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# Football Queensland Ltd

ABN: 83 063 925 333

## Financial Statements

For the Period Ended 31 December 2009

# Football Queensland Ltd

ABN: 83 063 925 333

## Directors' Report

For the period ended 31 December 2009

Your directors present their report on the company for the period ended 31 December 2009.

### 1. General Information

#### a Principal Activities

The principal activities of Football Queensland Ltd during the period were 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 period.

#### b Directors

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

**Names**

Dennis O'Brien

Paul Young

Ash Hanna

Peter Whitehead

Guido Canale

Victor Pennisi

Fiona Hannan (Appointed 6 November 2009)

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

#### c Change in Balance Date

The directors of the company applied to the Australian Securities and Investments Commission (ASIC) to change the company's balance date from 30 September to 31 December. ASIC approved their application on 20 November 2009 subject to the company preparing and lodging a financial report for the 3 month period ended 31 December 2009.

As a result, current figures provided are for the 3 month period 1 October 2009 to 31 December 2009. However, comparative figures provided are for the 12 month period 1 October 2008 to 30 September 2009.

### 2. Business review

#### a Operating Results

The net profit of Football Queensland Ltd amounted to \$ 40,499.

# Football Queensland Ltd

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## Directors' Report

For the period ended 31 December 2009

### 2. Business review (Continued)

#### b Review of operations

During the period 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
- emphasise the need to do all things possible to improve the overall financial position of the company.

### 3. Director Information

#### a Information on Directors

Dennis O'Brien

Qualifications

BSc, DipCompSc, MA, MSc

Experience

Elected Board Member March 2004

Paul Young

Experience

Elected Board Member January 2007

Ash Hanna

Experience

Elected Board Member January 2007

Peter Whitehead

Experience

Elected Board Member January 2007

Guido Canale

Experience

Elected Board Member March 2009

Victor Pennisi

Experience

Elected Board Member March 2009

Fiona Hannan

Experience

Elected Board Member November 2009

#### b Meetings of Directors

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

# Football Queensland Ltd

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## Directors' Report

For the period ended 31 December 2009

### b Meetings of Directors (Continued)

	Directors' Meetings	
	Eligible to attend	Number attended
Dennis O'Brien	2	2
Paul Young	2	2
Ash Hanna	2	2
Peter Whitehead	2	1
Guido Canale	2	1
Victor Pennisi	2	1
Fiona Hannan	1	1

## 4. Other items

### a Auditor's Independence Declaration

The lead auditor's independence declaration for the period ended 31 December 2009 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 period.

### c After balance day events

No matters or circumstances have arisen since the end of the period 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.

### 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.

## 5. 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 willful breach of duty in relation to the company.

# Football Queensland Ltd

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## Directors' Report

For the period ended 31 December 2009

### 6. Dividends and Options

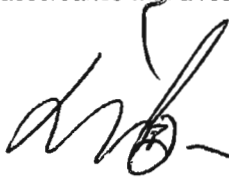
Being a company limited by guarantee, there are no dividends declared or paid nor any share options issued.

### 7. Proceedings on Behalf of the Company

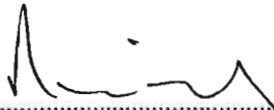
No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the period.

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



Director: .....  
Dennis O'Brien



Director: .....  
Peter Whitehead

Dated this 17th day of February 2010

**DECLARATION OF INDEPENDENCE BY MR D P WRIGHT UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF FOOTBALL QUEENSLAND LIMITED**

As lead auditor of Football Queensland Ltd, I declare that, to the best of my knowledge and belief, during the three month period ended 31 December 2009 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.

This declaration is in respect of Football Queensland Ltd.



**D P Wright**

Partner

**BDO (QLD)**

Brisbane, 23 February 2010

# Football Queensland Ltd

ABN: 83 063 925 333

## Income Statement

For the period ended 31 December 2009

		31 December 2009	30 September 2009
	Note	\$	\$
Revenue	2	1,176,514	4,827,064
Employee costs		(409,965)	(1,471,774)
Depreciation, amortisation and impairments		(5,731)	(38,388)
Coaching clinics and education		(18,555)	(250,280)
National registration fees and insurance		(271,244)	(1,090,987)
Merchandise purchases	3	(137)	(22,176)
Representative programs costs		(324,833)	(1,203,098)
Rental expenses	3	(13,096)	(52,555)
Special projects	13	(2,408)	(260,415)
Finance costs	3	(720)	(23,859)
Other operating expenses		(89,326)	(477,976)
<b>Profit / (loss) before income tax</b>		<b>40,499</b>	<b>(64,444)</b>
Income tax expense		-	-
<b>Profit / (loss) attributable to members</b>		<b>40,499</b>	<b>(64,444)</b>

