

Football Queensland Ltd

ABN: 83 063 925 333

Financial Statements

For the Year Ended 30 September 2008

Football Queensland Ltd

ABN: 83 063 925 333

For the Year Ended 30 September 2008

CONTENTS

	<u>Page</u>
Financial Statements	
Directors' Report	1
Auditors Independence Declaration under Section 307C of the Corporations Act 2001	5
Income Statement	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Financial Statements	10
Directors' Declaration	26
Independent Audit Report	27

Football Queensland Ltd

ABN: 83 063 925 333

Directors' Report

30 September 2008

Your directors present their report on the company for the year ended 30 September 2008.

1. General information

a Principal Activities

The principal activities of Football Queensland Ltd during the year was the administration of the sport of football in Queensland.

There have been no significant changes in the nature of Football Queensland Ltd's principal activities during the year.

b Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names

Blair Burke
Dennis O'Brien
Clement Campbell
Paul Young
Ash Hanna
Peter Whitehead

Directors have been in office since the start of the year to the date of this report unless otherwise stated.

2. Business review

a Operating Results

The net loss of Football Queensland Ltd amounted to \$ 17,514.

b Review of operations

During the year the directors of Football Queensland Ltd emphasised the need to:

- disclose the financial position of the company to all its members in the current year and highlight all related party transactions; and
- emphasise the need to do all things possible to improve the overall financial position of the company.

Football Queensland Ltd

ABN: 83 063 925 333

Directors' Report

30 September 2008

3. Director Information

a Information on Directors

Blair Burke

Qualifications Bachelor of Business, Registered Tax Agent Public Accountant

Experience Elected Board Member 2002

Dennis O'Brien

Qualifications BSc, DipCompSc, MA, MSc

Experience Elected Board Member March 2004

Clement Campbell

Qualifications Bachelor of Agricultural Science

Experience Elected Board Member 2005

Paul Young

Experience Elected Board Member January 2007

Ash Hanna

Experience Elected Board Member January 2007

Peter Whitehead

Experience Elected Board Member January 2007

b Meetings of Directors

During the year, meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Blair Burke	7	7
Dennis O'Brien	7	5
Clement Campbell	7	6
Paul Young	7	7
Ash Hanna	7	6
Peter Whitehead	7	6

Football Queensland Ltd

ABN: 83 063 925 333

Directors' Report

30 September 2008

4. Other items

a Auditors Independence Declaration

The lead auditors independence declaration for the year ended 30 September 2008 has been received and can be found on page 5 of the financial report.

b Significant Changes in State of Affairs

No significant changes in Football Queensland Ltd's state of affairs occurred during the year.

c After balance day events

No matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of Football Queensland Ltd, the results of those operations or the state of affairs of Football Queensland Ltd in future years, except for the following:

- The company signed an agreement with a debtor whereby the debt is now reclassified as a loan receivable with a non current portion. Refer Note 5 for further details.

d Future Developments

Likely developments in the operations of the company and the expected results of those operations in future years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

e Indemnifying Officers or Auditors

During or since the end of the period the company has paid premiums to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

f Dividends and Options

Being a company limited by guarantee, there are no dividends declared or paid nor any share options issued.

g Proceedings on Behalf of the Company

No person has applied for leave of Court to bring 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 year.


Football Queensland Ltd

ABN: 83 063 925 333

Directors' Report

30 September 2008

Signed in accordance with a resolution of the Board of Directors:


Director:
Dennis O'Brien


Director:
Peter Whitehead

Dated this 24th day of August 2009



BDO Kendalls

BDO Kendalls (QLD)
Level 18, 300 Queen St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Phone 61 7 3237 5999
Fax 61 7 3221 9227
info.brisbane@bdo.com.au
www.bdo.com.au

ABN 70 202 702 402

24 August 2009

The Board of Directors
Football Queensland Ltd
Level 3, Queensland Sport & Athletics Centre
Kessels Road
NATHAN QLD 4111

Dear Directors

AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2008 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Yours faithfully
BDO Kendalls (Qld)

