



GREATNESS
OUR TRADITION. OUR AMBITION.

GEELONG FOOTBALL CLUB LIMITED
& ITS CONTROLLED ENTITIES

FINANCIAL STATEMENTS 2016





GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

The Directors present their report together with the financial report of the Geelong Football Club Limited and its Controlled Entities ('the Club') for the year ended 31 October 2016, 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	<i>B.Com, MBA</i>
Tenure	Geelong Football Club Limited Director for eight years, and President for six years
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 SEEK, Lend Lease and World Vision Australia.
Other Responsibilities	Member of Geelong Football Club Limited Corporate Governance Committee Member of Geelong Football Club Limited Finance & Audit Committee Member of Geelong Football Club Limited Remuneration Committee

ROBERT JOHN GARTLAND — VICE PRESIDENT

Qualifications	<i>Cert. IV Business (Estate Agency Practice), CEA (REIV) MAICD</i>
Tenure	Geelong Football Club Limited Director for ten years, and Vice President for three years
Experience	Born and educated in Geelong, Bob has been a lifelong supporter of the Geelong Cats. He has been a Director of the Geelong Cats since 2007, Vice President since 2014 and is a member of the Geelong Football Club Past Players and Officials Association. Bob is also Chair of the Geelong Cats Honouring the Past Management Committee, is a Foundation Member of the Geelong Cats Forever Bequest Club, and is Chair of the Geelong Cats History Society. Bob has been an active member of the Geelong Business Community for 36 years, and been involved in the Property and Real Estate industry for 32 years. His associated companies consult to clients on Real Estate investment and development, and have managed a portfolio in excess of \$300 million, has won substantial recognition for business achievements, and 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, is a former Deputy Chair of the Central Geelong Management Committee, is an Ambassador for Anam Cara Community Hospice, and is a recipient of the Kevin Hitchcock Medal for services to the Community. Bob is married to Phillipa, they have two children and three grandchildren, who are all avid Geelong supporters.
Other Responsibilities	Chair of Geelong Football Club Limited Remuneration Committee

ALISTAIR NEIL HAMBLIN — DIRECTOR

Qualifications	<i>B.Com, CPA, MAICD</i>
Tenure	Geelong Football Club Limited Director for eleven years
Experience	Alistair is a Principal and Director in the integrated financial services practice of Morrows in Southbank, Melbourne. Previously, Alistair founded the Commercial Advisory Group (CAG) and became a Principal in WHK (Crowe Horwath) following its acquisition of CAG. In his role as head of the Business/Tax division at Morrows, tax, accounting and corporate advisory services are provided to a diverse client base with specialisations in sport and fundraising. Over a number of years, Alistair has been directly involved in various club and community organisations engaged in facilitating sport and fundraising.
Other Responsibilities	Chair of Geelong Football Club Limited Finance & Audit Committee



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

DIANA CLARE TAYLOR — DIRECTOR

Qualifications	LL.B (Hons), B.A, AICD Dip.
Tenure	Geelong Football Club Limited Director for seven years
Experience	Diana is a qualified lawyer, company director and the Executive Director of the Geelong-based company CT Management Group, a national consulting business supporting local government, corporate and not-for-profit entities across Australia. She is also the Director of Taylor Chapman Consulting, a sports and workplace consultancy practice. Diana has over 16 years of AFL, 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 and AFL Victoria Community Football Board member. Diana is also a Telstra Business Woman of the Year Award Winner, Director of Anam Cara House Geelong, the Barwon Sports Academy and is a Geelong Chamber of Commerce Small Business Advisory Group Member.
Other Responsibilities	Chair of Geelong Football Club Limited Corporate Governance Committee

HUGH GALBRAITH SEWARD — DIRECTOR

Qualifications	<i>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)</i>
Tenure	Geelong Football Club Limited Director for six years
Experience	Hugh was the Club's doctor for 25 years from 1982 to 2006. He is Chair of The Geelong College and the former Chief Executive Officer of the AFL Doctors Association. He is a Conjoint Senior Lecturer at Deakin University. Hugh continues to practice as a sports physician and general practitioner in Newtown. Hugh is a Life Member of the Geelong Football Club and the Australian Football League.
Other Responsibilities	Member of Geelong Football Club Limited Corporate Governance Committee

CRAIG MILTON DRUMMOND — DIRECTOR

Qualifications	<i>B.Com, CA, S F Fin</i>
Tenure	Geelong Football Club Limited Director for five years Geelong Football Club Foundation Pty Limited Director for three years
Experience	Craig Drummond joined Medibank Private Limited in July 2016 as Chief Executive Officer. Medibank is Australia's largest health insurer, with over 3.8 million members. Craig has had over 30 years' experience in the financial sector – Group Executive Finance and Strategy at NAB from 2013 to 2016; Bank of America Merrill Lynch as Chief Executive Officer and Country Head from 2009 to 2013. And previous to that Goldman Sachs JB Were (1986 to 2009), in various roles culminating in Chief Executive Officer. Craig is a Director of The Florey Institute of Neuroscience and Mental Health. He is also a Finance Committee member at Ian Potter Foundation. Most importantly, Craig has been a proud and passionate Geelong Cats supporter all of his life.
Other Responsibilities	Member of Geelong Football Club Limited Finance & Audit Committee

JUSTIN TREMAYNE ANDREWS — DIRECTOR

Qualifications	<i>B.Com</i>
Tenure	Geelong Football Club Limited Director for three years
Experience	Justin brings a long history of success in sales and marketing to the Board. For over five years Justin has been the Managing Director of Luxottica and Oakley Greater South Pacific. He is in charge of a portfolio of 27 famous brands including Oakley, Ray Ban, Vogue and Oliver Peoples in the Greater South Pacific region. In 2011 Justin successfully led the integration of the Oakley and Luxottica businesses into one entity. He is now responsible for business growth, strategy and reporting financials back to the head offices in Europe and USA. Luxottica is a publicly listed company on the NYSE. Justin and his family are long-time members of the Club.
Other Responsibilities	Member of Geelong Football Club Limited Remuneration Committee