# Football Queensland Ltd

ABN: 83 063 925 333

## Balance Sheet

For the period ended 31 December 2009

		31 December 2009	30 September 2009
	Note	\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	1,364,590	1,287,843
Trade and other receivables	5	290,042	391,430
Other current assets	7	149,876	496,550
<b>Total current assets</b>		<b>1,804,508</b>	<b>2,175,823</b>
<b>Non-current assets</b>			
Trade and other receivables	5	74,832	90,081
Property, plant and equipment	6	81,734	56,624
Other non-current assets	7	22,945	22,945
<b>Total non-current assets</b>		<b>179,511</b>	<b>169,650</b>
<b>TOTAL ASSETS</b>		<b>1,984,019</b>	<b>2,345,473</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	8	685,725	1,022,548
Financial liabilities	10	18,392	64,344
Short-term provisions	9	72,448	91,647
<b>Total current liabilities</b>		<b>776,565</b>	<b>1,178,539</b>
<b>Non-current liabilities</b>			
Other long-term provisions	9	1,221	1,200
<b>Total non-current liabilities</b>		<b>1,221</b>	<b>1,200</b>
<b>TOTAL LIABILITIES</b>		<b>777,786</b>	<b>1,179,739</b>
<b>NET ASSETS</b>		<b>1,206,233</b>	<b>1,165,734</b>
<b>EQUITY</b>			
Retained earnings		1,206,233	1,165,734
<b>TOTAL EQUITY</b>		<b>1,206,233</b>	<b>1,165,734</b>



# Football Queensland Ltd

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## Statement of Changes in Equity

For the period ended 31 December 2009

	Retained Earnings	Total
	\$	\$
Balance at 1 October 2009	1,165,734	1,165,734
Profit attributable to members	40,499	40,499
<b>Sub-total</b>	<b>40,499</b>	<b>40,499</b>
<b>Balance at 31 December 2009</b>	<b>1,206,233</b>	<b>1,206,233</b>

	Retained Earnings	Total
	\$	\$
Balance at 1 October 2008	1,230,178	1,230,178
Profit attributable to members	(64,444)	(64,444)
<b>Sub-total</b>	<b>(64,444)</b>	<b>(64,444)</b>
<b>Balance at 30 September 2009</b>	<b>1,165,734</b>	<b>1,165,734</b>

# Football Queensland Ltd

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## Cash Flow Statement

For the period ended 31 December 2009

	31 December 2009	30 September 2009
Note	\$	\$
<b>Cash from operating activities:</b>		
Receipts from customers	1,386,227	5,041,239
Payments to suppliers and employees	(1,285,813)	(5,318,600)
Interest received	7,893	51,034
Finance costs	(720)	(23,859)
<b>Net cash provided by (used in) operating activities</b>	<b>14 107,587</b>	<b>(250,186)</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of plant and equipment	-	15,000
Acquisition of property, plant and equipment	(30,840)	(25,165)
Repayment of Loans	-	5,911
<b>Net cash provided by (used in) investing activities</b>	<b>(30,840)</b>	<b>(4,254)</b>
<b>Cash flows from financing activities:</b>		
<b>Other activities:</b>		
<b>Net increase (decreases) in cash held</b>	<b>76,747</b>	<b>(254,440)</b>
Cash at beginning of financial year	1,287,843	1,542,283
<b>Cash at end of financial year</b>	<b>4 1,364,590</b>	<b>1,287,843</b>

# Football Queensland Ltd

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## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 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 as an individual entity. 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 company 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, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### (c) Consumables

Consumables consist of football gear measured at purchase price. These products are expensed when used by the entity or given to programme participants for taking part in Representative Programmes.

#### (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

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## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 1 Accounting policies (Continued)

#### (d) Property, plant and equipment (Continued)

The costs of fixed assets constructed within the 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 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 Goods and Services Tax (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

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## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 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 entity 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.

#### (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*.

# Football Queensland Ltd

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Notes to the Financial Statements

For the Period Ended 31 December 2009

## 1 Accounting policies (Continued)

### (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 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

##### *Collectibility of receivables*

Included in the trade and other receivables are amounts owing to certain sponsors, the national body and member clubs. To the date of this report no part of this amount has been collected. With sponsorship debtors included in the above, collection of the money depends on lodgement and on assessment of the acquittal and accountability requirements for which the moneys were granted.

