GEELONG FOOTBALL CLUB LIMITED

(ACN 005 150 818)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2011

The Directors present their report together with the financial report of the Geelong Football Club Limited ("the Club") for the year ended 31 October 2011, and the auditor's report thereon.

1. DIRECTORS

The Directors of the Club as at the date of signing the Directors' Report were:

COLIN BRUCE CARTER	PRESIDENT
Qualifications	Bachelor of Commerce, MBA
Tenure	Geelong Football Club Limited Director for three years, and President for one year
Experience	Colin joined the Board of Directors in July 2008 after previously serving from 1987 until 1993. Colin stepped down in 1993 as a result of being appointed to the AFL Commission, a role he held until early 2008. Colin is a senior adviser to the Boston Consulting Group and is a Director of Wesfarmers, SEEK, World Vision, the Cape York Institute for Indigenous Policy and The Ladder Project (the AFL Players' project on youth homelessness). He is also the Federal Government's "Ambassador" to promote Indigenous employment in the corporate sector.
Other Responsibilities	Member of Geelong Football Club Limited Remuneration Board Committee Member of Geelong Football Club Limited Corporate Governance Board Committee Member of Geelong Football Club Limited Finance & Audit Board Committee

GARETH ELIOT TREMAYNE ANDREWS	VICE-PRESIDENT
Qualifications	Bachelor of Commerce, A.R.E.I.
Tenure	Geelong Football Club Limited Director and Vice President for thirteen years
Experience	Gareth is Director of Life Again Pty Ltd, a Company committed to helping Men through times of change and transition in their lives. 2011 was Gareth's 46th year of involvement in VFL (AFL) football. Gareth played 136 games with Geelong in a nine year career commencing in 1965. In 1974 he transferred to Richmond, playing a further 31 games, including the 1974 Premiership. Gareth was a joint-founder of the VFL/AFL Players Association and is a former President and a Life Member of the AFLPA. For many years, Gareth was a part-time football commentator on ABC Radio and television as well as being an authoritative football writer for The Sunday Age. Gareth is a Life Member of the Geelong Football Club and in 2011 became a Life Member of the Australian Football League.
Other Responsibilities	Chairman of Geelong Football Club Limited Remuneration Board Committee

NICHOLAS LIVINGSTONE CARR	DIRECTOR
Qualifications	B.E., LLB, MBA, GAICD
Tenure	Geelong Football Club Limited Director for seven years
Experience	Nic has been involved in managing and developing professional service businesses for over 20 years. Currently, Nicholas is Chair of Opteon Property Group Pty Ltd, and a Director of Banksia Securities Ltd, Banksia Mortgages Ltd and Cherry Fund Ltd as well as several private companies. Nic has over many years been involved in a number of community organisations including the Committee for Geelong.
Other Responsibilities	Chairman of Geelong Football Club Limited Corporate Governance Board Committee

DIRECTORS (continued)

ALISTAIR NEIL HAMBLIN	DIRECTOR
Qualifications	Bachelor of Commerce, CPA, MAICD
Tenure	Geelong Football Club Limited Director for seven years
Experience	Alistair is a Principal and Director in the integrated financial services practice of Morrows in Southbank. Previously, Alistair founded Commercial Advisory Group and became a Principal in WHK Horwath following its acquisition of CAG. In his role as the head of the Business/ Tax division, tax, accounting and corporate advisory are provided to a diverse client base with a specialisation in sport and fundraising. Alistair has over a number of years been directly involved in a number of Clubs and community organisations engaged in facilitating sport and fundraising.
Other Responsibilities	Chairman of Geelong Football Club Limited Finance & Audit Board Committee

ROBERT JOHN GARTLAND	DIRECTOR
Qualifications	Cert. IV Business (Estate Agency Practice), CEA (REIV) MAICD
Tenure	Geelong Football Club Limited Director for five years
Experience	Born and educated in Geelong, Bob has been a lifelong supporter of the Geelong Cats. Bob is a member of the Club's History & Tradition Committee and also a Trustee of the Geelong Cats Sports Foundation. Bob has been an active member of the Geelong Business Community for 35 years, and been involved in the Real Estate and property industry for 30 years. He is Managing Director of Gartland Real Estate, and associated companies, which consults to clients on Real Estate investment, and development in both Commercial and Residential sectors. His company currently manages a portfolio of property in excess of $300 million, has won substantial recognition for business achievements, and most recently was awarded "Business of the Year" in the Geelong Business Excellence Awards. Bob has served on various business and community boards and committees in the Geelong Region, acting as Deputy Chair of Central Geelong Management Committee, and as Ambassador for Anam Cara House Community Hospice project.
Other Responsibilities	Member of Geelong Football Club Limited Remuneration Board Committee

DIANA CLARE TAYLOR	DIRECTOR
Qualifications	Bachelor of Laws (Hons), Bachelor of Arts, AICD Diploma
Tenure	Geelong Football Club Limited Director for two years
Experience	Diana is the Executive Director / General Manager Commercial Development of the Geelong based company CT Management Group, a management consulting, placement and recruitment business supporting Local Government across Australia. She is also the Director of Taylor Chapman Consulting, a sports and workplace consultancy practice. Diana brought with her to the Geelong Cats Board over 10 years of State and Community Football administration experience with her previous roles including President of the Western Region Football League, Victorian Football League Tribunal member, Victorian Football League Appeal Board member, WRFL Women's Football Foundation chairperson and AFL Victoria Fair Game: Respect Matters chairperson. A qualified corporate lawyer and company director, Diana has previously worked as a senior lawyer at Clayton Utz, Freehills and in-house at Aviva Australia (owned by NAB). Diana is currently a director on the boards of Doutta Galla Aged Services Limited and AFL Victoria's Development Advisory Board, VicHealth's Alcohol Advisory Committee and chairs AFL Victoria's Fair Game: Respect Matters reference group.
Other Responsibilities	Member of Geelong Football Club Limited Corporate Governance Board Committee Member of Geelong Football Club Limited Finance & Audit Board Committee

DIRECTORS (continued)

HUGH GALBRAITH SEWARD	**DIRECTOR**
Qualifications	M.B, B.S, D.Obst, R.C.O.G, F.A.C.S.P, F.A.S.M.F, F.S.E.M (UK)
Tenure	Appointed a Geelong Football Club Limited Director on 15 November 2010
Experience	Hugh was The Club's doctor for 25 years from 1982 to 2006 and is chair of the Club's Sports Science Committee. In this role he works closely with the Club's medical and fitness staff ensuring the players now, and into the future are physically prepared the best they can possibly be. Hugh is the Executive Officer of the AFL Medical Officers Association, a member of the AFL Research Board and Chair of Geelong College. He is an Adjunct Senior Research Fellow at Monash University, and the Australian Sports Commission's independent doctor for the illicit Drugs in Sport Program. Hugh continues to practice as a sports physician and general practitioner in Newtown. Hugh is a life member of the Geelong Football Club.

CRAIG MILTON DRUMMOND	**DIRECTOR**
Qualifications	Bachelor of Commerce, ACA, S F Fin
Tenure	Appointed a Geelong Football Club Limited Director on 1 August 2011
Experience	Craig Drummond joined Bank of America Merrill Lynch Australia in October 2009 as Chief Executive Officer and Country Head. Prior to that, Craig joined Goldman Sachs JB Were in 1986 into equity research. Since 2003 he was in the various roles of Chief Operating Officer, Executive Chairman and Co-Chief Executive Officer until May 2009. Craig is a Director of Scotch College, Florey Neuroscience Institutes and the Australian Financial Markets Association (AFMA). He is a Member of the Business Council of Australia (BCA) and a Member of the University of New South Wales' Australian School of Business Advisory Council. Most importantly Craig has been a passionate Geelong Cats supporter all of his life.

