

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

**WESTERN SYDNEY FOOTBALL CLUB
LIMITED**

ACN

130 190 242

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

31-10-2022

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?

Yes

Details of current auditor or auditors

Current auditor

Date of appointment **08-10-2010**

Name of auditor

KPMG

Address

'TOWER THREE' LEVEL 38

**300 BARANGAROO AVENUE
SYDNEY NSW 2000**

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 submitted by	
Name	James David AVERY
Date	16-03-2023

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2022 **FINANCIAL** **REPORT**

31 October 2022

Western Sydney Football Club Limited
ABN 15 130 190 242



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DIRECTORS' REPORT

The directors present their report together with the financial report of Western Sydney Football Club Limited ("the Company" or "the Club") for the year ended 31 October 2022 and the auditor's report thereon.

Directors

The directors of the Company at any time during or since the financial year are:

Mr Anthony Shepherd AO

Appointed 25 August 2011

Anthony Shepherd AO is Chair of VenuesNSW, Infrastructure SA and Bingo Industries Pty Ltd, a Director of EnviroPacific, Virgin Australia International Holdings Pty Ltd, Racing NSW and Snowy Hydro Limited. Past President of the Business Council of Australia (2011-2014). Past Chair of Sydney Cricket Ground (2014-2020), Transfield Services Ltd (2005-2013), EastLink Motorway Group (2004-2011), ASTRA Subscription TV (2013-2017), Chair of Macquarie Specialised Asset Management Limited (2014/2021), the National Commission of Audit (2013 - May 2014), WestConnex Delivery Authority in NSW (2013-2015) and Sydney Motorway Corporation (2015-2015). Trustee of Sydney Cricket Ground (2002-2013).

Mr Andrew Stevens

Appointed 26 November 2012, Resigned 2 February 2022

Andrew Stevens is a Non-Executive Director and is the Chairman of the Board of Industry Innovation and Science Australia, and the Data Standards Body for the Consumer Data Right implementation in Australia. He is a Director of Stockland Group Limited and Ooh! Media Limited. He is a past Director of The Champions of Change Institute Limited. Andrew was Chair of the GIANTS Audit and Risk Committee.

Mr Michael Costello AO

Appointed 4 December 2013

Michael Costello AO FAICD BA LLB (Melb), principal of Michael Costello Associates, is an independent director, strategist, and ADR practitioner. He has two decades experience in the private sector as CEO of the energy utility ActewAGL (2008-2018), CEO of the water utility ACTEW (2003-2008), and Head of Strategy and Deputy Chief Executive of the Australian Stock Exchange (1996-1998). Earlier, as a public servant and diplomat, Michael served as Secretary of the Department of Industrial Relations, Secretary of the Department of Foreign Affairs and Trade (DFAT), Ambassador to the United Nations, Deputy Head of Current Intelligence at the Office of National Assessments (ONA) and as a director of the Export Finance and Insurance Corporation (EFIC). Michael is Chair of the GIANTS Integrity Committee.

Mr Adrian Fonseca

Appointed 12 August 2016

Born in India and raised in Western Sydney, Adrian Fonseca attended the University of Melbourne completing a Bachelor of Laws (Hons) and Bachelor of Commerce. Adrian practised as a banking and finance lawyer at global firms Allens and Ashurst before spending 17 years in investment banking in Sydney, Singapore and London with Macquarie Bank, Deutsche Bank and Barclays Bank. Adrian is the Founder and Managing Director of Oxanda Education - a large early learning centre owner/operator with centres across NSW (including Western Sydney), Victoria and Queensland. Also in the early education industry, Adrian is Chair of Child Care Search Provider Care for Kids Group and a Director and Chair of the Audit and Risk Committee of ASX and NZX listed early learning centre operator Evolve Education Group. Adrian is a member of the Australian Ballet Foundation Board and the Gold Dinner Committee for Sydney Children's Hospital Foundation. Adrian is married with three children and very passionate about the early education needs of children and is heavily involved in community groups relating to children. Adrian is Deputy Chairman of the Club, Deputy Chairman of the GIANTS Foundation and its Acting Chair and also a member of the GIANTS Audit and Risk Committee.



DIRECTORS' REPORT (CONT'D)

Mrs Melissa Doyle AM

Appointed 5 March 2018

Melissa Doyle is an award-winning journalist with more than 30 years' experience in the Australian media, having hosted programs including Sunrise, Sunday Night and the 6pm news. She hosts the weekend breakfast shift on Smooth FM, and This is Your Life on the Seven Network and has authored three books. Melissa is an ambassador for World Vision, the Alannah and Madeleine Foundation, Make A Wish and the Children's Hospital Westmead. Melissa has a BA in Communications from Charles Sturt University. Melissa is a member of the GIANTS Revenue Committee.

