an operating profit of $177,335 for 2009, (2008 loss: $684,201) and a net profit of $1,136,458, (2008 loss: $445,566) which includes funding and expenditure for our Frankston and Moorabbin redevelopment projects.

During the year, the AFL and key Victorian Clubs successfully negotiated a more equitable deal and a better return for tenant Clubs at Etihad Stadium. As a result, Clubs will now share an extra $5.5 million per year in income. This will provide our Club with a significant financial benefit in 2010 and beyond. It's a landmark achievement that has come from much

PRESIDENT'S REPORT (CONTINUED)

lobbying by the AFL and they should be congratulated for their diligent work.

Last season we saw the benefits of our match day hospitality overhaul. There has been a rapid decline in this area since 2007 and we sought to arrest this by restructuring our home game options and creating the communal 'Robert Harvey Room' for Level 2 members.

This initiative not only arrested the decline, but resulted in a net profit increase of $292,421 and barely a game went by where this space was not filled with our loyal members listening to guest speakers, eagerly discussing the game and enjoying the various food and beverage options available.

2009 also signaled for the first time since 2005 that we generated over $1 million in merchandise revenue. This was obviously buoyed by our on-field performance, but it's a credit to our commercial operations team for capitalising on strong on-field results.

Our events portfolio had a bumper year with significant demand from our fans and members to be a part of the social side of the Club.

Our flagship event; the 2009 JELD-WEN Best & Fairest sold out in just 45 minutes. There was unprecedented interest in our end of season celebration and it was the third consecutive year we have exhausted our available tickets.

I would like to thank our major sponsor JELD-WEN, as well as our support sponsors for their continued investment in our great Club. Their ongoing commitment has been much appreciated.

Overall we have made it a priority in the last 12 months to retain strong ties with each of our existing partners, something that has been shaped significantly by the business expertise of our new Chief Executive Officer, Michael Nettlefold.

St.George Bank also joined us as our financial services sponsor at the start of the 2009 season and recently stepped up their involvement by committing to associate their brand on St Kilda's playing shorts, home match ball and our highly successful 'Saints in Schools' community program. We look forward to St.George Bank becoming even more involved with our Club in the future.

MEMBERSHIP

One of the most pleasing results in 2009 occurred in our membership department with a Club record 33,048 committed Saints. While this number was the official figure at the June 30 cut off, a further 474 people signed on to give us a final tally of 33,522. This resulted in $565,464 increase in membership net profit.

Members are the lifeblood of our Club and while our 2009 result was gratifying, it is by no means a signal that we can rest on our laurels. The hard work begins right now as we aim to seize the initiative that was started on field by our players to expand our membership base into one of the strongest in the AFL.

In addition to achieving a record membership figure, the Club also sold its entire allocation of 11,500 Social Club memberships for the first time ever. Once the Saints qualified to play in the Grand Final, 93% of these members exercised their right to acquire a ticket to the game which was by far the greatest Grand Final ticketing uptake in AFL history. This goes to show the significant demand for 'Saints Footy' and gives us vast confidence in the product that we are in the process of creating.

Some of our Social Club members were ultimately disappointed with the way in which tickets were randomly allocated for the Grand Final. While we would have obviously preferred to give everyone their first preference, finals ticketing is an AFL operation and out of our hands as a competing Club.

Since the end of the season, we have met with the AFL ticketing agencies to provide feedback on the process and we are confident these parties will be continuously working to improve the system.

2010 FIXTURE

The Saints have managed to secure six Friday night games which is appropriate recognition of the demand for 'Saints Footy'. Furthermore, we have six Saturday matches, 16 night matches, a blockbuster home Grand Final rematch at the MCG against

PRESIDENT'S REPORT (CONTINUED)

Geelong in Round 13 and a Monday night Mother's Day home game against Carlton in Round 7.

We also play 14 of our 22 games at Etihad Stadium, including a run of five consecutive matches between Rounds 17 and 21 at what may be a key point of our season.

As a Club, we relish the opportunity to play big matches. We are delighted that we will have the opportunity to test ourselves with a 2010 draw that reflects the desire to see 'Saints Footy' and we are already looking forward to our season opener in Sydney on Saturday March 27.

OUR NEW HOME

The Saints are on the march to Frankston and it's my pleasure to announce that construction of our new home is on time, on budget and estimated to be complete in August 2010.

Our $11 million elite training and administration facility will include an MCG sized oval, gymnasium, rehabilitation pool, meeting rooms, lecture theatre and an indoor sports hall that will give our Club the facilities we need to train, play and recover from the rigors of AFL football.

Whilst being a tremendous asset for our football operations, the new facility also provides us with an opportunity to strengthen our brand and seize ownership of the bayside corridor from Port Melbourne to Portsea.

This move has been a long time coming and I would like to thank our key funding partners, the Victorian State Government, Frankston City Council and the AFL for committing to this project alongside the St Kilda Football Club.

PEOPLE

Every great organisation has a team of dedicated professionals behind the scenes and the St Kilda Football Club is no exception.

As mentioned before, we welcomed Michael Nettlefold to the Club as CEO in April, 2009. A former player of the Club and highly esteemed businessman, Michael has a very sound business background and an incredibly strong network which has been a great asset to our commercial operations.