BRIAN CARLYLE COOK	**CHIEF EXECUTIVE OFFICER AND DIRECTOR**
Qualifications	Master of Education
Tenure	Geelong Football Club Limited Chief Executive Officer for twelve years Geelong Football Club Limited Director for two years
Experience	One of Australia's most respected sporting administrators, Brian took up the post in March 1999. During his tenure, Brian has overhauled the Club's operations, overseen a dramatic transformation in the Club's finances, and a redevelopment of Simonds Stadium while leading the Club to three AFL premierships. Relevant honours to Brian have been the awarding of AFL life membership, Geelong Football Club life membership, the Eunice Gill Award for services to coaching at a national level, Australian Sports Medal & Australian Sports Executive of 2007. Brian is a member of the AFL Research Board, Director of Tourism Victoria & he is a Trustee of the Geelong Cats Sports Foundation.
Other Responsibilities	Member of Geelong Football Club Limited Finance & Audit Board Committee Member of Geelong Football Club Limited Remuneration Board Committee Member of Geelong Football Club Limited Corporate Governance Board Committee

2. COMPANY SECRETARY

The Company Secretary of the Club as at the date of signing the Directors' report was:

ROBERT MICHAEL THRELFALL	COMPANY SECRETARY
Qualifications	Bachelor of Commerce, CPA
Tenure	Geelong Football Club Limited - General Manager Finance and Administration for eleven years
Experience	Robert has held senior finance and administration management roles for over 15 years. Robert joined the Club in 2000 and is responsible for managing the Club's financial and administrative functions, in addition to providing leadership and strategic direction to achieve optimal off-field performance. Robert is also responsible for delivery of the Club's major infrastructure developments. Prior to joining the Club, Robert spent eight years working with Newcrest Mining Ltd, an Australian publicly listed gold mining company. During this time, Robert spent over four years managing the finance and corporate affairs of the Company's interests in Asia. In 2008, Rob was awarded the AFL's Graeme Samuel Scholarship to further his career development with the Club and the AFL.
Other Responsibilities	Member of Geelong Football Club Limited Finance & Audit Board Committee Member of Geelong Football Club Limited Remuneration Board Committee Member of Geelong Football Club Limited Corporate Governance Board Committee

3. PRINCIPAL ACTIVITIES

The principal activities of The Club are the playing and promotion of the game of Australian Rules Football and the operation of related facilities.

The Club is a member of the Australian Football League. There has been no significant change in the nature of these activities during the year.

4. OBJECTIVES & STRATEGIES OF THE CLUB

The Company's key objectives and strategies in the short (2012) and long-term (2012-2016) are to:

- Win premierships by having an effective coaching and football development program that builds a highly competitive team, and:
  - high quality player recruitment
  - effective list management
  - optimum, innovative and consistent high performance programs
  - a holistic player development program
  - an extensive and challenging development pathway
  - best practice provision and usage of technology
- Grow our commercial profit and popularity by:
  - continuing to increase our corporate and consumer business profit levels
  - membership base to grow to 55,000 and beyond by 2016
  - maintaining high customer satisfaction ratings from our sponsors and members
  - delivering and constantly evaluating our strategic brand marketing plan
  - continuing to increase returns from our hospitality businesses, while being considered a leader in the delivery of socially responsible gaming practices
  - communicating our key messages effectively with our supporters and stakeholders through all available media
- Provide genuine benefits to the Cats' community by delivering sustainable community development, relations and assistance programs – be 'more than a football club'
- Infrastructure development:
  - Stage 3 of the Simonds Stadium redevelopment is completed for the 2013 season, taking stadium capacity to approximately 34,500
  - Stage 1 of the Club's exclusive training venue (ETV) in Keystone Business Park, Armstrong Creek is ready for the 2014 pre-season
  - Stage 4 of the Simonds Stadium redevelopment is commenced by the end of 2015, taking stadium capacity to the optimum level (to be determined)
  - A master plan for the ETV to guide future development to be prepared in 2012 to ensure that benefits of the venue over the long term are maximised
- Have great people and a unified culture by continuing to undertake initiatives to strengthen our Club's culture, investing in each employee's future and delivering best practice human resource solutions.
- Deliver ongoing and enhanced profitability each year which will further strengthen the Club's financial position to ensure a sustainable future, by precise financial reporting and effective financial and risk management strategies.
- Operate a well defined corporate governance structure, ensuring the Club adheres to accepted best practice and ethical standards.
- Provide environmentally responsible facilities, and effective information technology and communication infrastructure.

The Club continually reviews the objectives and strategies within its business plan to ensure the Club has the strategic framework in place to meet its challenges, and be successful and sustainable in the long term. A summary of the updated version of the business plan 2012-16 will be available on the Club's website in February 2012.

5. OPERATING & FINANCIAL REVIEW

An outstanding season team effort by everyone at the Club culminated in winning the 2011 AFL Premiership. This fantastic achievement resulted in another year of strong financial performance, with the Club posting a net profit of $1,018,714 (2010: $1,284,509), exceeding original budget expectations by $459,429. We are proud to say this is the Club's 12th consecutive net profit.

Turnover increased by 8% in 2011 to $48,438,196 (2010: $44,824,045). Net assets have grown by 10% to $10,954,180 (2010: $9,938,268).

Our corporate partners continued their strong support for the Club throughout 2011, with several of our key sponsors extending their agreements with the Club. In September 2011, the Club was extremely pleased to announce that Ford Australia will continue its major partnership with the Club through to 2016, making the 91 year alliance (to the Club's knowledge) the longest continuous sports sponsorship in the world. Further to this, the Club announced its new stadium naming rights partnership with Simonds Homes in October 2011. This saw Simonds elevate their existing elite partnership with the Club to include stadium naming rights for the next five years.

Crowd levels were generally aligned to budget levels, with the financial return from our home game vs. Collingwood in particular well above expectations.

The financial performance of the Club's entertainment venue in Point Cook, The Brook on Sneydes continues to improve with its final result for the year well above budget.

Prize money received for winning the Premiership was partially offset by costs associated with finals events, player payments and other football related payments.

Membership fell 5% to 39,303 which is a disappointing outcome in such a successful period of the Club's history. The Board and management continue to address the need to continue to maintain and grow membership levels with several key strategic plans developed to be implemented for the 2012 season and beyond.

Merchandise sales tracked below budget for most of the season, but increased significantly along with memorabilia sales through the AFL finals series and post the Premiership win.

We continue to invest in our football department, with costs totalling $18.8 million in 2011 (an increase of $1.2 million or 7%).

The Club also continued to make a significant investment into a range of capital projects throughout the course of the year, totalling $1.1 million. In addition, loan principal repayments and associated financing costs for the year were $1.3 million.

We were watched by 21.9 million TV viewers over the course of the year, and achieved record viewership of CATS TV on *geelongcats.com.au* with an average of 94,000 views per month in season.

The Club's vision for Simonds Stadium is to provide our members with the very best possible facility and for the stadium to be used for other sports and events which will in turn greatly benefit the Geelong community. The plans for Stage 3 specifically are for significantly improved facilities for members and the general public (including stadium lighting) and to increase capacity to approx 34,500. Total funding secured for Stage 3 is $44.0 million from a combination of Federal and State Governments, the City of Greater Geelong, the AFL and the Club. The Club invested $436,478 of its $2.0 million total contribution during the year into this project. In October the Club received tenders from prospective builders, with the lowest tender $12.8 million in excess of the project budget. The Club immediately consulted with all funding partners and began working on revamped plans to reduce the project cost. At balance date, work was continuing on the plans.

In May 2011, a long term elite partnership agreement was signed with a company which will result in the creation of an exclusive training venue for the Club within the Keystone Business Park in Armstrong Creek. The Club will gain ownership of the land and venue facilities once complete in 2013. The fair value of the Club's right to receive its exclusive training venue in 2013 is capitalised as an asset at $8.4 million. An alternative training venue to Simonds Stadium is regarded as essential for our Club going forward given the anticipated increase in usage of Simonds Stadium in the future by community groups and for non-AFL sports and events (e.g. T20 cricket), as well as our desire to provide our players with the best possible facilities in order for them to have the best chance to reach their potential.

A 12th consecutive net profit for the Club is without doubt extremely satisfying. However as always there are many financial challenges ahead. Operational costs throughout the business continue to rise each year, and the reduced stadium capacity in 2012 (given the anticipated undertaking of Stage 3 of the Simonds Stadium redevelopment) will make next year a particularly challenging year financially.

As previously mentioned, the Club continually reviews the objectives and strategies within its business plan to ensure the Club has the strategic framework in place to meet its challenges and be successful and sustainable in the long term.

A significant portion of the Club's future anticipated profits will continue to be reinvested into Simonds Stadium to increase stadium capacity and improve facilities, ensuring the Club's long term future in Geelong.

6. SIGNIFICANT EVENTS AFTER THE BALANCE DATE

The revamped plans for Stage 3 were costed with the preferred builders and the Club was advised that the project cost was still $4.5 million over the project budget. Capacity of Simonds Stadium under the new plans will be approximately 33,000, up 2,100 on the current capacity but down 1,200 on previous designs. In addition, a lounge for Club members has been removed from the original plans.

No other matters or circumstances have arisen between the end of the financial year and the date of this report that have or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in subsequent financial years.

