



# Copy of financial statements and reports

If there is insufficient space in any section of the form, you may photocopy the relevant page(s) and submit as part of this lodgement

## Company/scheme details

Company/scheme name **GCFC LIMITED** **TRA**  
 ACN/ARSN/PIN/ABN **47 144 555 822** **- 1 FEB 2016**

## Lodgement details

An image of this form will be available as part of the public register.

Who should ASIC contact if there is a query about this form? **DB**  
 ASIC registered agent number (if applicable) \_\_\_\_\_  
 Firm/organisation **GCFC LIMITED**  
 Contact name/position description **M MALLINSON / CFO** Telephone number (during business hours) **(07) 5510 6034**  
 Email address (optional) **Michael.Mallinson@goldcoastfc.com.au**  
 Postal address **PO BOX 4952**  
 Suburb/City **GOLD COAST MC** State/Territory **QLD** Postcode **9726**

## 1 Reason for lodgement of statement and reports

Tick appropriate box.

See Guide for definition of Tier 2 public company limited by guarantee

See Guide for definition of large proprietary company

See Guide for definition of small proprietary company

Dates on which financial year begins and ends

- A public company or a disclosing entity which is not a registered scheme or prescribed interest undertaking (A)
- A Tier 2 public company limited by guarantee (L)
- A registered scheme (B)
- Amendment of financial statements or directors' report (company) (C)
- Amendment of financial statements or directors' report (registered scheme) (D)
- A large proprietary company that is not a disclosing entity (H)
- A small proprietary company that is controlled by a foreign company for all or part of the period and where the company's profit or loss for the period is not covered by the statements lodged with ASIC by a registered foreign company, company, registered scheme, or disclosing entity (I)
- A small proprietary company, or a small company limited by guarantee that is requested by ASIC to prepare and lodge statements and reports (J)
- A prescribed interest undertaking that is a disclosing entity (K)

Financial year begins **01/11/14** to Financial year ends **31/11/15**  
 [D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

## 2 Details of large proprietary company

See Guide for definition of large and small proprietary companies.

If the company is a large proprietary company that is not a disclosing entity, please complete the following information as at the end of the financial year for which the financial statements relate:

A What is the consolidated revenue of the large proprietary company and the entities that it controls?

B What is the value of the consolidated gross assets of the large proprietary company and the entities that it controls?

C How many employees are employed by the large proprietary company and the entities that it controls?

D How many members does the large proprietary company have?

## 3 Auditor's or reviewer's report

Tick one box and complete relevant section(s)

Were the financial statements audited or reviewed?

Audited - complete B only

Reviewed - complete A and B

No

If no, is there a class or other order exemption current for audit/review relief?

Yes

No

### A. Reviewed

Is the reviewer a registered company auditor, or member of The Institute of Chartered Accountants in Australia, CPA Australia Limited, or Institute of Public Accountants and holds a practising certificate issued by one of those bodies?

Yes

No

### B. Audited or Reviewed

Is the opinion/conclusion in the report:

Modified? (The opinion/conclusion in the report is qualified, adverse or disclaimed)

Yes

No

Does the report contain an Emphasis of Matter and/or Other Matter paragraph?

Yes

No

## 4 Details of current auditor or auditors

### Notes:

- Registered schemes must advise ASIC of the appointment of an auditor on a Form 5137 *Appointment of scheme auditor* within 14 days of the appointment of the auditor.
- A public company limited by guarantee may, in some circumstances, have their accounts reviewed. These companies are still required to have an auditor and these details must be provided.

Auditor registration number (for individual auditor or authorised audit company)		
<input type="text" value="2957"/>		
Family name	Given name	
<input type="text"/>	<input type="text"/>	
or		
Company name		
<input type="text" value="KPMG - GOLD COAST"/>		
ACN/ABN		
<input type="text" value="51194660183"/>		
or		
Firm name (if applicable)		
<input type="text"/>		
Office, unit, level		
<input type="text"/>		
Street number and Street name		
<input type="text"/>		
Suburb/City	State/Territory	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>
Country (if not Australia)		
<input type="text"/>		
Date of appointment		
<input type="text" value="1"/>	<input type="text" value="9"/>	<input type="text" value="01/13"/>
[D]	[D]	[M M] [Y Y]

A company may have two appointed auditors, provided that both auditors were appointed on the same date. Otherwise, an appointed auditor must resign, be removed or otherwise ceased before a subsequent appointment may be made.

