

**Football Federation Australia  
Limited  
ABN 28 106 478 068  
General purpose (RDR) financial  
report for the year ended 30 June  
2015**

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## Directors' report

### For the year ended 30 June 2015

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Your directors submit their report on the consolidated entity (referred to hereafter as the "Group") consisting of Football Federation Australia Limited (referred to hereafter as the "Company") and the entities it controlled at the end of, or during, the year ended 30 June 2015.

#### Directors

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated:

Mr F Lowy AC, Chairman

Mr B Schwartz AM, Deputy Chairman

Ms C Bart AO, Director

Ms M Dodd, Director

Mr J Healy, Director

Mr S Hepworth, Director (Appointed: 16 October 2014)

Mr C Nikou, Director (Appointed: 16 October 2014)

Mr C Rex, Director (Resigned: 8 October 2014)

Mr P Tredinnick, Director (Resigned: 20 August 2015)

Mr P Wolanski AM, Director

#### Names, qualifications, experience and special responsibilities

##### Mr F Lowy AC, (Chairman)

Mr Lowy was appointed to the board on 26 September 2003. Mr Lowy is Chairman of Westfield Corporation. He served as the Westfield Group's Chief Executive Officer for over 50 years before assuming a non-executive role in May 2011. Mr Lowy also serves as the non-executive Chairman of Scentre Group. He is the founder and the Chairman of the Lowy Institute for International Policy. He is also Chairman of Local Organising Committee AFC Asian Cup Australia 2015 Ltd.

##### Mr B Schwartz AM (Deputy Chairman)

Mr Schwartz was appointed to the board on 26 September 2003 and is Chairman of the Finance and Audit Committee and the Nominations Committee. Mr Schwartz is the Chairman of Insurance Australia Group Limited, Deputy Chair of Westfield Corporation Limited and of Scentre Group Limited. In 2005 he was appointed as CEO of Investec Bank (Australia) Limited. He retired from that role in 2009. Prior to this he was a Partner of Ernst & Young Australia, becoming its Chief Executive in 1998. He is also Deputy Chairman of Local Organising Committee AFC Asian Cup Australia 2015 Ltd.

##### Ms C Bart AO (Director)

Ms Bart was appointed to the board on 29 November 2013 and is a non-executive Director on the Board of Audio Pixel Holdings Ltd, SG Fleet Group Limited, Australian Himalayan Foundation and during the reporting period Spark Infrastructure, South Australia Power Networks and the Australian Broadcasting Corporation (ABC). Ms Bart was a director of Local Organising Committee AFC Asian Cup Australia 2015 Ltd until resigning on 19 June 2015 following the conduct of the tournament in January 2015. Ms Bart holds a Bachelor of Commerce and a Bachelor of Law (B Com LLB) and is a Fellow of the Australian Institute of Company Directors.

## Directors' report (continued)

For the year ended 30 June 2015

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### Directors (continued)

#### Names, qualifications, experience and special responsibilities (continued)

##### Ms M Dodd (Director)

Ms Dodd was appointed to the board on 3 June 2007 and is also on the Football Development Committee. Ms Dodd is a partner of Gilbert + Tobin Lawyers and is a member of the firm's Competition and Regulation group. Ms Dodd was previously Vice President of CRA International. She is a former Vice-Captain and played for the Matildas from 1986-1995. She is a member of the executive committee of the Federation Internationale de Football Association (FIFA), Deputy Chair of its Committee for Women's Football and the FIFA Women's World Cup (TM), and a member of its Legal Committee. She is also a member of the Asian Football Confederation Executive Committee, Chair of its Women's Football Committee and a member of its Legal Committee.

##### Mr J Healy (Director)

Mr Healy was appointed to the board on 29 July 2010 and is on the Finance and Audit Committee and the Nominations Committee. Mr Healy has an extensive career in international banking having worked for major institutions in London, New Zealand and Australia.

##### Mr S Hepworth (Director)

Mr Hepworth was appointed to the board on 16 October 2014 and is on the Finance and Audit Committee. He has been the CFO of Caltex Australia Limited since 1999. He joined Ampol in 1996 after 10 years with Arthur Andersen. Mr Hepworth holds a Bachelor of Arts and a Masters of Applied Finance. He is a member of the Institute of Chartered Accountants in England and Wales. He is also a member of the Australian Institute of Company Directors.

