











- 13 December 2016 – Council considered correspondence from the Club and reduced the lease payment amount to \$40,000 for 3 financial years to 31/10/19.
  
- 24 January 2017 – Council considered responses from the Club and the ANZ in relation to debt reduction. Key decisions were as follows (refer minute C240117/644 for full details):
  - Council re-affirms its commitment to support the Glenelg Football Club in its objective of long-term sustainability.
  - That Council's CEO and agents negotiate the first tranche of the SANFL proceeds on a 2/3 to Council (ie \$108,000) and 1/3 to ANZ Bank (ie \$54,000).
  - That Council's CEO negotiate future SANFL proceeds to be applied on a 4/5 Council, 1/5 ANZ – in the event that this could not be reached within 6 weeks the repayment basis be 2/3 Council and 1/3 ANZ.
  
- 1 and 2 February 2017 – Council received \$108,000 being first tranche of the SANFL distribution based on a 2/3 Council, 1/3 ANZ split.
  
- 10 May 2017 – The Club wrote to Council seeking additional support to continue the delivery of its service to the community including agreement to pay 2/3 of the SANFL proceeds over the next 6 years.
  
- 16 May 2017 – Council workshop to consider response to letter, options and future strategy – facilitated by BRI -Ferrier.
  
- 23 May 2017 – Council formally considered a response to the Club. Key decisions were as follows (refer minute C230517/787 for full details):
  - Council's CEO be authorised to engage recognised professionals to act as Council agent in achieving negotiated settlement with the Club and SANFL.
  - Council accept a SANFL dividend sharing scheme of 2/3 Council, 1/3 ANZ – with funds to be paid direct to Council and covered by a binding agreement.
  - Past interest owed be written-off and future interest for 2 years up to 31 October 2019 not be charged.
  - The Club's ability to pay interest be reviewed after that time (ie 31 October 2019).
  - Loan principal repayments by the Club be reviewed after the final SANFL dividend instalment has transpired (ie October 2022).
  - The Club president and CEO meet annually with Council's Mayor and CEO following the release of the Clubs end of year accounts (ie after 31 October).
  
- 20 October 2017 – Council received \$166,666.67 via direct credit the second tranche of the SANFL distribution based on a 2/3 Council, 1/3 ANZ split.
  
- 27 February 2018 – Council received a report (51/18) on the Glenelg Football Club Annual Financial Statements for year ended 31 October 2017. Council noted that the financial position had improved over the 12 month period as a result of Council measures to support the clubs objective of long-term sustainability (minute C270218/1059).



### Glenelg Football Club – 2020/21 Loan Receivable Assessment

The amounts owed by the Glenelg Football Club are recorded in the financial statements of Council as a current receivable and a financial asset. As at 30 June 2020 the total amount recorded as owing from the Club is \$1,663,256 with an impairment provision of \$517,780.

### Glenelg Football Club Financial Results – year ended 31 October 2020.

The consolidated financial results for the Glenelg Football Club for the year ended 31 October 2020 have been audited and are attached. They are also available for viewing via the Club website. They have been assessed using common financial performance ratio analysis. The results are summarised as follows:

*Refer Attachment 1*

#### Liquidity Ratio

*Current Ratio = current assets/current liabilities.* If the ratio is 1 it means the club has the exact amount of current assets to pay of its current debts.

<b>Consolidated result</b>	<b>Period ended 31/10/20</b>	<b>Period Ended 31/10/19</b>
Current Assets	\$1,297,231	\$306,002
Current Liabilities	\$1,787,121	\$1,278,160
<b>Current Ratio</b>	<b>0.73</b>	<b>0.24</b>

#### Solvency Ratios

*Long term debt to total capital.* Equates to long term debt divided by total liabilities and total members funds. Lower percentages means the majority of the club is financed by member funds.

