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Form 388
Corporations Act 2001
294, 295, 298-300, 307, 308, 319, 321, 322
Corporations Regulations
1.0.08

Copy of financial statements and reports

Company details

Company name

INDIAN PACIFIC LIMITED

ACN

009 178 894

Reason for lodgement of statement and reports

A public company or a disclosing entity which is not a registered scheme or prescribed interest undertaking

Dates on which financial year ends

Financial year end date
31-10-2014

Auditor's report

Were the financial statements audited?

Yes

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

No

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

No

Details of current auditor or auditors

Current auditor

Date of appointment **26-05-1994**

Name of auditor

ERNST & YOUNG

Address

'ERNST & YOUNG BUILDING'
11 MOUNTS BAY ROAD

PERTH WA 6000

Certification

I certify that the attached documents are a true copy of the original reports required to be lodged under section 319 of the Corporations Act 2001.

Yes

Signature

Select the capacity in which you are lodging the form

Secretary

I certify that the information in this form is true and complete and that I am lodging these reports as, or on behalf of, the company.

Yes

Authentication

This form has been authorised by

Name	Richard Frederick White GODFREY , Secretary
Date	03-02-2015

For more help or information

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Ask a question?	www.asic.gov.au/question
Telephone	1300 300 630

INDIAN PACIFIC LIMITED

ABN 31 009 178 894

FINANCIAL REPORT

For the year ended 31 October 2014

Corporate Directory

Registered Principal Office:

Patersons Stadium
250 Roberts Road
SUBIACO WA 6008

Telephone: (08) 9381 1111
Facsimile: (08) 9388 2541

Auditors:

Ernst & Young
11 Mounts Bay Road
PERTH WA 6000

Correspondence:

PO Box 508
SUBIACO WA 6904

Bankers:

Bankwest
108 St George's Terrace
PERTH WA 6000

Directors:

A Cransberg (Chairman)
J McMahon (Deputy Chairman)
P Carter
R Gibbs
T Nisbett
G Rasmussen (appointed 01/11/2013)
C Wharton (appointed 01/11/2013)

Solicitors:

Johnson Winter & Slattery Lawyers
Level 30, Australia Square
264 George St
SYDNEY NSW 2000

Corrs Chambers Westgarth Lawyers
Level 15, Woodside Plaza
240 St George's Terrace
PERTH WA 6000

Secretary:

R Godfrey

Trustee for Unsecured Note Holders:

Perpetual Limited
Corporate & Structured Finance
Level 11, 123 Pitt Street
SYDNEY NSW 2000

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YEAR ENDED 31 OCTOBER 2014

CHAIRMAN'S REPORT

The company is pleased to announce a consolidated operating surplus of $4,657,552 for the year ended 31 October 2014. This compares to a consolidated operating surplus of $4,148,240 for the year ended 31 October 2013.

The company is proud of achieving this surplus given the currently challenging economic times. Rent and royalty payments of approximately $6.4 million were made to the West Australian Football Commission (WAFC) to assist in the maintenance of Paterson's stadium and the funding of football development in Western Australia, which our company has the direct responsibility for. Over the course of our history, we have re-directed around $112 million back to grassroots football via the WAFC. The growth of our company financial reserves will be used to invest back into new facilities and infrastructure.

Despite our strong off-field position we have some critical decisions ahead. In particular there are two projects, being our new Community and Club facilities and the new Perth Stadium, which will have a profound impact on our company for the next 20 to 100 years.

One of the most important developments in 2014 was the signing of the agreement for lease with the Town of Victoria Park over the company's move to Lathlain Park – an important part of the Town's bold plan to revitalise the precinct. We believe there are great synergies between the objectives of the Town and of the company in connecting with the community in the Lathlain Park precinct. The company plans to fully engage the community when it is relocated, not only further enhancing some existing programs but also creating new initiatives to increase our impact. The partnership with the Perth Football Club and the Town of Victoria Park allows us to achieve an outcome which will greatly enhance a currently underdeveloped area. We cannot finance this project alone and we will continue to seek funding to assist to achieve our aims.

The Stadium deal will impact the company's financial viability and we have already undertaken significant work in negotiating the user agreement. Importantly the two WA-based AFL clubs, the WA Football Commission and the AFL have a united position, and will continue to work with the State Government and other bodies to reach the best possible outcome. Discussions so far have been encouraging and this deal is critical to the future sustainability of the West Coast Eagles. It is also critical to the development of the game in Western Australia given the contribution we make in terms of financial and resources input.

Whilst it was disappointing not to make the finals it was encouraging to see so many of the young players improve, to see the senior players embrace change and we are very confident in the direction that we are heading under our new Senior Coach, Adam Simpson. We are very proud of our history but are also focussed on achieving future success. We are now greatly looking forward to the start of the season to see how we perform.

We would like to very much congratulate Matt Priddis who became the company's third Brownlow medallist. It was an outstanding achievement and one richly deserved. We were similarly proud when Beau Waters won the Jim Stynes Community Leadership Award. The AFL and its clubs do a remarkable job in this space, so to see Beau win that accolade ahead of so many other deserving nominations was most satisfying. We have the responsibility to make a positive difference in the community and we are proud that we do. I would also like to acknowledge Eric McKenzie's efforts in winning the John Worsfold medal marginally ahead of Matt Priddis. I would sincerely like to congratulate the Hawthorn Football Club on their outstanding performance in winning consecutive premierships.

We saw two of our greats retire, Darren Glass and Dean Cox, in 2014. Their leadership and on field performances have been of an exceptional standard for many years and we are extremely proud of them.

The alignment with East Perth Football Club has worked very well for us this year in improving our younger players and having them play together. This alignment is critical to us being able to be competitive with the other AFL clubs.

This year our total membership grew to 58,426 members. The support the company enjoys from all of our stakeholders is as strong, we believe, as any in the AFL and we have great pride in the loyalty from all of our people. I would particularly like to acknowledge the excellent support from our two principal partners in SGIO and Bankwest.

The relationship between the club and the West Australian Football Commission has also been important and I would like to again acknowledge Frank Cooper and Gary Walton. We continue to work well together on some significant issues for both our company and football in general.

Finally, I would like to thank all of my fellow directors in 2014: deputy chairman James McMahon, Peter Carter, Russell Gibbs, Chris Wharton, Geoff Rasmussen and Trevor Nisbett. Board meetings are always focussed around transparent discussion and debate and we are fortunate to have all of these astute people assisting to govern the company. I would also like to acknowledge the work of the senior executive, led by Trevor Nisbett, who has worked diligently to set further strong foundations for the future.

Alan Cransberg
West Coast Eagles Chairman

The directors present their report for the year ended 31 October 2014.

DIRECTORS

The directors of the Company in office during the financial year and until the date of this report are:

A Cransberg (Chairman)
J McMahon (Deputy Chairman)
P Carter
R Gibbs
T Nisbett
G Rasmussen (appointed 01/11/2013)
C Wharton (appointed 01/11/2013)

Directors were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the period were the operation and management of the West Coast Eagles Football Team.