Auditor registration number (for individual auditor or authorised audit company)		
<input type="text"/>		
Family name	Given name	
<input type="text"/>	<input type="text"/>	
or		
Company name		
<input type="text"/>		
ACN/ABN		
<input type="text"/>		
or		
Firm name (if applicable)		
<input type="text"/>		
Office, unit, level		
<input type="text"/>		
Street number and Street name		
<input type="text"/>		
Suburb/City	State/Territory	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>
Country (if not Australia)		
<input type="text"/>		

## 5 Statements and reports to be attached to this form

Financial statements for the year (as required by s295(2) and accounting standards)

- Statement of comprehensive income, may also include a separate income statement for the year
- Statement of financial position as at the end of the year
- Statement of cash flows for the year
- Statement of changes in equity.

OR

If required by accounting standards — the consolidated statements of comprehensive income/income statement, financial position, cash flows and changes in equity.

Notes to financial statements (see s295(3))

- Disclosures required by the regulations
- Notes required by the accounting standards
- Any other information necessary to give a true and fair view (see s297).

The signed directors' declaration about the statements and notes (see s295(4)).

The signed directors' report for the year, including the copy of the auditor's or reviewer's independence declaration (see s298 to s300A).

Signed auditor's report or, where applicable, reviewer's report (see s301, s307 to s308).

Concise report (if any) (see s319).

### Signature

See Guide for details of signatory.

I certify that the attached documents marked ( ) are a true copy of the original reports required to be lodged under s319 of the *Corporations Act 2001*.

Name

ANDREW TRAVIS

Signature

Andrew Travis

Capacity

- Director  
 Company secretary

Date signed

29 / 01 / 16  
[D] [D] [M] [M] [Y] [Y]

### Lodgement

Send completed and signed forms to:  
Australian Securities and Investments Commission,  
PO Box 4000, Gippsland Mail Centre VIC 3841.

Or lodge the form electronically by:

- visiting the ASIC website [www.asic.gov.au](http://www.asic.gov.au)
- using Standard Business Reporting enabled software. See [www.sbr.gov.au](http://www.sbr.gov.au) for more details.

### For more information

Web [www.asic.gov.au](http://www.asic.gov.au)  
Need help? [www.asic.gov.au/question](http://www.asic.gov.au/question)  
Telephone 1300 300 630

**GCFC Limited**  
**ABN 47 144 555 822**

**Annual Financial Report**

**31 October 2015**

**Contents**

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## Directors' report

The Directors present their report together with the financial report of GCFC Limited ('the Club') for the year ended 31 October 2015 and the auditor's report thereon.

### Directors

The Directors of the Club at any time during or since the end of the year and to the date of the report are:

Mr John Witheriff (Chairman)

Mr Anthony John Cochrane

Mr Kerry Robert East

Mr Robert Henry Gordon

Mr Alan Graham Mackenzie

Ms Janelle Manders

Mr Paul Darren Scurrah

### Information on Directors

#### Mr John Witheriff

##### Experience

Chairman appointed 10 June 2010

##### Qualifications

Partner of Gold Coast law firm Minter Ellison

Chairman of the GC17 bid team that helped turn a vision for AFL football on the Gold Coast into a reality

Chairman of GoldLinQ Limited – Builder and operator of the \$1bn Gold Coast Light Rail Project