7. LIKELY DEVELOPMENTS

The Club continues to consult with all funding partners in the quest for additional funding for Stage 3, and work through the revamped plans with the preferred builders to identify further cost savings. Long term financial models for the Club are being updated to assist in determining what (if any) additional contribution the Club can make to the project. The Club is still very hopeful that the project will proceed and is certainly committed to achieving this outcome. The Club expects to make a final decision within four weeks on whether the project can proceed as originally planned. If the project does proceed the Club will be required to write-off the net carrying amount of the Doug Wade Stand, the temporary stand and contributions to the Past Players pavilion which totalled $1,328,166 at balance date.

8. ENVIRONMENT REGULATION

The Directors believe that the operations of the Club are not subject to any particular or significant environmental regulations.

9. AUDITORS INDEPENDENCE DECLARATION

The Directors have received the Independence Declaration from the auditor of the Club. The Independence Declaration is set out on page 9 and forms part of the Directors' report for the year ended 31 October 2011.

Non-audit services

Following are the non - audit services that were provided by the Club's auditor, Ernst & Young. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non – audit service provided means that auditor independence was not compromised.

Ernst & Young received or are due to receive the following amount for the provision of non-audit services:

Other Services	$8,000
Assurance Related	$4,000
Accounting Advice	$15,000
Total non audit fees	**$27,000**

10. DIRECTORS' MEETINGS

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director were as follows:

DIRECTOR	DIRECTORS' MEETINGS	CORPORATE GOVERNANCE COMMITTEE MEETINGS	REMUNERATION COMMITTEE MEETINGS	FINANCE AND AUDIT COMMITTEE MEETINGS
	NUMBER HELD - ATTENDED	NUMBER HELD - ATTENDED	NUMBER HELD - ATTENDED	NUMBER HELD - ATTENDED
Colin Bruce Carter	13 - 12	1 - 1	2 - 2	6 - 5
Gareth Eliot Tremayne Andrews	13 - 12		2 - 2	
Nicholas Livingstone Carr	13 - 13	1 - 1		
Alistair Neil Hamblin	13 - 13			9 - 9
Robert John Gartland	13 - 13		2 - 2	
Diana Clare Taylor	13 - 13	1 - 1		6 - 4
Brian Carlyle Cook	13 - 12	1 - 1	2 - 2	9 - 6
Hugh Galbraith Seward (appointed 15 November, 2010)	11 - 11			
Craig Milton Drummond (appointed 1 August, 2011)	2 - 2			
Campbell William Neal (retired 17 December, 2011)	5 - 2			3 - 0
Francis Aloysius Costa OAM (retired 17 January, 2011)	5 - 5			

11. INDEMNIFICATION AND INSURANCE OF OFFICERS

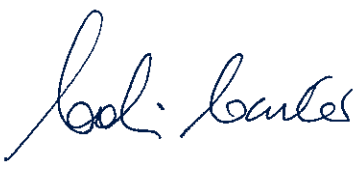
During the year The Club paid insurance premiums totalling $9,801 in respect of Directors' and Officers' liability insurance. The policies do not specify the premium for individual Directors and Officers. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against Directors and Officers in their capacity as Directors and Officers of The Club.

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

12. MEMBERS' GUARANTEE

The Club is a company limited by guarantee and domiciled in Australia. Accordingly the liability of the members of the Company is limited. As stated in clause 7 of the Club's Memorandum of Association, each member of the Club undertakes to contribute to the assets of the Club in the event of it being wound up while they are a member or within one year afterwards for payment of the debts and liabilities of the Club contracted before they cease to be a member and of the costs, charges and expenses of winding up the Club and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding two dollars ($2). At 31 October 2011 the number of members was 39,303 (2010: 41,425)

Signed in accordance with a resolution of Directors on this 28th day of November 2011.



Colin Bruce Carter
Director and President

Alistair Neil Hamblin
Director

Ernst & Young Building
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001
Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
www.ey.com/au

Auditor's Independence Declaration to the Directors of the Geelong Football Club Limited

In relation to our audit of the financial report of the Geelong Football Club Limited for the financial year ended 31 October 2011, 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

Don Brumley
Partner
Melbourne
28 November 2011

Liability limited by a scheme approved under Professional Standards Legislation

CORPORATE GOVERNANCE STATEMENT

POLICY

The Board of Directors ("the Board") recognise the importance and value of good corporate governance, which establishes a framework of clear objectives, responsibilities and accountability for the Board and management and provides policies and procedures for the Board and management to carry out their duties within.

The Board has determined to apply the "Essential Corporate Governance Principles" ("Principles") as summarised by the Australian Securities Exchange Corporate Governance Council (ASX CGC), to the fullest extent possible and practical, given the nature of the business of the Club.

The Board believes the foundation of an effective corporate governance model is a corporate structure that includes:

- The owners of the business in the form of members, appoint a number of Directors to form the Board
- The Board oversee their interests in the business and who in turn retains a Chief Executive Officer (CEO)
- The CEO develops business strategies, employs resources, builds and operates processes, generates profits and increases the value for our members

THE ROLE OF THE BOARD

The Board is committed to act in the best interest of the Club at all times to ensure it is properly managed and governed.

The Board's key responsibilities are to:

- act in the interests of the Club as a whole
- observe their duties as Directors in terms of corporations law, common law, the Club Constitution and other relevant legislation
- provide strategic direction for the Club and effective oversight of the CEO

THE BOARD'S KEY FUNCTIONS INCLUDE:

- ensuring a diverse and effective Board, in line with the Club Constitution
- appointing, supporting and providing advice and counsel to, evaluating and rewarding the CEO, taking an active role in overseeing the growth of the Executive leadership talent pool
- appointing, evaluating and rewarding the Senior Coach
- through constructive engagement with senior management and key stakeholders, review, add-value to, approve and monitor the Club's purpose, core values, ethical framework, strategic direction and objectives
- reviewing, approving and monitoring the implementation of the corporate plan, linked to the strategic objectives, ensuring appropriate resources are available
- supporting, reviewing and monitoring the operational and financial performance of the Club
- monitoring key financial and non-financial risk areas by ensuring the implementation of an effective risk management and internal control framework
- consider and agree on committee and management recommendations on key issues
- the power to make, add to, alter or rescind any Club rules, regulations and by-laws as it thinks fit
- evaluating Board processes and performance of the Board as a whole, as well as contributions by individual Directors, ensuring the Board's effectiveness in delivering good governance
- transparent reporting and communications to the stakeholders on the Board's governance, stewardship and financial performance
- ensuring that there are strong working relationships with the AFL

BOARD COMPOSITION AND TENURE

The composition and tenure of the Board is governed by the Club's Constitution.

The minimum number of Directors is seven and the maximum is nine. In addition, the CEO is a Director of the club.

A full Board election is conducted every three years.

BOARD COMMITTEES

The Board has established three committees to assist it in the discharge of the Board's role and responsibilities. The committees focus on specific responsibilities in greater detail than is possible for the Board as a whole.

Each formally constituted committee has a written charter, approved by the Board.

The Directors who are members of these committees are outlined in the Directors' report.

The committees and their key roles are set out below:

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance committee assists the Board with its responsibilities by monitoring implementation of corporate governance principles and reporting to the Board in respect to compliance, non-compliance and recommendations for improvement.

The key responsibilities of the Corporate Governance committee are:

- Board structure, effectiveness and succession
- Board operations and governance and relations with management
- Director performance
- Constitution currency and compliance

FINANCE AND AUDIT COMMITTEE

The Finance and Audit committee assists the Board with its responsibilities by governing the operations of the Club's finance and audit functions.

The key responsibilities of the Finance and Audit committee are:

- Financial reporting
- Longer term financial strategies
- Accounting, financial and internal controls
- Appointment and independence of external auditors and the scope of external audit
- IT plans and strategies
- Risk management

REMUNERATION COMMITTEE

The Remuneration committee assists the Board with its responsibilities by governing the Club's remuneration function.

The key responsibilities of the Remuneration committee are:

- Remuneration of all employees and consultants
- Total player payments rules compliance
- Succession planning

RELATIONSHIP WITH MANAGEMENT

The CEO is responsible for the overall day–to–day management and the performance of the Club. The CEO manages the Club in accordance with strategy, delegations, business plans and policies approved by the Board to achieve agreed goals and objectives included therein.

The Board is responsible for reviewing and ensuring that all necessary and appropriate delegations are in place to enable the CEO to meet this responsibility.

To assist in the execution of its responsibilities, the CEO and Executive management have established a number of management-driven committees which meet on an as needed basis.