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

KATE SPARGO — DIRECTOR

Qualifications	<i>Bachelor of Laws (Hons), Bachelor of Arts, FAICD</i>
Tenure	Geelong Football Club Limited Director - Appointed on May 1st 2016
Experience	Kate is a long time fan and supporter of the Geelong Cats, having followed them since first seeing them when she lived in Geelong for a time while working in the histopathology laboratory at the Geelong Hospital. Kate works as a director of a number of companies including UGL, Fletcher Building and SMEC, all in the engineering and construction sectors, as well as Sonic Healthcare and Sigma Pharmaceutical in the healthcare area. She is also a director of Adairs, a linen and home furnishing company. Prior to working as a director, Kate was a lawyer for some years in Adelaide and worked mostly in prosecutions, as well as in the workplace health and safety and industrial areas. She moved to Melbourne with her Geelong fanatic husband and her children in 2000. Kate has a deep interest in physical and mental wellbeing, particularly in the workplace, and is working to sustain programs to focus on this area in companies where she works. Player wellbeing, both on and off the field, women's football and also post football careers are things she is especially passionate about.
Other Responsibilities	Member of the Finance & Audit Committee

BRIAN CARLYLE COOK — CHIEF EXECUTIVE OFFICER AND DIRECTOR

Qualifications	<i>M.Ed</i>
Tenure	Geelong Football Club Limited Chief Executive Officer for seventeen years Geelong Football Club Limited Director for seven years Chair of Geelong Football Club Foundation Pty Limited for three 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. Brian has been awarded with a number of honours including AFL Life Membership, Geelong Football Club Life Membership, the Eunice Gill Award for services coaching at a national level, the Australian Sports Medal and the Australian Sports Executive of the Year in 2007. Brian is also an Ambassador for Wombats Wish (an organisation established to support bereaved children who lose a parent), Advisory Member of Geelong Major Events and a Director of the Barwon Health Future Fund Foundation.
Other Responsibilities	Attends by invitation - Geelong Football Club Limited Corporate Governance Committee Attends by invitation - Geelong Football Club Limited Finance & Audit Committee Attends by invitation - Geelong Football Club Limited Remuneration Committee

2. COMPANY SECRETARY

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

SUE CATHERINE CLARK — COMPANY SECRETARY

Qualifications	<i>B.Com, C.A</i>
Tenure	Geelong Football Club Limited Chief Financial Officer (CFO) for two years Geelong Football Club Limited Finance Manager for five years
Experience	Sue has held finance management roles for fourteen years and prior to this worked for chartered accounting firm KPMG for five years. Sue joined the Club in October 2009 as Finance Manager and was promoted to Chief Financial Officer (CFO) in June 2014. Sue has overall responsibility for the delivery of precise financial reporting, business analysis and highly effective financial strategies and also oversees the Club's Information Technology functions. Sue and her family are long-time members of the Club.
Other Responsibilities	Attends by invitation - Geelong Football Club Limited Corporate Governance Committee Attends by invitation - Geelong Football Club Limited Remuneration Committee Attends by invitation - Geelong Football Club Foundation Pty Ltd Board Attends by invitation - Geelong Football Club Limited Finance & Audit Committee



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

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

1. Nurture Our Club Culture

- Our values are held in the highest regard and support a high performance culture
- We are diligent in our planning; ensuring our processes are collaborative, transparent, scrutinised and measured
- Our leaders are developed; on and off the field
- We will stay ahead of our opponents through fair play
- Our player and staff welfare and safety is paramount
- We will reinvest in business operations and systems to maximise impact and efficiencies
- The Geelong Football Club legacy is enduring.

2. Have Sustained On-Field Success

- A values based methodology underpins our football program
- We will maintain a learning culture; leading edge thinking through collaboration with Deakin University's r&d
- We have a commitment to identifying and developing emerging talented players; player recruitment and list management, VFL program, football academy and women's team
- We will be the players club of choice; world class facilities; alternate training venue, state of the art home ground facility, coaching practices, a balanced life philosophy, preparation for life after football focus.

3. Make a Difference in Our Community

- We will advocate, lead and role model for positive change on social issues which are aligned to our club values
- Our community is proud of us
- We will grow participation in our game; grass roots to elite, next generation academy
- The club will have greater relevancy to more people through our involvement in the community; player appearances, staff and player volunteering, ambassadors, members and supporter interest
- We will promote health and wellbeing in our community; sunrise centre, Deakin Cats community centre, community programs
- Our story will be shared with our community

4. Build Financial Strength

- A sustainable business model is developed that will last a generation
- The Geelong Football Club foundation will ensure our future is secure
- Our aim is to build a strong partnership with the Kardinia Park stadium trust and all levels of government to become Australia's number one regional stadium
- Our members and supporters are central to our decision-making
- A sustainable membership growth model is developed
- We will optimise the financial return from our fixture
- Our aim is to partner with great organisations that align with our strong values and have an appetite for growth.
- We will be a leader in socially responsible gaming practices
- New technologies and digital platforms are explored and leveraged

The Club continually reviews its objectives and strategies within its business plan to ensure it has the strategic framework in place to meet its challenges, to be successful and to be sustainable in the long term. The Club has recently completed the latest version of its Business Plan which will further solidify its direction.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

5. OPERATING AND FINANCIAL REVIEW

The Club is pleased to announce a consolidated comprehensive net profit of \$2.3 million for 2016 (2015: comprehensive net loss \$3.3 million).

The Club's net asset position is \$9.9 million (2015: \$7.7 million).

Total revenue increased by 10% to \$54.6 million (2015: \$49.7 million).

Commercial operations

The Club's commercial operations profits increased by 3% in 2016 despite the effects from the Brownlow Stand assets being redeveloped and the closure of Club Cats, reaching \$20.1 million (2015: \$19.6 million). The increase in profit from commercial operations came mainly from contracted sponsorship increases and increased membership.

The Club has been very fortunate to have many long term corporate partners over the years. These corporate partners continued their strong support for the Club throughout 2016, with several of our key sponsors extending their agreements with the Club.

Match day attendances

Despite reduced capacity at Simonds Stadium in 2016, overall average home game (including games at Etihad & MCG) attendance increased to 30,497 (2015: 29,127). Our crowd at the Easter Monday Round 1 game against Hawthorn of 74,218 was our highest in the home and away season.

Membership

Membership increased by 13% to 52,195 (2015: 46,113). While the membership level is a new club record, as always we are determined to maintain and grow our membership base.

Football department

We continue to invest significantly in our football department, with costs totalling \$23.2 million (2015: 22.2 million).