##### Mr C Nikou (Director)

Mr Nikou was appointed to the board on 16 October 2014. He is a Senior Partner of international law firm K&L Gates, where he is head of the Corporate and Commercial Group across Australia and Asia. He is also a current director of the Melbourne Renegades. He was a director of the Local Organising Committee AFC Asian Cup Australia 2015 Ltd until resigning on 19 June 2015 following the conduct of the tournament in January 2015. He resigned as Company Secretary of Melbourne Victory Limited on 15 October 2014.

##### Mr C Rex (Director)

Mr Rex was appointed to the board on 8 October 2012 and is also on the Finance and Audit Committee. Mr Rex is Managing Director and Chief Executive Officer of Ramsay Health Care having assumed this role on 1 July 2008 after 13 years as Chief Operating Officer of the Company. Mr Rex's term as an appointed director expired on 8 October 2014. Due to business and international travel commitments he was unable to take up a further term. His fellow directors acknowledge his significant contribution to the board during his term.

##### Mr P Tredinnick (Director)

Mr Tredinnick was appointed to the board on 28 September 2012 and was also on the Football Development Committee and Nominations Committee. Mr Tredinnick is a Partner of the national law firm Moray & Agnew, practising in insurance and commercial litigation and advice. From 1978 - 1989 he played just under 300 games in the National Soccer League. He also played for Northern New South Wales, New South Wales, the inaugural Young Socceroos and was capped three times for the Socceroos. Mr Tredinnick resigned as director effective 20 August 2015. His fellow directors acknowledge his significant contribution to the board.

##### Mr P Wolanski AM (Director)

Mr Wolanski was appointed to the board on 26 September 2003 and is Chair of the Football Development Committee. Mr Wolanski is Managing Director of Denwol Group Pty Ltd, a property development and investment company. He is a member of the Governing Committee of the Temora Aviation Museum Limited, and was appointed a Trustee of the Sydney Opera House Trust in January 2014.

## Directors' report (continued)

### For the year ended 30 June 2015

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#### Company Secretary

##### Ms Joanne Setright (Company Secretary)

Ms Setright joined Football Federation Australia on 2 July 2007. Ms Setright previously held senior management positions at ANZ Stadium including Deputy Chief Executive Officer, Chief Operating Officer and General Counsel, and prior to this was lawyer at Gilbert + Tobin, the Federal Airports Corporation and Blake Dawson Waldron solicitors. Ms Setright has been on the Asian Football Confederation Disciplinary Committee since 2007 and the FIFA Disciplinary Committee since 2013.

#### Dividends

In accordance with the Company's constitution no dividend or distributions have been either paid to members, or recommended or declared for payment to members during the financial year.

#### Principal activities

The principal activities of the Group in the course of the financial year were the promotion, development and control of the game of association football in Australia.

#### Operating and financial review

The net surplus after tax of the Group for year ended 30 June 2015 was \$259,000 (2014 : \$7,260,000).

The Group has completed another successful year which is illustrated by the following key achievements and milestones:

- The Whole of Football Plan was released in May 2015. The Plan is a vision for Football in 2035 and was produced after extensive consultation across the football family throughout Australia. It is a first for the sport in a number of ways - through its forward-thinking, long term horizon, its breadth of scope and its engagement of the whole football community in its development.
- The Socceroos team continued its development under head coach Ange Postecoglou, with the highlight of the year being victory on home soil in the AFC Asian Cup 2015. The team showed enormous courage and determination to overcome the skilled Korea Republic 2-1 in extra time before a sell-out crowd at ANZ Stadium.
- The Matildas maintained a top 10 FIFA ranking (currently 9). Under new head coach Alen Stajcic the young team won the hearts of the nation with their spirited and exciting play in the FIFA Women's World Cup in Canada. In beating top nation Brazil to reach the quarter-finals they became the first Australian senior team in history to win a knock-out game at a World Cup.
- The AFC Asian Cup 2015 was held in Australia and was an outstanding success with 8 out of 32 matches selling out. It was the best attended Asian Cup in history with a total of over 650,000 ticketed attendees over the duration of the competition and an average attendance of 20,300 per match. It demonstrated the global appeal of football with Australia's multicultural communities embracing the tournament and the visiting teams with exuberant and colourful support. The Company has accrued for the retention of \$4m of the Net Surplus generated by the Asian Cup to offset costs incurred in relation to the event.
- The Hyundai A-League celebrated its tenth season with average crowds of over 13,000. The finals series saw sell-outs at the semi-final and grand final stages. The grand-final was a fitting match-up between two of the powerhouse clubs, Melbourne Victory and Sydney FC, with Melbourne Victory triumphing 3-0. The match was broadcast live into 57 countries and was the most watched Australian domestic football match ever. Club memberships increased by a significant 18%. The Western Sydney Wanderers made Australian sporting history in winning the Asian Champions League.
- The FFA Cup enjoyed a highly successful first season. It delivered on its promise of uniting the game from the grassroots through to the A-League, including fairy-tale stories of community clubs overcoming more fancied rivals. The final saw Adelaide United take the inaugural trophy 1-0 over Perth Glory before a sell-out home crowd at Coopers Stadium.