Director Plenary Schools Limited – Builder and operator of 10 new schools

Chairman of Nexus Consortium – Builder and operator of a \$1.7bn toll road

Board member of Commonwealth Games Authority

##### Special Responsibilities

Chairman of Board of Directors

Ex Officio member of Audit & Risk Committee

#### Mr Anthony John Cochrane

##### Experience

Director appointed 29 March 2014

##### Qualifications

Founding Director of IEC

Director of IEC UK

Director of Backstage Australia

Founding Executive Chairman of V8 Supercars Australia – retired

Founding Director of Sports & Entertainment Limited - retired

##### Special Responsibilities

Member Football Sub Committee

#### Mr Kerry Robert East

##### Experience

Director appointed 10 June 2010

##### Qualifications

CEO Mantra Group Limited

Chairman of Tourism and Events Queensland

Chairman of Tourism and Transport Forum (TTF) - Accommodation Sector Panel

##### Special Responsibilities

-

#### Mr Robert Henry Gordon

##### Experience

Director appointed 10 June 2010

##### Qualifications

Retired Editor-in-Chief of the Gold Coast Bulletin with 50 years in journalism

Director of Cedar Creek Cellars

Member of the state government's Gambling Community Trust

Member of the fundraising advisory group of Griffith University's Glycomics Institute

##### Special Responsibilities

-

**Directors' report**

**Mr Alan Graham Mackenzie**

**Experience** Director appointed 10 June 2010  
**Qualifications** President of Southport Football Club for more than 34 years  
 Former Club Doctor, selector and match committee chairman of Brisbane Bears / Lions  
 A life member of AFL Queensland  
 Member QAFL Hall of Fame  
**Special Responsibilities** Chairman Football Sub Committee

**Ms Janelle Manders**

**Experience** Director appointed 6 July 2010  
**Qualifications** Managing Partner of Gold Coast office of HLB Mann Judd Accountants  
 Chair – St Hilda's School Gold Coast Foundation Ltd  
 Chairman – Friends of Griffith Business School  
**Special Responsibilities** Chairman of Audit and Risk Committee

**Mr Paul Darren Scurrah**

**Experience** Director appointed 6 July 2010  
**Qualifications** Managing Director and Chief Executive Officer of DP World Australia Limited  
 Non-Executive Director AWH Pty Ltd  
 Chairman Ammo.co  
 Over 20 years experience in transport, tourism and customer service  
**Special Responsibilities** Member Audit and Risk Committee

**Directors' meetings**

The number of Directors' meetings and number of meetings attended by each of the Directors of the Club during the year are:

	Board Meetings	
	A	B
Mr John Witheriff	11	10
Mr Anthony Cochrane	11	9
Mr Kerry Robert East	11	10
Mr Robert Henry Gordon	11	10
Mr Alan Graham Mackenzie	11	10
Ms Janelle Manders	11	11
Mr Paul Darren Scurrah	11	10

A Number of meetings held during the time the Director held office during the year  
 B Number of meetings attended

**Environmental regulations**

As a result of information provided by management the Director's believe that the Club has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Club.



## Directors' report

### Principal activities and objectives

The principal activity of the Club is the promotion, administration and development of Australian Rules Football and management of the Gold Coast Football Club.

The Club's short term objectives are to:

- Maintain a high performance football program to deliver on-field success
- Grow the membership base and increase the supporter base of the Club
- Enhance and grow the level of commercial returns
- Continue to engage, invest and deliver quality outcomes within the community
- Develop and maintain a high performing workforce
- Maintain a commitment to policies and practices that ensure a high standard of corporate governance
- Maintain a commitment to the safety of our people and patrons of Metricon Stadium
- Attract more events to Metricon Stadium
- The completion of the permanent training and administration facility for the Club

The Club's longer term objectives are to:

- Maintain a high performance football program to deliver sustained on-field success
- Grow membership, supporter base and match day attendances
- Develop a platform for ongoing financial stability through maximising existing revenues and identifying new revenue streams
- Maximise returns from Metricon Stadium through AFL and non-AFL events
- Continue to engage, invest and deliver quality outcomes within the community with a focus on key Gold Coast social issues, diversity and growing the game of AFL
- Integrate and support the successful delivery of the 2018 Commonwealth Games

The Club continually monitors the performance of its objectives and strategies within its business plan.

### Operating and financial review

The net profit / (loss) of the Club for the year ended 31 October 2015 was (\$330,870) (2014: profit \$1,062,082).

The Club derived its revenue mainly from grants received from the Australian Football League, corporate sponsorships, corporate hospitality, membership and ticket sales.

The Club's strategy is to build a high performance team that achieves on-field success in the Australian Football League. The Club also aims to assist in increasing participation and support for Australian Rules Football within the Queensland region.