Website and social media

We have experienced continued strong growth across our digital and social networks including an average of 4,072,500 page views per month in season and an average of 289,687 video views on Cats TV per month in season. Our Facebook and Instagram pages have experienced significantly high growth as has the club's Snapchat account which was launched at the start of 2016.

Community

Our club remains committed to a strong community presence and this year has seen our players involved in over 763 appearances and events throughout our communities. The Deakin Cats Community Centre has seen more than 60,000 people utilising this facility since it opened in 2013. We understand the impact the Club can have on people's lives and are proud of the work we do in this area.

Equalisation

In the second year of the AFL's profit share equalisation policy, the Club contributed \$390k to this fund. This policy has now been superseded by the new AFL Investment Model which removes this tax moving forward.

Capital Investments

The Club has continued to make significant investments into a range of assets and capital projects throughout the course of the year to ensure the long term future of the Club, totalling \$1.7 million in 2016. This includes the Club's continued investment into its Club-wide Enterprise Resource Planning system, gym equipment and contributions to Stage 4 redevelopment.

Loan principal repayments and associated financing costs for the year were \$853k (2015: \$1.1 million.)



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

Infrastructure

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.

Over the past decade the Club has invested over \$13 million back into Simonds Stadium for Stages 1-4 of the stadium's redevelopment so far. Whilst no doubt this has been a good investment, our consistent profits over many years are not seen in our current asset balances as we continue to fund our debt repayments. We also continue to work with the Kardinia Park Stadium Trust on Stage 5 to finish the Stadium.

The Club's Stage 4 redevelopment is in full swing and we anticipate completion in time for our Round 9 match against the Western Bulldogs in May 2017. Once complete the Stadium will have increased capacity, new function spaces, larger football training and administration facilities, as well as a new Cats Shop and Membership commercial hub.

2017 and beyond

We look forward with excitement to the completion of Stage 4 of the Stadium's redevelopment in May 2017. We have also recently announced a new 10 year elite partnership with GMHBA and a 5 year on-field apparel agreement with COAR. Furthermore, we have seen strong membership numbers to date, solid reserved seat sales in the Brownlow Stand and the sell-out of the new Social Club already for the 2017 season.

In 2016 we launched the Club's Our Ambition fundraising campaign aiming to raise at least \$15m in donations from Club sponsors, current and past directors, friends of Geelong and members to fund the Club's contribution to the Stage 4 Simonds Stadium redevelopment, pay off all debt and ensure the sustainability of the Club into the future. And we are extremely pleased to advise that we have exceeded this target! A significant portion of the funds raised have been donated through the Geelong Cats Football & Heritage Foundation, with \$4.5 million of donations recognised for the year ended 31 October 2016. An additional \$3.6 million of donations has been pledged and is expected to flow to the Club between 2017 – 2022. Furthermore, we have received \$5.6 million in commitments from our Club sponsors and supporter groups, \$1.3 million from past and current directors and staff and a \$1 million pledge from the Club's earnings on its Football & Heritage Foundation managed investments. Thank you to all that have donated. We want to thank our staff – and particularly the leaders – for their efforts and commitment to this campaign. We have achieved a fantastic result for our Club that will set us up financially for many years to come.

Despite our achievements in 2016, the Board and management recognise that we have been extremely fortunate to experience a sustained period of on-field success and attract funding to redevelop Simonds Stadium. Despite this success, we continue to face many challenges and are working hard to address them. The requirement for ongoing innovation and improvement across all areas of our business is critical to ensuring the long-term success of the Club. The Club is continually looking for new ways to grow our revenue and contain expenses so that we can continue to be well placed financially in a competitive environment that is changing at an unprecedented rate.

The Club continually reviews the objectives and strategies within its Business Plan to ensure that the Club has the strategic framework in place to meet its challenges and be successful and sustainable in the long term.

Final words

Finally, we would like to thank you, our members, for your continued support of the Club. There is an emotional and financial investment in being a member and we understand that. We do not take it for granted and seek to provide a return on that investment. We will be doing everything we can to compete for the premiership in 2017, while maintaining our standards, values and perspective in the way we go about our business.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

6. SIGNIFICANT EVENTS AFTER BALANCE DATE

No 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. ENVIRONMENTAL REGULATION

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

8. AUDITOR'S INDEPENDENCE DECLARATION

The Directors have received the Independence Declaration from the auditor of the Club. The Independence Declaration forms part of the Directors' report for the year ended 31 October 2016

Non-audit services

There were no non-audit services provided by the Club's auditor, Ernst & Young in the 2016 financial year.

9. 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 & Audit Committee Meetings
	Number Attended - Held	Number Attended - Held	Number Attended - Held	Number Attended - Held
Colin Bruce Carter	7 - 7	2 - 2	3 - 3	4 - 4
Alistair Neil Hamblin	6 - 7			4 - 4
Robert John Gartland	5 - 7		3 - 3	
Diana Clare Taylor	6 - 7	2 - 2		
Hugh Galbraith Seward	7 - 7	2 - 2		
Craig Milton Drummond	7 - 7			4 - 4
Brian Carlyle Cook	7 - 7	2 - 2	3 - 3	4 - 4
Justin Tremayne Andrews	7 - 7		3 - 3	
Kate Spargo	2 - 2			



GEE LONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

10. INDEMNIFICATION AND INSURANCE OF OFFICERS

During the year the Club paid insurance premiums totalling \$8,092 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 Club 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.

11. 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 2016 the number of members was 52,195 (2015: 44,312).

Signed in accordance with a resolution of Directors on this 25th day of November 2016.

Colin Bruce Carter

Director and President

Alistair Neil Hamblin

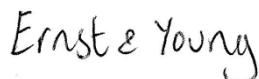
Director

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

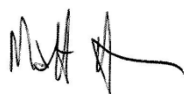
As lead auditor for the audit of the financial report of Geelong Football Club Limited for the financial year ended 31 October 2016, to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Geelong Football Club Limited and the entities it controlled during the financial year.