DIVIDENDS

The directors recommend that no dividend be declared or paid for the financial year ended 31 October 2014.

REVIEW OF OPERATIONS

The operating profit of the consolidated entity was $4,657,552 (2013: $4,148,240). The company obtained tax-exempt status effective of 10 March 2000 on becoming a wholly owned subsidiary of the Western Australian Football Commission. In 2014 the team was in its 28th year in the Australian Rules football competition.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the Company's state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

There have been no significant events occurring after the balance sheet date, which significantly affected or may significantly affect the Company's operations or results of those operations.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The company is not subject to any particular or significant environmental regulation.

SHARE OPTIONS

As at the date of this report, there were no unissued ordinary shares under options.

PARTICULARS OF DIRECTORS

Alan Cransberg (Chairman):

Managing Director/Chairman, Alcoa of Australia.
Alan began his career with Alcoa in 1980 after graduating from UWA with an Honours Degree in Civil Engineering. He worked in Alcoa's Operations from 1981 to 1997, before being appointed Pinjarra Alumina Refinery local manager in 1998. In 2001, he moved to the US where he spent seven years in a Global Business role before returning to WA. He also played 115 games for Swan Districts Football Club, including two premierships in 1982 and 1983. He is a Board Member of the Black Swan Theatre Company, the Alcoa Global Foundation and the Foundation to Prevent Violence Against Women and Their Children as well as being a Councillor for Creative Partnerships Australia. He is a member of The Business Council of Australia and Vice President of the Australian Aluminium Council. Alan has served as a director of the West Coast Eagles since March 2008 and became chairman in November 2010.

James McMahon DSC DCM (Deputy Chairman):

Commissioner, Department of Corrective Services in W.A.
James is currently the Commissioner for the Department of Corrective Services in Western Australia. He commenced this appointment in November 2013. He was previously the Managing Director of Chauvel Group, a management consultancy where he advised companies, government and for-purpose organisations in strategy, operations, risk and people performance. Prior to this he was Chief Operating Officer of Azure Capital. Commissioner McMahon also served in the Australian Defence Force for over 24 years. As Commanding Officer of the Special Air Service Regiment (SAS) he led deployments in Iraq, Afghanistan and Timor Leste and has been awarded the Distinguished Service Cross (DSC) and the Distinguished Service Medal (DSM) for command and leadership in action. He has a Masters in Management and a Masters in Business Administration. James was appointed to the board of directors in March 2007 and became deputy chairman in January 2012.

Peter Carter:

Managing Director, Crosby Tiles.
As the Managing Director of Crosby Tiles, Peter is involved in several other business ventures, primarily in the building sector. He has been Chairman of Crosby Supply and Fix since 2005, has been a Director of JH Wilberforce since 2003, a Director of Steel Blue since 1995 (chairman from 1996 to 1999) and has been a Director of Real Estate Plus since 1999. He is also a Trustee of WA Charity Direct. He graduated from Curtin University with a Bachelor of Business in 1979. Peter played 12 games for Swan Districts, including the 1979 reserves premiership, before a knee injury ended his career at 21. He joined the West Coast Eagles board in November 2010.

Russell Gibbs:

Managing Director/Chief Executive Officer, Hawaiian Group.
Appointed as the Managing Director and Chief Executive of Hawaiian Group in 2000, a privately held Western Australian based property company which owns and manages an Australia-wide commercial, retail, hospitality and development portfolio in excess of $1 billion. He was previously State President and National Councillor of the Property Council of Australia, Deputy Chair of Youth Focus, Trustee of the Anglican Church's Perth Diocesan Trust, a member of the Social Housing Taskforce Committee and the Parliamentary Precinct Steering Committee. Russell is a Director of Satterley Property Group, Director of St Ives Group Board and a member of the Chamber of Arts and Culture Board of Western Australia. He joined the West Coast Eagles board in November 2011.

Trevor Nisbett:

Chief Executive Officer/Managing Director, West Coast Eagles.
After achieving a Bachelor of Physical Education and a Diploma of Teaching from the University of Western Australia, Trevor's career focus turned to football administration. A former player, he was Football Manager at East Perth in 1981, before being elevated to General Manager in 1982. In 1984, he became Football Manager at Subiaco before starting his long and fruitful association with the West Coast Eagles. He was appointed Football Manager in September 1989 and operated in that role until 1999 when he was elevated to the role of Chief Executive, a position he still holds. He joined the West Coast Eagles Board of Directors in November 2003. Trevor is also Deputy Chairman of the David Wirrpanda Foundation; a Director of Foodbank WA and an Ambassadorial Member of the University of Western Australia Business School.

Geoff Rasmussen:

Managing Director, Azure Capital.
Geoff is co-founder and Managing Director of Azure Capital. Previously, Geoff was a founding director of Poynton Partners and GEM Consulting, where he worked in both management consultancy and corporate advisory roles. He is the Chairman of the Azure Foundation, a Director of Indigenous Construction Resources Group and a non-executive Director of One Disease at a Time. Previously, Geoff was Chairman of Youth Focus. Geoff studied Business Information Technology at the University of New South Wales before starting his career as a management consultant at McKinsey and Company. He joined the West Coast Eagles board in November 2013.

Chris Wharton:

Chief Executive Officer, Seven West Media WA.
Starting his career as a journalist Chris worked across newspaper management in Sydney before being appointed Chief Executive Officer of Perth's Community Newspaper Group in 1995. He was then Managing Director of Channel 7 Perth for nine years before becoming Chief Executive Officer of West Australian Newspapers in 2008. In his current role Chris is responsible for all Seven West Media assets in Western Australia - The West Australian, West Regional Publications (23 mastheads), its on-line properties, WA Publishers, Redwave Media (nine regional radio licence areas) and Channel 7 Perth. He joined the West Coast Eagles board in November 2013.

DIRECTORS' BENEFITS

During the financial period, no director of the company has received or become entitled to receive any benefit other than:

(a) a benefit included in the aggregate amount of emoluments received or due and receivable as shown in the accounts; or

(b) a fixed salary of a full-time employee of the company,

by reason of a contract made by the company with the director or with a firm in which he is a member, or with a company in which he has a substantial financial interest.

DIRECTOR'S MEETINGS

During the financial year and until the date of this report six directors' meeting were held. The number of meetings in which directors were in attendance is as follows:

	No. of meetings held while in office	**Meetings attended**
A Cransberg (Chairman)	6	6
J McMahon (Deputy Chairman)	6	5
P Carter	6	6
R Gibbs	6	5
T Nisbett	6	6
G Rasmussen	6	6
C Wharton	6	6

INDEMNIFICATION OF DIRECTORS & OFFICERS

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

The Company did however pay a premium in respect of a contract insuring against a liability incurred as a director, secretary or officer to the extent permitted by the Corporations Act (2001). It is the policy of the Company that the nature of any liability and the amount of any premium not be disclosed.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11 and forms part of this report.

Signed in accordance with a resolution of the directors.