### State of affairs

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

The Club will continue to be financially dependent upon the support of the AFL (Australian Football League) in the future.

### Events subsequent to balance date

There has not arisen in the interval between the end of the year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Club, to affect significantly the operations of the Club, the results of those operations, or the state of affairs of the Club, in future financial years, except as disclosed in this report.

## Directors' report

### Likely developments

The Club will continue to focus its efforts on achieving its short and long term objectives.

### Directors' benefits & interests

During the year, the Club used the accommodation at various Mantra Group hotels, of which Kerry East is Group CEO. Amounts were billed based on normal market rates for these types of services and were due and payable under normal payment terms.

During this financial year, no other Director of the Club has received or become entitled to receive any benefit by reason of a contract made by the Club, or a related body corporate with a Director or with a firm of which a Director is a member, or with an entity in which a Director has a substantial interest.

### Members' Guarantee

The Club is a company limited by guarantee to the extent of \$2.00 for each member. As at 31 October 2015, there was 1 voting member.

### Dividends

The constitution of the Club prohibits it from payment of dividends and accordingly no dividends were paid during the year.

### Lead Auditor's Independence Declaration under Section 307C of The Corporations Act 2001

The Lead Auditor's Independence Declaration is set out on Page 6 and forms part of the Directors' report for the year ended 31 October 2015.

### Indemnification and insurance of officers and auditors

#### *Indemnification*

The Club has not, during or since the end of the year, in respect of any person who is or has been an auditor of the Club or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability incurred, including costs and expenses in successfully defending legal proceedings.

The Club has, in respect of any person who is or has been an officer or director of the Club, indemnified against a liability incurred as an officer or director, including costs and expenses in successfully defending legal proceedings, to the extent permitted by law and the prohibitions in section 199A of the *Corporations Act 2001*.

**Directors' report**

***Insurance premiums***

The insurance premiums in respect of Directors' and Officers' liability and legal expenses' insurance contracts, for current and former Directors and Officers including executive officers of the Club and Directors have been paid by the Club.

Signed at Carrara this 28th day of January 2016.

Signed in accordance with a resolution of the Directors.



.....  
Mr John Witheriff  
Chairman



.....  
Ms Janelle Manders  
Director



*Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001*

To: the directors of GCFC Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 October 2015 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Adam Twemlow  
*Partner*

Gold Coast

28 January 2016

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 OCTOBER 2015**

	Note	2015 \$	2014 \$
<b>Revenue</b>	2	34,980,778	33,798,618
<b>Expenses</b>			
Administration expenses		3,606,629	3,242,792
Cost of goods sold		317,470	459,148
Depreciation & amortisation expenses		253,166	140,018
Employee expenses	3	22,363,967	20,320,588
Football operations expenses		1,285,324	1,288,945
Advertising & promotion expenditure		600,459	603,942
Sponsor & match day activation		3,986,669	3,667,661
Travel expenses		510,682	449,071
Lease expense		1,704,702	1,666,251
Maintenance expenses		773,865	982,410
Other expenses		5,861	40,237
<b>Net profit / (loss) before net finance income</b>		(428,016)	937,555
Finance income	4	103,985	124,527
Finance expenses	4	(6,839)	-
<b>Net finance income</b>		97,146	124,527
Other comprehensive income for the year		-	-
<b>Total comprehensive income / (loss) for the year</b>		(330,870)	1,062,082

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 22.