Ernst & Young



Matthew A. Honey
Partner
Melbourne
25 November 2016



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

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 Club in the form of its members appoint a number of Directors to form the Board
- The Board oversee their interests in the Club 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 with the next election set to take place in December 2016.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

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
- Insurance & risk management

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

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.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

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
- An annual report is distributed to all members in December, 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
- Club information is provided from time to time in various newspapers and on telephone recorded and on hold messages
- The Club website www.geelongcats.com.au and App are regularly updated
- The Club Annual General Meeting is held each year before 31 January
- The Board and Executive management are always available to speak to members



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

CONTENTS

Financial Statements				Pages
		Consolidated Statement of Comprehensive Income		14
		Consolidated Statement of Financial Position		15
		Consolidated Statement of Cash Flows		16
		Consolidated Statement of Changes in Equity		17
Notes to the Financial Statements				
Income Statement Notes	Financial Position Notes	Changes In Equity Notes	Compliance Notes	
1. Revenue				18, 19
2. Expenses				20
	3. Cash & Short Term Deposits			20
	4. Trade & Other Receivables			21
	5. Inventories			22
	6. Other Assets			22
	7. Intangible Assets			23,24
	8. Plant & Equipment			25,26
	9. Finance Lease Assets			27
	10. Trade & Other Payables			28
	11. Interest Bearing Loans & Payables			29,30
	12. Finance Lease Liability			30
	13. Employee Provisions			31
		14. Retained Earnings & Reserves		32
	15. Remuneration Of Key Management Personnel			32
			16. Related Parties	33
17. Commitments for Expenditure				34
			18. Club Information	35
			19. Information Relating to GFC (Parent)	35
			20. Subsequent Events	35
			21. Economic Dependency	35
			22. Compliance & Risks	36,37
Signed Reports				
		Director's Declaration		38
		Independent Auditor's Report		39, 40



GEE LONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ending 31 October 2016

	Notes	2016 \$	2015 \$
Income			
Revenue	1	54,650,813	49,652,524
		54,650,813	49,652,524
Expenses			
Commercial activities		(17,544,621)	(17,345,902)
Football operations		(23,172,565)	(22,239,421)
Foundations		(1,176,902)	(1,375,824)
Finance and administration		(3,719,459)	(3,652,763)
Marketing and media		(2,240,553)	(2,063,947)
Facilities		(1,122,511)	(1,278,233)
Depreciation and amortisation	2(b)	(2,197,494)	(2,015,124)
Finance expenses	2(a)	(1,212,928)	(1,100,573)
Asset gains (written off)		64,031	(1,899,011)
Total expenses from ordinary activities		(52,323,002)	(52,970,798)
Net profit/(loss) attributable to members of Geelong Football Club Limited	14	2,327,811	(3,318,274)
Other Comprehensive Income to be reclassified to Profit/(Loss) in subsequent years			
Net fair value gains/(losses) on available-for-sale financial assets		(72,695)	61,834
Total Comprehensive Income/(Loss) for the period attributable to members of Geelong Football Club Limited		2,255,116	(3,256,440)

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



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 October 2016

	Notes	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	3	3,259,755	602,813
Trade and other receivables	4	1,265,179	1,843,636
Inventories	5	324,503	334,818
Available-for-sale financial assets	22(h)	1,467,765	1,476,968
Other current assets	6	490,774	534,067
TOTAL CURRENT ASSETS		6,807,976	4,792,302
NON CURRENT ASSETS			
Intangible assets	7	15,974,996	15,007,319
Plant and equipment	8	2,752,225	4,270,226
Finance lease assets	9	9,501,612	9,906,297
TOTAL NON CURRENT ASSETS		28,228,833	29,183,842
TOTAL ASSETS		35,036,809	33,976,144
CURRENT LIABILITIES			
Trade and other payables	10	5,403,546	6,559,207
Income received in advance	1(d)	1,441,210	749,461
Interest bearing loans and borrowings	11	1,026,598	1,529,453
Finance lease liabilities	12	433,914	468,511
Employee provisions	13	1,143,459	848,696
TOTAL CURRENT LIABILITIES		9,448,727	10,155,328
NON CURRENT LIABILITIES			
Trade and other payables	10	957,716	1,656,039
Income received in advance	1(d)	916,651	264,073
Interest bearing loans and borrowings	11	3,075,130	3,287,780
Finance lease liabilities	12	10,500,782	10,724,871
Employee provisions	13	206,821	212,187
TOTAL NON CURRENT LIABILITIES		15,657,100	16,144,950
TOTAL LIABILITIES		25,105,827	26,300,278
NET ASSETS		9,930,982	7,675,866
EQUITY			
Retained profits		9,909,884	7,582,073
Trust funds		20	20
Investment fluctuation reserve		21,078	93,773
TOTAL EQUITY	14	9,930,982	7,675,866

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



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ending 31 October 2016

	Notes	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from ordinary business (inclusive of GST)		59,360,600	52,341,397
Payments to suppliers and employees (inclusive of GST)		(53,014,271)	(50,049,000)
Interest paid		(232,197)	(257,538)
NET CASH PROVIDED BY/(USED IN)			
OPERATING ACTIVITIES		6,114,132	2,034,859
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments		874,477	134,805
Proceeds from sale of plant and equipment		-	320,000
Proceeds from sale of Intangibles		408,460	-
Payment for plant and equipment		(895,520)	(953,585)
Payment for intangibles		(968,881)	(834,621)
Payment for available for sale investments		(869,958)	(94,492)
Interest received		88,685	75,323
Dividends received		77,568	68,242
NET CASH PROVIDED BY/(USED IN)			
INVESTING ACTIVITIES		(1,285,169)	(1,284,328)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(854,474)	(1,093,473)
Proceeds from borrowings		138,969	531,031
Repayment of finance lease principal and interest		(1,456,516)	(819,996)
NET CASH PROVIDED BY/(USED IN)			
FINANCING ACTIVITIES		(2,172,021)	(1,382,438)
Net increase/(decrease) in cash and cash equivalents held		2,656,942	(631,907)
Cash and cash equivalents at the beginning of the year		602,813	1,234,720
CASH AND CASH EQUIVALENTS AT THE			
END OF THE FINANCIAL YEAR	3	3,259,755	602,813