## Directors' report (continued)

For the year ended 30 June 2015

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### Operating and financial review (continued)

- The best of international club football again travelled to Australia. Following the successful tours of Manchester United and Liverpool in 2013, English Premier League Clubs Tottenham and Chelsea played before huge crowds in Sydney. The momentum continued into July with European powerhouse clubs, Manchester City, Liverpool, Roma and Real Madrid playing before huge crowds in Brisbane, Melbourne and Adelaide.
- There was further growth in the numbers of registrations within community football, with the national registered participant database MyFootballClub now including 635,000 participants.
- Significant progress was made in the national player pathway with Football NSW to align with the other states in the national program from 2016. Included in this program is the participation of all nine Australian-based National Youth League teams in their respective NPL competitions, the development of A-League club academies and state competition structures designed to broaden the youth talent pool. This represents a significant national milestone. It demonstrates the commitment across the country within the Member Federations and their clubs to a national program and clear pathway to senior A-League football that will deliver the best outcomes for the nation's best talent on an individual level and for the country as a whole in its performance on the world football stage.

### Significant changes in the state of affairs

The operating result for the year and the prior year comparatives include the results from the Local Organising Committee AFC Asian Cup Australia 2015 Limited which experienced a significant increase in activity with the completion of the Asian Cup tournament in January 2015. During the financial year, a new entity, A-League Club Operations Pty Limited, was established to hold and operate the license of the Newcastle Jets FC. As of 30 June 2015, this entity is disclosed as a non-current asset held for sale.

### Significant events after the balance date

There have been no significant events occurring after the balance date which may affect either the Group's operations or results of those operations or the Group's state of affairs.

### Likely developments and expected results

Further information about likely developments in the consolidated entity and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the consolidated entity.

### Environmental regulation and performance

The Group is not subject to any particular or significant environmental regulation under laws of the Commonwealth or of a State or Territory.

### Indemnification and insurance of directors and officers

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the company, the company secretary and all executive officers of the company against a liability incurred as such a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

### Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

## Directors' report (continued)

For the year ended 30 June 2015

### Proceedings on behalf of the Company

No person has applied for leave under s.237 of the *Corporations Act 2001* to bring, or intervene in, proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the financial year.

### 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:

	Board of directors		Finance and Audit Committee		Football Development Committee		Nomination* Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
<b>Number of meetings</b>								
Mr F Lowy AC	7	6	-	-	-	-	-	-
Mr B Schwartz AM	7	7	6	6	-	-	5	5
Ms C Bart AO	7	6	-	-	-	-	-	-
Ms M Dodd	7	7	-	-	5	5	-	-
Mr J Healy	7	6	6	5	-	-	5	5
Mr S Hepworth	6	5	4	4	-	-	-	-
Mr C Nikou	6	6	-	-	-	-	-	-
Mr C Rex	1	-	2	-	-	-	-	-
Mr P Tredinnick	7	7	-	-	5	5	5	5
Mr P Wolanski AM	7	6	-	-	5	5	-	-

\*The Nominations Committee held five formal scheduled meetings in addition to conducting numerous interviews of prospective director candidates.

### Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) and where noted (\$000) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the class order applies.

### Auditor's independence and non-audit services

The directors have received an independence declaration from the auditor of Football Federation Australia Limited. This has been included on page 6.

Signed in accordance with a resolution of the directors.