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 OCTOBER 2015**

	Note	2015 \$	2014 \$
<b>Current Assets</b>			
Cash and cash equivalents	5	773,331	992,888
Trade and other receivables	6	337,066	1,178,526
Inventory – Merchandise	7	128,123	80,737
Prepayments	9	695,119	1,338,279
<b>Total current assets</b>		<u>1,933,639</u>	<u>3,590,430</u>
<b>Non - current Assets</b>			
Property, plant and equipment	8	842,623	1,231,085
Prepayments	9	2,265,646	-
Other assets	10	3,599,690	2,784,683
<b>Total non-current assets</b>		<u>6,707,959</u>	<u>4,015,768</u>
<b>Total assets</b>		<u>8,641,598</u>	<u>7,606,199</u>
<b>Current Liabilities</b>			
Trade and other payables	11	1,212,031	1,748,408
Borrowings	12	750,000	-
Deferred income	13	191,976	764,971
Provisions	14	369,795	392,034
<b>Total current liabilities</b>		<u>2,523,802</u>	<u>2,905,413</u>
<b>Non- current Liabilities</b>			
Borrowings	12	840,000	-
Provisions	14	3,937,265	3,029,384
<b>Total non-current liabilities</b>		<u>4,777,265</u>	<u>3,029,384</u>
<b>Total liabilities</b>		<u>7,301,067</u>	<u>5,934,796</u>
<b>Net assets</b>		<u>1,340,531</u>	<u>1,671,401</u>
<b>Equity</b>			
Retained earnings		<u>1,340,531</u>	<u>1,671,401</u>
<b>Total equity</b>		<u>1,340,531</u>	<u>1,671,401</u>

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 22.

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 OCTOBER 2015**

	2015	2014
	\$	\$
<b>Total equity at the beginning of the financial year</b>	1,671,401	609,319
Total comprehensive income for the year	(330,870)	1,062,082
<b>Total equity at the end of the financial year</b>	<u>1,340,531</u>	<u>1,671,401</u>

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements set out on pages 11 to 22.

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 OCTOBER 2015**

	2015	2014
	\$	\$
<b>Cash flows from operating activities</b>		
Cash receipts in the course of operations	37,938,194	36,774,159
Cash payments in the course of operations	(37,717,688)	(36,052,774)
<b>Net cash provided by/(used in) operating activities</b>	<u>220,506</u>	<u>721,385</u>
<b>Cash flows from investing activities</b>		
Payments for property plant and equipment	(149,722)	(587,987)
Reimbursement of costs	281,320	-
Interest received	103,985	124,527
Payments for stadium infrastructure	(2,265,646)	-
<b>Net cash provided by/(used in) investing activities</b>	<u>(2,030,063)</u>	<u>(463,460)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	1,590,000	-
<b>Net cash provided by financing activities</b>	<u>1,590,000</u>	<u>-</u>
<b>Net increase/(decrease) in cash and cash equivalents held</b>	<u>(219,557)</u>	<u>257,925</u>
<b>Cash and cash equivalents at the beginning of the financial period</b>	<u>992,888</u>	<u>734,963</u>
<b>Cash and cash equivalents at end of the financial period</b>	<u>773,331</u>	<u>992,888</u>

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 22.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

The financial report for GCFC Ltd ("the Club"), a not-for-profit entity, is for the year ended 31 October 2015 and the financial report was authorised for issue by the Board of Directors on 28 January 2016.

**1 Statement of significant accounting policies**

**(a) Statement of compliance**

The financial statements of the Club are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements ('AASB-RDRs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*.

**(b) Basis of preparation**

The financial report is presented in Australian dollars and on the historical cost basis.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Club.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have significant effect on the financial report and estimates with a significant risk of material adjustment in the next year are disclosed in the following note:

- Note 6 – Trade and other receivables (impairment losses)

The accounting policies set out below have been applied consistently to all period presented in the financial report.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**1 Statement of significant accounting policies (continued)**

**(c) Revenue recognition**

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues. Exchanges of goods or services that are not of the same nature are recognised as revenue at the notional fair value of the goods or services.

*Trading Operations*

Sales revenue comprises revenue earned (net of returns, discounts and allowances) for the provision of products or services to entities outside the Club. Sales revenue is recognised within the period to which it contractually relates or when the fee in respect of services provided is receivable.

*Interest Revenue*

Interest income is recognised as it accrues, taking into account the effective yield of the financial asset.

*AFL Grants*

AFL grants are recognised as revenue in the income statement in accordance with the period to which the AFL funding agreement relates.

*Sponsorship & Supply Rights Revenue*

Sponsorship revenue is recognised within the period to which it contractually relates or when the fee in respect of services provided is receivable.

*Deferred Income*

Deferred income is initially recognised at fair value. Deferred income is recognised in the profit or loss as income on a systematic basis in the same period in which the expenses are recognised or the accounting period to which the income relates to.