Mr Jimmy Bartel

Appointed 18 December 2018

Jimmy Bartel had a long and distinguished AFL career as a player spanning 15 years. He holds a range of directorships and ambassadorial roles, including Touchstone Executive Search. He continues to be an investor in a host of leading start-ups as well as high-profile media roles across the Seven Network, Nine Entertainment and several radio networks. Jimmy is a member of the GIANTS Football Committee.

Mr David Matthews

Appointed 1 July 2019

David Matthews has been the GIANTS Chief Executive Officer since October 2011. Prior to joining the GIANTS, he was General Manager of National and International Development at the AFL.

Mr Chris Larsen

Appointed 20 October 2020

Co-founder and Chief Executive of Ironbark Asset Management, Chris has more than two decades' experience across all fields of asset management, spanning retail and institutional distribution, marketing, product, platform, investment research and manager selection. Formerly the Head of Deutsche Bank's Asset Management business in Australia, Chris has held senior positions in the industry in Australia and New Zealand, including Credit Suisse Asset Management and Rothschild Asset Management. Chris is the Chair of the Audit & Risk Committee and a member of the GIANTS Foundation.

Mr Marc Seidner

Appointed 4 March 2021

Marc is currently the global CIO Non-traditional Strategies and Managing Director and Head of Portfolio Management with PIMCO, one of the largest global investment firms in the world. He is also a generalist portfolio manager and a member of PIMCO's Investment Committee. Prior to joining PIMCO in 2009, Marc was a Managing Director and domestic Fixed Income Portfolio Manager at Harvard Management Company. Previously he was Director of Active Core Strategies at Standish Mellon Asset Management and a senior portfolio manager at Fidelity Management and Research. He has 34 years of investment experience and holds an undergraduate degree in economics from Boston College. While Marc has lived in America for many years, he was born in Sydney and maintains strong connections to our communities. He has and will continue to spend significant time both professionally and personally in Australia. As a significant supporter of the GIANTS, Marc has been a particularly strong advocate for the GIANTS AFLW program. Marc has personally led and invested in several community-focused initiatives in various regions across the United States.

Ms Nikki Warburton

Appointed 16 November 2021

Ms Warburton grew up in Western Sydney, attending Baulkham Hills High School and the University of Western Sydney. She has previously held chief customer and marketing officer roles across a range of industries including the automotive, advertising and media industries. Having most recently led the customer, product and marketing agenda for Audi Australia, Ms Warburton has over 20 years' experience in digital, retail and brand building. She is also on the Advisory Board at CVC Emerging Funds, a Strategic Advisor at AMS, an Executive Patron on the Taronga Zoo Foundation Board, and a Mentor for The Marketing Academy.



DIRECTORS' REPORT (CONT'D)

Directors' meetings

There were 6 directors' meetings held during the year ended 31 October 2022. The number of meetings attended by each of the directors of the Company during the financial year were:

	Meetings Held*	Meetings Attended
Mr Anthony Shepherd AO	6	6
Mr Andrew Stevens	1	1
Mr Michael Costello AO	6	6
Mr Adrian Fonseca	6	6
Mrs Melissa Doyle	6	5
Mr Jimmy Bartel	6	6
Mr David Matthews	6	6
Mr Chris Larsen	6	5
Mr Marc Seidner	6	6
Ms Nikki Warburton (Appointed 16 November 2021)	5	5

*Reflects the number of meetings held during the time the Director held office during the year.

Principal activities

The principal activities of the Club are to administer and manage the Greater Western Sydney Football Club.

The Club was incorporated on 17 March 2008. During the financial year, the Club competed in the Australian Football League (AFL), Australian Football League Women's (AFLW) and the Victorian Football League (VFL) competitions.

The Club aims to compete successfully on field, generate greater interest, participation and support for Australian Football within the New South Wales and ACT regions and positively contribute to the Greater Western Sydney community. The Club's strategy is to continue to build high performance teams that are competitive in the Australian Football League and the Australian Football League Women's, to grow commercial revenue and fan base, and to support community initiatives across Greater Western Sydney.

Operating and financial review

The net loss of the Club for the year ended 31 October 2022 amounted to \$3,042,881 (2021 net loss: \$561,907). The Club derives its revenue mainly from corporate sponsorships, membership, match-day ticket sales, hospitality and events as well as distributions received from the Australian Football League (AFL).

The Club's ability to derive these revenues during the financial year was impacted by team performance and the ongoing economic and market impacts in a post-pandemic environment. Further, the timing of AFLW season 7 played a significant part in the financial result.

Going concern

The directors note their decision to prepare the financial report on a going concern basis as is outlined in Note 1(c) of the notes to the financial statements for the year ended 31 October 2022.

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 financial year under review not otherwise disclosed in this report or the financial statements.