Mr F Lowy AC  
Chairman  
Sydney  
26 October 2015



Mr B Schwartz AM  
Deputy Chairman  
Sydney  
26 October 2015





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## Auditor's Independence Declaration to the Directors of Football Federation Australia Limited

In relation to our audit of the financial report of Football Federation Australia Limited for the financial year ended 30 June 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Douglas Bain  
Partner  
26 October 2015



## Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2015

	2015	2014
	\$000	\$000
<b>Continuing operations</b>		
<b>Operating revenue</b>		
- Football Federation Australia Limited	103,137	116,431
- Local Organising Committee AFC Asian Cup Australia 2015 Ltd	58,375	10,218
Finance income	1,486	1,437
<b>Revenue</b>	<b>162,998</b>	<b>128,086</b>
Employee and team benefit expenses	(35,057)	(34,727)
Grants and distributions expenses	(30,349)	(33,561)
Travel expenses	(12,664)	(13,150)
Marketing and media expenses	(26,925)	(12,464)
Event hosting expenses	(27,753)	(13,807)
Administration expenses	(2,856)	(3,154)
Broadcasting expenses	(8,618)	(5,116)
Other team expenses	(2,344)	(1,983)
Professional and consultants fees	(3,033)	(2,694)
Sponsorship & licensing expenses	(3,156)	(3,421)
Communication technology expenses	(6,516)	(2,282)
Insurance expenses	(2,465)	(3,055)
Other expenses	(846)	(977)
Finance costs	(30)	(31)
<b>Surplus/(deficit) before income tax from continuing operations</b>	<b>386</b>	<b>(2,336)</b>
Income tax benefit/(expense)	-	-
<b>Surplus/(deficit) for the year from continuing operations</b>	<b>386</b>	<b>(2,336)</b>
<b>Discontinued operations</b>		
(Deficit)/surplus after tax for the year from discontinued operations	(127)	9,596
<b>Net surplus for the year</b>	<b>259</b>	<b>7,260</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>259</b>	<b>7,260</b>

The operating result for the year and the prior year comparatives include the results from the Local Organising Committee AFC Asian Cup Australia 2015 Limited which experienced a significant increase in activity with the completion of the Asian Cup tournament in January 2015. The operating costs associated with the event have been offset by the recognition of grant revenues to give a nil breakeven result in both years.

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

## Consolidated statement of financial position

As at 30 June 2015

	Notes	2015 \$000	2014 \$000
<b>Assets</b>			
<b>Current assets</b>			
Cash	6	40,720	50,754
Trade and other receivables	7	12,793	20,032
Inventories		833	-
Prepayments		2,643	2,755
		<u>56,989</u>	<u>73,541</u>
Assets classified as held for sale		269	-
<b>Total current assets</b>		<u>57,258</u>	<u>73,541</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	487	531
Intangible assets	9	1,105	615
<b>Total non-current assets</b>		<u>1,592</u>	<u>1,146</u>
<b>Total assets</b>		<u>58,850</u>	<u>74,687</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	33,302	24,552
Employee benefit liability	11	1,396	1,180
Unearned revenue	12	15,779	41,206
		<u>50,477</u>	<u>66,938</u>
Liabilities directly associated with the assets held for sale		396	-
<b>Total current liabilities</b>		<u>50,873</u>	<u>66,938</u>
<b>Non-current liabilities</b>			
Employee benefit liability	11	270	301
<b>Total non-current liabilities</b>		<u>270</u>	<u>301</u>
<b>Total liabilities</b>		<u>51,143</u>	<u>67,239</u>
<b>Net assets</b>		<u>7,707</u>	<u>7,448</u>
<b>Members' equity</b>			
Retained earnings		7,707	7,448
<b>Total members' equity</b>		<u>7,707</u>	<u>7,448</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

## Consolidated statement of changes in equity

For the year ended 30 June 2015

	Retained earnings	Total attributable to members of the entity
	\$000	\$000
<b>At 1 July 2014</b>	7,448	7,448
Surplus for the year	259	259
Other comprehensive income	-	-
Total comprehensive income	<u>259</u>	<u>259</u>
<b>At 30 June 2015</b>	<b><u>7,707</u></b>	<b><u>7,707</u></b>
<b>At 1 July 2013</b>	188	188
Surplus for the year	7,260	7,260
Other comprehensive income	-	-
Total comprehensive income	<u>7,260</u>	<u>7,260</u>
<b>At 30 June 2014</b>	<b><u>7,448</u></b>	<b><u>7,448</u></b>

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

## Consolidated statement of cash flows

For the year ended 30 June 2015

	2015	2014
Notes	\$000	\$000
<b>Operating activities</b>		
Receipts from customers, government and sponsors	159,469	149,840
Payments to suppliers and employees	(170,070)	(138,039)
Interest received	1,486	1,437
<b>Net cash flows (used in)/from operating activities</b>	<b>(9,115)</b>	<b>13,238</b>
<b>Investing activities</b>		
Proceeds from sale of property, plant and equipment	-	479
Purchase of property, plant and equipment	8 (94)	(172)
Purchase of intangible assets	9 (825)	(493)
Proceeds from the sale of controlled entity	-	10,000
<b>Net cash flows (used in)/from investing activities</b>	<b>(919)</b>	<b>9,814</b>
Net (decrease)/increase in cash and cash equivalents	(10,034)	23,052
Cash and cash equivalents at 1 July	6 50,754	27,702
<b>Cash and cash equivalents at 30 June</b>	<b>6 40,720</b>	<b>50,754</b>

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

## Notes to the consolidated financial statements

### For the year ended 30 June 2015

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#### 1. Corporate information

The financial report of Football Federation Australia Limited (the "Company") and its consolidated entities (the "Group") for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the directors on 26 October 2015.