*Membership Income*

Membership income is recognised in the period to which the membership relates.

**(d) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The amount of GST recoverable from and payable to, the Australian Taxation Office ("ATO") is included as a current asset and liability in the Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recoverable from, or payable to, the ATO are classified as operating cash flows.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**1 Statement of significant accounting policies (continued)**

**(e) Taxation**

The Club is exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997 as amended, as the activities are solely the promotion, administration and development of Australian Rules Football.

**(f) Receivables**

Trade and other receivables are stated at their amortised cost less any impairment loss.

**(g) Property, plant and equipment**

*Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

*Subsequent costs*

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Club, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*Depreciation and amortisation*

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Club will obtain ownership by the end of the lease term. Land is not depreciated.

The depreciation rates used for each class of asset, for the current and prior financial period are as follows:

**Straight line method**

Plant and equipment	10% to 20%
Furniture and fittings	10%
Leasehold Improvements	5% to 10%

**(h) Trade and Other Payables**

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 30 days.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**1 Statement of significant accounting policies (continued)**

**(i) Contributed equity / retained earnings**

The Club is a company limited by guarantee to the extent of \$2.00 for each member. As at 31 October 2015, there was 1 voting member.

The Memorandum of Association prevents the distribution of retained profits or payment of dividends to members.

**(j) Employee benefits**

*Wages, salaries, annual leave and non-monetary benefits*

*Short-term employee benefits*

Short-term benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the club has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

*Other long term employee benefits*

The Club's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit & loss in the period in which they arise.

*Defined Contribution Superannuation fund*

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

**(k) Impairment**

**(i) Non-derivative financial assets**

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Club on terms that the Club would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

*Loans and receivables*

The Club considers evidence of impairment for receivables.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**1 Statement of significant accounting policies (continued)**

**(k) Impairment (continued)**

**(ii) Non-financial assets**

The carrying amounts of the Club's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

The Club's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (or group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (or group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(l) Inventory**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**(m) Leases**

Leases in terms of which the Club assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised in the Club's statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**1 Statement of significant accounting policies (continued)**

**(n) Provisions**

A provision is recognised if, as a result of a past event, the Club has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

**(o) New standards and interpretations not yet adopted**

A number of new standards, amendments to standards and interpretations are effective for annual reporting periods beginning after 1 November 2014 and earlier application is permitted; however, the Club has not early applied these in preparing these financial statements. The Club does not plan to adopt these standards early.

None of these are expected to have a significant effect on the financial statements of the Club, except for *AASB 9 Financial Instruments*, which becomes mandatory for the Club's 2019 financial statements and could change the classification and measurement of financial assets. The Club does not plan to adopt this standard early and the extent of the impact has not yet been determined.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

	2015	2014
	\$	\$
<b>2 Revenue</b>		
Grant income	18,603,113	16,506,277
Sponsorship & supply rights income	7,457,992	6,620,920
Membership & ticketing income	6,596,920	7,554,807
Merchandise sales	549,458	843,230
Other trading operations	1,773,295	2,273,384
	<u>34,980,778</u>	<u>33,798,618</u>
<b>3 Employee expenses</b>		
Wages and salaries	20,884,078	19,061,567
Superannuation expenses	1,353,738	1,248,447
Annual leave expense	27,085	13,068
Long service leave expense	99,066	(2,494)
	<u>22,363,967</u>	<u>20,320,588</u>
<b>4 Finance income and expense</b>		
Finance income on bank deposits	103,985	124,527
Finance expense	(6,839)	-
	<u>97,146</u>	<u>124,527</u>
<b>5 Cash and cash equivalents</b>		
Cash on hand	2,100	1,390
Cash at bank	771,231	991,498
	<u>773,331</u>	<u>992,888</u>
<b>6 Trade and other receivables</b>		
Trade receivables	330,589	252,076
Less: provision for impairment losses	(47,401)	(37,375)
Other trade receivables	53,878	963,825
	<u>337,066</u>	<u>1,178,526</u>

During the year the Director's assessed the recoverability of trade and other receivables and recorded impairment losses of \$47,401 in respect of debtors outstanding at 31 October 2015 (2014: \$37,375).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