Alan Cransberg
Director
Perth, 30th January 2015

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's independence declaration to the Directors of Indian Pacific Limited

In relation to our audit of the financial report of Indian Pacific Limited for the financial year ended 31 October 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst + Young

Ernst & Young

Peter McIver

Peter McIver
Partner
30 January 2015

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
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Independent auditor's report to the members of Indian Pacific Limited

We have audited the accompanying financial report of Indian Pacific Limited, which comprises the consolidated balance sheet as at 31 October 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, 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.

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 and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgment, 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 controls 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

a. the financial report of Indian Pacific Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 31 October 2014 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Ernst + Young

Ernst & Young

Peter McIver
Partner
Perth
30 January 2015

In accordance with a resolution of the directors of Indian Pacific Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 October 2014 and of its performance for the year ended on that date; and

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

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(b); and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

A Cransberg
Director
Perth, 30th January 2015

		Consolidated	
		2014	2013
	Notes	$	$
REVENUE FROM ORDINARY ACTIVITIES	3	57,616,027	55,937,525
Cost of goods sold	4	12,520,157	13,100,294
GROSS PROFIT		45,095,870	42,837,231
Football & administration expenses		23,769,244	23,888,767
Administration expenses		7,484,807	6,741,451
Rent expense	4	4,143,031	4,056,243
Royalty expense	4	2,300,000	2,918,871
Marketing and community expenses		2,699,071	2,495,961
Corporate expenses		62,956	62,757
(Gain)/loss on investments		(20,874)	(1,475,139)
PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		4,657,635	4,148,320
Income tax expense	2(s)	-	-
PROFIT FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		4,657,635	4,148,320
NET PROFIT ATTRIBUTABLE TO MEMBERS OF INDIAN PACIFIC LIMITED		4,657,635	4,148,320
Amortisation of unsecured note redemption reserve		(83)	(80)
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS ATTRIBUTABLE TO MEMBERS OF INDIAN PACIFIC LIMITED		(83)	(80)
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS ATTRIBUTABLE TO MEMBERS OF INDIAN PACIFIC LIMITED		4,657,552	4,148,240
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit & loss			
Revaluation of available for sale investments		23,564	258,928
TOTAL COMPREHENSIVE INCOME		4,681,116	4,407,168

	Notes	Consolidated 2014 $	2013 $
CURRENT ASSETS			
Cash assets	23(b)	45,567,100	39,853,517
Receivables	5	1,989,119	2,750,533
Investments	6	1,618,916	1,536,226
Inventories	7	467,521	632,529
TOTAL CURRENT ASSETS		49,642,656	44,772,805
NON-CURRENT ASSETS			
Property, plant and equipment	8	604,975	444,172
Other assets	9	2,502,855	2,687,615
TOTAL NON-CURRENT ASSETS		3,107,830	3,131,787
TOTAL ASSETS		52,750,486	47,904,592
CURRENT LIABILITIES			
Payables	10	5,045,844	6,296,921
Unearned income		4,345,132	3,105,025
Provisions	11	3,110,734	2,898,782
TOTAL CURRENT LIABILITIES		12,501,710	12,300,728
NON-CURRENT LIABILITIES			
Payables	12	742	659
Provisions	13	363,654	399,941
TOTAL NON-CURRENT LIABILITIES		364,396	400,600
TOTAL LIABILITIES		12,866,106	12,701,328
NET ASSETS		39,884,380	35,203,264
EQUITY			
Contributed equity	14	5,446,065	5,446,065
Reserves	15	5,357,704	5,318,147
Retained profits	15	29,080,611	24,439,052
TOTAL EQUITY		39,884,380	35,203,264

CONSOLIDATED	Contributed Equity $	Retained Profits $	Reserves $	Total Equity $
At 1 November 2012	5,446,065	20,131,007	5,219,024	30,796,096
Revaluation of available for sale investments	-	-	258,928	258,928
Transfer to undistributable profits reserve	-	159,725	(159,725)	-
Transfer to unsecured notes reserve	-	80	(80)	-
Profit for the year	-	4,148,240	-	4,148,240
At 31 October 2013	5,446,065	24,439,052	5,318,147	35,203,264

CONSOLIDATED	Contributed Equity $	Retained Profits $	Reserves $	Total Equity $
At 1 November 2013	5,446,065	24,439,052	5,318,147	35,203,264
Revaluation of available for sale investments	-	-	23,564	23,564
Transfer to undistributable profits reserve	-	(16,076)	16,076	-
Transfer to unsecured notes reserve	-	83	(83)	-
Profit for the year	-	4,657,552	-	4,657,552
At 31 October 2014	5,446,065	29,080,611	5,357,704	39,884,380

		Consolidated	
		2014	**2013**
	Notes	**$**	**$**
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		49,105,417	45,842,602
Payments to suppliers and employees		(46,920,151)	(48,295,526)
Interest received		1,577,696	1,750,258
AFL Distribution		9,289,004	8,971,244
Rentals and royalty paid to WAFC		(6,399,193)	(3,471,536)
NET CASH FLOWS FROM OPERATING ACTIVITIES	23(a)	6,652,773	4,797,042
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(460,684)	(593,254)
Purchase of investment property		-	(1,015,440)
Proceeds from sale of property, plant & equipment		1,444	3,328
Proceeds from sale of investments		(399,950)	2,150,000
Purchase of shares		(80,000)	-
NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES		(939,190)	544,634
CASH FLOWS FROM FINANCING ACTIVITIES		-	-
NET CASH FLOWS USED IN FINANCING ACTIVITIES		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		5,713,583	5,341,676
Cash and cash equivalents at beginning of period		39,853,517	34,511,841
CASH AND CASH EQUIVALENTS AT END OF PERIOD	23(b)	45,567,100	39,853,517

1. CORPORATE INFORMATION

The financial report of Indian Pacific Limited (the Company) for the year ended 31 October 2014 was authorised for issue in accordance with a resolution of the directors on 30th January 2015.

Indian Pacific Limited is a company limited by shares that is incorporated and domiciled in Australia.

The registered office of Indian Pacific Limited is located at:

Paterson's Stadium
250 Roberts Road
SUBIACO WA 6008

The nature of the operations and principal activities of the company are described in the Directors' Report.

The entity employed 153 full time employees and players as of 31 October 2014 (2013: 147 employees).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report is presented in Australian dollars.

The financial report has been prepared on a historical cost basis except for available for sale investments which have been measured at fair value.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board, and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(c) Changes in accounting policies, disclosures, standards and interpretations

The accounting policies adopted are consistent with those of the previous financial reporting period except as follows:

Investment properties

The Group re-assessed its accounting for investment properties after initial recognition. The Group has previously measured all investment property after initial recognition using the fair value model as set out in AASB 140.

The Group elected to change the method of accounting for investment property after initial recognition to the cost model, to align their accounting policy with that of its parent company. After initial recognition, the Group uses the cost model, whereby investment property will be measured

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

at its cost less any accumulated depreciation and accumulated impairment losses. The Group applied the cost model prospectively.