DIRECTORS' REPORT (CONT'D)

Events subsequent to balance date

A ten-year contract to the value of \$28.5m (excluding annual CPI uplift) was signed between the Club, the AFL and the ACT government in December 2022, extending the partnership to 2032. This ensures Club matches will continue to be played in Canberra and further promotes and develops the game of AFL in the ACT.

There has been no other material event between the end of the financial year and the date of this report any item, transaction, or event in the opinion of the directors of the Club, to significantly affect the operations of the Club, the results of those operations, or the state of affairs of the Club in future financial years.

Likely developments

The directors do not anticipate any major changes in the basis of operations of the Club and the future results of those operations in subsequent financial years. However, the directors note the potential for the external environment to continue to be impacted by the pandemic.

Directors' interests

Since incorporation, no director of the Club has received or became entitled to receive any benefit by reason of a contract made by the Club, or a related body corporate with a director. Various sponsorship agreements have however been entered into with companies of which a director of the Club is a director and/or has a substantial interest. These are listed in Note 18 – Related Parties.

Environmental regulations

The Club's operations are not subject to any significant environmental regulation under either Commonwealth or State legislation. The Directors 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.

Indemnification and insurance of officers and auditors

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

Insurance premiums - during the financial year, the Club has paid premiums in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings. The insurance contract insures against certain liability (subject to specific exclusions) persons who are or have been directors or officers of the Club or of a related body corporate from 1 November 2021.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on Page 5 and forms part of the directors' report for the financial year ended 31 October 2022.

Signed in accordance with a resolution of the directors.

Dated 10 February 2023.

Mr Anthony Shepherd AO
Director

Mr Chris Larsen
Director



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

To the Directors of Western Sydney Football Club Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Western Sydney Football Club Limited for the financial year ended 31 October 2022 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

A handwritten signature in blue ink, appearing to read 'Paul Thomas'.

Paul Thomas

Partner

Sydney

10 February 2023



**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2022**

	Note	2022 \$	2021 Restated* \$
Revenue	3	46,149,998	41,404,434
Expenses			
Administration expenses		(3,539,302)	(3,467,319)
Depreciation		(1,328,504)	(1,324,580)
Football expenses		(31,306,917)	(26,624,096)
IT expenses		(328,605)	(325,885)
Community expenses		(783,125)	(559,242)
Marketing expenses		(6,718,152)	(6,129,162)
Membership expenses		(922,498)	(614,311)
Merchandise expenses		(271,884)	(320,029)
Other expenses		(951,412)	(579,639)
Occupancy expenses	4	(171,661)	(89,886)
Venue expenses		(2,870,819)	(1,932,192)
Profit/(Loss) for the year		<u>(3,042,881)</u>	<u>(561,907)</u>
Other Comprehensive income			
Other comprehensive income for the year		-	-
Total comprehensive profit/(loss) for the year		<u>(3,042,881)</u>	<u>(561,907)</u>

* The comparative information is restated on account of correction of errors. See Note 25.

The above Statement of Profit and 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 10 to 23.



**STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022**

	Note	31 October 2022	31 October 2021 Restated*	1 November 2020 Restated*
		\$	\$	\$
Current assets				
Cash and cash equivalents	7	266,273	771,922	205,262
Trade and other receivables	8	878,900	508,933	2,153,093
Inventories		235,835	110,033	93,988
Other assets		298,912	93,122	119,037
Total current assets		1,679,920	1,484,010	2,571,380
Non-current assets				
Property plant and equipment	9	17,000,496	17,801,395	19,010,882
Total non-current assets		17,000,496	17,801,395	19,010,882
Total assets		18,680,416	19,285,405	21,582,262
Current liabilities				
Trade and other payables	10	4,135,156	1,587,928	3,173,934
Provisions	12	776,932	782,239	748,763
Lease liabilities	13	210,483	216,401	207,985
Total current liabilities		5,122,571	2,586,568	4,130,682
Non-current liabilities				
Provisions	12	256,673	295,508	261,835
Loan – AFL		9,349,033	9,349,033	9,514,205
Deferred grant income	25	-	-	-
Lease liabilities	13	2,892,347	2,951,623	3,010,960
Total non-current liabilities		12,498,053	12,596,164	12,787,000
Total liabilities		17,620,624	15,182,732	16,917,682
Net assets		1,059,792	4,102,673	4,664,580
Equity				
Members contribution		12,480,248	12,480,248	12,480,248
Accumulated losses		(11,420,456)	(8,377,575)	(7,815,668)
Total equity	15	1,059,792	4,102,673	4,664,580

* The comparative information is restated on account of correction of errors. See Note 25.

The above 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 10 to 23.