Football Federation Australia Limited (the "Parent") is a company limited by guarantee incorporated and domiciled in Australia. Every member of the Company undertakes in accordance with the Constitution of the Company, to contribute such amount (not exceeding \$20) as may be required in the event of winding up of the Company during the time that they are a member or within one year afterwards. At 30 June 2015 the number of members was 10, being the nine State and Territory Federations and a representative of the Hyundai A-League Clubs (2014: 10).

The registered office of the Company and the principal place of business is: Level 22, 1 Oxford Street, Darlinghurst, NSW 2010.

The nature of the operations and principal activities of the Group are described in the directors' report.

#### 2. Summary of significant accounting policies

##### (a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

##### (b) Statement of compliance

The financial statements of the Company comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

##### (c) Changes in accounting policies, disclosures, standards and interpretations

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

The new and amended Australian Accounting Standards and AASB Interpretations that apply for the first time in 2014/2015 do not impact the financial statements of the Company.

##### (d) Basis of consolidation

For the year ended 30 June 2015, the consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company, including:

- Local Organising Committee AFC Asian Cup Australia 2015 Ltd (LOC),
- ACN 146 403 803 Pty Ltd (Gold Coast United),
- A-League Club Operations Pty Ltd (Newcastle Jets),
- Canberra United FC Pty Limited, and
- North Queensland Fury Football Club Pty Ltd.

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

### 2. Summary of significant accounting policies (continued)

#### (d) Basis of consolidation (continued)

The Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

#### (e) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in statement profit or loss and other comprehensive income.

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

### 2. Summary of significant accounting policies (continued)

#### (e) Business combinations (continued)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of AASB 139 *Financial Instruments: Recognition and Measurement*, is measured at fair value with changes in fair value recognised either in either profit or loss or as a change to other comprehensive income (OCI). If the contingent consideration is not within the scope of AASB 139, it is measured in accordance with the appropriate Australian Accounting Standards. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

#### (f) Cash

Cash in the statement of financial position comprises cash at bank and in hand.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

#### (g) Trade and other receivables

Trade receivables, which generally have 30-60 day terms, are recognised initially at fair value less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable.

#### (h) Inventories

Inventories are valued at the lower of cost and net realisable value.

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

#### (i) Investments and other financial assets

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

#### (j) Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the income statement as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Furniture, fittings and office equipment	20% - 33%
- Leasehold property	2%
- Leasehold improvements	20%
- Motor vehicles	20%

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income when the asset is derecognised.

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

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### 2. Summary of significant accounting policies (continued)

#### (j) Property, plant and equipment (continued)

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### (k) Discontinued operations

The Group classifies non-current assets and disposal groups as held for sale or for distribution to equity holders of the parent if their carrying amounts will be recovered principally through sale or a distribution rather than through continuing use. Such non-current assets and disposal groups classified as held for sale or for distribution are measured at the lower of their carrying amount and fair value less costs to sell or to distribution, excluding the finance costs and income tax expense.

The criteria for held for sale or for distribution classification is regarded as met only when the sale or distribution is highly probable and the assets or disposal group is available for immediate sale or distribution in its present condition. Actions required to complete the sale or distribution should indicate that it is unlikely that significant changes to the sale or distribution will be made or that the decision to sell distribute will be withdrawn. Management must be committed to the sale or distribution expected within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale or distribution.

Assets and liabilities classified as held for sale or distribution are presented separately as current items in the statement of the financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss and other comprehensive income.

#### (i) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease payments are recognised as an operating expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.



## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

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### 2. Summary of significant accounting policies (continued)

#### (m) Impairment of assets

##### *Impairment of financial assets*

Financial assets, other than those at fair value through surplus or deficit, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial assets the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment deficit directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the surplus or deficit.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment deficit decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment deficit is recognised through surplus or deficit to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increases in fair value after an impairment deficit is recognised directly in equity.