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



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ending 31 October 2016

	Notes	Retained Profits \$	Trust Funds of Consolidated Foundations \$	Investment Fluctuation Reserve \$	Total Equity \$
At 1 November 2015		7,582,073	20	93,773	7,675,866
Profit/(loss) for the period		2,327,811	-		2,327,811
Other comprehensive income		-	-	(72,695)	(72,695)
Total Comprehensive Income for the period		2,327,811	-	(72,695)	2,255,116
At 31 October 2016	14	9,909,884	20	21,078	9,930,982
At 1 November 2014		10,900,347	20	31,939	10,932,306
Profit/(loss) for the period		(3,318,274)	-	-	(3,318,274)
Other comprehensive income		-	-	61,834	61,834
Total Comprehensive Income for the period		(3,318,274)	-	61,834	(3,256,440)
At 31 October 2015	14	7,582,073	20	93,773	7,675,866

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



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - REVENUE

(a) Revenue from Operating Activities

	2016	2015
	\$	\$
AFL dividends and prize money	9,512,533	8,790,840
Gaming, food and beverage	9,060,375	10,886,285
Membership, seating and gate receipts	14,341,800	13,271,798
Merchandise	1,742,436	1,721,752
Sponsorship, advertising and fundraising	16,079,494	13,775,722
	50,736,638	48,446,397

(b) Revenue from Other Activities

Grant revenue	3,501,720	844,500
Interest revenue	88,685	75,323
Dividends on investments	77,568	68,242
Gain on investments	68,011	86,929
Other	178,191	131,133
	3,914,175	1,206,127
Total Revenue	54,650,813	49,652,524



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(c) 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 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) Advertising and Sponsorship Income

Advertising 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 Consolidated Statement of Comprehensive Income 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 Consolidated Statement of Financial Position, with a corresponding amount of revenue recognised in the Consolidated Statement of Comprehensive Income.

(d) Income Received in Advance

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



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 2 - EXPENSES

The Consolidated Statement of Comprehensive Income includes the following specific expenses:

	2016 \$	2015 \$
(a) Finance costs		
- Interest paid on debts and borrowings	253,356	257,538
- Finance charges payable under finance leases	836,687	754,082
- Deferred liability interest charge	122,885	88,953
Total finance costs	1,212,928	1,100,573
(b) Depreciation and amortisation		
- Amortisation of intangible assets	988,692	833,593
- Amortisation of leasehold improvements	62,028	185,746
- Amortisation of finance lease asset	642,944	333,266
- Depreciation of plant and equipment	503,830	662,519
Total depreciation, amortisation and write offs	2,197,494	2,015,124
(c) Employee expenses	26,026,113	28,005,165
(d) Bad debts written off	-	-
(e) Operating lease rentals	1,657,071	1,513,712

NOTE 3 - CASH AND SHORT-TERM DEPOSITS

(a) Reconciliation of cash and short-term deposits

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

Cash on hand	117,922	169,817
Cash at bank and short-term deposits	2,916,460	321,105
Cash held in managed funds	225,373	111,891
	3,259,755	602,813

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Club, and earn interest at the respective short-term deposit rates.

Of the above cash and cash equivalents \$3,084,708 (2015: \$456,653) relates to Club donations received in the form of discretionary grants in the current financial year from the Australian Sports Foundation which must be spent in accordance with the project purpose. This purpose is to upgrade Simonds Stadium in the Kardinia Park precinct in the areas of player, training and spectator facilities (including debt reduction), purchase sports related equipment and assist in the cost of developing an exclusive training venue. The Club will use the funding to continue to invest in capital projects at Simonds Stadium and provide elite training equipment for our players.

(b) Cash and Cash Equivalents

For the purpose of the Consolidated Statement of Financial Position and Consolidated 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.



GEE LONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - TRADE AND OTHER RECEIVABLES

	2016 \$	2015 \$
Trade receivables	781,160	653,002
Less allowance for doubtful debts	-	(4,460)
Net trade and other receivables	781,160	648,542
Accrued revenue	159,403	723,021
Other debtors	324,616	472,073
	484,019	1,195,094
Total trade and other receivables	1,265,179	1,843,636

(a) Trade Receivables

Trade receivables are generally non-interest bearing and 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.

(b) Other Receivables

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.

(c) Collectability of Receivables

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 90 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.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 5 - INVENTORIES

	2016 \$	2015 \$
Merchandise and memorabilia	205,916	220,845
Food and beverage	118,587	113,973
Total inventories at the lower of cost and net realisable value	324,503	334,818

(a) 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.

(b) Inventory expense

Inventories recognised as an expense for the year ended 31 October 2016 totalled \$2,695,039 (2015: \$2,800,739).

(c) Inventory impairment

An impairment loss is recognised when there is objective evidence that inventories are being carried at an amount higher than net realisable value.

Merchandise written down to its net realisable value and recognised as an expense in the current financial year totalled \$4,439 (2015: \$2,390). This expense is recognised in commercial activities in the Consolidated Statement of Comprehensive Income.

(d) Inventory gains/expense

Merchandise stock loss recognised as an expense in the current financial year totalled \$6,949 (2015: \$5,439 loss). This expense is recognised in commercial activities in the Consolidated Statement of Comprehensive Income.

NOTE 6 - OTHER ASSETS

Prepayments	490,774	534,067
	490,774	534,067

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



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 7 - INTANGIBLE ASSETS

(a) Carrying amounts of intangible assets measured at cost

	Notes	2016 \$	2015 \$
Leasehold rights at cost		16,954,525	8,790,840
Less accumulated amortisation		(3,405,319)	10,886,285
Net carrying amount	(i)	13,549,206	48,446,397
Licences at cost		2,400,237	3,131,524
Less accumulated amortisation		(1,048,093)	(1,025,278)
Net carrying amount	(ii)	1,352,144	2,106,246
Software		1,829,006	1,648,861
Less accumulated amortisation		(763,794)	(627,139)
Net carrying amount	(iii)	1,065,212	1,021,722
Right to acquire land and buildings	(iv)	-	196,364
Right to receive sponsorship		8,434	9,595
Total intangible assets net carrying amount		15,974,996	15,007,319



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(b) Reconciliation of carrying amounts (net of accumulated amortisation and impairment) at the beginning and end of the period:

Year ended 31 October 2016	Right to receive sponsorship	Software	Leasehold Rights	Licences	Right to Acquire Land, Buildings and Equipment	Total
	\$	\$	\$	\$	\$	\$
At 1 November 2015	9,595	1,021,722	11,673,392	2,106,246	196,364	15,007,319
Additions	-	244,749	636,053	-	-	880,802
Disposals	-	-	-	(441,519)	(196,364)	(637,883)
Transfers	89	(1,636)	1,719,009	-	-	1,717,462
Amortisation expense	(1,250)	(197,827)	(477,032)	(312,583)	-	(988,692)
Asset write offs	-	(1,796)	(2,216)	-	-	(4,012)
At 31 October 2016	8,434	1,065,212	13,549,206	1,352,144	-	15,974,996

(c) 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. 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 Consolidated Statement of Comprehensive Income in the expense category consistent with the function of the intangible asset.