# Football Queensland Ltd

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## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 1 Accounting policies (Continued)

#### (m) Critical accounting estimates and judgements (Continued)

Debtors relating to member clubs are considered recoverable on the basis that the survival of the club is very much dependent upon the club being part of the competitions and events sanctioned by Football Queensland Ltd.

The directors believe that they have met all the acquittal and accountability requirements and the debt is collectable and therefore no provision for impairment has been made. Refer to Note 5.

#### (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.

###### *ii) 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.

# Football Queensland Ltd

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## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 1 Accounting policies (Continued)

#### (n) Financial instruments (Continued)

##### iii) *Financial liabilities*

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

#### (o) Comparative Figures

The directors of the company applied to the Australian Securities and Investments Commission (ASIC) to change the company's balance date from 30 September to 31 December. ASIC approved their application on 20 November 2009 subject to the company preparing and lodging a financial report for the 3 month period ended 31 December 2009.

As a result, current figures provided are for the 3 month period 1 October 2009 to 31 December 2009. However, comparative figures provided are for the 12 month period 1 October 2008 to 30 September 2009.



# Football Queensland Ltd

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## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 2 Revenue and Other Income

	31 December 2009	30 September 2009
	\$	\$
Operating activities		
- Coaching clinics and education	38,948	207,192
- Membership subscriptions	753,506	2,791,146
- Merchandise income	10,388	69,849
- Sponsorship fees	87,614	340,039
- Representative program income	153,698	745,808
- Interest received	7,893	51,034
- Operating grants	72,674	298,197
- Other revenue	51,793	323,799
Total Revenue	<u>1,176,514</u>	<u>4,827,064</u>

### 3 Profit from Ordinary Activities

	31 December 2009	30 September 2009
	\$	\$
Finance costs	720	23,859
Rental expenses	13,096	52,555
Merchandise purchases	137	22,176

### 4 Cash and cash equivalents

	31 December 2009	30 September 2009
	\$	\$
Cash on hand	300	300
Cash at bank	525,174	404,010
Short-term bank deposits	839,116	883,533
	<u>1,364,590</u>	<u>1,287,843</u>

# Football Queensland Ltd

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## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 5 Trade and other receivables

	31 December 2009	30 September 2009
	\$	\$
<b>CURRENT</b>		
Trade receivables	330,785	431,529
Provision for doubtful debts	(49,599)	(40,099)
Other receivables	8,856	-
	<u>290,042</u>	<u>391,430</u>
	31 December 2009	30 September 2009
	\$	\$
<b>NON-CURRENT</b>		
Loan receivable *	<u>72,989</u>	<u>72,989</u>
	<u>72,989</u>	<u>72,989</u>
GST future tax benefits	1,843	1,979
Other receivables	-	15,113
	<u>74,832</u>	<u>90,081</u>

\* The loan is to an affiliated member Football Club. A loan agreement was signed between the parties whereby the loan is repayable on 18 February 2014, plus interest charges. There are other terms and conditions in place.

#### Credit risk

The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk for the company. The company has the following significant concentration of credit risk with respect to the following individually significant debtors included in Trade and Other Receivables:

	Gross Amount	Within Trade Terms	Past Due but not Impaired
Sponsors	90,106	45,056	45,050
Member Clubs and National Body	152,149	109,410	42,739
<b>Total</b>	<u>242,255</u>	<u>155,466</u>	<u>87,789</u>

The total of the above balance represents 73% of the current trade and other receivables. No impairment has been recorded against the above debtors. The remaining balance that make up trade receivables balance include a large number of small individual debtor balances predominantly those who are registered club players which are not considered generally as a credit risk.

To the date of this report, \$168,607 (70%) relating to the above debt has been collected. There may appear to be a degree of uncertainty relating to the recovery of the remaining unpaid amounts given the period the debt has been outstanding. However, the company will take every step necessary to recover the remaining debts and the directors are confident that the debts will be recovered.

# Football Queensland Ltd

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## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 5 Trade and other receivables (continued)

The following table details the company's trade and other receivables exposed to credit risk with ageing analysis and impairment provided thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the debtor. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid.

The balance of receivables that remain within the initial trade terms (usually 60 days) are considered to be of good credit quality.