**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2022**

	Members contribution \$	Accumulated losses \$	Total equity \$
Balance at 1 November 2020, *as previously reported	12,480,248	(12,273,988)	206,260
Impact of restatement	-	4,458,320	4,458,320
Restated balance at 1 November 2020	12,480,248	(7,815,668)	4,664,580
Total comprehensive income for the period			
Net loss for the year	-	(561,907)	(561,907)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(561,907)	(561,907)
Balance at 31 October 2021	12,480,248	(8,377,575)	4,102,673
Balance at 1 November 2021, *as previously reported	12,480,248	(12,205,162)	275,086
Impact of restatement	-	3,827,587	3,827,587
Restated balance at 1 November 2021	12,480,248	(8,377,575)	4,102,673
Total comprehensive income for the period			
Net loss for the year	-	(3,042,881)	(3,042,881)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(3,042,881)	(3,042,881)
Balance at 31 October 2022	12,480,248	(11,420,456)	1,059,792

* The comparative information is restated on account of correction of errors. See Note 25.

The above Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 23.



**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2022**

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Cash receipts from customers and supporters		50,329,666	46,693,780
Cash paid to suppliers		<u>(49,708,037)</u>	<u>(45,436,154)</u>
Net cash from operating activities	7	<u>621,629</u>	<u>1,257,626</u>
Cash flows from investing activities			
Interest received		7,753	875
Acquisition of property, plant and equipment		<u>(786,966)</u>	<u>(327,930)</u>
Payments for leasehold properties		<u>(140,860)</u>	<u>(3,167)</u>
Net cash used in investing activities		<u>(920,073)</u>	<u>(330,222)</u>
Cash flows from financing activities			
Proceeds from borrowings		-	(165,172)
Lease payments		<u>(207,205)</u>	<u>(195,572)</u>
Net cash used in financing activities		<u>(207,205)</u>	<u>(360,744)</u>
 Net (decrease)/increase in cash and cash equivalents		 (505,649)	 566,660
Cash and cash equivalents at 1 November 2021		<u>771,922</u>	<u>205,262</u>
Cash and cash equivalents at 31 October 2022	7	<u>266,273</u>	<u>771,922</u>

The above 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 10 to 23.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

1 Reporting entity

These financial statements comprise Western Sydney Football Club Limited (the “Company” or the “Club”) and are as at and for the year ended 31 October 2022. The Company is a not-for-profit entity.

a) Basis of accounting

In the opinion of the directors, the Company is not publicly accountable. These financial statements are Tier 2 general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. In the prior year the financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. There was no impact on the recognition and measurement of amounts recognised in the statement of financial position, profit or loss and cash flows as a result of the change in basis of preparation.

They were authorised for issue by the Board of Directors on 10 February 2023. Details of the Company’s significant accounting policies are set out in Note 2.

b) Change in accounting policy

There have been no significant changes in accounting policy implemented during the financial year.

c) Going concern

The Company has reported a loss of \$3,042,881 for the year ended 31 October 2022 (2021: loss of \$561,907). As at 31 October 2022 the Company has Accumulated losses of \$11,420,456 (2021: Accumulated losses of \$8,377,575) and a net current asset deficiency of \$3,442,652 (2021: \$1,102,558).

The ability of the Company to continue as a going concern including the ability to pay its debts as and when they fall due is dependent on the Company being able to successfully generate sufficient funds through membership, sponsorship, gate receipts and other sources, including the Australian Football League’s (“AFL”) contributions and government financial support when available. If the Company is unable to successfully generate sufficient funds from its revenue sources to continue to fund its ongoing operations, there is a material uncertainty whether the Company will be able to continue as a going concern and be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Notwithstanding the accumulated losses, the financial statements have been prepared on a going concern basis which assumes the Company will continue its operations and be able to meet its obligations as and when they become due and payable.

The directors note the following factors supporting the adoption of the going concern basis:

- The AFL’s Competitive Balance policies aimed at supporting the objective of having all AFL Clubs being financially viable continue to apply. As a consequence of these policies the Company is expected to be the recipient of extra funding in future years to assist the Company to meet its financial obligations;
- The Company has a letter of financial support (which is not a guarantee) with the AFL which makes available funding that can be used to assist the Company to meet its obligations, if required, for the year ending 31 October 2023. Under the terms of the letter the AFL will not require repayment of the \$9,349,033 loan outstanding, except at such time as the Board of the Club determines that the Club is able to make that repayment and continue to pay its other debts as and when they fall due for payment;
- The Company has received formal notification of initial funding from the AFL for the 2023 financial year of \$25,731,190. The Club is currently working with the AFL to agree the final funding for the 2023 financial year;



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

Going concern (cont'd)

- The AFL implemented a policy in 2021 to significantly reduce the cap on football department spending, with this policy largely continuing into 2022. This has resulted in the Club restructuring its football operations and reducing associated costs with the attendant benefits to Company cashflow;
- Management has prepared cash flow forecasts for 2023 that, after taking into account the above continued financial assistance, supports the preparation of the financial statements on a going concern basis; and
- As discussed in Note 19 the Company is economically dependent on the continual support of the AFL.

d) Use of judgements and estimates

In preparing these financial statements, management has made certain judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2 Significant accounting policies

(a) 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 Australian Taxation Office (ATO). Revenue is recognised when it transfers control over a good or service to a customer.