The Group has adopted the following new and revised Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 November 2013:

Reference	Title	Application date of standard*	Application date for Group*
AASB 10	**Consolidated Financial Statements** AASB 10 establishes a new control model that applies to all entities. It replaces parts of AASB 127 *Consolidated and Separate Financial Statements* dealing with the accounting for consolidated financial statements and UIG-112 *Consolidation - Special Purpose Entities.* The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control. Consequential amendments were also made to this and other standards via AASB 2011-7 and AASB 2012-10. Amendments made by the IASB in August 2014 allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.Further amendments made by the IASB to IFRS 10 and IAS 28 in September 2014 address an acknowledged inconsistency between the requirements in IFRS 10 and IAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture.	1 January 2013***	1 Oct 2013
AASB 11	**Joint Arrangements** AASB 11 replaces AASB 131 *Interests in Joint Ventures* and UIG-113 *Jointly- controlled Entities - Non-monetary Contributions by Ventures.* AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition it removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves is accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method. Consequential amendments were also made to this and other standards via AASB 2011-7, AASB 2010-10, 2014-3 and amendments to AASB 128. Amendments made by the IASB in May 2014 add guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business*****.	1 January 2013***	1 Oct 2013
AASB 12	**Disclosure of Interests in Other Entities** AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. New disclosures have been introduced about the judgments made by management to determine whether control exists, and to require summarised information about joint arrangements, associates, structured entities and subsidiaries with non-controlling interests.	1 January 2013***	1 Oct 2013
AASB 13	**Fair Value Measurement** AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets or	1 January 2013	1 Oct 2013

	liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. Consequential amendments were also made to other standards via AASB 2011-8.		
AASB 119	**Employee Benefits** The main change introduced by this standard is to revise the accounting for defined benefit plans. The amendment removes the options for accounting for the liability, and requires that the liabilities arising from such plans is recognised in full with actuarial gains and losses being recognised in other comprehensive income. It also revised the method of calculating the return on plan assets. The revised standard changes the definition of short-term employee benefits. The distinction between short-term and other long-term employee benefits is now based on whether the benefits are expected to be settled wholly within 12 months after the reporting date. Consequential amendments were also made to other standards via AASB 2011-10.	1 January 2013	1 Oct 2013
AASB 2012-2	**Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities** AASB 2012-2 principally amends AASB 7 *Financial Instruments: Disclosures* to require disclosure of the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position, when all the offsetting criteria of AASB 132 are not met.	1 January 2013	1 Oct 2013
AASB 2012-5	**Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle** AASB 2012-5 makes amendments resulting from the 2009-2011 Annual Improvements Cycle. The standard addresses a range of improvements, including the following: ► Repeat application of AASB 1 is permitted (AASB 1) ► Clarification of the comparative information requirements when an entity provides a third balance sheet (AASB 101 *Presentation of Financial Statements*)	1 January 2013	1 Oct 2013
AASB 1053	**Application of Tiers of Australian Accounting Standards** This standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements: a. Tier 1: Australian Accounting Standards b. Tier 2: Australian Accounting Standards - Reduced Disclosure Requirements Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. The following entities apply Tier 1 requirements in preparing general purpose financial statements: a. For-profit entities in the private sector that have public accountability (as defined in this standard) b. The Australian Government and State, Territory and Local governments The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements: a. For-profit private sector entities that do not have public accountability b. All not-for-profit private sector entities c. Public sector entities other than the Australian Government and State, Territory and Local governments. Consequential amendments to other standards to implement the regime were introduced by AASB 2010-2, 2011-2, 2011-6, 2011-11, 2012-1, 2012-7 and 2012-11. **Note: an entity whose financial statements comply with Australian Accounting Standards - Reduced Disclosure Requirements shall make an explicit and**	1 July 2013	1 Oct 2013

	unreserved statement of such compliance in its 'statement of compliance' note and therefore will not need to present AASB 1053 in the 'change of accounting policy' note. This explanation has been retained for completeness and comparability purposes. Refer to Endeavour (RDR) Proprietary Limited Financial report 30 June 2013 for further information.		
AASB 2011-4	**Amendments to Australian Accounting Standards to *Remove Individual Key Management Personnel Disclosure Requirements* [AASB 124]** This amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies. It also removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.	1 July 2013	1 Oct 2013

The adoption of these standards did not give rise to new policies being adopted and did not have a material effect on the financial statements of the Group.

New and amended Australian Accounting Standards and Interpretations that have been recently issued or amended but are not yet effective have not been adopted for the annual reporting period ended 31 October 2014 and are outlined in the table below.

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 2012-3	Amendments to Australian Accounting Standards - *Offsetting Financial Assets and Financial Liabilities*	AASB 2012-3 adds application guidance to AASB 132 *Financial Instruments: Presentation* to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 January 2014	1 Oct 2014
AASB 9/IFRS 9	*Financial Instruments*	On 24 July 2014 The IASB issued the final version of **IFRS 9 which replaces IAS 39 and includes a logical model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.** IFRS 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early application. The own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The final version of IFRS 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The AASB is yet to issue the final version of AASB 9. A revised version of AASB 9 (AASB 2013-9) was issued in December 2013 which included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures. AASB 9 includes requirements for a simplified approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below. a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for	1 January 2018	1 Oct 2018

		managing the financial assets; (2) the characteristics of the contractual cash flows. b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. d. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: ► The change attributable to changes in credit risk are presented in other comprehensive income (OCI) ► The remaining change is presented in profit or loss AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E.		
AASB 2013-3	*Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*	AASB 2013-3 amends the disclosure requirements in AASB 136 *Impairment of Assets*. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal.	1 January 2014	1 Oct 2014
AASB 1031	*Materiality*	The revised AASB 1031 is an interim standard that cross-references to other Standards and the *Framework (*issued December 2013) that contain guidance on materiality. AASB 1031 will be withdrawn when references to AASB 1031 in all Standards and Interpretations have been removed. AASB 2014-1 Part C issued in June 2014 makes amendments to eight Australian Accounting Standards to delete their references to AASB 1031. The amendments are effective from 1 July 2014*.	1 January 2014	1 Oct 2014
AASB 2013-9	*Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments*	The Standard contains three main parts and makes amendments to a number Standards and Interpretations. Part A of AASB 2013-9 makes consequential amendments arising from the issuance of AASB CF 2013-1. Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards. Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 *Hedge Accounting* into AASB 9 *Financial Instruments*.	^^	^^
AASB 2014-4	**Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)**	**AASB 116 and AASB 138** both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the	1 January 2016	1 Oct 2016

		economic benefits embodied in the asset. The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.		
AASB 2014-1 Part B Amendments to AASB 119	Amendments to Australian Accounting Standards - Part B Defined Benefit Plans: Employee Contributions (Amendments to AASB 119)	AASB 2014-Part B makes amendments in relation to the requirements for contributions from employees or third parties that are set out in the formal terms of the benefit plan and linked to service. The amendments clarify that if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service.	1 July 2014	1 Oct 2014

(c) **Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 October 2014. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(d) **Significant accounting judgements, estimates and assumptions**

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing material misstatement to the carrying amounts of certain assets and liabilities within the next annual reporting periods are:

Non-consolidation Wirrpanda Foundation Limited

In accordance with *AASB10 Consolidated Financial Statements*, management has determined that the level of power, exposure, rights and ability to affect returns over the Wirrpanda Foundation Limited (the Foundation) does not constitute consolidation between the Foundation and Indian Pacific Ltd. The activities of the Foundation operate independently of the activities of Indian Pacific Limited and are directed by management of the Foundation. Funding received by the Foundation is allocated at the discretion of the Foundations management and financial returns are retained by the Foundation.