Damian Wright
Partner

Football Queensland Ltd

ABN: 83 063 925 333

Income Statement

For the Year Ended 30 September 2008

		2008	2007
	Note	\$	\$
Revenue	2	4,378,050	3,982,918
Employee costs		(1,242,348)	(1,091,448)
Depreciation, amortisation and impairments		(30,574)	(17,949)
Coaching clinics and education		(179,268)	(411,322)
National registration fees and insurance		(1,090,811)	(802,890)
Merchandise purchases	3	(113,398)	(116,239)
Representative programs costs		(706,160)	(764,501)
Rental expenses	3	(39,086)	(37,187)
Special projects	14	(550,394)	(38,905)
Finance costs	3	(24,253)	(10,070)
Other operating expenses		(419,272)	(326,267)
Profit before income tax		(17,514)	366,141
Income tax expense		-	-
Profit attributable to members		(17,514)	366,141

The accompanying notes form part of these financial statements

Football Queensland Ltd

ABN: 83 063 925 333

Balance Sheet

30 September 2008

	Note	2008 \$	2007 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	1,542,283	1,653,887
Trade and other receivables	5	224,795	103,812
Inventories	6	54,815	94,150
Other current assets	8	482,371	280,363
Total current assets		2,304,264	2,132,212
Non-current assets			
Trade and other receivables	5	74,425	6,025
Property, plant and equipment	7	87,776	109,237
Total non-current assets		162,201	115,262
TOTAL ASSETS		2,466,465	2,247,474
LIABILITIES			
Current liabilities			
Trade and other payables	9	989,004	843,672
Financial liabilities	11	111,414	11,461
Short-term provisions	10	80,957	88,359
Total current liabilities		1,181,375	943,492
Non-current liabilities			
Financial liabilities	11	43,815	56,289
Long-term provisions	10	11,097	-
Total non-current liabilities		54,912	56,289
TOTAL LIABILITIES		1,236,287	999,781
NET ASSETS		1,230,178	1,247,693
EQUITY			
Retained earnings		1,230,178	1,247,693
TOTAL EQUITY		1,230,178	1,247,693

The accompanying notes form part of these financial statements

Football Queensland Ltd

ABN: 83 063 925 333

Statement of Changes in Equity

For the Year Ended 30 September 2008

	Retained Earnings	Total
	\$	\$
Balance at 1 October 2007	1,247,693	1,247,693
Profit attributable to members	(17,514)	(17,514)
Sub-total	(17,514)	(17,514)
Balance at 30 September 2008	1,230,178	1,230,179

	Retained Earnings	Total
	\$	\$
Balance at 1 October 2006	787,468	787,468
Profit attributable to members	366,141	366,141
Transfers to and from reserves		
- retained earnings	63,605	63,605
Prior year adjustment for provision	30,479	30,479
Sub-total	460,225	460,225
Balance at 30 September 2007	1,247,693	1,247,693

The accompanying notes form part of these financial statements

Football Queensland Ltd

ABN: 83 063 925 333

Cash Flow Statement

For the Year Ended 30 September 2008

	Note	2008 \$	2007 \$
Cash from operating activities:			
Receipts from customers		4,143,770	4,293,416
Payments to suppliers and employees		(4,330,081)	(4,003,878)
Interest received		100,844	79,410
Finance costs		(24,253)	(10,810)
Net cash provided by (used in) operating activities	15	(109,720)	358,138
Cash flows from investing activities:			
Acquisition of property, plant and equipment		(9,113)	(85,111)
Repayment of Development Loans by members		7,229	22,744
Net cash provided by (used in) investing activities		(1,884)	(62,367)
Cash flows from financing activities:			
Proceeds from borrowings		-	67,750
Net cash provided by (used in) financing activities		-	67,750
Other activities:			
Net increase (decreases) in cash held		(111,604)	363,521
Cash at beginning of financial year		1,653,887	1,290,366
Cash at end of financial year	4	1,542,283	1,653,887

The accompanying notes form part of these financial statements

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

1 Accounting policies

(a) General information

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the company of Football Queensland Ltd. Football Queensland Ltd is an unlisted public company, limited by guarantee and incorporated and domiciled in Australia

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(b) Basis of preparation

The accounting policies set out below have been consistently applied to all periods presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(c) Inventories

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

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

1 Accounting policies (Continued)

(d) Property, plant and equipment (Continued)

The costs of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	
Plant and Equipment	20%
Leased motor vehicles	33.33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet 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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred back to the income statement as part of the profit or loss on disposal.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

1 Accounting policies (Continued)

(f) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(g) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(i) Impairment of Assets

At each reporting date, the company reviews the carrying values of its assets 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. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

1 Accounting policies (Continued)

(j) Income tax

No provision has been made for income tax as the company is exempt under the terms of the *Income Tax Assessment Act 1997*.