(d) Description of the Club's intangible assets

(i) Leasehold rights

Leasehold rights have been acquired via the Club's contributions to redevelopments at Simonds Stadium and are being carried at cost less accumulated amortisation and accumulated impairment losses. Amounts relating to Stages 1, 2 and 3 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 (32-40 years). Stage 4 leasehold rights will commence amortisation upon completion of the redevelopment which will occur in May 2017. These assets are subject to impairment testing on an annual basis or whenever there is an indication of impairment.

(ii) Licences

- The Club acquired 182 gaming entitlements from the State Government in 2012 via an interest-free loan for a nominal amount of \$3,507,733. The entitlements became effective on 16 August 2012 and have a useful life of 10 years inline with their expiry. The asset was initially recorded at its present value and is subject to impairment testing on an annual basis or whenever there is an indication of impairment. Two licences expired during the 2013 financial year (Melbourne and Surf Coast), and as such have been disposed of for accounting purposes.
- The Club acquired a gaming licence from the Victorian Casino and Gaming Authority to operate from its Point Cook gaming venue. All costs associated with this acquisition were capitalised at cost and are being carried at cost less accumulated amortisation and accumulated impairment losses. The asset is being amortised using the straight line method over its useful life of ten years, which currently has two years remaining.
- During 2014, the Club accepted an offer from the Minister for Liquor and Gaming Regulation to extend the payment term for gaming entitlements by an additional six months. The proposed variation took effect on 31 August 2014, and extended the Club's entitlement payment term to 31 August 2017.
- 30 gaming entitlements that had previously been used at the Geelong Venue were sold during the year.

(iii) Software

Software purchased is being carried at cost less accumulated amortisation and accumulated impairment losses. Software assets are amortised using the straight line method over their useful lives of between 3-7 years. These assets are subject to impairment testing on an annual basis or whenever there is an indication of impairment.

(iv) Right to acquire land and buildings

The amount capitalised as a right to acquire land and buildings represents the fair value of the right to acquire land in Armstrong Creek through the Club's sponsorship with Villawood. The rights are being carried at fair value at date of acquisition less any accumulated impairment losses. The Club received title and sold the land in October 2016.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - PLANT AND EQUIPMENT

	2016 \$	2015 \$
(a) Carrying amounts of plant and equipment measured at cost		
Leasehold improvements at cost	911,081	2,942,831
Less accumulated amortisation	(49,160)	(956,994)
Net carrying amount	861,921	1,985,837
Plant and equipment at cost	5,554,742	5,629,109
Less accumulated depreciation	(3,664,438)	(3,344,720)
Net carrying amount	1,890,304	2,284,389
Total net carrying amount	2,752,225	4,270,226

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

	Leasehold Improvements \$	Plant and Equipment \$	Total \$
For the year ended 31 October 2016			
Carrying amount at 1 November 2015	1,985,837	2,284,389	4,270,226
Additions	552,321	262,014	814,335
Disposals	-	-	
Transfers	(1,614,209)	(103,253)	(1,717,462)
Depreciation/amortisation expense	(62,028)	(503,830)	(565,858)
Asset write offs	-	(49,016)	(49,016)
Carrying amount at 31 October 2016	861,921	1,890,304	2,752,225



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(c) 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.

(d) Impairment

The carrying values of the Club's 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 Consolidated Statement of Comprehensive Income.

(e) 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 Consolidated Statement of Financial Position. All other leases are classified as operating leases and the leased assets are not recognised on the Club's Consolidated Statement of Financial Position.

(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 Consolidated Statement of Comprehensive Income as incurred.

(iv) Memorabilia

Over the years the Club has collected a considerable amount of memorabilia. The memorabilia collection was valued at \$4,187,900 (unaudited) as at 9 September 2014 by independent AFL memorabilia valuer, Rick Milne. Memorabilia is not recorded in the Club's financial report. The Club has the collection valued every three years, with the next valuation due in 2017.

(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
Furniture & fittings	2-15 years
Motor vehicles	4 years
Computer equipment	3 - 5 years
Gaming equipment	7 years
Leasehold Improvements/rights	5-40 years

Assets' 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 its 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 Consolidated Statement of Comprehensive Income.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 9 - FINANCE LEASE ASSETS

	2016 \$	2015 \$
(a) Carrying amounts of finance leased assets		
Finance lease asset - Simonds Stadium	9,657,431	9,657,431
Less accumulated amortisation	(1,769,319)	(1,501,058)
Net carrying amount	7,888,112	8,156,373
Finance lease asset - gaming equipment	2,049,563	1,811,304
Less accumulated amortisation	(436,063)	(61,380)
Net carrying amount	1,613,500	1,749,924
Total net carrying amount	9,501,612	9,906,297

(b) 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.

(i) Finance lease commitments - Club as lessee

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

(ii) Operating lease commitments - Club as lessee

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.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 10 - TRADE AND OTHER PAYABLES

	Notes	2016 \$	2015 \$
Current			
Trade payables	(c)	1,701,314	2,565,148
Other creditors and accruals	(d)	3,702,232	3,994,059
		5,403,546	6,559,207
Non-Current			
Trade payables		-	-
Other creditors and accruals	(d)	957,716	1,656,039
		957,716	1,656,039
Total Trade and other payables		6,361,262	8,215,246

(a) Recognition

Trade and other payables are unsecured and 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.

(b) Terms and conditions

All payables are non-interest bearing and are normally settled in accordance with the creditors payment terms.

(c) Trade payables

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

(d) Other creditors

The fair value of the liability has been calculated by discounting the expected future cashflows at the Club's implicit interest rate of 6.70%.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 11 - INTEREST BEARING LOANS AND BORROWINGS

	2016 \$	2015 \$
Current		
Bank loans (secured)	1,026,598	1,529,453
	1,026,598	1,529,453
Non-Current		
Bank loans (secured)	3,075,130	3,287,780
	3,075,130	3,287,780
Total Interest bearing loans and borrowings	4,101,728	4,817,233

(a) 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.