31 December 2009	Gross Amount	Within Trade Terms	Past Due but not Impaired 60-90 days	Past Due but not Impaired >90 days	Past Due and Impaired
Current trade receivables	330,785	187,652	40,755	52,779	49,599
Other current receivables	8,856	8,856	-	-	-
Non-current receivables	74,832	74,832	-	-	-
<b>Total receivables</b>	<b>414,641</b>	<b>271,340</b>	<b>40,775</b>	<b>52,779</b>	<b>49,599</b>

30 September 2009	Gross Amount	Within Trade Terms	Past Due but not Impaired 60-90 days	Past Due but not Impaired >90 days	Past Due and Impaired
Current trade receivables	431,529	249,837	72,769	68,824	40,099
Other current receivables	-	-	-	-	-
Non-current receivables	90,081	90,081	-	-	-
<b>Total receivables</b>	<b>521,610</b>	<b>339,918</b>	<b>72,769</b>	<b>68,824</b>	<b>40,099</b>

# Football Queensland Ltd

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Notes to the Financial Statements

For the Period Ended 31 December 2009

## 6 Property plant and equipment

	31 December 2009	30 September 2009
	\$	\$
<b>PLANT AND EQUIPMENT</b>		
Plant and equipment		
At cost	134,065	103,225
Less accumulated depreciation	(63,738)	(60,729)
<b>Total plant and equipment</b>	<b>70,327</b>	<b>42,496</b>
Motor vehicles		
At cost	32,666	32,666
Less accumulated depreciation	(21,259)	(18,538)
<b>Total motor vehicles</b>	<b>11,407</b>	<b>14,128</b>
<b>Total property, plant and equipment</b>	<b>81,734</b>	<b>56,624</b>

### (a) Movements in Carrying Amounts (Continued)

	Plant and Equipment	Leased motor vehicles	Total
	\$	\$	\$
<b>Current Period</b>			
Balance at the beginning of period	42,496	14,128	56,624
Additions	30,840	-	30,840
Depreciation expense	(3,009)	(2,721)	(5,730)
Carrying amount at the end of period	<b>70,327</b>	<b>11,407</b>	<b>81,734</b>
<b>Prior Period</b>			
Balance at the beginning of period	39,507	48,270	87,777
Additions	25,165	-	25,165
Disposals	-	(17,930)	(17,930)
Depreciation expense	(22,176)	(16,212)	(38,388)
Carrying amount at the end of period	42,496	14,128	56,624

# Football Queensland Ltd

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## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 7 Other Assets

	31 December 2009	30 September 2009
	\$	\$
<b>CURRENT</b>		
Consumables	17,247	19,448
Prepayments	132,629	467,114
Undeposited funds	-	9,988
	<u>149,876</u>	<u>496,550</u>
<b>NON-CURRENT</b>		
Consumables	22,945	22,945
	<u>22,945</u>	<u>22,945</u>

### 8 Trade and other payables

	31 December 2009	30 September 2009
	\$	\$
<b>CURRENT</b>		
Trade payables	225,811	118,658
GST payable	-	3,877
Other payables	13,834	18,065
Deferred income	446,080	881,948
	<u>685,725</u>	<u>1,022,548</u>

### 9 Provisions

	Employee entitlements	Total
	\$	\$
Opening balance at 1 October 2009	92,847	92,847
Additional provisions	27,481	27,481
Amounts used	(46,659)	(46,659)
Balance at 31 December 2009	<u>73,669</u>	<u>73,669</u>

#### Analysis of Total Provisions

	31 December 2009	30 September 2009
	\$	\$
Current	72,448	91,647
Non-current	1,221	1,200
	<u>73,669</u>	<u>92,847</u>

# Football Queensland Ltd

ABN: 83 063 925 333

## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 10 Financial Liabilities

	31 December 2009	30 September 2009
	\$	\$
CURRENT		
Secured liabilities		
Finance lease obligation	18,392	19,770
Commercial loan facility (for insurance premium)	-	44,574
	<u>18,392</u>	<u>64,344</u>

#### (a) Total current and non-current secured liabilities

	31 December 2009	30 September 2009
	\$	\$
Finance lease obligations	18,392	19,770
Other financial liabilities	-	44,574
	<u>18,392</u>	<u>64,344</u>

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

	31 December 2009	30 September 2009
	\$	\$
Motor vehicles	11,407	14,128
	<u>11,407</u>	<u>14,128</u>

### 11 Capital and Leasing Commitments

#### (a) Finance Lease Commitments

	31 December 2009	30 September 2009
	\$	\$
Payable - minimum lease payments - no later than 12 months	18,392	19,770
Minimum lease payments	18,392	19,770
Present value of minimum lease payments	<u>18,392</u>	<u>19,770</u>

