

**Form 388**

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

## Copy of financial statements and reports

### Company details

Company name

**PORT ADELAIDE FOOTBALL CLUB  
LIMITED**

ACN

**068 839 547**

### Reason for lodgement of statement and reports

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

Dates on which financial  
year ends

Financial year end date

**31-10-2013**

### Auditor's report

Were the financial statements audited?

**Yes**

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

**No**

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

**No**

### Details of current auditor or auditors

Current auditor

Firm Name

**BDO Audit Partnership (SA)**

Address

**420 King William Street  
ADELAIDE SA 5000**

**Australia**

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**Certification**

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

**Yes**

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**Signature**

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Select the capacity in which you are lodging the form

Secretary

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

**Yes**

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**Authentication**

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This form has been submitted by

Name Shane Daniel SMITH

Date 24-02-2014

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**For more help or information**

Web	<a href="http://www.asic.gov.au">www.asic.gov.au</a>
Ask a question?	<a href="http://www.asic.gov.au/question">www.asic.gov.au/question</a>
Telephone	1300 300 630

Please note the following in relation to these summarised financial statements of the Port Adelaide Football Club for the year ended 31 October 2013;

- (a) the summarised financial statements are derived from and consistent with the audited annual financial report for the year ended 31 October 2013, and  
 (b) the summarised financial statements are provided to Club Members as required by the Constitution of the Port Adelaide Football Club.

**Statement of Financial Position**  
**AT 31 October 2013**

	CONSOLIDATED	
	2013	2012
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	772,107	371,736
Trade and other receivables	1,310,249	1,354,392
Inventories	266,494	208,376
Other	778,275	738,216
<b>TOTAL CURRENT ASSETS</b>	<b>3,127,125</b>	<b>2,672,720</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	13,941,227	14,501,776
<b>TOTAL NON-CURRENT ASSETS</b>	<b>13,941,227</b>	<b>14,501,776</b>
<b>TOTAL ASSETS</b>	<b>17,068,352</b>	<b>17,174,496</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables	6,016,578	4,431,485
Interest bearing loans and borrowings	2,841,695	2,685,880
Provisions	1,055,327	879,335
<b>TOTAL CURRENT LIABILITIES</b>	<b>9,913,600</b>	<b>7,996,700</b>
<b>NON-CURRENT LIABILITIES</b>		
Interest bearing loans and borrowings	2,051,747	2,297,419
Provisions	73,883	159,152
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,125,630</b>	<b>2,456,571</b>
<b>TOTAL LIABILITIES</b>	<b>12,039,230</b>	<b>10,453,271</b>
<b>NET ASSETS</b>	<b>5,029,122</b>	<b>6,721,225</b>
<b>EQUITY</b>		
Contribution on entry to AFL	2,500,000	2,500,000
Retained earnings	2,529,122	4,221,225
<b>TOTAL EQUITY</b>	<b>5,029,122</b>	<b>6,721,225</b>

**Statement of Profit or Loss and Other Comprehensive Income  
FOR THE YEAR ENDED 31 OCTOBER 2013**

	Note	Consolidated	
		2013 \$	2012 \$
<b>Continuing Operations</b>			
Revenue from trading operations	3	41,588,282	37,885,369
Cost of sales		(11,197,650)	(9,260,603)
		<u>30,390,632</u>	<u>28,624,766</u>
<b>Gross profit</b>			
Net profit/(loss) on disposal of property, plant & equipment		24,500	(2,847)
Football expenses		(18,630,159)	(17,430,245)
Administration expenses		(4,124,461)	(3,892,009)
Marketing expenses		(1,588,855)	(1,375,637)
Finance costs		(329,779)	(262,541)
Licensed Club expenses		(7,049,441)	(7,401,558)
		<u>(1,307,563)</u>	<u>(1,740,071)</u>
Profit/(loss) before sub-licence distribution			
Sub-Licence distribution		(384,540)	(377,000)
		<u>(1,692,103)</u>	<u>(2,117,071)</u>
<b>Profit/(loss) from continuing operations</b>			
Other comprehensive income		-	-
<b>Total comprehensive income/(loss)</b>		<u>(1,692,103)</u>	<u>(2,117,071)</u>

**Statement of Changes in Equity  
FOR THE YEAR ENDED 31 OCTOBER 2013**

	Contribution on entry to AFL \$	Retained Earnings \$	Total \$	-
<b>CONSOLIDATED</b>				
At 1 November 2011	2,500,000	6,338,296	8,838,296	
Profit/(loss) for the year	-	(2,117,071)	(2,117,071)	
At 1 November 2012	2,500,000	4,221,225	6,721,225	
Profit/(loss) for the year	-	(1,692,103)	(1,692,103)	
At 31 October 2013	<u>2,500,000</u>	<u>2,529,122</u>	<u>5,029,122</u>	