Classification and valuation of investments

Management has classified investments in listed and unlisted securities as 'available for sale' investments and movements in fair value are recognised directly in equity. The fair value of listed shares has been determined by reference to published price quotations in an active market. The fair values of unlisted securities not traded in an active market are determined by reference to the defaults in underlying investments, being the risks specific to these assets.

(e) **Property, Plant and Equipment**

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is provided on a straight line or diminishing value basis over the useful life of the asset. Major depreciation periods are:

	2014	2013
- Leasehold improvements	lease term/useful life	lease term/useful life
- Furniture, fittings and equipment	3 to 10 years	3 to 10 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may not be recoverable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The directors have determined that items of plant and equipment do not generate independent cash inflows and that the business of the Consolidated Entity is, in its entirety, a cash-generating unit.

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. For plant and equipment, impairment losses are recognised in the profit or loss as an expense.

(ii) Derecognition and disposal

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(f) **Leasehold Improvements**

The cost of improvements to leasehold properties, disclosed as leasehold improvements are amortised over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is the shorter.

(g) **Cash and cash equivalents**

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above. The Consolidated Entity does not have any bank overdraft facilities.

(h) **Trade and Other Receivables**

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Collectability of trade receivables is reviewed on an on-going basis. Individual debts that are known to be uncollectable are written off when identified. An impairment provision is recognised when there is objective evidence that the Consolidated Entity will not be able to collect the receivable.

Financial difficulties of the debtor, default payments and debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(i) Impairment of Assets

The Consolidated Entity assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Consolidated Entity makes an estimate of the asset's recoverable amount.

The directors have determined that individual assets or groups of assets do not generate independent cash inflows and that the business of the Consolidated Entity is, in its entirety, a cash-generating unit. Accordingly, each asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(j) Unsecured Notes

The unsecured note liability is calculated by discounting the face value of the notes at a rate of 15% from the latest possible date of redemption. Redemption is at the discretion of the directors' prior to the year 2075. The difference between the face value of the notes and the amount of the liability is recorded as an unsecured note redemption reserve (Note 15).

(k) Trade and Other Payables

Trade payables and other payables are carried at amortised cost. Due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year that are unpaid and arise when the Consolidated Entity becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Provisions

Provisions are recognised when the Consolidated Entity has a present obligation (legal or constructive), as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Consolidated Entity expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the balance sheet date using a discounted cash flow methodology. The risk-free government bond rate relative to the expected life of the provision is used as a discount rate. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. When the discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(m) **Contributed Equity**

Ordinary shares are classified as equity.

(n) **AFL Sub-licence**

Intangible assets acquired separately are initially measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in accounting estimate and is thus accounted for on a prospective basis.

A summary of the policies applied to the Consolidated Entities intangible assets is as follows:

Australian Football League (AFL) Licences

Useful lives
Indefinite (2013: Indefinite)
Amortisation method used
No amortisation
Internally generated or acquired
Acquired
Impairment testing
When an indication of impairment exists
(2013: when an indication of impairment exists)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(o) **Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Consolidated Entity and revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods
Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Rendering of Services
Where the contract outcome can be reliably measured:

- control of a right to be compensated for the services has been attained and the stage of completion can be reliably measured. Stage of completion is measured by reference to the number of matches played as a percentage of the total number of matches for each contract.

Where the contract outcome cannot be reliably measured:

- revenue is recognised only to the extent that costs have been incurred.

Interest
Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(p) **Prepaid Rent - WAFC**

The Company has prepaid rent to the WAFC as a contribution to the redevelopment of Subiaco Oval in return for the use of administration and player facilities for a period of 25 years. The prepayment is to be amortised over this period or until such time where they will no longer use the premises.

(q) **Inventories**

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(r) **Employee Benefits**

(i) Wages, salaries, and sick leave
Liabilities for wages and salaries, including non-monetary benefits expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. All these liabilities are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the sick leave is taken and are measured at the rates paid or payable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(ii) Long service leave and annual leave

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

In December 2002 the AFL clubs and the players entered into a Federally Certified Long Service Leave Agreement which removed the State Long Service Leave Entitlements of players (players now receive additional annual leave). This agreement does not cover players who left the club prior to the agreement being signed.

(s) Income Tax

The company obtained tax-exempt status effective from 10 March 2000 on becoming a wholly owned subsidiary of WAFC Inc. It is also exempt from tax under s50-45 of the ITAA (1997) which exempts sporting clubs from income tax.

(t) Investments and Other Financial Assets

Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit or loss or loans and receivables. When financial assets are recognised initially, they are measured at fair value. The Consolidated Entity determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year end.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the company commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

(i) Available for sale investments (including fixed interest investments)

Available for sale investments are those non-derivative financial assets that are designated as available for sale or are not classified as financial assets at fair value through profit or loss or held to maturity investments. After initial recognition available for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(iii) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less any accumulated depreciation and any accumulated impairment losses.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the income statement in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

(u) Unearned Revenue

Unearned revenue represents deposits, payments on account and payments in advance from customers for services, sponsorships or memberships, where the entity has a contractual or constructive liability to repay such amounts to the other party in the event that the entity does not deliver the services. Unearned revenue is recognised as the amount received by the entity and is deferred until the delivery of the service.