# Football Queensland Ltd

ABN: 83 063 925 333

## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 12 Auditors' Remuneration

	31 December 2009	30 September 2009
	\$	\$
Remuneration of the auditor of the company for:		
- Auditing or reviewing the financial report	11,500	11,500
- Other services	3,500	3,500

### 13 Special Project Costs

	31 December 2009	30 September 2009
	\$	\$
Red Kits	-	191,000
Grant writing assistance	-	16,000
Other	2,408	53,415
<b>Total</b>	<b>2,408</b>	<b>260,415</b>

### 14 Cash Flow Information

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

	31 December 2009	30 September 2009
	\$	\$
Net income/(loss) for the period	40,499	(64,444)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	5,731	38,388
Bad debts	9,500	6,720
Other expenses	-	14,198
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
(Increase)/decrease in trade and term receivables	100,744	(212,394)
(Increase)/decrease in prepayments	334,485	(15,257)
(Increase)/decrease in inventories	2,201	35,367
Increase/(decrease) in trade payables and accruals	(382,776)	3,642
Increase/(decrease) in other assets	16,381	(55,613)
Increase/(decrease) in provisions	(19,178)	(793)
	<b>107,587</b>	<b>(250,186)</b>

### 15 Events after the Balance Sheet Date

There are no significant events that have occurred since balance date that require disclosure in the financial statements.

# Football Queensland Ltd

ABN: 83 063 925 333

## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 16 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 31 December 2009 the number of members was 24 (30 September 2009: 24).

### 17 Segment Reporting

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

### 18 Related party transactions

#### (a) Management services provided

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

- Dennis O'Brien
- Paul Young
- Ash Hanna
- Peter Whitehead
- Guido Canale
- Victor Pennisi
- Fiona Hannan

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 Period Ended 31 December 2009

### 19 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.

### 20 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: 63 063 925 333

Notes to the Financial Statements  
For the Period Ended 31 December 2009

## 21 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		Floating Interest Rate		Maturing within 1 Year		Maturing 1 to 5 Years		Non-interest Bearing		Total
	Dec 2009	Sept 2009	Dec 2009	Sept 2009	Dec 2009	Sept 2009	Dec 2009	Sept 2009	Dec 2009	Sept 2009	
Effective Interest Rate	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	3.50	3.50	1,364,592	1,287,843	-	-	-	-	-	-	1,364,592
Receivables	-	-	-	-	10,699	17,092	72,989	72,989	281,186	391,430	364,874
<b>Total Financial Assets</b>			<b>1,364,592</b>	<b>1,287,843</b>	<b>10,699</b>	<b>17,092</b>	<b>72,989</b>	<b>72,989</b>	<b>281,186</b>	<b>391,430</b>	<b>1,729,466</b>
<b>Financial Liabilities:</b>											
Trade and sundry payables	-	-	-	-	-	44,574	-	-	685,725	1,022,548	685,725
Financial liabilities	8.50	8.50	-	-	18,392	64,344	-	-	-	-	18,392
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>18,392</b>	<b>108,918</b>	<b>-</b>	<b>-</b>	<b>685,725</b>	<b>1,022,548</b>	<b>704,117</b>
											<b>1,131,466</b>

# Football Queensland Ltd

ABN: 83 063 925 333

## Notes to the Financial Statements

For the Period Ended 31 December 2009

### 21 Financial instruments (Continued)

#### (a) Financial Risk Management

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 31 December 2009.

#### 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.

Refer to Note 5 for credit risk exposure.

Credit risk is managed and reviewed regularly by the Board of Directors. It arises from exposures to customers primarily.

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;

# Football Queensland Ltd

ABN: 83 063 925 333

Notes to the Financial Statements

For the Period Ended 31 December 2009

## 21 Financial instruments (Continued)

- 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 31 December 2009 and 30 September 2009 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 27, 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 31 December 2009 and of the performance for the period 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 17th day of February 2010

## 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 31 December 2009, and the income statement, statement of changes in equity and cash flow statement for the three month period ended that date, 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 engagement 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.

### Independence

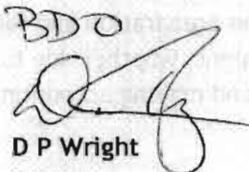
In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Football Queensland Ltd, would be in the same terms if provided to the directors 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 31 December 2009 and of its performance for the three month period ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

BDO (Qld)



D P Wright  
Partner

Brisbane, 23 February 2010