Sales revenue

Sales revenue from football activities comprises revenue earned from the sales of memberships, corporate marketing, the sale of merchandise, gate receipts and AFL distributions. Membership, donations, corporate marketing and merchandise income are all recognised as earned, whilst gate receipts and AFL distributions are recognised as received.

AFL distribution and prize money

AFL distribution is recognised on a monthly basis in line with the relevant performance obligations. AFL prize money revenue is recognised as it is received.

Membership and match day revenue

Membership revenue is recognised throughout the duration of the AFL home and away season. Match day revenue is recognised at the conclusion of each AFL home game.

Merchandise revenue

Merchandise revenue is recognised as the merchandise is provided to the customer.

Sponsorship and marketing revenue

Sponsorship and marketing revenue is recognised in proportion to the stage of completion of the transaction at balance date in accordance with the terms and conditions of the sponsorship contract.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

(b) Government grants

Government grants are initially recognised as deferred income at fair value when there is reasonable assurance they will be received and that the Company will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income progressively as funds are appropriated or the conditions of the grant are satisfied.

(c) Taxation

The Company has been advised by the Australian Tax Office (ATO) that it is exempt from payment of income tax under the provisions of section 50 - 45 of the Income Tax Assessment Act 1997 providing the Company continues to conduct its business in accordance with its Constitution and providing there are no significant changes to the Constitution.

(d) Goods and services tax

Revenues, expenses and assets other than receivables are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. 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 net amount of GST recoverable from, or payable to, the ATO is included as a current asset or 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 which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(e) Impairment

i) Financial assets

The Company recognises loss allowances at an amount equal to lifetime expected credit losses ("ECL") on financial assets. Lifetime ECLs are the ECLs that result from all possible default events that occur over the expected life of a financial asset.

Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). The cashflows underlying the ECL are discounted at the effective interest rate of the financial asset.

All loss allowances are recognised in profit or loss.

ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories (see Note 2(g)), are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit and loss. The recoverable amount of non-financial assets is calculated as the greater of the depreciated replacement cost of the asset and its fair value less costs to sell. Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the 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.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

(f) Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (see Note 2(e)). Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

ii) Subsequent expenditure

The Company recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in profit and loss as an expense as incurred.

iii) Depreciation

Depreciation is calculated to write off the cost of property plant and equipment less their estimated residual values using the straight -line basis over their estimated useful lives and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The depreciation rates used for each class of asset are as follows:

	2022	2021
- Plant and equipment	20%	20%
- IT equipment	25% to 33%	25 to 33%
- Furniture and fittings	10%	10%

(g) Inventories

Inventories consist of merchandising items and liquor held for sale and/or promotional use. Inventories are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost is calculated using the average cost method and includes direct and allocated costs incurred in acquiring the inventories and bringing them to their present location and condition.

(h) Trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses (see Note 2(d)).

(i) Trade payables

Trade and other payables are stated at their amortised cost.

(j) Employee entitlements

i) Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

(j) Employee entitlements (cont'd)

ii) Long service leave

The provision for employee benefits to long service leave represents the present value of the estimated future cash outflows to be made resulting from employee's services provided to reporting date.

The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the rates attaching to corporate bonds at reporting date which most closely match the terms of maturity of the related liabilities. The unwinding of the discount is treated as long service leave expense.

iii) Defined contribution superannuation fund

Obligations for contributions to defined contribution superannuation funds are recognised as an expense as they are incurred.

(k) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in AASB 16.

This policy is applied to contracts entered into, on or after 1 November 2019.

i) As a lessee

At commencement or modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for leases of property the Company has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Company uses its incremental borrowing rate as the discount rate.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

(k) Leases (cont'd)

i) As a lessee (cont'd)

The Company determines its incremental borrowing rate by obtaining interest rates from various external sources and makes certain adjustments to reflect the terms of the lease and the type of asset leased. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and;
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

ii) Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Other leases are operating leases, and the leases are not recognised on the Company's Statement of Financial Position.

i) Operating lease payments

Payments made under operating leases are recognised in profit and loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit and loss as an integral part of the total lease expense and spread over the lease term.

(l) Financial instruments

Interest rate risk

The Club's major financial assets are short term deposits set on a floating interest rate basis and non-interest-bearing receivables.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

(I) Financial instruments (cont'd)

Foreign exchange risk

The Club is not exposed to any material foreign exchange risk as the Club operates within Australia and all material transactions undertaken are recorded in Australian dollars.

Liquidity risk

Liquidity risk is the risk that the Club will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Club. The Club minimises its exposure to liquidity risk by ensuring there is no concentration of liquidity risk to a particular counterparty or market.