	Consolidated 2014 $	2013 $
3. REVENUES FROM ORDINARY ACTIVITIES		
Revenues from operating activities		
Match revenue	1,673,074	1,569,184
Membership revenue	18,938,813	17,964,432
Sponsorship revenue	7,498,870	7,656,558
Corporate hospitality revenue	9,563,820	9,261,991
Signage & advertising revenue	2,761,541	2,778,177
Merchandise revenue	2,105,112	2,334,772
Functions and special events revenue	3,510,586	3,601,830
AFL sourced income	9,364,004	8,971,244
Other revenue	478,620	(12,724)
Total revenue from operating activities	55,894,440	54,125,464
Revenues from outside the operating activities		
Interest - other corporations	1,652,088	1,750,337
Dividend income	69,499	61,724
Total revenues from outside the operating activities	1,721,587	1,812,061
Total revenue from ordinary activities	57,616,027	55,937,525
4. EXPENSES AND LOSSES		
Expenses		
Cost of goods sold		
Match expenses	2,584,197	2,499,164
Membership expenses	3,588,949	3,428,331
Sponsorship expenses	1,271,921	1,637,726
Signage & advertising expenses	90,377	232,511
Corporate box expenses	220,469	162,000
Coterie group expenses	954,661	934,268
Merchandise expenses	1,810,604	1,930,850
Functions and special events expenses	1,998,979	2,275,444
Total cost of goods sold	12,520,157	13,100,294
Depreciation of non-current assets		
Plant and equipment	291,223	587,447
Total depreciation and amortisation of non-current assets	291,223	587,447
Royalty to the WA Football Commission	2,300,000	2,918,871

		Consolidated 2014 $	Consolidated 2013 $
4. EXPENSES AND LOSSES (Cont'd)			
Operating lease rental			
- Minimum lease payments		4,143,031	4,056,243
Loss/(Gain) on disposal of plant and equipment		(1,444)	(3,328)
5. RECEIVABLES (CURRENT)			
Trade debtors	(i)	1,292,068	2,001,341
Provision for doubtful debts	(iii)	(228,351)	(221,564)
		1,063,717	1,779,777
Other debtors	(ii)	211,030	319,814
Prepayments	(ii)	714,372	650,942
		1,989,119	2,750,533

(a) Terms and conditions

Terms and conditions relating to the above financial instruments:

(i) Credit sales are normally on 30 day terms.

(ii) Other debtors are non-interest bearing and have repayment terms between 30 days and 90 days.

(iii) A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. There is an amount of $228,351 provided for in 2014 as compared to $221,564 in 2013.

At 31 October, the ageing analysis of trade receivables is as follows:

	Total	0-30 days	31-60 days	61 -90 days CI	61 -90 days PDNI	+91 Days PDNI	+91 Days CI
2014 Consolidated	1,292,068	782,372	115,284	-	27,463	172,116	194,833
2013 Consolidated	2,001,341	503,202	919,378	311,429	45,769	-	221,564

PDNI – Past due not impaired

CI – Considered impaired

	Consolidated	
	2014	2013
	$	$

6. INVESTMENTS

Fixed interest investments – at fair value (ii)	130,200	130,200
Available for sale investments – at fair value (i)	1,488,716	1,406,026
	1,618,916	1,536,226

(a) Terms and conditions

(i) The fair value of available for sale listed investments of $1,488,716 (2013: $1,406,026) has been determined by reference to published price quotations.

(ii) The fair value of available for sale unlisted investments of $130,200 (2013: $130,200) have been assessed by third party valuations.

	Consolidated	
	2014	2013

7. INVENTORIES

Stock on hand – at cost	457,032	620,430
Consumables on hand	10,489	12,099
	467,521	632,529

8. PROPERTY, PLANT AND EQUIPMENT

Furniture, fittings and equipment – at cost	4,303,502	3,851,476
Accumulated depreciation	(3,739,217)	(3,459,678)
	564,285	391,798
Motor Vehicles	118,710	118,710
Accumulated depreciation	(78,020)	(66,336)
	40,690	52,374
Total property, plant and equipment	604,975	444,172

(a) Reconciliations

Property, plant and equipment		
Carrying amount at beginning	444,172	438,365
Additions	460,684	593,254
Carrying amount of disposals	(8,658)	-
Depreciation expense	(291,223)	(587,447)
	604,975	444,172

		Consolidated 2014 $	Consolidated 2013 $
9. OTHER NON CURRENT ASSETS			
Prepayments		-	584,710
Loan receivable from WAFC		399,950	-
Investment property – at cost		1,015,440	1,015,440
AFL Sub-licence - at cost		1,087,465	1,087,465
		2,502,855	2,687,615
10. PAYABLES (CURRENT)			
Trade creditors	(i)	1,550,114	680,632
Other creditors and accruals	(ii)	912,052	2,812,462
Other liabilities	(ii)	1,220,420	1,037,416
		3,682,586	4,530,510
Aggregate amounts payable to related parties			
- WAFC	(iii)	1,363,258	1,766,411
		5,045,844	6,296,921

(a) Terms and conditions

Terms and conditions relating to the above financial instruments:
(i) Trade creditors are normally settled on 30 day terms .
(ii) Other creditors are non-interest bearing and are normally settled on 30 day terms.
(iii) Details of the terms and conditions of related party payables are set out in note 19.
All payables are unsecured and as such no assets have been pledged as collateral

11. PROVISIONS (CURRENT)

Provision for annual leave	1,190,209	1,105,232
Provision for long service leave	1,520,525	1,393,550
Other provision	400,000	400,000
	3,110,734	2,898,782

	Consolidated 2014 $	Consolidated 2013 $
12. PAYABLES (NON CURRENT)		
Unsecured notes (a)	742	659

(a) The unsecured notes are interest free, repayable at the discretion of the Directors up to the year 2075 and in any event not repayable before 30 June 2075. Each note has a face value of $500 and 7,735 were on issue at balance date. The unsecured notes are being carried at their discounted net present value of $742. This figure has been arrived at by the application of a discount rate of 15% to the date of redemption. These notes are unsecured and as such there is no collateral pledged as security.

	Consolidated	
	2014	2013
	$	$

13. PROVISIONS (NON CURRENT)

Provision for long service leave	363,654	399,941

14. CONTRIBUTED EQUITY

(a) Issued and paid up capital

Ordinary shares fully paid	5,446,065	5,446,065

(b) Movements in shares on issue

	2014	
	Number of Shares	$
Beginning of the financial year	14,035,867	5,446,065
- Movement	-	-
End of financial year	14,035,867	5,446,065

(c) Terms and conditions of contributed equity

Ordinary Shares

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.

15. RESERVES AND ACCUMULATED PROFITS

		Consolidated 2014 $	Consolidated 2013 $
Unsecured note redemption reserve	(a)	3,866,758	3,866,841
Undistributable profits reserve	(b)	1,128,759	1,112,683
Other reserves	(c)	362,187	338,627
		5,357,704	5,318,147
Retained Profits	(d)	29,080,611	24,439,052

(a) Unsecured note redemption reserve

(i) Nature and purpose of reserve

The unsecured note redemption reserve is used to record the purchase price of unsecured notes acquired by the entity.
The reserve represents the cash received on the issue of the unsecured notes.
The reserve is reduced by the movement in the net present value of the unsecured note liability (refer note 12).

	Consolidated	
	2014	**2013**
	$	**$**
(ii) Movements in reserve		
Balance at beginning of year	3,866,841	3,866,921
Amortisation of present value	(83)	(80)
Balance at end of year	3,866,758	3,866,841

(b) Undistributable profits reserve

(i) Nature and purpose of reserve

The undistributable profits reserve is used to accumulate profits arising from the WCE Supporters Club.