A change of CEO at any organisation is often followed by a period of readjustment, however Michael's history with the Saints coupled with his business expertise has ensured that we retained our forward momentum, which will help us to deliver even stronger results in 2010.

In addition to a change of CEO, the Board has approved two new members to join our Board of Directors - Ian McLeod (Managing Director, Coles) and Peter Summers (Managing Director, AVJennings Limited). Both men provide us with decades of experience in business, sporting and financial spheres and will add additional depth to our Board. I look forward to welcoming Ian and Peter when they join the St Kilda Football Club Board in 2010.

I would like to thank the dedicated St Kilda Football Club staff and my fellow Directors for their tireless work, particularly through September 2009.

Finally, I would like to wish the best of luck to Ross Lyon, his football department and the players for the 2010 AFL season.

I also urge all of our supporters to get behind our recent membership campaign and re-join us for another exciting year of 'Saints Footy'.

Go Saints!

President

PASSIONATE.

COMMITTED. MEMBERS.

DIRECTORS' REPORT

Your directors submit their report on the company and its controlled entities for the year ended 31 October 2009.

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:

Greg Westaway	President
Qualifications	Fellow of Chartered Institute of Logistics and Transport, Awarded the Centenary Medal
Experience	Director of Gregorys Transport Pty Ltd, Director of Westhall Enterprises Pty Ltd, Director of various private companies, Former General Manager of B.J Ahern Transport Pty Ltd
Other responsibilities	Chairman of Meetings

Ross Levin	Vice President
Qualifications	Bachelor of Laws, Bachelor of Economics, Graduate Diploma Labour Law
Experience	20 Years practising solicitor. A Senior Partner of Rigby Cooke Lawyers. Formerly a Partner at PricewaterhouseCoopers for seven years. Ten years at Allens Arthur Robinson and Clayton Utz. Adviser to Government and some of Australia's largest companies; Board member of Melbourne University Advisory Board for Graduate Law Studies.

Nathan Burke	Director
Qualifications	Diploma of Teaching
Experience	Currently Owner/Director of YardStick Concepts Pty Ltd specialising in culture and leadership review and development. Also Cultural and Performance Manager at Peripheral Computer Industries. Represented the St Kilda Football Club in 323 games (including 8 finals) from 1987-2003, winning the Trevor Barker award for St Kilda's Best and Fairest player in 1993, 1996 and 1999.

John Gdanski	Director
Qualifications	Bachelor of Law, Bachelor of Economics, Masters of Law, Member of American Bar Association, Member of International Law Society, Diploma of Commercial Studies, Associate Member Institute of Arbitrators.
Experience	Currently a Partner; Fetter Gdanski Solicitors for 14 years. Worked at Freehill Hollingdale & Page for four years and Clayton Utz for four years. Heavily involved in the Building and Construction Industry.

Simon Grant	Director
Qualifications	Bachelor of Laws & Bachelor of Commerce. Fellow of the Chartered Institute of Company Secretaries
Experience	Over 20 years senior executive, managerial, and board experience, including with SAI Private Group, Australian Unity Group, Fosters Brewing Group and Datacraft. Most recently was CEO - Australia & America for MacarthurCook Limited. Former solicitor with Freehill Hollingdale & Page. Experienced in business strategy, corporate governance and business law. Chairman Audit and Compliance Committee

DIRECTORS' REPORT (CONTINUED)

Michael Nettlefold	Managing Director & Chief Executive Officer
Experience	Current Chief Executive Officer of the St Kilda Football Club. Has owned and operated a range of private companies with national and international operations in outdoor media, food manufacturing and retailing and the health care sector. Represented St Kilda Football Club between 1979 -1983 and Fitzroy FC between 1983-1985 (total of 74 matches including 2 finals).

Andrew Thompson	Director
Qualifications	Diploma of Financial Planning
Experience	Investment advisor for BGF Capital. 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)

Directors have been in office since the start of the financial year to date of this report unless otherwise stated.

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
Greg Westaway	10	10
Ross Levin	10	8
Nathan Burke	10	8
John Gdanski	10	9
Simon Grant	10	9
Michael Nettlefold	10	9
Andrew Thompson	10	10

Company Secretary

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

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

DIRECTORS' REPORT(CONTINUED)

Principal Activities

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

There has been no significant change in those activities.

Review and Results of Operations

The consolidated profit before income tax, finance costs and asset write-down is $1,204,865 (2008 loss: $198,957). The net profit of the consolidated group for the financial year after providing for income tax, finance costs and asset write-downs is $1,136,458 (2008 loss: $445,566).

A review of the operations is contained in the President's Report on pages 3 - 6.

Financial Position

The net asset position of the consolidated group has improved from a deficiency of $1,261,974 (Parent: $726,463) at 31 October 2008 to $125,516 (Parent: $125,516) at 31 October 2009.

After Balance Date Events

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

Dividends Paid or Recommended

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

Indemnification and Insurance of Officers

Indemnification

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

Insurance Premiums

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

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

Proceedings on Behalf of the Company

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

DIRECTORS' REPORT (CONTINUED)

Environmental Regulation

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

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 October 2009 has been received and can be found in page 14 of the directors' report.

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

Greg Westaway
President

Ross Levin
Vice President

Melbourne

Dated on this 14th day of January 2010.