Net fair values

The directors consider that the carrying amount of recognised financial assets and liabilities approximates their net fair values.

3 Revenue

	2022	2021
	\$	Restated* \$
AFL distributions and match receipts	29,496,499	23,994,801
Community and development	1,132,536	717,813
Government grants	2,323,981	3,284,754
Interest received	7,753	875
Marketing and sponsorship	11,232,851	11,254,016
Membership and merchandise	1,956,378	2,152,175
	<u>46,149,998</u>	<u>41,404,434</u>

* See Note 25.

4 Occupancy expenses

	2022	2021
	\$	\$
Operating lease rentals & levies - SOPA	30,592	27,436
Operating lease rentals & levies - Other	67,750	13,370
Parking	73,319	49,080
	<u>171,661</u>	<u>89,886</u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

5 Employee expenses

	2022	2021
	\$	\$
Wages and salaries	28,809,082	23,786,824
Superannuation expenses	1,948,839	1,590,927
Other personnel expenses	(39,249)	58,743
	<u>30,718,672</u>	<u>25,436,494</u>

6 Auditor's remuneration

	2022	2021
	\$	\$
Audit of the financial statements	35,000	35,000
Other Assurance services	5,500	5,500
	<u>35,500</u>	<u>35,500</u>

7 Cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank and in hand	266,273	771,922
	<u>266,273</u>	<u>771,922</u>

Reconciliation of loss for the year to net cash flow from operating activities

	2022	2021
	\$	\$
		Restated*
Loss for the year	(3,042,881)	(561,907)
Adjustments for:		
Depreciation and disposal of PPE	1,728,723	1,540,582
Net finance costs	134,259	143,896
Changes in:		
- Inventories	(125,802)	(16,044)
- Trade and other receivables	(369,967)	1,644,160
- Other assets	(205,789)	142,567
- Trade and other payables	2,547,228	(1,702,657)
- Provisions	(44,142)	67,029
Net cash provided from operating activities	<u>621,629</u>	<u>1,257,626</u>

* See Note 25.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

8 Trade and other receivables

	2022	2021
	\$	\$
Trade receivables	840,884	465,759
Less: loss allowance	(31,844)	(31,579)
Other receivables	69,860	74,753
	<u>878,900</u>	<u>508,933</u>

9 Property, plant and equipment

	Buildings & Leasehold improvements	Fixtures & fittings	Plant & Equipment	IT Equipment	Capital works in progress	Total
	\$	\$	\$	\$	\$	\$
Cost						
Balance at 1 November 2021	21,832,576	309,895	161,877	447,146	254,379	23,005,873
Additions	140,860	-	9,765	123,716	653,485	927,826
Disposals	-	-	-	-	(400,220)	(400,220)
Transfers in/(out)	-	-	-	-	-	-
Balance at 31 October 2022	<u>21,973,436</u>	<u>309,895</u>	<u>171,642</u>	<u>570,862</u>	<u>507,644</u>	<u>23,533,479</u>
Depreciation and impairment						
Balance at 1 November 2021	(4,706,085)	(136,387)	(81,438)	(280,569)	-	(5,204,479)
Depreciation charge for the year	(1,142,098)	(30,665)	(27,635)	(128,106)	-	(1,328,504)
Disposals	-	-	-	-	-	-
Balance at 31 October 2022	<u>(5,848,183)</u>	<u>(167,052)</u>	<u>(109,073)</u>	<u>(408,675)</u>	<u>-</u>	<u>(6,532,982)</u>
Carrying amounts						
At 1 November 2021	17,126,492	173,508	80,438	166,577	254,379	17,801,394
At 31 October 2022	<u>16,125,254</u>	<u>142,843</u>	<u>62,569</u>	<u>162,187</u>	<u>507,644</u>	<u>17,000,496</u>

10 Trade and other payables

	2022	2021
	\$	\$
Trade payables	2,702,328	385,202
Other payables and accrued expenses	1,280,005	942,273
Prepaid income	152,823	260,453
	<u>4,135,156</u>	<u>1,587,928</u>

11 Deferred income

	2022	2021
	\$	Restated* \$
Non-current		
Deferred grant income	-	-
	<u>-</u>	<u>-</u>

* See Note 25.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

12 Provisions

	2022	2021
	\$	\$
Current		
Annual leave	404,840	515,309
Long Service Leave	315,257	266,930
Other Provisions	56,835	-
	<u>776,932</u>	<u>782,239</u>
Non-current		
Long service leave	256,673	295,508
	<u>256,673</u>	<u>295,508</u>
 Employee numbers (excluding players and casuals)	 94	 79

13 Lease liabilities

	2022	2021
	\$	\$
Current		
Lease liabilities	210,483	216,401
	<u>210,483</u>	<u>216,401</u>
Non-current		
Lease liabilities	2,892,347	2,951,623
	<u>2,892,347</u>	<u>2,951,623</u>

14 Leases

The Company has the following operating lease commitments:

- the premises occupied by the Club's operations at Sydney Olympic Park that runs until 2042; and
- An office suite in Melbourne that runs until 2024.