	2014	2013
(ii) Movements in reserve		
Balance at beginning of year	1,112,683	1,272,408
Transfer from profit and loss appropriation	16,076	(159,725)
Balance at end of year	1,128,759	1,112,683

(c) Other reserves

(i) Nature and purpose of reserve

Other reserves are used to record fair value movements in financial assets that are available for sale

	2014	2013
(ii) Movement in reserve		
Balance at beginning of year	338,622	79,694
Fair value movement in available for sale financial assets	23,564	258,928
Balance at end of year	362,186	338,622

(d) Retained Profits

	2014	2013
Balance at the beginning of year	24,439,052	20,131,007
Net profit attributable to members of Indian Pacific Ltd	4,657,635	4,148,320
Total available for appropriation	29,096,687	24,279,327
Aggregate of amounts transferred to undistributable profits reserve	(16,076)	159,725
Balance at end of year	29,080,611	24,439,052

	Consolidated 2014 $	Consolidated 2013 $
16. DEBTS PAYABLE & RECEIVABLE		
DEBTS PAYABLE		
- Not later than one year	5,045,844	6,296,921
- Later than one year, not later than five years	-	-
- Later than five years	742	659
	5,046,586	6,297,580
DEBTS RECEIVABLE		
- Not later than one year	1,274,747	2,099,592

All debts which are payable are non interest bearing and no collateral has been pledged.

All debts which are receivable are non interest bearing and no collateral has been pledged in respect to these assets.

17. SEGMENT INFORMATION

The company operates solely within the sporting industry in Australia.

18. EXPENDITURE COMMITMENTS

(a) Royalty and Rental

For the 2014 financial year IPL has been required to pay a ground and light rental of $3,558,323 (2013: $3,471,535) plus a royalty calculated as follows:

70% of net profit up to $1 million; then
60% of net profit from $1 million to $2 million; then
50% of net profit above $2 million.

The royalty agreement contains a minimum royalty payable of $1,700,000 and maximum payable of $2,300,000.

The ground and light rental will be increased by the lesser of 2.5% or the CPI and the royalty will be calculated as above. This agreement will be reviewed every three years.

(b) Player Commitments

In relation to the future seasons, the Club has a liability for player contracts which will comply with AFL regulations. Included in this, the following commitments exist in relation to signed player contractual arrangements. This excludes player payments associated with contingent performance obligations which are deemed not to be reliably measurable. These contingencies will only arise subject to the inclusion of the players on the Club's official list and performances. Player payments are underwritten by the AFL in accordance with the Collective Bargaining Agreement between the AFL and the AFL Player Association.

	Consolidated 2014 $	Consolidated 2013 $
- Not later than one year	10,071,340	9,632,370

19. RELATED PARTY DISCLOSURES

(a) The directors of Indian Pacific Limited during the financial year were:

A Cransberg (Chairman)
J McMahon (Deputy Chairman)
P Carter
R Gibbs
T Nisbett
G Rasumssen (appointed 01/11/2013)
C Wharton (appointed 01/11/2013)

Director transactions with Indian Pacific Limited

A number of directors of Indian Pacific Limited, or their director-related entities hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

The terms and conditions of these transactions with directors and their director related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

The aggregate amounts recognised during the year to directors and their director related entities were as follows:

Director	Service	Income/(Expense) 2013 GST exclusive	Receivable/ (Payable) at 31 October 2014	Service	Income/(Expense) 2013 GST exclusive	Receivable/ (Payable) at 31 October 2013
Geoff Rasmussen, Azure Capital	8 Seat VIP Corporate Box	24,345	-	8 Seat VIP Corporate Box	22,800	-
Trevor Nisbett, West Coast Eagles	5 x Premium Adult Season Memberships	3,025	-	5 x Premium Adult Season Memberships	2,677	-
Russell Gibbs, Hawaiian Pty Ltd	Sponsorship 2014	$114,450	-	Sponsorship 2013	$100,000	
Chris Wharton, Seven Network (Operations) Ltd	Sponsorship 2014	$470,925	-	-	-	-
Peter Carter, Crosby Tiles	4 x Premium Adult Season Memberships	2,420	-	4 x Premium Adult Season Memberships	2,142	-

(b) The following related party transactions occurred during the financial year.

West Australian Football Commission (WAFC)

- The royalties expense for the year amounted to $2,300,000 (2013: $2,918,871).

- IPL uses the football assets of the Commission under a sub-licence arrangement whereby a football team participates in the Australian Football League Competition.

- IPL is to pay the Commission a royalty each year determined on a basis relating to the results of the company's operating activities.

- IPL has paid rent in advance to the WAFC relating to the lease of the clubs playing and administrative facilities, and is being amortised over the period of benefit for which the club will be using the facilities. The amount is broken down as follows:

	2014	2013
Current prepayment	584,710	584,710
Non-current prepayment	-	584,710
	584,710	1,169,420

- There is $1,363,258 owing to the WAFC as at 31 October, 2014 (2013: $1,766,411).
- The Commission holds a management share in IPL and a 100% of the ordinary shares on issue.
- WAFC is the ultimate Australian parent entity.

Transactions with other related parties

- There is an amount of $69,870 owing to IPL to West Coast Eagles Supporters Club Limited ("WCESC") (2013: $9,779).
- Indian Pacific Ltd did not charge WCESC for rental of its facilities in 2014 (2013: $376,795).
- WCESC is consolidated as a result of IPL being the founding member of WCESC and having directors associated with the West Coast Eagles. WCESC, however, is a company limited by a guarantee and neither IPL nor any other entity or person has any entitlement to the assets or funds.
- There is no outstanding amount owing by IPL to Fremantle Football Club ("FFC") (2013: nil).

20a. REMUNERATION OF DIRECTORS

The directors during the period were:

A Cransberg (Chairman)
J McMahon (Deputy Chairman)
P Carter
R Gibbs
T Nisbett
G Rasmussen (appointed 1/11/2013)
C Wharton (appointed 1/11/2013)

Non-executive directors do not receive directors' fees.

20b. REMUNERATION OF KEY MANAGEMENT PERSONNEL

Key management personnel are determined to be the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, General Manager – Business Strategy & Growth, General Manager – Football, General Manager – Communications, General Manager – Special Projects & Technology, General Manager - Marketing and General Manager – Supporter Operations.

	Consolidated	
	2014	2013
	$	$
- Short-term employee benefits	2,746,260	2,707,000
- Other employee benefits	-	-
- Post-employment benefits	-	-

	Consolidated	
	2014	2013
	$	$
21. REMUNERATION OF AUDITORS		
Amounts received or due and receivable by the auditors of the company for:		
- Auditing the financial report	67,771	66,330
- Other services	-	-
	67,771	66,330

22. SUBSEQUENT EVENTS

There have been no significant events occurring after balance date, which may have affected the Consolidated Entity's operations or results of those operations or the Consolidated Entity's state of affairs.