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Auditor's Independence Declaration
To the Directors of St Kilda Saints Football Club Ltd and controlled entities

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 Ltd and controlled entities for the year ended 31 October 2009, 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
Chartered Accountants

Simon Trivett
Partner

Melbourne, 14 January 2010

INCOME STATEMENT

For the year ended 31 October 2009

	Notes	Consolidated Group		Parent Entity	
		2009	2008	**2009**	2008
		$	$	**$**	$
Operating Revenues	2(a)	**25,864,834**	23,025,626	**26,000,317**	23,144,994
Non-Operating Revenues	2(b)	**1,756,056**	428,143	**1,236,056**	428,143
Revenue from Significant Items	2(c)	**-**	250,000	**-**	250,000
Revenues from ordinary activities		**27,620,890**	23,703,769	**27,236,373**	23,823,137
Finance & Administration		**2,216,923**	2,545,524	**3,164,850**	2,608,061
Football Expenses		**15,080,861**	14,111,379	**15,080,861**	14,111,379
Fundraising		**101,225**	114,547	**101,225**	114,547
Ground & Maintenance		**123,178**	107,304	**123,178**	107,304
Membership & Reserved Seats		**2,738,602**	2,331,890	**2,738,602**	2,331,890
Merchandise		**907,622**	630,953	**907,622**	630,953
Social Gaming		**648,046**	682,519	**648,046**	682,519
Sponsorship & Events		**3,802,635**	3,378,610	**3,802,635**	3,378,610
Total Expenses from ordinary activities		**25,619,092**	23,902,726	**26,567,019**	23,965,263
Profit/(Loss) before related income tax expense, finance costs and asset write-down		**2,001,798**	(198,957)	**669,354**	(142,126)
Finance Costs	3	**68,407**	64,743	**68,407**	64,743
Demolition & Emergency Order Costs	3	**796,933**	-	**-**	-
Write-down of Assets	3	**-**	189,508	**-**	123,716
Profit/(Loss) before related income tax expense		**1,136,458**	(453,208)	**600,947**	(330,585)
Income tax expense/(benefit) relating to ordinary activities	4	**-**	(7,642)	**-**	-
Profit/(Loss) from ordinary activities after related income tax expense		**1,136,458**	(445,566)	**600,947**	(330,585)

The accompanying notes form part of these financial statements.

BALANCE SHEET

As at 31 October 2009

	Notes	Consolidated Group		Parent Entity	
		2009	2008	**2009**	2008
		$	$	**$**	$
Current Assets					
Cash and cash equivalents	7	**4,523,150**	1,478,319	**4,523,145**	1,478,314
Trade and other receivables	8	**1,111,615**	606,610	**1,108,067**	602,800
Inventories	9	**78,919**	226,073	**78,919**	226,073
Other assets	12	**277,796**	304,839	**277,796**	304,839
Total current assets		**5,991,480**	2,615,841	**5,987,927**	2,612,026
Non-current assets					
Trade and other receivables	8	**-**	-	**366,613**	922,237
Property, plant and equipment	11	**2,719,693**	1,326,787	**2,353,237**	936,197
Total non-current assets		**2,719,693**	1,326,787	**2,719,850**	1,858,434
Total assets		**8,711,173**	3,942,628	**8,707,777**	4,470,460
Current liabilities					
Trade and other payables	13	**3,763,099**	2,229,455	**3,759,703**	2,221,776
Other current liabilities	14	**3,185,253**	1,233,242	**3,185,253**	1,233,242
Short-term borrowings	15	**1,500,000**	1,468,588	**1,500,000**	1,468,588
Short-term provisions	16	**346,646**	244,870	**346,646**	244,870
Total current liabilities		**8,794,998**	5,176,155	**8,791,602**	5,168,476
Non-current liabilities					
Other long-term provisions	16	**41,691**	28,447	**41,691**	28,447
Total non-current liabilities		**41,691**	28,447	**41,691**	28,447
Total liabilities		**8,836,689**	5,204,602	**8,833,293**	5,196,923
Surplus/(Deficiency) of net assets		**(125,516)**	(1,261,974)	**(125,516)**	(726,463)
Members' equity					
Contributed equity	17	**5**	5	**-**	-
Accumulated profits/(losses)		**(125,521)**	(1,261,979)	**(125,516)**	(726,463)
Total members' equity		**(125,516)**	(1,261,974)	**(125,516)**	(726,463)

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 October 2009

	Retained Earnings	Contributed Equity	Total
Consolidated Group			
Balance at 1 November 2007	(816,413)	5	(816,408)
Profit attributable to members of consolidated group	(445,566)	-	(445,566)
Balance at 31 October 2008	(1,261,979)	5	(1,261,974)
Profit attributable to members of consolidated group	1,136,458	-	1,136,458
Balance at 31 October 2009	(125,521)	5	(125,516)
Parent Entity			
Balance at 1 November 2007	(395,878)	-	(395,878)
Profit attributable to members of parent entity	(330,585)	-	(330,585)
Balance at 31 October 2008	(726,463)	-	(726,463)
Profit attributable to members of parent entity	600,947	-	600,947
Balance at 31 October 2009	(125,516)	-	(125,516)