(b) Financing facilities

At 31 October 2016 the Club has the following loans from the Bendigo Bank:

(i) The Brook bank loan

The Club borrowed \$750,000 in 2009 which was used to fund the fit-out of The Brook on Sneydes. The remaining balance at 31 October 2016 is \$93,750 (2015: \$187,500) and is subject to a variable rate of interest which is currently 4.40% (2015: 4.69%). Annual fixed principal repayments commenced on 31 March 2010 and one repayment remains.

(ii) 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. The Loan was repaid in full on 31 March 2016 (The Loan Balance at 31 October 2015 was \$543,723).

(iii) Club Cats gaming loan

The Club borrowed a total of \$919,848 in March 2012 which was used to purchase electronic gaming machines for Club Cats. The loan is subject to a variable rate of interest which is currently 4.90% (2015: 5.20%). At 31 October 2016 the balance is \$163,848. Quarterly fixed principle repayments commenced on 31 March 2013 and will continue for a period of a further one year.

(iv) Players Stand loan

The Club borrowed a total of \$3,174,130 during 2013 to finance Club contributions to the Simonds Stadium Players Stand Redevelopment which is subject to a variable rate of interest which is currently 4.90% (2015: 5.19%). At 31 October 2016, the balance remains at \$3,174,130. Annual fixed principle repayments will commence on 31 March 2017 and continue for a period of four years after the initial payment.

(v) ERP loan

The Club borrowed a total of \$532,031 during 2015 to fund the acquisition and implementation of a new Enterprise Resource Planning system which is subject to a variable rate of interest which is currently 4.90%. A further \$137,969 was redrawn on the loan during 2016. At 31 October 2016, the balance is \$670,000, which is to be paid over five years.

(vi) Overdraft facility

The Club has access to an overdraft facility with a limit of \$500,000 all year round. This limit temporarily increases to \$1,000,000 for the months of August to December and this year was further increased to \$1,500,000 during this period and extended through until the end of January.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(c) Security for borrowings

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

(d) Defaults and breaches

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

NOTE 12 - FINANCE LEASE LIABILITY

	2016 \$	2015 \$
Current		
Finance lease liability - Simonds Stadium	88,815	82,122
Finance lease liability - Gaming equipment	345,099	386,389
	433,914	468,511
Non-Current		
Finance lease liability - Simonds Stadium	9,253,879	9,342,694
Finance lease liability - Gaming equipment	1,246,903	1,382,177
	10,500,782	10,724,871
Total finance lease liability	10,934,696	11,193,382

Leased liabilities are secured by the underlying leased assets.

(a) 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 \$25,548,149 (2015: \$27,582,673). They relate to the lease of Simonds Stadium and gaming equipment. The Simonds Stadium lease is a non-cancellable lease with an implicit interest rate of 7.86% and has a remaining lease term of 28 years. The gaming lease has an implicit interest rate of 5.7% and remaining lease terms in the range of 1 to 6 years.

Within one year	1,075,220	1,317,091
Later than one year and not later than five years	4,929,693	5,153,153
Later than five years	19,543,236	21,112,429
Minimum lease payments	25,548,149	27,582,673
Less future finance charges	(14,613,453)	(16,389,291)
Total recognised as liability at 31 October 2016	10,934,696	11,193,382

The leased liabilities are secured by the underlying leased assets.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 13 - EMPLOYEE PROVISIONS

	2016 \$	2015 \$
Current		
Provision for annual leave	576,868	442,266
Provision for long service leave	566,591	406,430
	1,143,459	848,696
Non-Current		
Provision for long service leave	206,821	212,187
Total Employee Provisions	1,350,280	1,060,883

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	136	138
--	------------	------------

(a) 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 2016 on high quality Corporate 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 charged as expenses when incurred, with contributions made by the Club to employee superannuation funds quarterly.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 14 - RETAINED EARNINGS AND RESERVES

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

Balance 1 November 2015	7,675,866	10,932,306
Net profit/(loss) attributable to members of the Geelong Football Club Limited	2,327,811	(3,318,274)
Investment fluctuation reserve movement (b)	(72,695)	61,834
Balance 31 October 2016	9,930,982	7,675,866

(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 15 - REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2016 \$	2015 \$
(a) Compensation for key management personnel		
Short-term employee benefits	3,412,954	3,484,182
Other short-term employee benefits (c)	8,092	8,092
Total Compensation	3,421,046	3,492,274

(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	Craig Milton Drummond
Alistair Neil Hamblin	Justin Andrews
Robert John Gartland	Kate Spargo (Appointed 1 May 2016)
Diana Claire Taylor	Brian Carlyle Cook (Chief Executive Officer)
Hugh Galbraith Seward	

(ii) Other Key Management Personnel (KMP)

The names of the persons who were deemed to be key management personnel for all or part of the financial year are listed below:

Senior Coach — Chris Scott
Chief Financial Officer — Sue Clark
Chief Commercial Officer — Justin Reeves
General Manager - Football — Steven Hocking
General Manager - Hospitality, Gaming & Venues — Chris Shine
General Manager - Community Development — Sarah Albon
Acting General Manager - Community Development — Simone Bellears (21 September 2015 to 24 July 2016)
General Manager - Media & Public Relations — Kevin Diggerson
General Manager - People and Culture — Rosie King (Resigned 16 August 2016)
General Manager - Partnership & Sales — Braith Cox

(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 \$8,092 (2015: \$8,092). This is the only financial benefit provided to the Board of Directors other than the Chief Executive Officer.



GEE LONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 16 - RELATED PARTIES

(a) Key management personnel

Details relating to KMP, including remuneration paid, are included in Note 15.

(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.