BOARD CODE OF CONDUCT

The Board takes ethical and responsible decision making very seriously. Directors are required to act in accordance with the Club's Board code of conduct at all times.

The code of conduct deals with:

- compliance with laws, regulations, duties and the code
- giving or receiving gifts
- protection of the Club's assets
- proper accounting and dealing with auditors
- unauthorised public statements
- conflict of interest and use of inside information, confidential information and confidential documents

COMMUNICATION WITH MEMBERS

The Board aims to ensure that members are informed of all major developments affecting the Club. Information is communicated to members as follows:

- The audited financial report is made available to all members on the Club's website.
- A yearbook is distributed to all members, looking ahead to the upcoming season.
- An annual report is distributed to all members in late November, reviewing the season's performance.
- Regular emails are broadcast to those members who have provided their email addresses to the Club.
- Members and supporters are communicated with electronically on Cats TV, Cats twitter and the Cats Facebook page which provide up to the minute information.
- Club information is provided from time to time in various newspapers and on telephone recorded and on-hold messages.
- The Club website *geelongcats.com.au* is regularly updated.
- The Club Annual General Meeting held each year before 31 January.
- The Board and Executive management are always available to speak to members.

CORPORATE SOCIAL RESPONSIBILITY POLICY

Our Club's values are the strong beliefs and consistent behaviours of people in our organisation. They describe the way in which directors, staff and players of the Club behave, interact and work together and determine the culture of the Club. Our values are held in high regard and protected by every member on the on-field and off-field team.

Our values are:

– **RESPECT** for our Club, partners, communities and each other
– **PRECISION** in every action and activity
– **ADVENTUROUS** in mind and spirit
– **CONVICTION** in our purpose and potential
– **UNITY** through inclusion
– **COMMERCIAL** but considered

While a clear link exists between all of our values and corporate social responsibility, the key link between the two is the Club's value of respect – Respect for our Club, partners, communities and each other.

Corporate social responsibility ("CSR") means "doing the right thing by our stakeholders and the environment". CSR is essentially the deliberate inclusion of public interest into corporate decision-making.

The Club embraces responsibility for the impact of our activities on our employees, the marketplace, our communities and our environment. This policy summary sets out our key priorities in relation to our corporate social responsibility.

In our own workplace

Our people are the key to the success of our business. We need to positively involve our people in the process to ensure they continue to believe that the Club is a great place to work, and they are proud of our achievements.

We aim to be a place where people want to work because they see us as being honest, trustworthy, fair, socially responsible, environmentally responsible, progressive, technologically advanced, technically proficient, professional, profitable and sustainable.

In the market place within which we operate

We need to positively interact with our sponsors, members, strategic partners and our suppliers.

We aim to be recognised by our peers and by our stakeholders as a leading, professional and responsible Club that is committed to the industry and its continuous improvement.

In the communities within which we operate

We have a responsibility to be active participants in our communities.

Our community is where our Club operates, where our stakeholders and their families work, live and play. Our Club has a responsibility to ensure that we help to support our community and make it a safe and enjoyable place.

In the environment in which we operate

We need to be aware of the environmental impact of our "footprint" and endeavour to minimise any negative impacts.

We recognise that now, more than ever, the footprint we impose on the environment needs to be properly managed. The environment is extremely delicate and sensitive and everything we can do to minimize the impact our business has on the environment will help to sustain and protect the environment.

We strive to integrate sound environmental values, principles and practices in all our operations. By engaging with our key stakeholders and raising their awareness of environmental issues we will continue to seek ways to improve our contribution to protecting the environment.

STATEMENT OF COMPREHENSIVE INCOME

For year ending 31 October 2011

	NOTE	2011 $	2010 $
Income			
Revenue	3	48,438,196	44,824,045
		48,438,196	**44,824,045**
Cost of sales		(10,701,727)	(10,798,025)
Football expenses		(18,821,742)	(17,570,651)
Marketing and related costs		(10,258,438)	(8,883,917)
Finance and administration		(3,736,801)	(3,313,732)
Facilities costs		(2,510,893)	(2,302,234)
Finance costs	4	(1,389,881)	(633,948)
Assets written-off	4	-	(37,029)
Total expenses from ordinary activities		**(47,419,482)**	**(43,539,536)**
Net profit/(loss) attributable to members of Geelong Football Club Limited	**16**	**1,018,714**	**1,284,509**
Other Comprehensive Income			
Net fair value gains/(losses) on available-for-sale financial assets		(2,802)	(8,756)
Total Comprehensive Income/(expense) for the period attributable to members of Geelong Football Club Limited		**1,015,912**	**1,275,753**

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 31 October 2011

	NOTE	2011 $	2010 $
CURRENT ASSETS			
Cash and cash equivalents	5	1,862,001	2,136,408
Trade and other receivables	6	2,128,524	863,648
Inventories	7	1,213,698	673,861
Available-for-sale financial assets	2(h)	118,224	114,236
Other current assets	8	388,562	301,665
TOTAL CURRENT ASSETS		**5,711,009**	**4,089,818**
NON CURRENT ASSETS			
Intangible assets	9	15,279,966	6,707,484
Finance lease assets	11	9,531,193	9,889,098
Plant and equipment	10	8,191,687	8,642,974
TOTAL NON CURRENT ASSETS		**33,002,846**	**25,239,556**
TOTAL ASSETS		**38,713,855**	**29,329,374**
CURRENT LIABILITIES			
Trade and other payables	12	4,571,858	2,410,772
Income received in advance	2(m)	1,339,200	774,043
Interest bearing loans and borrowings	13	950,283	906,950
Finance lease liabilities	14	119,172	96,119
Employee provisions	15	1,069,035	1,056,514
TOTAL CURRENT LIABILITIES		**8,049,548**	**5,244,398**
NON CURRENT LIABILITIES			
Income received in advance	2(m)	6,537,040	-
Interest bearing loans and borrowings	13	3,269,264	4,189,012
Finance lease liabilities	14	9,823,691	9,923,431
Employee provisions	15	80,132	34,265
TOTAL NON CURRENT LIABILITIES		**19,710,127**	**14,146,708**
TOTAL LIABILITIES		**27,759,675**	**19,391,106**
NET ASSETS		**10,954,180**	**9,938,268**
EQUITY			
Retained profits		10,964,226	9,945,512
Investment fluctuation reserve		(10,046)	(7,244)
TOTAL EQUITY	16	**10,954,180**	**9,938,268**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

For year ending 31 October 2011

	NOTE	2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		45,867,585	45,328,643
Interest received		90,006	107,025
Dividends received		6,787	4,813
Payments to suppliers and employees (inclusive of GST)		(42,837,657)	(42,626,029)
Interest paid		(604,100)	(236,512)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	5	**2,522,621**	**2,577,940**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant and equipment		(473,792)	(1,068,065)
Payment for intangibles		(584,353)	(3,560,331)
Payment for available for sale investments		-	(5,291)
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		**(1,058,145)**	**(4,633,687)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(950,284)	(540,520)
Proceeds from borrowings		73,869	3,746,912
Repayment of finance lease principal		(862,468)	(476,582)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		**(1,738,883)**	**2,729,810**
Net increase/(decrease) in cash and cash equivalents held		(274,407)	674,063
Cash and cash equivalents at the beginning of the year		2,136,408	1,462,345
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	5	**1,862,001**	**2,136,408**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For year ending 31 October 2011

	Note	Retained Profits $	Investment Fluctuation Reserve $	Total Equity $
At 1 November 2010		**9,945,512**	**(7,244)**	**9,938,268**
Profit for the period		1,018,714	-	1,018,714
Other Comprehensive Income		-	(2,802)	(2,802)
Total Comprehensive Income for the period		**1,018,714**	**(2,802)**	**1,015,912**
At 31 October 2011	16	**10,964,226**	**(10,046)**	**10,954,180**
At 1 November 2009		**8,661,003**	**(16,000)**	**8,645,003**
Profit for the period		1,284,509	-	1,284,509
Other Comprehensive Income		-	8,756	8,756
Total Comprehensive Income for the period		**1,284,509**	**8,756**	**1,293,265**
At 31 October 2010	16	**9,945,512**	**(7,244)**	**9,938,268**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE ACCOUNTS

NOTE 1 - CLUB INFORMATION

Geelong Football Club Limited ("the Club") is a company limited by guarantee where statutory members guarantee its liabilities to the extent of $2.

The registered office of the Club is:
Simonds Stadium
Kardinia Park
Geelong, Victoria, 3220

The principal activities of The Club are the playing and promotion of the game of Australian Rules Football and the operation of related facilities. The Club is a member of the Australian Football League.