**Statement of Cash Flows**  
**AT 31 October 2013**

	CONSOLIDATED	
	2013	2012
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from football, marketing, licensed venues and operations	46,901,907	40,955,504
Payments to suppliers and employees	(45,390,236)	(40,153,059)
Payments for player transfers	(382,911)	(382,911)
Interest received	5,678	18,437
Interest and other finance costs paid	(329,779)	(262,541)
<b>Net cash flows from/(used in) operating activities</b>	<b>804,659</b>	<b>175,430</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(728,305)	(533,521)
Payments for land & buildings held for sale	-	(60,321)
Proceeds from sale of land & buildings held for sale	-	290,000
Proceeds from sale of unrecognised intangible assets	389,375	-
<b>Net cash flows from/(used in) investing activities</b>	<b>(314,430)</b>	<b>(303,842)</b>
<b>Cash flows from financing activities</b>		
Proceeds from/(Repayment of) borrowings & finance leases (excluding bank overdraft)	174,384	90,387
Proceeds from/(Repayments of) borrowings	(177,199)	(308,891)
<b>Net cash flows from/(used in) financing activities</b>	<b>(2,815)</b>	<b>(218,504)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>487,414</b>	<b>(346,916)</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>189,826</b>	<b>536,742</b>
<b>Cash and cash equivalents at end of the financial year</b>	<b>677,240</b>	<b>189,826</b>
<b>Cash at bank and in hand</b>	<b>772,107</b>	<b>371,736</b>
<b>Bank overdraft</b>	<b>(94,867)</b>	<b>(181,910)</b>
<b>Net cash and cash equivalents at end of the financial year</b>	<b>677,240</b>	<b>189,826</b>

## PORT ADELAIDE FOOTBALL CLUB LIMITED

A.B.N. 49 068 839 547

(A COMPANY LIMITED BY GUARANTEE)

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## **DIRECTORS' REPORT**

The Directors have pleasure in submitting their report together with the financial statements of the Port Adelaide Football Club Limited consolidated entity for the year ended 31 October 2013.

### **DIRECTORS**

The Directors in office at the date of this report are:

D. Koch	Chairman
K. Osborn	Director
J. Auld	Director
C. Cardone	Director
R. Haslam	Director
G. Fiacchi	Director
J. Restas	Director
R Ryan	Director
T. Thiele	Director
A. Vanstone	Director

### **Board of Directors**

#### **David Koch, Chairman**

Profession: Co-host, Sunrise (Channel 7)  
Director, Pinstripe Media  
Chairman, Port Adelaide Football Club 2012 – current  
Director, Port Adelaide Football Club 2012 - current  
Chairman, Organ and Tissue Authority Advisory Board  
Patron, Koch Centre For Youth

#### **Kevin Osborn, Deputy Chairman**

Profession: Company Director  
Deputy Chairman, Port Adelaide Football Club 2011 – current  
Director, Port Adelaide Football Club 2011 – current  
Chairman, Invest in South Australia  
Deputy Chairman, Economic Development Board of SA  
Member, SA China Council  
Director, SA Water  
Director, Accounting Professional and Ethical Standards Board  
Director, Australian Institute of Company Directors Ltd and SA Chapter President

#### **John Auld**

Profession: Company Director  
Director, Port Adelaide Football Club 2011 - current  
Chairman, Seven Under Company

**Cos Cardone**

Profession: Chief Executive Officer, McGuire Media  
Director, Port Adelaide Football Club 2012 – current  
Master of Business Administration, University of South Australia  
European School of Advanced Management - Aarhus University, Denmark

**Ross Haslam**

Profession: Company Director  
Director, Port Adelaide Football Club 2012 – current  
Chairman, Michell Holdings Pty Ltd  
Chairman, KWP! Advertising  
Former Chairman, Scotch College  
Fellow, Institute of Chartered Accountants Australia  
B.Ec (Hons.) Adelaide University

**George Fiacchi** (appointed 14 December 2012)

Profession: Consultant; Management, Marketing, Sales  
Partner EB online inductions, e-learning  
Adelaide Festival Centre Foundation 2009

**Jamie Restas**

Profession: Commercial Lawyer; Chairman of Partners, Kelly & Co. Lawyers  
Director, Port Adelaide Football Club 2012 – current  
Member, Australian Institute of Company Directors  
Member, Law Society of South Australia

**Richard Ryan AO**

Profession: Company Director  
Director, Port Adelaide Football Club 2011– current  
Director, Menzies School of Health Research (NT)  
Chairman, Adelaide Festival Corporation  
Deputy Chancellor, Charles Darwin University (NT)  
Chairman, Editure Limited  
Member, Northern Territory Treasury Advisory Board (NT)  
Companion of the Institute of Engineers  
Companion of the Institute of Management (UK)  
Fellow, of the Institute of Chartered Accountants