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT

For the year ended 31 October 2009

	Notes	Consolidated Group		Parent Entity	
		2009	2008	**2009**	2008
		$	$	**$**	$
Cash flows from operating activities					
Receipts from customers, members, sponsors & AFL		**27,113,992**	24,773,219	**27,290,657**	24,869,712
Frankston redevelopment funds		**3,462,250**	1,790,250	**3,462,250**	1,790,250
Moorabbin redevelopment funds		**572,000**	-	**-**	-
Payments to suppliers and employees		**(26,486,518)**	(25,477,959)	**(25,735,925)**	(25,585,474)
Interest received		**53,992**	65,733	**53,992**	65,733
Finance costs		**(68,407)**	(64,743)	**(68,407)**	(64,743)
Net cash flows provided by (used in) operating activities	20(a)	**4,647,309**	1,086,500	**5,002,567**	1,075,478
Cash flows from investing activities					
Purchase of property, plant and equipment		**(1,637,072)**	(649,467)	**(1,619,077)**	(605,648)
Proceeds from sale of property, plant and equipment		**3,182**	12,525	**3,182**	6,947
Net cash flows provided by (used in) investing activities		**(1,633,890)**	(636,942)	**(1,615,895)**	(598,701)
Cash flows from financing activities					
Learn to controlled entity		**-**	-	**(373,253)**	(27,219)
Proceeds from borrowings		**2,500,000**	500,000	**2,500,000**	500,000
Repayment of borrowings		**(1,500,000)**	(1,600,000)	**(1,500,000)**	(1,600,000)
Net cash flows provided by (used in) financing activities		**1,000,000**	(1,100,000)	**626,747**	(1,127,219)
Net increase/(decrease) in cash held		**4,013,419**	(650,442)	**4,013,419**	(650,442)
Add cash at the beginning of the financial year		**509,731**	1,160,173	**509,726**	1,160,168
Cash and cash equivalents at the end of the financial year	20(b)	**4,523,150**	509,731	**4,523,145**	509,726

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2009

1. Statement of Significant Accounting Policies

The financial report includes the consolidated financial statements and notes of St Kilda Saints Football Club Ltd and controlled entity ('consolidated group' or 'Group'), and the separate financial statements and notes for St Kilda Saints Football Club Ltd as an individual parent entity ('Parent Entity').

Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authorative pronouncements of the Australian Accounting Standards Board, and Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a) Going Concern

The financial report had been prepared on the basis that the St Kilda Saints Football Club Ltd. The consolidated group currently has a net deficiency in tangible assets. Despite this fact, the consolidated group's directors consider the going concern assumption to be an appropriate basis, which is dependent on;

(i) the support of the consolidated group's banker and the AFL in respect of the continued provision of its finance facility, and

(ii) the consolidated group being able to generate sufficient funds through membership, sponsorship and other sources to achieve a satisfactory trading performance in order for the consolidated entity to meet its debts as and when they become due and payable to continue to funds its ongoing operations.

b) Principles of Consolidation

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

1. Statement of significant accounting policies (continued)

c) 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 profits 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.

d) Inventories

Inventories are measured at lower of cost and net realisable value. Cost is based on an actual weighted average.

e) Property, Plant and Equipment

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

f) Plant and Equipment

Plant and equipment are measured on the cost basis.

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

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 income statement during the financial period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

1. Statement of significant accounting policies (continued)

g) Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land and memorabilia, is depreciated on a straight-line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful lives used for each class of assets are:

	Useful lives	Depreciation basis
Leasehold improvements	10 – 20 years	Straight line
Plant and equipment	2 – 15 years	Straight line

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

h) 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

Classification and Subsequent Measurement

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

Amortised cost is calculated as:

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.

The effective interest method is used to allocate interest income or expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revision to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

1. Statement of significant accounting policies (continued)

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

(i) Loans and receivables

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

(ii) Financial Liabilities

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

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

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 income statement.

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, annual leave and sick leave

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

(ii) Long service leave

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

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

(iii) Superannuation

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

1. Statement of significant accounting policies (continued)

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

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

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

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

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

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

Grant revenue is recognised in the Income Statement 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.

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 of sale.

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

p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of 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) Comparative Figures

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

1. Statement of significant accounting policies (continued)

r) Critical Accounting Estimates and Judgments

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

Key Estimates — Impairment

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

Key Judgments — Doubtful Debts Provision

Included in accounts receivable at 31 October 2009 are amounts receivable from three debtors with the following amounts; $1,060, $2,500 and $5,293. The doubtful debt provision provides each of these debtors. The company will nevertheless be pursuing full payment of these debts.

s) New Accounting Standards for Application in Future Periods

Certain new accounting standards and AASB Interpretations have been published that are not mandatory for 31 October 2009 but contain an option for early adoption.