The Company also leases IT equipment that are short-term and/or low value items. The Company elected not to recognise right-of-use-assets and lease liabilities for these leases.

a) Right of use assets

Right-of-use assets related to leased property are presented as property, plant and equipment (see Note 9).

	Buildings & leasehold improvements \$
Balance at 1 November 2021	2,924,992
Additions to right-of-use assets	-
Depreciation charge for the year	<u>(162,309)</u>
Balance at 31 October 2022	<u>2,762,683</u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

Leases (cont'd)

b) Amounts recognised in profit and loss

	2022	2021
	\$	\$
Interest on lease liabilities	142,012	144,650
Depreciation charge for the year	162,309	162,760
Total amount recognised in profit and loss	<u>304,321</u>	<u>307,410</u>

Amounts recognised in statement of cash flows

	2022	2021
	\$	\$
Total cash outflow for leases	<u>207,205</u>	<u>285,458</u>
	<u>207,205</u>	<u>285,458</u>

15 Equity

	2022	2021
	\$	\$
		Restated*
Balance at 1 November	4,102,673	4,664,580
Net loss for the year	<u>(3,042,881)</u>	<u>(561,907)</u>
Balance at 31 October	<u>1,059,792</u>	<u>4,102,673</u>

* See Note 25.

16 Commitments

Staff superannuation fund

The Company contributes to an accumulation fund in accordance with the Superannuation Guarantee Act and employees may make additional contributions to the fund. The employees are entitled to their balances in the fund on retirements, disability or death without any qualifying criteria.

17 Key management personnel compensation

The key management personnel compensation was \$1,565,746 for the year ended 31 October 2022 (2021: \$1,323,403).

18 Related parties

Directors

No directors have received remuneration for their services as a director of the Club during 2022. The Chief Executive Officer was appointed as a director of the Company on 1 July 2019; however, no additional remuneration was or will be received in relation to the director role.

During the year several directors purchased Club membership packages, attended Club functions, made donations and contributed towards fundraising auctions. The terms and conditions of the transactions with the directors and their director related entities were no more favourable than those available, or which might be reasonably expected to be available, on similar transactions to non-director related entities on an arm's length basis.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

Related parties (cont'd)

Transactions with related parties

During the year, the Club received distribution revenue of \$23,495,430 from the AFL. No directors were employees of the AFL during the course of the year. \$3,750,000 is owed to the AFL under loan agreements entered into during 2014, 2018 and 2019. In 2020 the Club borrowed an additional \$5,764,205 under the COVID-19 Letter of Financial Support. Other services provided by the AFL are billed based on normal market rates for these services and were due and payable under normal payment terms.

A sponsorship agreement with EFEX was entered into in 2022 to the value of \$500,000 cash in which a Director of the Club is also a Director of EFEX. Further, EFEX provided the Club with IT Services to the value of \$440,635 during 2022.

A license agreement exists with Oxanda Childcare Pty Ltd for the trademark of Little Giants for which an annual fee was paid in 2022. A Director of the Club is the Executive Director.

19 Economic dependence

The Club's operations are dependent upon the receipt of distributions from the AFL. For the year ending 31 October 2023 the AFL has confirmed funding of \$25,731,190.

20 Segment Reporting

The Club's activities are entirely the administration and promotion of Australian Rules Football and are confined to Australia.

21 Contingent liabilities

As at 31 October 2022 there were no contingent liabilities (2021: nil).

22 Financial instruments, fair values and risk management

The Company's financial assets and liabilities include cash and cash equivalents, trade and other receivables and trade and other payables. These assets and liabilities are not measured at fair value in accordance with the significant accounting policies in Note 2. Carrying amounts are a reasonable approximation of fair value.

(a) Exposure to credit risk

The carrying amount of the financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

		2022	2021
	Note	\$	\$
Cash and cash equivalents	7	266,273	771,922
Trade and other receivables	8	878,900	508,933
		<u>1,145,173</u>	<u>1,280,855</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

Financial instruments, fair values and risk management (cont'd)

(b) Impairment losses

The company has trade receivables of \$425,724 that are past due (2021: \$122,564). The aging of trade receivables at reporting date was:

	2022		2021	
	Gross	Impairment	Gross	Impairment
	\$	\$	\$	\$
Current	415,160	-	343,195	-
Past due 31 - 60 days	40,780	-	64,775	-
Past due 61 - 90 days	1,960	-	-	-
Past due 91+ days	382,984	31,844	57,789	31,579
	<u>840,884</u>	<u>31,844</u>	<u>465,759</u>	<u>31,579</u>

(c) Interest rate risk

The Club holds cash at floating interest rates. All other financial assets and liabilities are non-interest bearing. The Club does not enter into interest rate swaps, forward rate agreements or interest rate options to manage cash flow risks associated with the interest rates on borrowings. At the reporting date, the interest rate profile of the Club's interest-bearing financial instruments was:

	2022	2021
	\$	\$
Floating rate instruments		
Financial assets	266,273	771,922
Financial liabilities	-	-
	<u>266,273</u>	<u>771,922</u>

Cash flow sensitivity analysis for variable rate financial assets

A change of 100 basis points in interest rates at the reporting date would have increased/decreased profit or loss by \$2,663.