(k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised on an effective interest rate method in relation to the outstanding financial asset.

Other revenue is recognised when the right to receive the revenue has been established.

Membership income is generally collected in advance and falls due on the anniversary date when the member initially joined. Therefore, membership income is prorated for the period that relates to the current financial year and any portion relating to future years is recorded as a liability.

All other income received in advance and not relating to current year are recognised as income received in advance.

All revenue is stated net of the amount of goods and services tax (GST), returns, trade allowances and other duties and taxes paid.

(l) Government grants and sponsorships

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

Grants relating to assets are recognised as deferred income when received, and are credited to income over the expected useful life of the asset on a straight-line basis.

(m) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. Key estimates and critical judgements are discussed below.

Key estimates

No material key estimates during the year.

Critical judgements

No material key judgements during the year.

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

1 Accounting policies (Continued)

(n) Financial instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within time frames established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Classification and Subsequent Measurement

i) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

i) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

i) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

2 Revenue and Other Income

	2008	2007
	\$	\$
Operating activities		
- Coaching clinics and education	216,047	399,858
- Membership subscriptions	2,582,308	2,220,700
- Merchandise income	156,875	197,758
- Sponsorship fees	331,907	177,715
- Representative program income	338,005	371,886
- interest received	100,844	79,410
- operating grants	314,697	317,607
- other revenue	337,367	217,984
Total Revenue	<u>4,378,050</u>	<u>3,982,918</u>

3 Profit from Ordinary Activities

	2008	2007
	\$	\$
Finance costs	24,253	10,070
Rental expenses	39,086	37,187
Merchandise purchases	113,398	116,239

4 Cash and cash equivalents

	2008	2007
	\$	\$
Cash on hand	300	300
Cash at bank	436,656	452,239
Short-term bank deposits	1,105,327	1,201,348
	<u>1,542,283</u>	<u>1,653,887</u>

5 Trade and other receivables

	2008	2007
	\$	\$
CURRENT		
Trade receivables	219,135	92,559
Provision for doubtful debts	(20,000)	-
Development loans to members	4,024	11,253
GST refundable	1,136	-
Loan receivable *	20,500	-
	<u>224,795</u>	<u>103,812</u>

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

5 Trade and other receivables (Continued)

	2008	2007
	\$	\$
NON-CURRENT		
Loan receivable*	69,489	-
GST future tax benefit	4,936	6,025
	<u>74,425</u>	<u>6,025</u>

*Since balance date the company began negotiating with a debtor, a member club, owing a total of \$89,989, whereby the debtor has agreed to pay off its debt over a period. The debtor has signed an agreement since balance date to repay the debt by 18 February 2014, plus interest charges and there are other terms and conditions in place. The debt has been reclassified as a loan receivable as at 30 June 2009 and \$69,489 of the \$89,489 is non-current.

Provision for impairment of receivables

Current trade and term receivables are non-interest bearing loans and generally on 30 day terms. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expense item.

At 30 September 2008 \$68,597 or 28% of trade receivables were 90 or more days overdue, but not impaired.

6 Inventories

	2008	2007
	\$	\$
CURRENT		
At Cost:		
Football merchandise	54,815	94,150
	<u>54,815</u>	<u>94,150</u>

7 Property plant and equipment

	2008	2007
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	92,086	82,973
Less accumulated depreciation	(52,580)	(35,313)
Total plant and equipment	<u>39,506</u>	<u>47,660</u>
Motor vehicles		
At cost	65,332	65,332
Less accumulated depreciation	(17,061)	(3,755)
Total motor vehicles	<u>48,271</u>	<u>61,577</u>
Total property, plant and equipment	<u>87,777</u>	<u>109,237</u>

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

7 Property plant and equipment (Continued)

(a) Movements in Carrying Amounts

	Plant and Equipment \$	Leased motor vehicles \$	Total \$
Current Year			
Balance at the beginning of year	47,660	61,577	109,237
Additions	9,476	-	9,476
Disposals	(362)	-	(362)
Depreciation expense	(17,267)	(13,307)	(30,574)
Carrying amount at the end of year	<u>39,507</u>	<u>48,270</u>	<u>87,777</u>
Prior Year			
Balance at the beginning of year	42,075	-	42,075
Additions	19,780	65,332	85,112
Depreciation expense	(14,195)	(3,755)	(17,950)
Carrying amount at the end of year	<u>47,660</u>	<u>61,577</u>	<u>109,237</u>