		2015	2014
		\$	\$
7	<b>Inventory – merchandise</b>	<u>128,123</u>	<u>80,737</u>
8	<b>Property, plant and equipment</b>		
	Plant and equipment		
	<i>At cost</i>	1,373,450	1,229,809
	<i>Less: accumulated depreciation</i>	(813,444)	(587,283)
	<b>Net book value</b>	<u>560,006</u>	<u>642,525</u>
	 Furniture and fittings		
	<i>At cost</i>	34,472	34,472
	<i>Less: accumulated depreciation</i>	(19,063)	(14,999)
	<b>Net book value</b>	<u>15,409</u>	<u>19,473</u>
	 Leasehold Improvements		
	<i>At cost</i>	352,976	352,976
	<i>Less: accumulated depreciation</i>	(85,768)	(65,209)
	<b>Net book value</b>	<u>267,208</u>	<u>287,005</u>
	 Work in Progress	<u>-</u>	<u>281,320</u>
	 <b>Carrying amount at end of period</b>	<u><u>842,623</u></u>	<u><u>1,231,085</u></u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

	2015	2014
	\$	\$
<b>8 Property, plant and equipment (continued)</b>		
Plant and equipment		
<i>Carrying amount at beginning of period</i>	642,526	472,364
<i>Additions/Transfers</i>	143,641	293,052
<i>Disposals</i>	-	-
<i>Depreciation</i>	(226,161)	(122,891)
Carrying amount at end of period	560,006	642,526
 Furniture and fittings		
<i>Carrying amount at beginning of period</i>	19,472	15,410
<i>Additions</i>	-	3,241
<i>Disposals</i>	-	-
<i>Depreciation</i>	(4,063)	821
Carrying amount at end of period	15,409	19,472
 Leasehold Improvements		
<i>Carrying amount at beginning of period</i>	287,767	295,341
<i>Additions</i>	-	10,762
<i>Disposals</i>	-	-
<i>Depreciation</i>	(20,559)	(18,336)
Carrying amount at end of period	267,208	287,767
 Work in Progress		
<i>Carrying amount at beginning of period</i>	281,320	-
<i>Additions</i>	-	281,320
<i>(Disposals)/ Transfers</i>	-	-
<i>Reimbursement of Costs</i>	(281,320)	-
<i>Depreciation</i>	-	-
Carrying amount at end of period	-	281,320
	842,623	1,231,085

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

	2015	2014
	\$	\$
<b>9</b>		
<b>Prepayments</b>		
<b>Current</b>		
Operational prepayments	695,119	1,338,279
	<u>695,119</u>	<u>1,338,279</u>
<b>Non-current</b>		
Stadium Infrastructure	2,265,646	-
	<u>2,265,646</u>	<u>-</u>

During the year the Club incurred expenditure of \$2.26m relating to capital investment on stadium infrastructure at Metricon Stadium. The infrastructure is substantially complete but will not be fully operational until 2016.

<b>10</b>		
<b>Other assets</b>		
Stadium sinking fund bank account	3,599,690	2,784,683
	<u>3,599,690</u>	<u>2,784,683</u>

As outlined in Note 14, the Club is required to provide through a sinking fund for annual commitments not paid during the period as outlined in the Venue Management Agreement. This Other Asset represents funds deposited into a sinking fund account that will be required to satisfy the provision as detailed in Note 14. As such, these funds are not considered part of the Club's working capital and will not be used for any other purpose other than to satisfy the Club's obligations under the Venue Management Agreement, which have been fully provided for at year end.