The consolidated group has reviewed each of these new standards and interpretations and is satisfied that they have no impact on the reported financial performance and position of the consolidated group and therefore there has been no early adoption of these standards for the year ended 31 October 2009

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

	Consolidated Group		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
2. Revenue				
(a) Revenue from Operating Activities				
AFL & Gate Receipts	**9,361,145**	8,812,117	**9,361,145**	8,812,117
Finance & Administration	**52,240**	35,719	**187,723**	187,723
Fundraising	**281,812**	212,545	**281,812**	212,545
Membership & Reserved Seats	**6,653,661**	5,711,464	**6,653,661**	5,711,464
Merchandise	**1,269,128**	802,690	**1,269,128**	802,690
Social / Gaming	**1,172,069**	1,254,693	**1,172,069**	1,254,693
Sponsorship & Events	**7,060,864**	6,164,551	**7,060,864**	6,164,551
	25,850,919	22,993,779	**25,986,402**	23,113,147
Revenue from Other Activities				
Interest – Financial institutions	**13,915**	31,847	**13,915**	31,847
	25,864,834	23,025,626	**26,000,317**	23,144,994
(b) Non-operating Revenues				
Frankston Development Funds	**1,195,979**	394,258	**1,195,979**	394,258
Moorabbin Redevelopment Funds	**520,000**	-	**-**	-
Interest Relating to Development Funds	**40,077**	33,885	**40,077**	33,885
	1,756,056	428,143	**1,236,056**	428,143
(c) Significant Revenues				
AFL – Waverley Park Proceeds	**-**	250,000	**-**	250,000
Revenues from Ordinary Activities	**27,620,890**	23,703,769	**27,236,373**	23,823,137

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

	Consolidated Group		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
3. Expenses				
Finance costs:				
Financial Institutions	**68,407**	64,743	**68,407**	64,743
Demolition & Emergency Order Costs:				
Linton Street Property	**796,933**	-	**-**	-
Amortisation of:				
Leasehold improvements	**63,392**	73,954	**21,263**	21,171
Depreciation of:				
Property, plant and equipment	**173,616**	188,501	**173,616**	188,501
Total depreciation and amortisation	**237,008**	262,455	**194,879**	209,672
Net expense including movements in:				
Provision for impairment of receivables	**(91,367)**	(1,671)	**(91,367)**	(1,671)
Provision for impairment of subsidiary receivable	**-**	-	**928,877**	-
Total provision for impairment of receivables	**(91,367)**	(1,671)	**837,510**	(1,671)
Net expense for movements in provision for:				
Employee entitlements	**115,020**	77,775	**115,020**	77,775
Rental expense on Operating leases:				
Minimum lease payments	**181,606**	120,288	**112,596**	105,608
Net loss/(gain) on disposal of non-current assets:				
Property, plant and equipment	**3,977**	12,399	**3,977**	13,122
Net write-down of assets				
Redevelopment expenditure	**-**	123,716	**-**	123,716
Leasehold Improvements	**-**	65,792	**-**	-
Total net write-down of assets	**-**	189,508	**-**	123,716
Employee Benefit Expenses				
Salary, wages and termination expense	**14,309,654**	13,307,786	**14,309,654**	13,307,786
Superannuation expense	**777,721**	760,193	**777,721**	760,193
Total employee benefit expense	**15,087,375**	14,067,979	**15,087,375**	14,067,979

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

	Consolidated Group		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
4. Income Tax Expense				
(a) The components of tax expense comprise				
Current Tax	**-**	-	**-**	-
Under/(over) provision in respect of prior years	**-**	(7,642)	**-**	-
	-	(7,642)	**-**	-
(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:				
Prima facie tax (payable)/receivable on profit from ordinary activities before income at 30%	**(340,937)**	135,962	**(180,284)**	99,176
Add:				
Tax effect of:				
- Under / (over) provision in respect of prior years	**-**	(7,642)	**-**	-
- Sundry items	**-**	-	**-**	-
Less:				
Tax effect of:				
- Unrecognised tax losses and temporary differences	**160,653**	(36,786)	**-**	-
- (Profit) / losses exempt from income tax	**180,284**	(99,176)	**180,284**	(99,176)
Income tax attributable to the entity	**-**	(7,642)	**-**	-
5. Key Management Personnel Compensation				
- Short-term benefits	**1,391,821**	1,199,094	**1,391,821**	1,199,094
- Post employment benefits	**68,207**	60,906	**68,207**	60,906
- Termination benefits	**38,994**	-	**38,994**	-
	1,499,022	1,260,000	**1,499,022**	1,260,000
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	**29,100**	28,000	**26,500**	25,500
other services	**10,400**	10,000	**10,400**	10,000
	39,500	38,000	**36,900**	35,500
7. Cash and Cash Equivalents				
Cash at bank	**4,412,987**	1,365,044	**4,412,987**	1,365,044
Cash on hand	**110,163**	113,275	**110,158**	113,270
	4,523,150	1,478,319	**4,523,145**	1,478,314

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

	Consolidated Group		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
8. Trade and Other Receivables				
Current				
Trade receivables	**255,284**	479,223	**255,284**	479,223
Provision for impairment of receivables	**(27,999)**	(119,366)	**(27,999)**	(119,366)
	227,285	359,857	**227,285**	359,857
Other receivables	**884,330**	246,753	**880,782**	242,943
	1,111,615	606,610	**1,108,067**	602,800
Non-Current				
Amounts receivable from controlled entities	**-**	-	**1,295,490**	922,237
Provision for impairment of receivables	**-**	-	**(928,877)**	-
	-	-	**366,613**	922,237