##### *Impairment of other tangible and intangible assets*

At each reporting date, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment deficit. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment deficit (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment deficit is recognised in surplus and deficit immediately.

Where an impairment deficit subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of the recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment deficit been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment deficit is recognised in surplus and deficit immediately.

#### (n) Intangible assets

##### *Trademarks*

Trademarks are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over the estimated useful life of 10 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

### 2. Summary of significant accounting policies (continued)

#### (n) Intangible assets (continued)

##### *Online systems capital costs*

Capitalised information technology costs are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over the estimated useful life of 3 years.

#### (o) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

#### (p) Employee benefit liability

##### *General*

Provisions are recognised when the Group 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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net of any reimbursement.

##### *Wages and salaries*

Liabilities for wages and salaries, including non-monetary benefits are expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, to estimated future cash flows, if material.

##### *Long service leave and annual leave*

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave is recognised 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 using the projected unit credit method. 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 the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

#### (q) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of whether the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognised.

##### *Grants*

Revenue from grants is recognised in the Income Statement when it is controlled. When there are conditions attached to the grant revenue relating to the use of those grants for specific purposes, it is recognised in the Balance Sheet as unearned revenue until such conditions are met or services provided.

## Notes to the consolidated financial statements (continued)

### For the year ended 30 June 2015

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#### 2. Summary of significant accounting policies (continued)

##### (q) Revenue recognition (continued)

###### *Sponsorship*

Revenue from sponsorship contracts is recognised on an accruals basis over the period in which the benefits are earned under the contract. Sponsorship income received in advance is deferred and recognised as a liability.

###### *Registration, license, affiliation and other fees*

Revenue from registration, license, affiliation and other fees is recognised on an accruals basis.

###### *National registration fees*

National registration fees are received for the ensuing calendar year. Fees received in advance are deferred and recognised as a liability.

###### *Broadcasting and other rights*

Revenue from broadcasting and other rights is recognised on an accruals basis over the period in which the benefits are earned under the contract.

###### *Gate receipts*

Revenue from gate receipts is recognised on an accruals basis in the period in which the games which produce the gate receipts occur.

###### *Hosting of events*

Revenue from governments for the hosting of events is recognised on an accruals basis in the period in which the events occur.

###### *Merchandising and other income*

Merchandising and other income are recognised on an accruals basis.

###### *Finance income*

Finance income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

##### (r) Taxes

No provision has been made for income tax as the Company is exempt in accordance with the terms of s50-45 of the Income Tax Assessment Act 1997. The Company has one active tax exempted subsidiary, Local Organising Committee AFC Asian Cup Australia 2015 Ltd. The Company's active taxable subsidiaries, North Queensland Fury Football Club Pty Ltd, Canberra United FC Pty Limited, The "A" League Pty Ltd, ACN 146 403 803 Pty Ltd and A-League Club Operations Pty Ltd (Newcastle Jets), are subject to income tax, however, no tax liabilities have arisen during the year.

###### **Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

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### 2. Summary of significant accounting policies (continued)

#### (r) Taxes (continued)

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

### 3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Estimates and assumptions

Management have made assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that could have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

### 4. Expenses

	2015	2014
	\$'000	\$'000
<b>Expenses included under consolidated statement of comprehensive income</b>		
Depreciation	138	259
Amortisation	335	157

### 5. Discontinued operations

On 20 May 2015, the Company terminated the A-League licence held by Newcastle Jets Football Operations Pty Ltd in relation to the Newcastle Jets. A new licence was issued to A-League Club Operations Pty Ltd - an entity wholly held by the Company. As of 30 June 2015, this entity is disclosed as a non-current asset held for sale.

The net cash flows incurred by A-League Club Operations Pty Ltd are as follows:

	2015	2014
	\$000	\$000
Operating	(97)	-
Investing	(42)	-
Financing	283	-
<b>Net cash inflow</b>	<b>144</b>	<b>-</b>

In 2014, the Company entered into a sale agreement to dispose of Western Sydney Wanderers FC for a consideration of \$10.0m. Costs relating to the sale included the written down value of assets transferred at the date of sale. The net surplus upon sale of the Western Sydney Wanderers FC Pty Limited after disposal of assets was \$9.6m.