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

8 Other Assets

	2008	2007
	\$	\$
CURRENT		
Prepayments	482,371	273,543
Deposits paid in advance	-	6,820
	<u>482,371</u>	<u>280,363</u>

9 Trade and other payables

	2008	2007
	\$	\$
CURRENT		
Trade payables	90,097	175,679
GST payable	-	(14,776)
Other payables	9,887	28,373
Deferred income	889,020	654,396
	<u>999,004</u>	<u>843,672</u>

10 Provisions

	2008	2007
	\$	\$
Employee entitlements		
Opening balance	88,359	85,481
Additional provisions	70,584	8,607
Amounts used	(66,889)	(5,729)
Closing balance	<u>92,054</u>	<u>88,359</u>

Analysis of Total Provisions

	2008	2007
	\$	\$
Current	80,957	67,943
Non-current	11,097	20,416
	<u>92,054</u>	<u>88,359</u>

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

11 Financial Liabilities

	2008	2007
	\$	\$
CURRENT		
Secured liabilities		
Finance lease obligation	12,474	11,461
Commercial loan facility (insurance premium)	98,940	-
	<u>111,414</u>	<u>11,461</u>
NON-CURRENT		
Secured liabilities		
Finance lease obligation	43,815	56,289
	<u>43,815</u>	<u>56,289</u>

(a) Total current and non-current secured liabilities

	2008	2007
	\$	\$
Finance lease obligations	56,289	67,750
Commercial loan facility (insurance premium)	98,940	-
	<u>155,229</u>	<u>67,750</u>

(b) The carrying amounts of non-current assets pledged as security are:

	2008	2007
	\$	\$
Motor vehicles	48,270	61,577
	<u>48,270</u>	<u>61,577</u>

12 Capital and Leasing Commitments

(a) Finance Lease Commitments

	2008	2007
	\$	\$
Payable - minimum lease payments		
- no later than 12 months	12,474	11,461
- between 12 months and 5 years	43,815	56,289
Minimum lease payments	<u>56,289</u>	<u>67,750</u>
Present value of minimum lease payments	<u>56,289</u>	<u>67,750</u>

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

13 Auditors' Remuneration

	2008	2007
	\$	\$
Remuneration of the auditor of the company for:		
- Auditing or reviewing the financial report	11,000	8,000
- Other services	3,500	3,500
	<u>14,500</u>	<u>11,500</u>

14 Special Project Costs

	2008	2007
	\$	\$
Red Kits	520,000	-
Grant writing assistance	30,000	-
Other	394	38,905
Total	<u>550,394</u>	<u>38,905</u>

15 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2008	2007
	\$	\$
Net income/(loss) for the period	(17,514)	366,141
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	30,574	17,949
changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade and term receivables	(127,076)	12,430
(Increase)/decrease in prepayments	(278,317)	(49,877)
(Increase)/decrease in inventories	39,335	(13,315)
Increase/(decrease) in trade payables and accruals	229,496	27,955
Increase/(decrease) in other assets	21,548	(6,025)
Increase/(decrease) in lease liability	(11,461)	-
Increase/(decrease) in provisions	3,695	2,880
	<u>(109,720)</u>	<u>358,138</u>

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

16 Events after the Balance Sheet Date

There are no significant events that have occurred since balance date that require disclosure in the financial statements, except for the following:

Since balance date the company signed an agreement with a debtor whereby the debt is now reclassified as a loan receivable with a non-current portion. Refer Note 5 for further details.

17 Members' Guarantee

The liability of the members of the company is limited by guarantee. Every member undertakes to contribute to the assets of the company in the event of it being wound up during the time that person is a member or within one period afterwards, for payment of the debts and liabilities of the company contracted before the time at which that person ceases to be a member and of the costs, charges and expenses of winding up and for any adjustments of the rights of the contributions amongst themselves such amount as may be required, not exceeding the sum of ten dollars (\$10). As at 30 September 2008 the number of members was 24 (2007: 24).

18 Segment Reporting

The company operates predominately in one business segment, being the administration of sport and in one geographical location, being Queensland, Australia.

19 Related party transactions

(a) Management services provided

The names of the directors who have held office during the year are:

- Blair Burke
- Clement Campbell
- Dennis O'Brien
- Paul Young
- Ash Hanna
- Peter Whitehead

The directors are not remunerated for their services provided to the company, other than normal reimbursement type costs for travel, etc.