(a) Aged Analysis of Trade Receivables

	2009		2008	
	Gross	**Allowance**	Gross	Allowance
Not past due	**142,208**	**-**	249,122	-
Past due 0 – 30 days	**85,533**	**(4,583)**	71,227	-
Past due 31 – 60 days	**20,666**	**(16,539)**	5,550	-
Past due over 60 days	**6,877**	**(6,877)**	153,324	(119,366)
	255,284	**(29,999)**	479,223	(119,366)

(b) Provision for Impairment of Receivables

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

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

	Opening Balance	**Charge for The year**	**Amount Written Off**	**Closing Balance**
Consolidated Group	**01/11/2007**			**31/10/2008**
(i) Current Trade Receivables	121,037	84,829	(86,500)	119,366
Parent Entity				
(i) Current Trade Receivables	121,037	84,829	(86,500)	119,366

	Opening Balance	**Charge for The year**	**Amount Written Off**	**Closing Balance**
Consolidated Group	**01/11/2008**			**31/10/2009**
(i) Current Trade Receivables	119,366	25,000	(116,367)	27,999
Parent Entity				
(i) Current Trade Receivables	119,366	25,000	(116,367)	27,999
(ii) Non-current Receivables from Controlled Entity	-	928,877	-	928,877

There are no balances within trade and other receivables that contain assets that are not impaired and are past due. It is expected these balances will be received when due. Impaired assets are provided for in full.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

	Consolidated Group		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
9. Inventories				
Merchandise Stock	**48,490**	203,390	**48,490**	203,390
Food & Liquor	**30,429**	22,683	**30,429**	22,683
	78,919	226,073	**78,919**	226,073

10. Controlled Entities	**Country of incorporation**	**Controlling Interest**	
		2009	**2008**
St Kilda Football Club Ltd	Australia	100%	100%

11. Property, Plant and Equipment

Leasehold Improvements				
At cost	**3,835,507**	3,817,512	**1,776,375**	1,776,375
Accumulated amortisation	**(3,442,762)**	(3,379,370)	**(1,750,086)**	(1,728,823)
	392,745	438,142	**26,289**	47,552
Plant and Equipment				
At cost	**2,655,233**	2,532,770	**2,655,233**	2,532,770
Accumulated depreciation	**(2,080,747)**	(1,914,667)	**(2,080,747)**	(1,914,667)
	574,486	618,103	**574,486**	618,103
Capital Works in Progress				
At cost	**1,752,462**	270,542	**1,752,462**	270,542
Total property, Plant and Equipment				
At cost	**8,243,202**	6,620,824	**6,184,070**	4,579,687
Accumulated depreciation / amortisation	**(5,523,509)**	(5,294,037)	**(3,830,833)**	(3,643,490)
	2,719,693	1,326,787	**2,353,237**	936,197

(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	618,103	438,142	270,542	1,326,787
Additions	137,157	17,995	1,481,920	1,637,072
Disposals	(7,158)	-	-	(7,158)
Depreciation Expense	(173,616)	(63,392)	-	(237,008)
Carrying amount at the end of year	574,486	392,745	1,752,462	2,719,693
Parent Entity:				
Balance at the beginning of year	618,103	47,552	270,542	936,197
Additions	137,157	-	1,481,920	1,619,077
Disposals	(7,158)	-	-	(7,158)
Depreciation Expense	(173,616)	(21,263)	-	(194,879)
Carrying amount at the end of year	574,486	26,289	1,752,462	2,353,237

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

	Consolidated Group		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
12. Other Assets				
Current				
Prepayments	**277,796**	304,839	**277,796**	304,839
13. Trade and Other Payables				
Current				
Unsecured Liabilities				
Trade payables	**2,121,937**	760,172	**2,121,937**	760,172
Sundry payables & accrued expenses	**1,641,162**	1,469,283	**1,637,766**	1,461,604
	3,763,099	2,229,455	**3,759,703**	2,221,776
14. Other Current Liabilities				
Income in advance	**3,185,253**	1,233,242	**3,185,253**	1,233,242
15. Financial Liabilities				
Current				
Secured Liabilities				
Commercial Bill	**1,500,000**	500,000	**1,500,000**	500,000
Bank Overdraft	**-**	968,588	**-**	968,588
	1,500,000	1,468,588	**1,500,000**	1,468,588

Financing arrangements

The consolidated entity has access to the following lines of credit:

Commercial Bill facilities				
Total facilities available	**5,000,000**	5,000,000	**5,000,000**	5,000,000
Facilities utilised at balance date	**(1,500,000)**	(1,468,588)	**(1,500,000)**	(1,468,588)
Facilities not utilised at balance date	**3,500,000**	3,531,412	**3,500,000**	3,531,412

The facility is summarised as follows:

The commercial bill facility expires on 29th October 2010

The interest rate at year end on the Commercial Bill was 4.29%

The Commercial Bill for $1,500,000 rolled into a 94 day Commercial Bill on 13th November 2009 at an interest rate of 4.9%

A second Commercial Bill for $1,000,000 was drawn down on 30th of November 2009 for a 31 day period at an interest rate of 4.93%

Security

Guarantee Limited to $5,000,000 given by the Australian Football League ACN 004 155 211 to expire 29th October 2010

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

	Consolidated Group		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
16. Provisions				
Current				
Employee entitlements	**346,646**	244,870	**346,646**	244,870
Non Current				
Employee entitlements	**41,691**	28,447	**41,691**	28,447
(a) Aggregate Employee Entitlements	**388,337**	273,317	**388,337**	273,317
(b) Number of Employees				
Number of full time employees at year end	**46**	36	**46**	36
17. 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 33,522 members (2008: 30,554).