The financial report of The Club for the year ended 31 October 2011 was authorised for issue in accordance with a resolution of the Directors on 28th November 2011.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. The following is a summary of the material accounting policies adopted by the Club in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other authorative pronouncements of the Australian Accounting Standards Board, and the Corporations Act 2001.

With the exception of available-for-sale investments, which are measured at fair value, this report is prepared on an accrual basis in accordance with the historical cost convention and except where stated, does not take into account current valuations of non-current assets.

(b) Going Concern

The financial report has been prepared on the basis that the Club is a going concern although there is a net current asset deficiency of $2,338,539 (2010: $1,154,580). The going concern basis is considered appropriate as due to the seasonal nature of the Club's activities it expects to generate sufficient funds in the next quarter from membership, reserved seat sales and sponsorship to meet its debts as and when they become due and payable and to continue to fund its ongoing operations.

It should be noted that the Club invested significantly ($1,058,145) during the year in long term capital projects, funded from its carried forward financial surplus.

Long term marketing and financial strategies have been developed to manage the Club's debt levels, improve trading profitability and ensure long term viability. The Directors are confident that these strategies will be successful in allowing the Club to continue to participate in the Australian Football League.

(c) Cash and Cash Equivalents

For the purpose of the Statement of Financial Position and Statement of Cash Flows, cash and cash equivalents includes cash at bank, cash on hand and short-term deposits either held at call or with an original maturity of three months or less.

(d) Trade and Other Receivables

Trade receivables, which generally have 7-30 day payment terms from the date of the invoice/statement, are initially recognised at fair value and then subsequently measured at fair value less an allowance for impairment.

Other receivables are measured at amortised cost using the effective interest method, are non-interest bearing and are settled based on various commercial terms and conditions, generally in 30 to 90 day terms.

Collectability of trade and other receivables is reviewed on an ongoing basis by Club management. 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 Club will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value:

- Merchandise is valued at weighted average cost.
- Memorabilia is valued at purchase cost.
- Food and Beverage is valued at purchase cost.

Net realisable value is the estimated selling price of the inventory in the ordinary course of business, less estimated costs of completion and all estimated costs necessary to make the sale.

(f) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Finance leases, which transfer to the Club substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Club will obtain ownership by the end of the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

Finance leases, which transfer to the Club substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

(g) Intangible Assets

Intangible Assets acquired are initially measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any impairment losses. Internally generated intangible assets are not capitalised and expenditure is recognised in profit or loss in the year in which the expenditure is incurred

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful life and tested for impairment individually or at the cash-generating unit level on an annual basis or when there is an indication that the intangible asset or cash-generating unit may be impaired (see note 2(j) for methodology). The amortisation period and the amortisation method for an intangible asset are reviewed 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 prospectively 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 the income statement in the expense category consistent with the function of the intangible asset.

(h) Available-for-sale financial assets

The Club has investments comprising equity securities and a cash management fund. These are classified as available-for-sale investments and are measured at fair value with gains and losses being recognised as a separate component of equity until the investment is derecognised or until the investment is deemed to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in the profit or loss. Fair value of investments is determined by reference to quoted market bid prices at the close of business on the balance date.

(i) Plant and Equipment

(i) Owned Assets

Plant and equipment and leasehold improvements are stated at historical cost, less accumulated depreciation and any accumulated impairment losses. Where an asset is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition.

(ii) Leased Assets

Leases in terms of where the Club assumes substantially all of the risks and rewards of ownership are classified as finance leases which are recognised on the Club's Statement of Financial Position. All other leases are classified as operating leases and the leased assets are not recognised on the Club's Statement of Financial Position.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

(iii) Subsequent Costs

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

(iv) Memorabilia

Over the years the Club has collected a considerable amount of memorabilia. The memorabilia collection has been independently valued at $2,700,000 for insurance purposes but is not recorded in the financial report.

(v) Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the ground lease or the estimated useful lives of the improvements. The following depreciation useful life ranges have been used:

	Useful lives	Depreciation basis
Furniture & fittings	2-15 years	Straight Line
Motor vehicles	4 years	Straight Line
Leasehold improvements	5-40 years	Straight Line

Asset's useful lives and depreciation methods are also reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to it's recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(vi) 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. Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

(j) Impairment

Plant & Equipment and Intangibles

The carrying values of the Club's tangible and intangible assets are reviewed for impairment at each reporting date, to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An 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, with an impairment loss recognised in the Income Statement.

Financial Assets

The Club assesses at each balance date whether a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss has been incurred on a financial asset, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The discount rate used for financial assets carried at amortised cost is the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition).

(k) Income Tax

The Club is exempt from income tax as an exempt sporting organisation in accordance with Section 50-45 of the Income Tax Assessment Act 1997.

(l) Trade and Other Payables

Trade and other payables are carried at amortised cost and are recognised for amounts to be paid in the future for goods or services received, whether or not they have been billed to the Club. Trade payables are unsecured and are normally settled within 30 days. Other payables are settled on various commercial terms and conditions, typically within 30 days.

(m) Income Received in Advance

Income received in advance is recognised in line with the terms of specific contracts. Membership subscription income in advance is recognised in line with the membership subscription period and the service obligations of the Club.

(n) Interest Bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of the interest and other costs that the Club incurs in connection with the borrowing of funds.

(o) Employee Provisions

(i) Wages, salaries annual leave and sick leave

Provisions for employee benefits are recognised when the Club has a present obligation (legal or constructive) as a result of a past event, 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. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

Liabilities arising from wages and salaries, annual leave and accumulating sick leave, which will be settled within 12 months of reporting date, have been measured at the amounts expected to be paid when the liability is settled, plus related on costs in respect of employees' services up to the reporting date. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. 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 31 October 2011 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 players entered into a Federally Certified Long Service Leave Agreement. This agreement removed the State Long Service Leave entitlements of the players. Instead, the players receive additional annual leave after a set number of years of service and consequently clubs are not required to accrue for long service leave liabilities for its current players.

(iii) Superannuation

Contributions are made by the Club to an employee superannuation fund and are charged as expenses when incurred. All superannuation guarantee legislative requirements have been met.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

(p) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Club and the revenue can be reliably measured, net of the amount of goods and services tax (GST).

(i) Sales Revenue

Sales revenue is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement with those goods. Sales revenue is detailed in note 3 and comprises revenue earned from AFL dividends and prize money, membership, reserved seating, merchandise, sponsorships, fundraising, gate receipts, food and beverage, gaming activities and interest on investments. Sponsorships involving contra arrangements are recognised as revenue equivalent to the fair value of the services provided by the sponsor. Interest income is recognised as it accrues using the effective interest method.

(ii) AFL Distributions and Match Returns

AFL distributions are recognised as they are received or become receivable. Match day income is recognised at the conclusion of each AFL home game.

(iii) Membership Revenue

Membership income is recognised throughout the duration of the AFL home and away season to which it relates. Subscriptions received in advance from members that relate to future years are included as a liability in income received in advance and will be recognised as revenue in the years to which they relate.

(iv) Marketing and Sponsorship Income

Marketing and Sponsorship income is recognised when amounts are due and payable in accordance with the terms and conditions of the sponsorship contract. Sponsorship monies received in advance that relate to future years are included as a liability in income received in advance and will be recognised as revenue in the years to which they relate.

(v) Gaming Revenue

Gaming, bar, bistro and function revenue is recognised as it is earned. Deposits on functions received in advance that relate to functions to be held in future years are included as a liability in income received in advance and will be recognised as revenue in the year to which the function relates.

(vi) Grant Revenue

Grant revenue, including contributions of assets, is recognised in the income statement when it is controlled or the Club has the right to receive the contribution. When there are conditions attached to the grant relating to the use of grant funds for specific purposes this is disclosed in the relevant note to the financial statements.

(vii) Non-reciprocal contributions

The Club occasionally receives non-reciprocal contributions of assets from third parties for nominal or zero value. These assets are recognised at fair value on the date of acquisition in the Statement of Financial Position, with a corresponding amount of revenue recognised in the statement of comprehensive income.

(q) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office. The amounts reported for receivables and payables on the Statement of Financial Position at balance date are inclusive of GST. The net amount of GST receivable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Statement of Financial Position.