<b>11</b>		
<b>Trade and other payables</b>		
Trade payables	528,319	423,651
GST tax payable	102,782	443,688
Other payables and accruals	580,930	881,069
	<u>1,212,031</u>	<u>1,748,408</u>

<b>12</b>		
<b>Borrowings</b>		
<b>Current</b>		
NAB Corporate Markets Loan	750,000	-
	<u>750,000</u>	<u>-</u>
<b>Non-current</b>		
NAB Corporate Markets Loan	840,000	-
	<u>840,000</u>	<u>-</u>

The club has a \$1.59m commercial corporate markets loan from National Australia Bank with a term of two years and a maturity date of 30 June 2017. The loan is secured by a guarantee provided by the AFL and has an average interest rate of 3.7%.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

	2015	2014
	\$	\$
<b>13</b>		
<b>Deferred Income</b>		
Deferred income	188,272	761,197
Merchandise gift vouchers	3,704	3,774
	<u>191,976</u>	<u>764,971</u>
<b>14</b>		
<b>Provisions</b>		
<b>Current</b>		
Provision for annual leave	259,982	232,897
Stadium sinking fund provision	109,813	159,137
	<u>369,795</u>	<u>392,034</u>
<b>Non-current</b>		
Provision for long service leave	364,373	265,307
Stadium sinking fund provision	3,572,892	2,764,077
	<u>3,937,265</u>	<u>3,029,384</u>

As venue manager of Metricon Stadium, the Club is committed to provide through a sinking fund for annual commitments not paid during the period as outlined in the Venue Management Agreement which expires on 30 May 2021. Refer Note 10.

**15 Member's Guarantee**

The Club is limited by guarantee. The Club's constitution states that if the Club is wound up, the current members and those who have resigned within one year will be required to contribute a maximum of \$2.00 each towards meeting any outstanding obligations of the Club contracted before the time at which he or she ceased to be a member. At 31 October 2015 there was one voting member.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**16 Key management personnel remuneration**

Key management personnel of the Club include the Chief Executive Officer and departmental General Managers appointed to the executive management team.

	2015	2014
	\$	\$
Total remuneration provided	2,393,096	2,515,901

**17 Related parties****Directors' transactions with the Club**

No directors have elected to receive any remuneration for their services as a director of the Club during the current or previous financial periods.

**Transactions with related parties**

The Club used accommodation services at Mantra Legends Hotel, of which Kerry East is Group CEO. Amounts paid to the Mantra Group during the year were \$1,495 (2014: \$3,130), of which there was nil outstanding at year end (2014: nil).

**18 Economic dependency**

The Club's ongoing operations are dependent upon the receipt of further funding from the AFL. The AFL have committed to provide funding to the Club within agreed terms to assist in meeting its ongoing obligations and the directors have therefore prepared the financial statements on a going concern basis.

**19 Contingent Liabilities**

As at 31 October 2015 there were no contingent liabilities.

**20 Lease Commitments**

As venue manager of Metricon Stadium, the Club is committed to stadium financial commitments over the period of the venue management agreement to 30 May 2021.

	2015	2014
	\$	\$
<b>Leasehold</b>		
Less than one year	1,650,000	1,650,000
Between one and five years	6,600,000	6,600,000
More than five years	18,150,000	19,800,000
	26,400,000	28,050,000

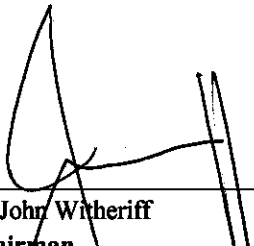
**Directors' declaration**

In the opinion of the directors of GCFC Limited ('the Club'):

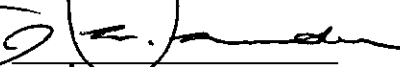
- (a) the financial statements and notes, set out on pages 7 to 22 are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position of the Club as at 31 October 2015 and of its performance, for the financial year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001;
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

Dated at Carrara this 28th day of January 2016.

Signed in accordance with a resolution of the directors;



Mr John Witheriff  
Chairman



Ms Janelle Manders  
Director



## **Independent auditor's report to the members of GCFC Limited**

### **Report on the financial report**

We have audited the accompanying financial report of GCFC Limited ('the Company'), which comprises the statement of financial position as at 31 October 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 20 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

#### *Directors' responsibility for the financial report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we 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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards – Reduced Disclosure Requirements, a true and fair view which is consistent with our understanding of the Company's financial position and of its performance.

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



*Independence*

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

*Auditor's opinion*

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

- (a) giving a true and fair view of the Company's financial position as at 31 October 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

KPMG

KPMG

Adam Twemlow  
*Partner*

Gold Coast

28 January 2016