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

18. 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	**137,282**	149,635	**76,282**	88,635
later than one year and not later than five years	**311,960**	382,348	**67,960**	138,348
later than five years	**1,540,250**	1,601,250	**-**	-
	1,989,492	2,133,233	**144,242**	226,983

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. The leased premises house the Club's administration and training facilities. Operating leases also include photocopiers and various computer equipment.

(b) Minimum player payments

not later than one year	**8,288,400**	6,466,700	**8,288,400**	6,466,700
later than one year and not later than five years	**3,995,000**	5,467,700	**3,995,000**	5,467,700
later than five years	**-**	-	**-**	-
	12,283,400	11,934,400	**12,283,400**	11,934,400

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

	Consolidated Group		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
(c) Gaming machines commitments:				
The Victorian Commission for Gambling Regulation Pre-Auction Club Offer for 40 gaming machines has been accepted by the entity and is obligated to the following commitments:				
not later than one year	**50,902**	-	**50,902**	-
later than one year and not later than five years	**712,627**	-	**712,627**	-
later than five years	**254,510**	-	**254,510**	-
	1,018,039	-	**1,018,039**	-
(d) Belvedere Reserve capital commitments				
The entity has entered into various contracts for the development of a new training and administration facility at Belvedere Reserve in Seaford, Victoria. The remaining of the contractual commitments is as follows:				
not later than one year	**7,906,694**	-	**7,906,694**	-

19. Segment information

The company operates in the sporting and leisure industry in Australia and its predominant activity is to field teams to compete as a member of the Australian Football League competition(s).

20. Cash Flow information

(a) Reconciliation of cash flow from operations with profit after income tax				
Profit/(loss) after income tax	**1,136,458**	(445,566)	**600,947**	(330,585)
Net (profit)/loss on disposal or write-off of property & equipment	**3,977**	12,399	**3,977**	13,122
Non cash flows in profit from ordinary activities				
Depreciation and Amortisation of non-current assets	**237,008**	328,067	**194,879**	209,672
Changes in assets and liabilities				
(Increase) / decrease in trade and other debtors	**(505,007)**	32,315	**(505,268)**	19,273
(Increase) / decrease in inventory	**147,154**	(115,761)	**147,154**	(115,761)
(Increase) / decrease in prepayments	**27,042**	(77,995)	**27,042**	(84,247)
Increase / (decrease) in provisions	**115,021**	77,775	**1,043,898**	77,775
Increase / (decrease) in tax payable	**-**	(7,642)	**-**	-
Increase / (decrease) in income in advance	**1,952,011**	1,230,051	**1,952,011**	1,230,051
Increase / (decrease) in trade and other payables	**1,533,645**	52,857	**1,537,926**	56,178
Cash flow from operations	**4,647,309**	1,086,500	**5,002,566**	1,075,478
(b) Reconciliation of cash				
Cash balance comprises:				
cash at bank	**4,412,987**	1,365,044	**4,412,987**	1,365,044
cash on hand	**110,163**	113,275	**110,158**	113,270
	4,523,150	1,478,319	**4,523,145**	1,478,314
bank overdraft	**-**	(968,588)	**-**	(968,588)
Closing cash balance	**4,523,150**	509,731	**4,523,145**	509,726

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

21. Events After the Balance Sheet Date

On the 13th November 2009, the entity accepted in full the Victorian Government's Pre-Auction Club Offer in relation to the Gaming Machine Arrangements 2012. The total cost for the 40 entitlements is $1,018,039, which will be paid over 20 instalments from December 2009 to December 2016. Refer to Note 18 (c) for details.

22. Related Party Disclosures

Related Parties

Transactions between related parities are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

		Consolidated Group		Parent Entity	
		2009	2008	**2009**	2008
		$	$	**$**	$
		Income/(Expense)		**Income/(Expense)**	
(a) Director-related entities					
Gregory's Transport (Greg Westaway)	Sponsorship/Hospitality	**5,000**	12,934	**5,000**	12,934
	Courier Services	**(6,381)**	(5,756)	**(6,381)**	(5,756)
Fetter Gdanski (John Gdanski)	Sponsorship/Hospitality	**6,095**	1,024	**6,095**	1,024
	Legal Fees (including barristers' fees and third party disbursements)	**(75,001)**	(59,542)	**(75,001)**	(59,542)
Rigby Cooke (Ross Levin)	Sponsorship/Hospitality	**20,818**	19,732	**20,818**	19,732
	Legal Fees/ Travel	**(10,256)**	(45,820)	**(10,256)**	(45,820)
Easi Pty Ltd	Sponsorship/Hospitality	**2,173**	23,143	**2,173**	23,143
Controlled by Adam Westaway son of Greg Westaway (director)					
(b) Directors					
Mr. Greg Westaway	Hospitality	**319**	-	**319**	-
	Travel	**(5,199)**	(6,519)	**(5,199)**	(6,519)
Mr. Ross Levin	Hospitality	**914**	-	**914**	-
	Travel	**(745)**	(2,287)	**(745)**	(2,287)
Mr. John Gdanski	Hospitality	**233**	278	**233**	278
	Travel	**(779)**	(1,901)	**(779)**	(1,901)
Mr. Michael Nettlefold	Hospitality	**6,174**	11,636	**6,174**	11,636
	Travel	**(13,570)**	(751)	**(13,570)**	(751)
Mr. Simon Grant	Hospitality	**4345**	1,320	**4345**	1,320
	Travel	**(759)**	-	**(759)**	-
Mr. Andrew Thompson	Hospitality	**793**	-	**793**	-
(c) Wholly owned companies					
St Kilda Football Club Ltd	Rent	**-**	-	**(150,000)**	(150,000)
St Kilda Football Club Ltd	Management fees	**-**	-	**135,482**	119,368