31 October 2016	Sales to KMP	Cost of KMP Sales in Expenses	Purchases from Related Entities	Other Revenue from KMP	Total
	\$	\$	\$	\$	\$
Corporate Sales (Revenue)	66,017	-	-	-	66,017
Donations (Revenue)	-	-	-	1,360,167	1,360,167
Other Sales (Revenue)	-	-	-	-	-
Cost of Sales (Expense)	-	(31,028)	-	-	(31,028)
Purchases (Expense)	-	-	(11,533)	-	(11,533)
	66,017	(31,028)	(11,533)	1,360,167	1,383,623

31 October 2015	Sales to KMP	Cost of KMP Sales in Expenses	Purchases from Related Entities	Other Revenue from KMP	Total
	\$	\$	\$	\$	\$
Corporate Sales (Revenue)	41,966	-	-	-	41,966
Donations (Revenue)	-	-	-	149,500	149,500
Other Sales (Revenue)	-	-	-	-	-
Cost of Sales (Expense)	-	(19,724)	-	-	(19,724)
Purchases (Expense)	-	-	(8,469)	-	(8,469)
	41,966	(19,724)	(8,469)	149,500	163,273

(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 was nil (2015: \$1,458)



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 17 - COMMITMENTS FOR EXPENDITURE

	2016	2015
	\$	\$

(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	1,563,546	1,547,801
- Later than 1 year but not later than 5 years	5,905,159	5,617,232
- Later than 5 years	12,879,232	13,682,231
	20,347,937	20,847,264

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 2016, \$19,909,167 (2015: \$20,123,171) 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 commitments at reporting date but not recognised as a liability in the accounts are payable as follows:

- Not later than 1 year	5,020,603	-
- Later than 1 year but not later than 5 years	-	5,509,597
- Later than 5 years	-	-
	5,020,603	5,509,597

(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	15,743,846	14,469,698
- Later than 1 year but not later than 2 years	12,094,881	13,480,580
- Later than 2 years but not later than 5 years	7,520,964	13,227,816
	35,359,691	41,178,094



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - CLUB INFORMATION

Geelong Football Club Limited ("the Club"), the Parent entity of the Consolidated Group, 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 2016 was authorised for issue in accordance with a resolution of the Directors on 25 November 2016.

NOTE 19 - INFORMATION RELATING TO GEELONG FOOTBALL CLUB LIMITED (PARENT)

	2016	2015
	\$	\$
Current assets	4,435,765	2,903,731
Total Assets	32,696,210	32,272,594
Current liabilities	9,429,027	(10,028,483)
Total Liabilities	25,086,128	(26,173,433)
Net Assets	7,610,082	6,099,161
Retained earnings	7,610,082	6,099,161
	7,610,082	6,099,161
Profit/(loss) of the Parent entity	1,510,820	(3,143,124)
Total comprehensive income/(loss) of the Parent entity	1,510,820	(3,143,124)

NOTE 20 - SUBSEQUENT EVENTS

No 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.



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 22 - COMPLIANCE AND RISK

(a) 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.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Geelong Football Club Ltd and its controlled entities as at and for the period ended 31 October 2016. These controlled entities include:

- Geelong Football Club Foundation Pty Ltd;
- Geelong Cats Football & Heritage Foundation; and
- Geelong Cats Community Foundation.

Controlled entities are those entities over which the Club has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Club controls another entity.

The financial statements of the controlled entities are prepared for the same reporting period as the Parent, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances, transactions, unrealised gains and losses resulting from intra-Club transactions have been eliminated in full.

Controlled entities are fully consolidated from the date on which control was obtained by the Club and will cease to be consolidated from the date on which control is transferred out of the Club.

Investments in controlled entities held by Geelong Football Club Ltd are accounted for at cost in the separate financial statements of the parent less any impairment.

(c) Going Concern

The consolidated financial report has been prepared on the basis that the Club is a going concern despite a net current asset deficiency of \$2,640,751 (2015: \$5,363,026). 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, sponsorship and fundraising 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 outlaid \$1,695,136 in cash in the current financial year on a range of assets and capital projects. This includes contributions made to the Stage 4 redevelopment of Simonds Stadium and a major renovation to the Club's gaming venue, The Brook in Point Cook.

The Our Ambition fundraising campaign, in addition to the Club's Strategic Business Plan that documents our short and long term financial strategies have been developed to set the financial direction moving forward. With the Our Ambition commitments made and the execution of our Strategic Business Plan, we aim to pay off all Club debt, 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.

(d) Comparative Figures

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

(e) Members' Liability on Winding Up

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).



GEELONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(f) Compliance with Australian Accounting Standards and Statutory Bodies

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 material accounting policies adopted by the Club in the preparation of the financial report are set out in the report. The accounting policies have been consistently applied unless otherwise stated.

(i) Basis of Preparation

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.

The financial report is presented in Australian dollars.

(ii) Reduced Disclosure Regime

The Club applies AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards from Reduced Disclosure Requirements as the Club is a not-for-profit public Tier 2 entity.

As a result the Club prepares consolidated 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.

(iii) Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year.

Other Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Club for the annual reporting period ended 31 October 2016.

(iv) Income Tax Status

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.

(v) GST Recognition

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 Consolidated 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 Consolidated Statement of Financial Position.

Cash flows from operating activities are included in the Consolidated 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.

(g) 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).

(h) Available-for-sale financial assets

(i) Currently held Available-for-sale financial assets

The Club invested its 2013 distribution received from the Geelong Cats Sports Foundation in a combination of equity securities and cash management funds. Upon investment, these funds were classified as available-for-sale investments and have been subsequently measured at fair value with gains and losses being recognised as a separate component of equity. As the investment is derecognised or as the investment is deemed to be impaired, the cumulative gain or loss previously reported in equity is recognised in the Consolidated Statement of Comprehensive Income. Fair value of investments is determined by reference to quoted market bid prices at the close of business on balance date.

(ii) 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 2016 the Club has determined that any decline in value of individual available-for-sale assets was not considered significant or prolonged.



GEE LONG FOOTBALL CLUB & ITS CONTROLLED ENTITIES

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 consolidated financial statements and notes of the Geelong Football Club Limited and its controlled entities 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 consolidated Club's financial position as at 31 October 2016 and of the performance for the year ended on that date;

2. The Chief Executive Officer and the Chief Financial Officer have each declared that:

(a) the financial records of the consolidated Club for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

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

(c) the consolidated 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
25 November 2016

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

Report on the financial report

We have audited the accompanying financial report of Geelong Football Club Limited, which comprises the consolidated statement of financial position as at 31 October 2016, 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 Geelong Football Club Limited 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 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 and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Opinion

In our opinion the financial report of 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 consolidated entity at 31 October 2016 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

Ernst & Young



Matthew A. Honey
Partner
Melbourne
25 November 2016