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

(r) Comparative Figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

(s) Statement of Compliance

The Club is a company limited by guarantee and domiciled in Australia. Accordingly the liability of the members of the Company is limited. As stated in clause 7 of the Club's Memorandum of Association, each member of the Club undertakes to contribute to the assets of the Club in the event of it being wound up while they are a member or within one year afterwards for payment of the debts and liabilities of the Club contracted before they cease to be a member and of the costs, charges and expenses of winding up the Club and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding two dollars ($2).

(t) Statement of Compliance

Changes in accounting policy and disclosures

The Club has early adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards from Reduced Disclosure Requirements for the financial year beginning on 1 November 2010.

The Club is a not-for-profit public entity which classifies it as a Tier 2 entity allowing it to prepare general purpose financial statements in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB - RDRs) (including Australian interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The adoption of AASB 1053 and AASB 2010-2 allowed the Geelong Football Club Limited to remove a number of disclosures. There was no other impact on the current or prior year financial statements. Accounting policies adopted are consistent with those of the previous year.

(u) Significant Accounting Judgements, Estimates and Assumptions

In applying the Club's accounting policies management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Club. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and lease terms (for leased equipment) . In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life . Adjustments to useful lives are made when considered necessary.

Finance lease commitments - Club as leasee

The Club has lease agreements for the usage of gym equipment and Simonds Stadium. The Club has determined that it retains substantially all the significant risks and rewards of ownership of the gym equipment and Simonds Stadium primarily as the leases are for the major part of the economic useful lives of the leased assets. Thus the Club has classified these leases as finance leases.

Operating lease commitments - Club as leasee

The Club has lease agreements over the land and buildings at The Brook on Sneydes and various items of office equipment. The Club has determined that it does not retain substantially all the significant risks and rewards of ownership of these leased items and thus the Club has classified these leases as operating leases.

Impairment of intangibles

The Club assesses whether intangibles are impaired at least annually in accordance with the accounting policy set out in note 2(j).
These calculations involve estimating the recoverable amount of the cash generating units to which the intangibles are allocated.

Impairment of available for sale assets

The Club holds a number of available-for-sale financial assets and follows the requirements of AASB 139 Financial Instruments: Recognition and Measurement in determining when an available-for-sale asset is impaired. For the year ended 31 October 2011 the Club has determined that any decline in value of individual available-for-sale assets was not considered significant or prolonged.

Long service leave provision

As outlined in Note 2(o), the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at balance date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

Doubtful debts provision

Included within accounts receivable at 31 October 2011 are amounts receivable from three debtors with balances ranging from $580 to $3,004 and aged greater than the Club's standard trading terms. The doubtful debt provision provides for each of these debtors. The Club will nevertheless be pursuing full payment of these debts.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

	2011 $	2010 $
NOTE 3 - REVENUE		
(a) Revenue from Operating Activities		
AFL dividends and prize money	8,021,997	7,029,500
Gaming, food and beverage	10,083,082	9,452,936
Membership, seating and gate receipts	12,121,444	12,180,656
Merchandise	2,583,088	2,436,522
Sponsorship, advertising and fundraising	15,517,692	13,612,594
	48,327,303	**44,712,208**
(b) Revenue from Other Activities		
Interest	90,006	91,267
Dividends on Investments	6,787	4,813
Other	14,100	15,757
	110,893	**111,837**
Total Revenue	**48,438,196**	**44,824,045**

NOTE 4 - EXPENSES

Operating profit for the year includes the following specific expenses:

(a) Finance costs		
- Interest paid - bank loans and overdraft	604,100	236,512
- Finance lease interest charge	785,781	390,487
- Net realised (gain)/loss on investments	(6,787)	6,949
Total finance costs	**1,383,094**	**633,948**
(b) Depreciation, amortisation and asset write offs		
Amortisation of intangible assets	183,172	139,737
Amortisation of leasehold improvements	283,186	278,877
Amortisation of finance lease asset	357,905	216,547
Depreciation of plant and equipment	641,894	564,706
Plant and equipment written off	-	37,029
Total depreciation, amortisation and write offs	**1,466,157**	**1,236,896**
(c) Employee expenses	**23,469,399**	**21,870,502**
(d) Bad debts written off	**14,084**	**4,025**
(e) Operating lease rentals	**1,361,418**	**1,479,517**

	2011 $	2010 $
NOTE 5 - CASH FLOW INFORMATION		
(a) Reconciliation of net cash flows from operations to net profit		
Net profit	**1,018,714**	**1,284,509**
Adjustment for non-cash items		
Depreciation and amortisation	1,466,157	1,199,867
Contributions of intangibles, plant and equipment	(8,211,300)	(132,500)
Finance charges on finance liabilities	785,781	390,487
Assets write offs	-	37,029
Bad debt write offs & doubtful debts	18,497	4,025
Net (gain)/loss on disposal of available for sale investments	(6,787)	6,949
Changes in assets and liabilities		
(Increase)/decrease in trade and other debtors	(1,283,373)	102,828
(Increase)/decrease in prepayments	(86,897)	(231,667)
(Increase)/decrease in inventories	(539,837)	56,024
(Decrease)/increase in trade creditors and accruals	2,201,081	(803,620)
(Decrease)/increase in income in advance	7,102,197	655,228
(Decrease)/increase in provisions	58,388	8,781
Cash flows from operations	**2,522,621**	**2,577,940**

(b) Reconciliation of cash and cash equivalents

Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash on hand	357,425	587,157
Cash at Bank	1,504,576	1,549,251
	1,862,001	**2,136,408**

Of the above cash and cash equivalents, $983,589 (2010: $1,146,820) relates to Club donations received in the form of discretionary grants in the current financial year or carried forward from previous periods from the Australian Sports Foundation which must be spent in accordance with the project purpose which is to upgrade Simonds Stadium in the areas of player, training and spectator facilities (including debt reduction) and purchase sports related equipment. The Club will use the funding to continue to invest in capital projects at Simonds Stadium and provide elite training equipment for our players.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

		2011 $	2010 $
NOTE 6 - TRADE AND OTHER RECEIVABLES			
Trade debtors		1,162,627	536,047
Less Allowance for Doubtful Debts		(4,414)	-
Net Trade Debtors		**1,158,213**	**536,047**
Accrued Revenue		567,470	187,001
Other debtors		402,841	140,600
		970,311	**327,601**
Total Trade and Other Receivables		**2,128,524**	**863,648**
NOTE 7 - INVENTORIES			
Merchandise		370,434	174,322
Memorabilia		389,226	281,018
Food and beverage		209,860	218,521
Property and building construction	(i)	244,178	-
Total inventories at the lower of cost and net realisable value		**1,213,698**	**673,861**

(i) This amount relates to payments made towards the purchase of land and construction of a house in Lara, which the Club expects will be completed and placed on the market in early 2012. Upon settlement the inventory will be expensed and profits realised in the income statement.

(a) Inventory expense

Inventories recognised as an expense for the year ended 31 October 2011 totalled $3,489,794 (2010: $3,636,495). This expense has been included in the cost of sales line item in the statement of comprehensive income.

(b) Allowance for impairment loss

A provision for impairment loss is recognised when there is objective evidence that inventories are impaired. The Club has not recognised impairment losses in relation to any of its inventory balances at reporting date.

(c) Inventory gains/expense

Inventory gains recognised as a revenue in the current financial year totalled $6,669 (2010: $49,288 write down expense)

	2011 $	2010 $
NOTE 8 - OTHER ASSETS		
Prepayments	197,915	118,318
Bank Guarantees & Deposits	190,647	183,347
	388,562	**301,665**

All amounts are considered to be short-term and the carrying values are considered to be a reasonable approximation of their fair value.

		2011 $	2010 $
NOTE 9 - INTANGIBLE ASSETS			
(a) Carrying amounts of intangible assets measured at cost			
Leasehold rights at cost		7,482,863	7,025,785
Less accumulated amortisation		(663,522)	(482,491)
Net carrying amount	(i)	**6,819,341**	**6,543,294**
Licences at cost		85,638	85,638
Less accumulated amortisation		(5,174)	(3,033)
Net carrying amount	(ii)	**80,464**	**82,605**
Right to acquire land & buildings	(iii)	**8,380,161**	**81,585**
Total intangible assets net carrying amount		**15,279,966**	**6,707,484**

(b) Reconciliation of carrying amounts at the beginning and end of the period:

Year ended 31 October 2011	Leashold Rights $	Licences $	Right to Acquire Land & Buildings $	Total $
At 1 November 2010	6,543,294	82,605	81,585	**6,707,484**
Additions	457,078	-	8,298,576	**8,755,654**
Amortisation expense	(181,031)	(2,141)	-	**(183,172)**
Impairment of assets	-	-	-	**-**
At 31 October 2011 net of accumulated amortisation and impairment	**6,819,341**	**80,464**	**8,380,161**	**15,279,966**

(c) Description of the Club's intangible assets

(i) Leasehold rights

Leasehold rights have been acquired via Club contributions to Stages 1, 2 and 3 of the Simonds Stadium redevelopment and are being carried at cost less accumulated amortisation and accumulated impairment losses. Amounts relating to Stages 1 and 2 of the intangible asset are being amortised using the straight line method over the remaining Simonds Stadium lease term commencing at the completion of each stage of the development (36-40 years). Stage 3 leasehold rights will commence amortisation upon completion of the redevelopment (expected April 2013). These assets are subject to impairment testing on an annual basis or whenever there is an indication of impairment.