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

23. Financial Risk Management

(a) Financial Risk Management Policies

The group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

The group does not have any derivative instruments at 31 October 2009.

Financial Risks Exposures and Management

The main risks the group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with a fixed and floating rate debt. At 31 October 2009 100% of the group debt is fixed. For further details on interest rate risk refer to Note 23 (b).

Liquidity risk

The group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

The exposure to credit risk is monitored on an ongoing basis.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The consolidated group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated group.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

23. Financial Risk Management (continued)

(b) Interest Rate Risk

The consolidated group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

			Fixed interest maturing in:				
	Average interest rate (%)	Floating interest rate	1 year or less	over 1 year to 5 years	more than 5 years	Non-interest bearing	Total
2009 ($)							
Financial assets							
Cash	3.34%	823,145	3,700,000	-	-	-	4,523,145
Trade receivables	N/A	-	-	-	-	227,285	227,285
Other receivables	N/A	-	-	-	-	884,330	884,330
		823,145	3,700,000	-	-	1,111,615	5,634,760
Financial liabilities							
Interest bearing liabilities	4.29%	-	1,500,000	-	-	-	1,500,000
Accounts payable	N/A	-	-	-	-	2,121,937	2,121,937
Other Liabilities	N/A	-	-	-	-	1,641,162	1,641,162
		-	1,500,000	-	-	3,763,099	5,263,099
2008 ($)							
Financial assets							
Cash	4.91%	1,478,319	-	-	-	-	1,478,319
Trade receivables	N/A	-	-	-	-	359,857	359,857
Other receivables	N/A	-	-	-	-	246,753	246,753
		1,478,319	-	-	-	606,610	2,084,929
Financial liabilities							
Interest bearing liabilities	9.38%	968,588	500,000	-	-	-	1,468,588
Accounts payable	N/A	-	-	-	-	760,172	760,172
Other Liabilities	N/A	-	-	-	-	1,469,283	1,469,283
		968,588	500,000	-	-	2,229,455	3,698,043

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 October 2009

23. Financial Risk Management (continued)

(c) Interest rate sensitivity analysis

The consolidated group is exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During 2008 and 2009, the group's borrowings at variable rate were all denominated in Australian dollars.

The group's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At 31 October 2009, the group was not exposed to changes in market interest rates through its bank borrowings, see note 23 (b) for further information. As in the previous year, all other financial assets and liabilities have fixed rates.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +3% and -3% (2008: +/-3%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions.

The calculations are based on the group's financial instruments held at each balance sheet date. All other variables are held constant.

	2009		2008	
	$	$	$	$
	+3%	-3%	+3%	-3%
Cash				
- Net result	24,694	(24,694)	44,350	(44,350)
- Equity	24,694	(24,694)	44,350	(44,350)
Interest bearing liabilities				
- Net result	-	-	(29,058)	29,058
- Equity	-	-	(29,058)	29,058

(d) Net Fair Value of Financial Assets and Liabilities

The consolidated group's financial assets and liabilities reported as assets and liabilities in the balance sheet are carried at amounts that approximate net fair value.

24. Economic Dependency

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

25. Company Details

The registered office and principal place of business of the company is:

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

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 12 to 32, are in accordance with the Corporations Act 2001 and:
   a. comply with Accounting Standards and the Corporations Regulations 2001; and
   b. give a true and fair view of the financial position as at 31 October 2007 and of the performance for the year ended on that date of the company and consolidated group;
2. the Chief Executive Officer and Chief Financial Officer have each declared that:
   a. the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
   b. the financial statements and notes for the financial year comply with the Accounting Standards; and
   c. the financial statements and notes for the financial year give a true and fair view;
3. in the director's opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Greg Westaway
President

Ross Levin
Vice President

Melbourne

Dated on this 14th day of January 2010

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

We have audited the accompanying financial report of St Kilda Saints Football Club Limited ("the Company"), which comprises the balance sheet as at 31 October 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes to the financial statements and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year ("consolidated entity ").

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The directors also state, in the notes to the financial statements, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's

judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we complied with applicable independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

a the financial report of St Kilda Saints Football Club Limited is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the Company's and consolidated entity's financial position as at 31 October 2009 and of their performance for the year ended on that date; and

  ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

GRANT THORNTON
Chartered Accountants

Simon Trivett
Partner

Melbourne, 14 January 2010