(d) Interest rate risk

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next 30 days. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

23 Events subsequent to the balance date

A ten-year contract to the value of \$28.5m (excluding CPI uplift) was signed between the Club, the AFL and the ACT government in December 2022, extending the partnership to 2032. This ensures Club matches will continue to be played in Canberra and further promotes and develops the game of AFL in the ACT.

There has been no other material event between the end of the financial year and the date of this report any item, transaction, or event in the opinion of the directors of the Club, to significantly affect the operations of the entity, the results of those operations, or the situation of the Club in future financial years.

24 Other information

The address of the Club's registered office is 1 Olympic Boulevard, Sydney Olympic Park NSW 2127.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

25 Correction of error

During 2022, the Company discovered that deferred grant income related to the State Government funding used to upgrade the training and administration facility at Sydney Olympic Park had been erroneously recorded in its financial statements since 2020. As a consequence, deferred grant income and the related liability have been overstated. The errors have been corrected by restating each of the affected financial line items for prior periods. The following tables summarise the impacts on the Company's financial statements.

STATEMENT OF FINANCIAL POSITION

	Impact of correction of error		
	As previously reported	Adjustments	As restated
	\$	\$	\$
1 November 2020			
Total assets	21,582,262	-	21,582,262
Deferred grant income (non-current)	4,458,320	(4,458,320)	-
Others	16,917,682	-	16,917,682
Total liabilities	21,376,002	(4,458,320)	16,917,682
Accumulated losses	(12,273,988)	4,458,320	(7,815,668)
Members contribution	12,480,248	-	12,480,248
Total equity	206,260	4,458,320	4,664,580
31 October 2021			
	As previously reported	Adjustments	As restated
	\$	\$	\$
Total assets	19,285,405	-	19,285,405
Deferred grant income (non-current)	3,827,587	(3,827,587)	-
Others	15,182,732	-	15,182,732
Total liabilities	19,010,319	(3,827,587)	15,182,732
Accumulated losses	(12,205,162)	3,827,587	(8,377,575)
Members contribution	12,480,248	-	12,480,248
Total equity	275,086	3,827,587	4,102,673

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	Impact of correction of error		
	As previously reported	Adjustments	As restated
	\$	\$	\$
For the year ended 31 October 2021			
Revenue	42,035,167	(630,733)	41,404,434
Others	(41,966,341)	-	(41,966,341)
Profit/(Loss) for the year	68,826	(630,733)	(561,907)
Total comprehensive profit/(loss) for the year	68,826	(630,733)	(561,907)



Directors' declaration

In the opinion of the directors of Western Sydney Football Club Limited ('the Company'):

- (a) the Company is not publicly accountable;
- (b) the financial statements and notes that are set out on pages 6 to 23 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 October 2022 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Simplified Disclosures Framework and the Corporations Regulations 2001; 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.

Signed in accordance with a resolution of the directors.

Dated 10 February 2023.

Mr Anthony Shepherd AO
Director

Mr Chris Larsen
Director

Western Sydney Football Club Limited
ABN 15 130 190 242

1 Olympic Boulevard
Sydney Olympic Park NSW 2127
P (02) 8736 4200 F (02) 9748 8754

All correspondence to
PO Box 7112, Silverwater NSW 2128

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Independent Auditor's Report

To the shareholder of the Western Sydney Football Club Limited

Opinion

We have audited the **Financial Report** of the Western Sydney Football Club Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 October 2022 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards – Simplified Disclosures* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statement of financial position as at 31 October 2022;
- Statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to Note 1(c), "Going Concern" in the financial report. The conditions disclosed in Note 1(c), indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

Emphasis of matter – restatement of comparative balances

Without modifying our opinion expressed above, we draw attention to Note 25 to the financial report, which states that amounts reported previously in the 31 October 2021 financial report have been restated and disclosed as comparatives in this financial report.

Other Information

Other Information is financial and non-financial information in Western Sydney Football Club Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards – Simplified Disclosures* and the *Corporations Act 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on



the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

A handwritten signature in blue ink that reads 'KPMG'.

KPMG

A handwritten signature in blue ink that appears to read 'Paul Thomas'.

Paul Thomas

Partner

Sydney

10 February 2023