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

20 Contingent liabilities

The company from time to time receives claims from member players in relation to sport injuries suffered by the players. The company believes that it is adequately covered by its insurance to cover for such claims and it is unlikely that the company would be required to meet the costs of the claims, apart from the normal insurance excess requirements.

21 Company Details

(a) Registered office

The registered office of the company is:

Football Queensland Ltd
Level 3, Queensland Sport and Athletics Centre
Kessels Road
NATHAN QLD 4111

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

22 Financial Instruments

Interest Rate Risk

The company's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Maturing within 1 Year		Maturing 1 to 5 Years		Non-Interest Bearing		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets:												
Cash and cash equivalents	4.00	5.20	1,542,283	1,653,887	-	-	-	-	-	-	1,542,283	1,653,887
Receivables	-	-	-	-	20,500	-	69,489	-	204,295	103,812	294,284	103,812
Total Financial Assets			1,542,283	1,653,887	20,500	-	69,489	-	204,295	103,812	1,836,567	1,757,699
Financial Liabilities:												
Trade and sundry payables	-	-	-	-	98,940	-	-	-	989,004	843,671	1,087,944	843,671
Financial liabilities	8.50	8.50	-	-	111,414	11,461	43,815	56,289	-	-	155,229	67,750
Total Financial Liabilities			-	-	210,354	11,461	43,815	56,289	989,004	843,671	1,243,173	911,421

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

22 Financial instruments (Continued)

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans, bills and leases. The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management issues are raised and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

Football Queensland Ltd does not have any derivative financial instruments at 30 September 2008.

Financial risk exposures and management

(i) Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt.

The company has limited exposure to this risk as it has only lease liabilities which are fixed. Interest earned from bank deposits do not form a significant revenue stream.

(ii) Foreign Currency Risk

The company is not exposed to fluctuations in foreign currencies.

(iii) Liquidity Risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

(iv) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no material amounts of collateral held as security at 30 September 2008.

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company except for the following matter:

- A debtor which is also a member club is owing an amount of \$86,989 at balance date. The debtor has signed an agreement since balance date to repay the debt by 18 February 2014, plus interest charges and there are other terms and conditions in place. The debt has been reclassified as a loan receivable as at 30 June 2009 and \$69,489 of the \$89,489 is non-current. The company believes the debt will be recovered.

Credit risk is managed and reviewed regularly by the Board of Directors. It arises from exposures to customers as well as through deposits with financial institutions.

Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Year Ended 30 September 2008

22 Financial instruments (Continued)

The Board of Directors monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- Only banks and financial institutions with an 'A' rating are utilised;
- All potential customers are rated for credit worthiness taking into account their size, market position and financial standing; and
- Customers that do not meet the company's strict credit policies may only purchase in cash or using recognised credit cards.

The trade receivables balance at 30 September 2008 and 30 September 2007 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

(v) Price risk

The company is not exposed to any material commodity price risk.

Football Queensland Ltd

ABN: 83 063 925 333

Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 25, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 September 2008 and of the performance for the year ended on that date of the company;
2. In the directors opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on and for the directors by:



Director
Dennis O'Brien



Director
Peter Whitehead

Dated 24th August 2009



BDO Kendalls

BDO Kendalls (QLD)
Level 18, 300 Queen St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Phone 61 7 3237 5999
Fax 61 7 3221 9227
info.brisbane@bdo.com.au
www.bdo.com.au

ABN 70 202 702 402

INDEPENDENT AUDIT REPORT TO THE DIRECTORS OF FOOTBALL QUEENSLAND LTD

Report on the Financial Report

We have audited the accompanying financial report of Football Queensland Ltd, which comprises the balance sheet as at 30 September 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended that date a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

INDEPENDENT AUDIT REPORT TO THE DIRECTORS OF FOOTBALL QUEENSLAND LTD CONTINUED**Independence**

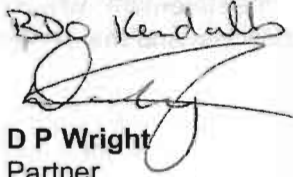
In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Football Queensland Ltd, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion the financial report of Football Queensland Ltd is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 September 2008 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

BDO Kendalls (Qld)


D P Wright
Partner

Brisbane
25 August 2009