	Consolidated	
	2014	2013
	$	$
23. CASH FLOW STATEMENT RECONCILIATION		
(a) Reconciliation of the net profit after tax to the net cash flows from operations		
Net Profit	4,657,552	4,148,240
Non cash items		
Depreciation and amortisation	291,223	587,447
(Profit)/Loss on disposal of fixed assets	(1,444)	(3,328)
Gain on redemption or revaluation of investments	(20,874)	(1,734,067)
Changes in assets and liabilities		
(Increase)/decrease in trade, other debtors and prepayments	1,259,879	734,160
(Increase)/decrease in inventory	165,011	91,163
Increase/(decrease) in trade creditors and accruals	(224)	925,540
Increase/(decrease) in employee provisions	301,650	47,887
Net cash flows from operating activities	6,652,773	4,797,042

(b) Reconciliation of cash

Cash balance comprises:		
- Cash on hand	45,567,100	39,853,517

24. CONTROLLED ENTITIES

Entities controlled by Indian Pacific Limited comprise:

Name	Country of Incorporation	Beneficial Percentage held by the Consolidated Entity		Contribution to Operating Profit	
		2014	2013	2014	2013
		%	%	$	$
West Coast Eagles Supporters Club Limited *	Australia	Nil	Nil	16,076	(159,725)

* WCESC is consolidated as a result of IPL being the founding member of WCESC and controlling the entities activities. WCESC, however, is a company limited by a guarantee and neither IPL nor any other entity or person has any entitlement to the assets or funds.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Consolidated Entity's activities expose it to a variety of financial risks; market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity's principal financial instruments comprise receivables, payables, available for sale investments, cash and short-term deposits.

Risk management is carried out by the Finance Committee under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as mitigating interest rate and credit risks.

(a) Interest rate risk

The consolidated entity has not entered into any interest rate swaps, forward rate agreements, interest rate options or similar derivatives. The consolidated entity's exposure to interest rate risks together with the effective interest rate for classes of financial assets and liabilities at balance date is set out below.

The Consolidated Entities exposure to interest rate risk relates primarily to the Consolidated Entity's floating interest rate cash balance which is subject to movements in interest rates. Management monitors its cash balance on an ongoing basis and liaises with its financiers regularly to mitigate cash flow and interest rate risk. Floating interest rates represent the most recently determined rate applicable to the instruments at balance date.

	Floating interest rate		Non-interest Bearing		Total carrying amount as per the balance sheet		Weighted average effective interest rate	
	31 October 2014 $	31 October 2013 $	31 October 2014 $	31 October 2013 $	31 October 2014 $	31 October 2013 $	31 October 2014 $	31 October 2013 $
Financial Assets								
Cash assets	45,567,100	39,853,517	-	-	44,899,536	39,853,517	3.45%	3.86%
Trade receivables	-	-	1,063,716	1,779,777	1,063,716	1,779,777	-	-
Available for sale investments	-	-	1,488,716	1,406,026	1,488,716	1,406,026	-	-
Other receivables	-	-	211,032	310,036	211,032	310,036	-	-
Total Financial Assets	45,567,100	39,853,517	2,763,464	3,495,839	47,663,000	43,349,356	-	-
Financial Liabilities								
Trade Payables	-	-	4,320,453	4,530,510	4,320,453	4,530,510	-	-
Unsecured Notes	-	-	742	659	742	659	-	-
Payables - related party/entity	-	-	725,391	1,766,411	725,391	1,766,411	-	-

Total Financial Liabilities	-	-	5,046,586	6,297,580	5,046,586	6,297,580	-	-

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

The following sensitivity analysis is based on the interest rate risk exposures in existence at the balance sheet date:

At 31 October 2014, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows

	Post tax Profit Higher/(Lower)		Equity Higher/(Lower)	
Judgements of reasonably possible movements	**2014 $**	**2013 $**	**2014 $**	**2013 $**
Consolidated				
+0.50%	**224,498**	**199,268**	**224,498**	**199,268**
-0.50%	**(224,498)**	**(199,268)**	**(224,498)**	**(199,268)**

* The method used to arrive at the possible change of 50 basis points was based on the analysis of the absolute nominal change of the Reserve Bank of Australia (RBA) monthly issued cash rate. Historical rates indicate that for the past five financial years, there was a bias towards an increase in interest rate ranging between 0 to 50 basis points. It is considered that 50 basis points a 'reasonably possible' estimate as it accommodates for the maximum variations inherent in the interest rate movement over the past five years.

(b) Credit Risk Exposures

Credit risk arises from the financial assets of the Consolidated Entity, which comprise cash and cash equivalents, trade and other receivables, and available for sale financial assets. The consolidated entity's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments, being $1,274,747 at fair value (2013: $2,099,592 at fair value).

The Consolidated Entity only trades with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Consolidated Entity's policy to securities its trade and other receivables.

It is the Consolidated Entity's policy that major customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their financial position, past experience or industry reputation.

Risk limits are set for each individual customer in accordance with parameters set by the board. These risk limits are regularly monitored.

In addition receivables balances are monitored on an ongoing basis with the result that the Consolidated Entity's exposure to bad debts is not significant.

There are no significant concentrations of credit risk within the consolidated entity and the financial instruments are spread amongst a number of financial institutions to minimise the risk of default of counterparties.

(c) Commodity price risk

The Consolidated Entity's exposure to commodity price risk is minimal.

(d) Foreign exchange risk

The Consolidated Entity's exposure to foreign exchange risk is minimal.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(e) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet commitments as and when they fall due. Management monitors rolling cash flow forecasts to manage liquidity risk. The only financial liabilities of the consolidated entity at balance date are trade and other payables. The amounts are unsecured and are usually paid within 30 days of recognition.

(f) Net Fair Values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at the balance date, are as follows.

	Total Carrying amount as per the balance sheet		Aggregate net fair value	
	2014 $	2013 $	2014 $	2013 $
Financial Assets				
Cash assets	45,567,101	39,853,517	45,567,101	39,853,517
Trade Receivables	1,063,716	1,779,777	1,063,716	1,779,777
Investment Property	1,015,440	1,015,440	1,015,440	1,015,440
Available for sale investments	1,488,716	1,406,026	1,488,716	1,406,026
Fixed interest investments	130,200	130,200	130,200	130,200
Other Receivables	211,032	310,036	211,032	310,036
Total Financial Assets	49,476,205	44,494,996	49,476,205	44,494,996
Financial Liabilities				
Payables	4,320,453	4,530,510	4,320,453	4,530,510
Unsecured Notes	742	659	742	659
Payables - related party/entity	725,391	1,766,411	725,391	1,766,411
Total Financial Liabilities	5,046,586	6,297,580	5,046,586	6,297,580

26. PARENT ENTITY INFORMATION

	2014	2013
Information relating to Indian Pacific Ltd:	$'000	$'000
Current assets	48,427	43,566
Total assets	51,535	46,698
Current liabilities	12,415	12,207
Total liabilities	12,780	12,608
Issued capital	5,446	5,446
Retained earnings	34,114	24,439
Unsecured Note Redemption Reserve	3,867	3,867
Reserve - investment	362	339
Total shareholders' equity	38,756	34,091
Profit or loss of the parent entity	4,641	4,308
Total comprehensive income of the parent entity	4,665	4,567