The net cash flows incurred by Western Sydney Wanderers FC are as follows:

	2015	2014
	\$000	\$000
Operating	-	(231)
Investing	-	(92)
Financing	-	(1,540)
<b>Net cash outflow</b>	<b>-</b>	<b>(1,863)</b>

### 6. Cash

	2015	2014
	\$000	\$000
Cash at bank and on hand	40,720	50,754
	<b>40,720</b>	<b>50,754</b>

\$403,920 (2014: \$403,920) of the cash and cash equivalents balance is not available for use by the entity, this relates to cash held for lease guarantee on the registered office of the Company.

Cash at bank at year ended 30 June 2015 included monies held by Local Organising Committee AFC Asian Cup Australia 2015 Ltd totalling \$23.4m (2014: \$25.0m). This cash related primarily to Government funding to stage the Asian Cup in January 2015 and will be returned to the respective Federal and State Governments in the year ended 30 June 2016.

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

## 7. Trade and other receivables

	<u>2015</u>	<u>2014</u>
	<u>\$000</u>	<u>\$000</u>
Trade receivables	8,836	8,671
Accrued revenue	<u>3,957</u>	<u>11,361</u>
	<u><b>12,793</b></u>	<u><b>20,032</b></u>

## 8. Property, plant and equipment

	Leasehold property	Furniture, fittings and office equipment	Motor vehicles	Leasehold improvements	Other equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Cost</b>						
At 1 July 2014	350	2,715	58	808	25	3,956
Additions	-	64	-	-	30	94
<b>At 30 June 2015</b>	<u><b>350</b></u>	<u><b>2,779</b></u>	<u><b>58</b></u>	<u><b>808</b></u>	<u><b>55</b></u>	<u><b>4,050</b></u>
<b>Depreciation</b>						
At 1 July 2014	(75)	(2,513)	(38)	(798)	(1)	(3,425)
Depreciation charge for the year	(7)	(113)	(6)	(7)	(5)	(138)
<b>At 30 June 2015</b>	<u><b>(82)</b></u>	<u><b>(2,626)</b></u>	<u><b>(44)</b></u>	<u><b>(805)</b></u>	<u><b>(6)</b></u>	<u><b>(3,563)</b></u>
<b>Net book value</b>						
At 30 June 2015	<u><b>268</b></u>	<u><b>153</b></u>	<u><b>14</b></u>	<u><b>3</b></u>	<u><b>49</b></u>	<u><b>487</b></u>
<b>Net book value</b>						
At 30 June 2014	<u><b>275</b></u>	<u><b>202</b></u>	<u><b>20</b></u>	<u><b>10</b></u>	<u><b>24</b></u>	<u><b>531</b></u>

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

## 9. Intangible assets

	Online systems capital cost	Trademarks	Total
	\$000	\$000	\$000
<b>Cost</b>			
At 1 July 2014	2,638	315	2,953
Additions	825	-	825
<b>At 30 June 2015</b>	<b>3,463</b>	<b>315</b>	<b>3,778</b>
<b>Amortisation</b>			
At 1 July 2014	(2,273)	(65)	(2,338)
Amortisation	(299)	(36)	(335)
<b>At 30 June 2015</b>	<b>(2,572)</b>	<b>(101)</b>	<b>(2,673)</b>
<b>Net book value</b>			
At 30 June 2015	<b>891</b>	<b>214</b>	<b>1,105</b>
<b>Net book value</b>			
At 30 June 2014	<b>365</b>	<b>250</b>	<b>615</b>

## 10. Trade and other payables

	2015	2014
	\$000	\$000
<b>Current</b>		
Trade payables	5,809	4,281
Other creditors and accruals	24,884	16,152
Other payables	1,117	3,196
Goods and services tax	1,492	923
	<b>33,302</b>	<b>24,552</b>

## 11. Employee benefit liability

	2015	2014
	\$000	\$000
<b>Current</b>		
Annual leave	1,396	1,180
	<b>1,396</b>	<b>1,180</b>
<b>Non current</b>		
Long service leave	270	301
	<b>270</b>	<b>301</b>

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

### 12. Unearned revenue

	2015	2014
	\$000	\$000
Broadcasting and sponsorship revenue	13,604	12,368
Grant revenue	1,063	23,067
Ticketing revenue	-	3,927
Other revenue	1,112	1,844
	<u>15,779</u>	<u>41,206</u>

### 13. Interest bearing loans

The Company had an undrawn banking overdraft facility of \$0.5m as at 30 June 2015 (2014: \$0.5m).

During the year the Company held a \$5m (2014: \$5m) Receivables Finance Facility. The facility was undrawn during the year and terminated in October 2014.