<b>Consolidated result</b>	<b>Period ended 31/10/20</b>	<b>Period ended 31/10/19</b>
Long term debt	\$1,616,448	\$1,749,663
Total liabilities plus member funds	\$7,942,903	\$7,011,268
<b>Percentage</b>	<b>20%</b>	<b>25%</b>

*Debt to Equity Ratio.* Equates to total long term liabilities divided by total member's funds. Lower ratios indicate stronger debt management.

<b>Consolidated result</b>	<b>Period ended 31/10/20</b>	<b>Period ended 31/10/19</b>
Long term liabilities	\$1,616,448	\$1,749,663
Member funds	\$4,539,334	\$3,983,445
<b>Ratio</b>	<b>0.36</b>	<b>0.44</b>







**LIFE CYCLE COSTS**

While there are no direct life cycle costs an annual assessment of impairment of loans receivable is required under Australian Accounting Standards.

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GLENELG FOOTBALL CLUB INC AND CONTROLLED ENTITIES  
A.B.N. 94 586 591 723

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 OCTOBER 2020

	Note	(Audited) 2020 \$	(Unaudited) 2019 \$
<b><u>INCOME</u></b>			
Football income	2	415,789	1,217,416
Venue income (net)	3	804,718	1,385,403
Membership income (net of expenses)		152,624	119,225
Sponsorship income (net of expenses)		324,674	367,379
Fundraising & coterie groups (net of expenses)		40,029	59,812
Merchandise sales (net of expenses)		29,504	117,434
Outdoor Sales (net of expenses)		67,462	199,017
Net Gaming Revenue	4	1,272,980	1,378,960
Grants & donations		35,212	4,583
Other income	5	1,470,124	178,303
Total income		4,613,116	5,027,532
<b><u>EXPENDITURE</u></b>			
Senior & junior football		(588,682)	(1,270,601)
Gaming Expenses		(613,147)	(702,052)
Bar Expenses		(22,726)	(24,357)
Kitchen Expenses		(53,611)	(80,602)
Sales Reductions		(87,131)	(217,302)
Office & Administration		(1,562,835)	(832,025)
Occupancy expenses		(214,507)	(300,826)
Other expenses		(312)	(3,245)
Employee Benefit Expenses		(865,692)	(1,094,672)
Function Expenses		(13,058)	(15,002)
Finance Costs		(35,526)	(39,798)
Total expenditure		(4,057,227)	(4,580,482)
Net profit/(loss) for the year		555,889	447,050
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
-		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		555,889	447,050

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*





GLENELG FOOTBALL CLUB INC AND CONTROLLED ENTITIES  
A.B.N. 94 586 591 723

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

	Note	(Audited) 2020 \$	(Unaudited) 2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from football & sponsorship		894,553	1,598,726
Receipts from fundraising & merchandise		115,220	425,636
Receipts from government		1,457,217	-
Receipts from customers		2,519,595	4,284,735
Proceeds from funding held on behalf of council		300,000	-
Payments to suppliers and employees		(4,130,513)	(5,770,088)
Finance costs		(35,526)	(39,798)
Net cash provided by / (used in) operating activities	14 (b)	1,120,546	499,211
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(81,814)	(138,167)
Proceeds from Australian Sports Foundation grants		-	2,808
Net cash provided by / (used in) investing activities		(81,814)	(135,359)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from / (repayment of) borrowings		(100,000)	(94,308)
Proceeds from asset purchase finance		56,529	-
Repayment of asset purchase finance		(89,900)	(83,088)
Net cash provided by / (used in) financing activities		(133,371)	(177,396)
Net increase / (decrease) in cash		905,361	186,456
Cash at beginning of the year		134,654	(51,802)
Cash at end of the year	14 (a)	1,040,015	134,654

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*





















In preparing the financial report, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

#### **Auditor's responsibilities for the audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf)

This description forms part of our auditor's report.

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

**BDO Audit (SA) Pty Ltd**

A handwritten signature in blue ink that reads 'Andrew Tickle'.

Andrew Tickle  
Director

Adelaide, 11 February 2021