**Trevor Thiele**

Profession: Chartered Accountant; Company Director  
Director, Port Adelaide Football Club 2011 - current  
Director, Port Adelaide Football Club (SANFL) 2007 – 2010  
Director, The Port Club 2012 - current  
Member, Institute of Chartered Accountants Australia

**Amanda Vanstone (appointed 28 November 2012)**

Director, Port Adelaide Football Club 2012 – current  
Board of Governors, Institute for International Trade (Adelaide University)  
Director, Youth Opportunities Australia  
Patron, Hutt Street Centre  
Patron, Salvation Army Ingle Farm Project  
Ambassador to Italy (2007-2010)  
Senator for SA (1984-2007)  
Member, Foundation Board of World Anti-Doping Authority (2000)

Unless otherwise indicated, all Directors held their position as a Director throughout the entire financial year and up to the date of this report.

**PRINCIPAL ACTIVITIES**

The principal activities of the consolidated entity are to operate the Port Adelaide Football Club and manage its affairs in order to position itself both financially and operationally to successfully field a team in the Australian Football League competition and the South Australian National Football League. During the year, the Port Adelaide Football Club fielded a team for the seventeenth time in the Australian Football League competition and finished 5<sup>th</sup> and for the 143<sup>rd</sup> year in the South Australian National Football League and finished 6<sup>th</sup>.

**MEMBERS' LIABILITY**

Port Adelaide Football Club is a company limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$0.10 towards meeting any outstanding obligations of the company.

**STRATEGIC OBJECTIVES SUMMARY**

In fiscal 2013, the Port Adelaide Football Club continued to pursue the strategic objectives contained in its business plan for the 2014 to 2016 period. Our ultimate aim is to win premierships in both the AFL and SANFL competitions.

We will continue to invest in both football and non-football activities, which will drive a more competitive football performance and profitable long term revenue growth to allow us to win premierships in both the AFL and SANFL. Port Adelaide wants continued on field success to reward its members, fans and staff. Our aim is to be the most respected football club in Australia,

Key elements of the business strategy include increased growth in membership, additional corporate sponsorship and services , expanded community activities, expansion in the Central Corridor/ Northern Territory and the exciting move to Adelaide Oval in 2014.

**PERFORMANCE MEASURES**

Our ultimate aim is to win premierships in both the AFL and SANFL competitions.

## **DIRECTORS' MEETINGS**

The following table sets out the number of Directors' meetings held during the financial year whilst the Directors were in office and the number of meetings attended by each Director:

	Number of Meetings Attended	Number of Meetings Held
David Koch	11	11
Kevin Osborn	11	11
John Auld	6	11
Cos Cardone	11	11
Ross Haslam	11	11
George Fiacchi	10	11
Jamie Restas	9	11
Richard Ryan	10	11
Trevor Thiele	8	11
Amanda Vanstone	9	11

In addition to their attendance at Board meetings, Board members are actively involved in a number of committees and sub committees that meet regularly through the year to consider matters crucial to the current and future success of the Port Adelaide Football Club. These committees include, but are not limited to, the Finance & Audit Committee, the Remuneration Committee, the Governance Committee, the Football Strategic Committee and the Marketing and Brand Committee.

## **AUDITOR INDEPENDENCE**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act is set out on the following page.

This report has been made in accordance with a resolution of the Board of Directors:

**D. KOCH**  
**Chairman**

Dated at Adelaide this 7<sup>th</sup> day of December 2013

**Port Adelaide Football Club Limited**

**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Port Adelaide Football Club Limited, I state that in the opinion of the directors:

- (a) the financial statements and notes of the Port Adelaide Football Club Limited for the financial year ended 31 October 2013 are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of its financial position as at 31 October 2013 and performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;
  
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

D. KOCH  
Chairman  
Adelaide  
7 December, 2013

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORT ADELAIDE FOOTBALL CLUB LIMITED

We have audited the accompanying financial report of Port Adelaide Football Club Limited, which comprises the consolidated statement of financial position as at 31 October 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated 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 of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

### Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Port Adelaide Football Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



## Opinion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 October 2013 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*.

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

BDO Audit Partnership (SA)

A handwritten signature in blue ink that reads 'Geoff Edwards'.

Geoff Edwards  
Partner

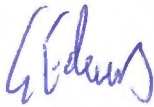
Adelaide, 15 January 2014

**DECLARATION OF INDEPENDENCE  
BY G K EDWARDS  
TO THE DIRECTORS OF PORT ADELAIDE FOOTBALL CLUB LIMITED**

As lead auditor of Port Adelaide Football Club Limited for the year ended 31 October 2013, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Port Adelaide Football Club Limited and the entities it controlled during the period.



G K Edwards  
Partner

**BDO Audit Partnership (SA)**

Adelaide, 15 January 2014