### 14. Related party and key management personnel disclosures

#### 14.1 Compensation of key management personnel

	2015	2014
	\$'000	\$'000
<b>Total compensation</b>	<u>8,285</u>	<u>5,438</u>

Total compensation for the current year includes payments to the key management personnel for the subsidiary entity, Local Organising Committee AFC Asian Cup Australia 2015 Ltd of \$3.8m (2014: \$0.9m) relating to the successful staging of the event in January 2015.

#### 14.2 Other transactions and balances with key management personnel and their related parties

##### *Transaction with Westfield Limited*

During the year the Company received sponsorship revenue of \$1,500,000 (2014: \$1,500,000) from Westfield Limited (now Scentre Limited), of which F Lowy AC is the Chairman and B Schwartz AM is the Deputy Chairman.

##### *Transaction with Sydney Football Club (FC) Pty Ltd*

F Lowy AC, through a family related entity, has a minority shareholding in Sydney Football Club (FC) Pty Ltd, a Hyundai A-League football club.

P Wolanski AM, through a family related entity, has a minority shareholding in Sydney Football Club (FC) Pty Ltd, a Hyundai A-League football club.

During the year the Company entered into transactions with Sydney Football Club (FC) Pty Ltd, which is the holder of a license in the Hyundai A-League competition, on normal commercial terms and conditions.

##### *Transaction with NAB*

J Healy was a member of the Group Executive Committee at NAB for part of the year. During the year the Company received sponsorship revenue of \$1,350,000 (2014: \$800,000) from NAB. The Company also utilises NAB as its main business bank and has an overdraft facility of \$0.5 million with the bank which is secured by a fixed and floating charge over the Company's general assets.



## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

### 14. Related party and key management personnel disclosures (continued)

#### 14.2 Other transactions and balances with key management personnel and their related parties (continued)

##### *Transaction with Moya Dodd*

During the year, the Company received consultancy services from director Moya Dodd. The charge for these services was \$113,636 (2014: \$225,000), which has been accrued in the accounts at 30 June 2015.

### 15. Commitments and contingencies

#### 15.1 Leasing commitments

##### *Operating lease commitments - Group as lessee*

All operating lease contracts of the Group contain market review clauses in the event that the Group exercises options to renew. The Group does not have an option to purchase the leased assets at the expiry of the lease period.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

	<u>2015</u>	<u>2014</u>
	<u>\$000</u>	<u>\$000</u>
Within one year	1,037	860
After one year but not more than five years	<u>2,072</u>	<u>2,886</u>
	<u><u>3,109</u></u>	<u><u>3,746</u></u>

#### 15.2 Other commitments for expenditure

	<u>2015</u>	<u>2014</u>
	<u>\$'000</u>	<u>\$'000</u>
Within one year	4,000	4,000
After one year but not more than five years	<u>2,000</u>	<u>6,000</u>
Total liabilities	<u><u>6,000</u></u>	<u><u>10,000</u></u>

The expenditure commitment relates to the purchase of international broadcast rights.

#### 15.3 Contingent liabilities

The Group did not have any contingent liabilities as at 30 June 2015.

### 16. Events after the reporting period

There have been no significant events occurring after the balance date which may affect either the Group's operations or results of those operations or the Group's state of affairs.

## Notes to the consolidated financial statements (continued)

For the year ended 30 June 2015

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### 17. Parent entity information

	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
<b>Information relating to Football Federation Australia Limited:</b>		
Current assets	35,805	45,222
Total assets	38,317	46,367
Current liabilities	30,342	37,748
Total liabilities	30,610	38,918
Members accumulated surplus	7,707	7,449

The parent has not entered into any guarantees in relation to the debts of its subsidiaries.

The contingent liabilities and contractual commitments of the parent company are as per note 15.

## Directors' declaration

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In accordance with a resolution of the directors of Football Federation Australia Limited, we state that

In the opinion of the directors:

- (a) the consolidated financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date, and
  - (ii) complying with Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*,
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the board

Mr F Lowy AC  
Chairman  
Sydney  
26 October 2015



Mr B Schwartz AM  
Deputy Chairman  
Sydney  
26 October 2015





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## **Independent auditor's report to the members of Football Federation Australia Limited**

### **Report on the financial report**

We have audited the accompanying financial report of Football Federation Australia Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

### **Directors' responsibility for the financial report**

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



## Opinion

In our opinion the financial report of Football Federation Australia 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 30 June 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

A handwritten signature in black ink that reads 'Ernst &amp; Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Douglas Bain'.

Douglas Bain  
Partner  
Sydney  
26 October 2015