(ii) Licences

The costs associated with obtaining a gaming licence from the Victorian Casino and Gaming Authority for the Club's Point Cook venue have been capitalised and are being carried at cost less accumulated amortisation and accumulated impairment losses. The intangible asset is being amortised using the straight line method over its useful life which has seven years remaining. This asset is subject to impairment testing on an annual basis or whenever there is an indication of impairment.

No assets or liabilities have been recognised in respect of the allocated gaming entitlements that are effective from August 2012, other than deposits paid which have been recognised as prepayments.

(iii) Right to acquire land and buildings

The amount capitalised as a right to acquire land and buildings represents the fair value of the Club's right to receive its exclusive training venue as a result of its long term partnership with Keystone Business Park. The right is being carried at fair value less any accumulated impairment losses. The asset will commence being amortised when the club receives title to the land and buildings and begins using the venue, but will be subject to impairment testing on an annual basis or whenever there is an indication of impairment.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

	2011 $	2010 $
NOTE 10 - PLANT AND EQUIPMENT		
(a) Carrying amounts of plant and equipment measured at cost		
Leasehold improvements at cost	7,574,957	7,312,626
Less accumulated amortisation	(2,476,700)	(2,193,514)
Net carrying amount	**5,098,257**	**5,119,112**
Plant and equipment at cost	5,771,299	5,564,717
Less accumulated depreciation	(2,677,869)	(2,040,855)
Net carrying amount	**3,093,430**	**3,523,862**
Total net carrying amount	**8,191,687**	**8,642,974**

(b) Reconciliation of carrying amounts at the beginning and end of the period:

For the year ended 31 October 2011	**Leasehold Improvements $**	**Plant and Equipment $**	**Total $**
Carrying amount at 1 November 2010	5,119,112	3,528,742	**8,647,854**
Additions	262,331	206,582	**468,913**
Disposals	-	-	**-**
Asset write offs	-	-	**-**
Depreciation/amortisation expense	(283,186)	(641,894)	**(925,080)**
Carrying amount at 31 October 2011	**5,098,257**	**3,093,430**	**8,191,687**

	2011 $	2010 $
NOTE 11 – FINANCE LEASE ASSETS		
(a) Carrying amounts of finance leased assets		
Finance lease asset - Simonds Stadium	9,657,431	9,657,431
Less accumulated amortisation	(424,748)	(156,486)
Net carrying amount	**9,232,683**	**9,500,945**
Finance lease asset - gym equipment	448,214	448,214
Less accumulated amortisation	(149,704)	(60,061)
Net carrying amount	**298,510**	**388,153**
Total net carrying amount	**9,531,193**	**9,889,098**

(b) Reconciliation of total minimum lease payments and their present value

The Club has finance leases for which the estimated future minimum lease payments amount to $28,024,364 (2010: $28,886,834). They are non-cancellable leases which have an implicit interest rate of 7.86%. The finance lease over Simonds Stadium has a remaining lease term of 35 years and the finance lease over gym equipment has a remaining lease term of 3 years.

Within one year	897,468	862,470
Later than one year and not later than five years	3,483,678	3,561,150
Later than five years	23,643,218	24,463,214
Minimum lease payments	**28,024,364**	**28,886,834**
Less future finance charges	(18,081,501)	(18,867,284)
Total recognised as liability at 31 October 2011	**9,942,863**	**10,019,550**

The leased liabilities are secured by the underlying leased assets.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

	2011 $	2010 $
NOTE 12 - TRADE AND OTHER PAYABLES		
Current		
Trade payables	2,009,660	1,090,185
Other creditors and accruals	2,562,198	1,320,587
	4,571,858	**2,410,772**

(a) Terms and Conditions

All payables are non-interest bearing and are normally settled on 30 day terms.

(b) Fair value

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

	2011 $	2010 $
NOTE 13 - INTEREST BEARING LOANS AND BORROWINGS		
Current		
Bank loans (secured)	950,283	906,950
	950,283	**906,950**
Non-Current		
Bank loans (secured)	3,269,264	4,189,012
	3,269,264	**4,189,012**
Total Interest bearing loans and borrowings	**4,219,547**	**5,095,962**

(a) Financing Facilities

At 31 October 2011 the Club has the following loans from the Bendigo Bank:

(i) Club Cats bank loan

The Club borrowed a total of $866,000 in 2007 which was used to refurbish Club Cats. The outstanding balance at 31 October 2011 is $519,600 and is subject to a fixed interest rate of 7.64%. Annual fixed principal repayments commenced on 31 March 2010 and three repayments remain.

(ii) The Brook bank loan

The Club borrowed a total of $750,000 in 2009 which was used to fund the fit-out of The Brook on Sneydes. The remaining balance at 31 October 2011 is $562,500 and is subject to a variable rate of interest of 7.06%. Annual fixed principal repayments commenced on 31 March 2010 and six repayments remain.

(iii) Premiership Stand bank loan

The Club borrowed a total of $3,820,780 over the course of 2010 and 2011 to finance Club contributions to the Simonds Stadium Premiership Stand Redevelopment which is subject to a variable rate of interest of 7.05%. At 31 October 2011, the balance is $3,137,447. Annual fixed principal repayments commenced on 31 March 2011 and five repayments remain.

(iv) Overdraft Facility

The Club has access to a temporary overdraft limit of $1 million, which is available each year from August to December. As at 31 October 2011 this temporary cash extension was not being utilised.

(v) Bank Guarantee

The Club has a $410,410 bank guarantee facility which was issued on 7 March 2011 in favour of Tattersall's Gaming Pty Limited for the purchase of electronic gaming machines for The Brook on Sneydes. The guarantee has an indefinite life, however the Club expects to close this facility by May 2012 upon acquisition of the gaming machines. A line fee of 2.5% per annum is charged half yearly for this facility.

(b) Security for borrowings

Bank loans, overdraft facilities and bank guarantees with Bendigo Bank are secured by a registered debenture mortgage over the assets of the Club.

(c) Defaults and breaches

During the current and prior years, there were no defaults or breaches on any of the loans.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

	2011 $	2010 $
NOTE 14 - FINANCE LEASE LIABILITY		
Current		
Finance lease liability - Simonds Stadium	15,271	-
Finance lease liability - gym equipment	103,901	96,119
	119,172	**96,119**
Non-Current		
Finance lease liability - Simonds Stadium	9,621,221	9,617,060
Finance lease liability - gym equipment	202,470	306,371
	9,823,691	**9,923,431**
Total finance lease liability	**9,942,863**	**10,019,550**

Leased liabilities are secured by the underlying leased assets.

NOTE 15 - EMPLOYEE PROVISIONS		
Current		
Provision for annual leave	456,586	558,329
Provision for long service leave	612,449	498,185
	1,069,035	**1,056,514**
Non-Current		
Provision for long service leave	**80,132**	**34,265**
Total Employee Provisions	**1,149,167**	**1,090,779**

The current portion of these liabilities represents the Club's obligation to which employees have a current legal entitlement.

Number of Employees		
Number of full time equivalent ("FTE") employees at balance date	**103**	**97**

Refer to note 2(o) for the relevant accounting policy and a description of the nature and timing of employee provisions. Furthermore, this note contains a discussion of the significant estimations and assumptions applied in the measurement of this provision.

	2011 $	2010 $

NOTE 16 - RETAINED EARNINGS AND RESERVES

(a) Movements in retained earnings and reserves were as follows:

Balance 1 November 2010	9,945,512	8,661,003
Net profit attributable to members of the Geelong Football Club Limited	1,018,714	1,284,509
Investment fluctuation reserve	(10,046)	(7,244)
Balance 31 October 2011	**10,954,180**	**9,938,268**

(b) Nature and purpose of reserves

The investment fluctuation reserve is used to record increases and decreases in the fair value (net unrealised gains) of available-for-sale financial assets.

NOTE 17 - REMUNERATION OF KEY MANAGEMENT PERSONNEL

(a) Compensation for key management personnel

Short-term employee benefits	2,838,619	2,678,162
Other short-term employee benefits (c)	9,801	9,801
Total Compensation	**2,848,420**	**2,687,963**

(b) Definition of key management personnel

Key management personnel have been determined by the Club to be as follows:

(i) Board of Directors

The names of the persons who were Directors of the Club for all or part of the financial year are listed below.

Colin Bruce Carter	Brian Carlyle Cook (Chief Executive Officer)
Gareth Eliot Tremayne Andrews	Hugh Galbraith Seward (Appointed: 15 November 2010)
Nicholas Livingstone Carr	Craig Milton Drummond (Appointed: 1 August 2011)
Alistair Neil Hamblin	Francis Aloysius Costa OAM (Retired: 17 January 2011)
Robert John Gartland	Campbell William Neal (Retired: 17 January 2011)
Diana Claire Taylor	

(ii) Other Key Management Personnel (KMP)

General Manager - Finance and Administration	Robert Threlfall
General Manager - Football	Neil Balme
Football Operations Manager	Steven Hocking
General Manager - Commercial Operations	David Lever
General Manager - Public Relations	Kevin Diggerson
General Manager - People and Culture	Rosie King
Hospitality Services Manager	Paula Allen
Community Development Manager	Sarah Albon
Senior Coach	Chris Scott

(c) Other short-term benefits

Other short-term benefits consist of Directors' and Officers liability insurance taken out by The Club on behalf of the Board of Directors totalling $9,801 (2010: $9,801). This is the only financial benefit provided to the Board of Directors.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

NOTE 18 - RELATED PARTIES

(a) Key management personnel

Details relating to KMP, including remuneration paid, are included in Note 17.

(b) Transactions with KMP and their related parties

During the year a number of key management personnel purchased club membership packages, match day tickets, club merchandise, attended club functions, made donations and contributed towards fundraising activities. The terms and conditions of the transactions with KMP's and their KMP related entities were no more favourable than those available, or which might be reasonably expected to be available, on similar transactions to non-KMP related entities on an arm's length basis.

Collectively, either individually or through their director related entities, the Directors contributed the following to the Club during the year ended 31 October 2011:

31 October 2011	**Sales to KMP**	**Cost of KMP Sales in Expenses**	**Purchases from Related Entities**	**Other Revenue from KMP**
	$	**$**	**$**	**$**
Corporate Sales (Revenue)	49,561	-	-	-
Sponsorship (Revenue)	-	-	-	42,985
Donations (Revenue)	-	-	-	77,100
Cost of Sales (Expense)	-	23,294	-	-
Professional Advice (Expense)	-	-	7,063	-
	49,561	**23,294**	**7,063**	**120,085**

31 October 2010				
Corporate Sales (Revenue)	87,659	-	-	-
Sponsorship (Revenue)	-	-	-	75,204
Donations (Revenue)	-	-	-	50,750
Cost of Sales (Expense)	-	41,480	-	-
Professional Advice (Expense)	-	-	1,716	-
	87,659	**41,480**	**1,716**	**125,954**

(c) Other balances with KMP and their related parties

Trade and other receivables recognised at reporting date in relation to KMP and their related parties totalled $4,197 (2010: $4,507)

	2011 $	2010 $
NOTE 19 - COMMITMENTS FOR EXPENDITURE		
(a) Operating lease payable commitments:		
Future non-cancellable operating lease rentals of property, plant and equipment, not recognised as liabilities in this financial report and payable:		
- Not later than 1 year	1,377,249	1,272,921
- Later than 1 year but not later than 5 years	4,912,761	4,824,693
- Later than 5 years	18,722,763	19,923,931
	25,012,773	**26,021,545**

The Club leases property, plant and equipment under non-cancellable operating leases contracted for but not recognised in the financial report with 1-20 year terms, typically with an option to renew the leases after they expire. Of the non-cancellable operating leases at 31 October 2011, $24,388,794 (2010: $25,424,933) relates to The Brook on Sneydes, the Club's Point Cook gaming venue which has been taken out over a 20-year lease term.

(b) Capital expenditure commitments		
Capital expenditure contracted at reporting date but not recognised as a liability in the accounts are payable as follows:		
- Not later than 1 year	652,504	-
- Later than 1 year but not later than 5 years	6,311,174	2,535,133
- Later than 5 years	-	786,765
	6,963,678	**3,321,898**

(i) Gaming Entitlements

The Club has committed to the acquisition of 180 gaming entitlements for the Club's two gaming venues, Club Cats and The Brook on Sneydes. The gaming entitlements were purchased at various costs and are valid for a period of 10 years commencing 16 August 2012. The Club paid a deposit of $174,837 in the financial year ended 31 October 2010, with the future obligation of $3,321,898 payable over 4 years from commencement date.

(ii) Gaming Machines

The Club has committed to purchasing 180 electronic gaming machines ("EGM's") for its two gaming venue's, The Brook on Sneydes and Club Cats. The EGM's to be purchased are a mixture of new, rebuilt and second hand machines and are worth a combined total of $1,842,600 including installation costs. The EGM acquisition will occur gradually during the period November 2011 to May 2012 with the full amount of the obligation payable by 18 May 2012.

(iii) Simonds Stadium Redevelopment

The Club has committed $2,000,000 to Stage 3 of the Simonds Stadium Redevelopment, of which $355,821 was paid in the current financial year and disclosed in note 9 as a leasehold right. The $1,644,179 balance of club funding towards the project has been disclosed as a capital expenditure commitment above payable over the next two years.

(iv) Computer Licence

Capital expenditure commitments relate to the purchase of site licences for the Club's football department. The Club has committed $155,001 to acquiring this asset, payable over a 3-year term commencing in November 2011 in annual instalments.

NOTES TO AND FORMING PART OF THE ACCOUNTS (continued)

	2011 $	2010 $
(c) Remuneration commitments		
The Club has contractual remuneration commitments extending beyond this financial period in respect of players, coaches and staff. The commitments as they stand at the time of preparing this report are detailed below. These figures include estimates of matches played and incentive payments for both players and coaches. The Club is not aware of any material contingent commitments that have not been recognised in this financial report.		
- Not later than 1 year	11,726,432	10,078,300
- Later than 1 year but not later than 2 years	5,891,625	4,798,000
- Later than 2 years but not later than 5 years	2,374,937	1,182,500
	19,992,994	**16,058,800**

NOTE 20 - SUBSEQUENT EVENTS

The revamped plans for Stage 3 were costed with the preferred builders and the Club was advised that the project cost was still $4.5 million over the project budget. Capacity of Simonds Stadium under the new plans will be approximately 33,000, up 2,100 on the current capacity but down 1,200 on previous designs. In addition, a lounge for Club members has been removed from the original plans.

No other matters or circumstances have arisen between the end of the financial year and the date of this report that has or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in subsequent financial years.

NOTE 21 - ECONOMIC DEPENDENCY

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

DIRECTORS' DECLARATION

In accordance with a resolution of the Board of Directors of Geelong Football Club Limited, we declare that:

In the opinion of the Directors:

1. the financial statements and notes of the Geelong Football Club are in accordance with the *Corporations Act 2001*, and:

(a) comply with Australian Accounting Standards and Corporations Regulations 2001; and

(b) give a true and fair view of the Club's financial position as at 31 October 2011 and of the performance for the year ended on that date;

2. the Chief Executive Officer and the General Manager - Finance & Administration have each declared that:

(a) the financial records of the Club for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2011*;

(b) the financial statements and notes for the financial year comply with Accounting Standards; and

(c) the financial statements and notes for the financial year give a true and fair view;

3. there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Colin Bruce Carter
Director and President

Alistair Neil Hamblin
Director

Geelong,
28 November 2011

ERNST & YOUNG

Ernst & Young Building
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
www.ey.com/au

Independent auditor's report to the members of the Geelong Football Club Limited

Report on the financial report

We have audited the accompanying financial report of Geelong Football Club Limited, which comprises the statement of financial position as at 31 October 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of the club are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal 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.

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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal 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.

Liability limited by a scheme approved
under Professional Standards Legislation

ERNST & YOUNG

Opinion

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

(a) giving a true and fair view of the financial position of the Geelong Football Club Limited at 31 October 2011 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Ernst & Young

Don Brumley
Partner
Melbourne
28 November 2011

GEELONG FOOTBALL CLUB LIMITED

(ACN 005 150 818)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2011