

Football Federation Victoria

Financial Statements

For the Year Ended 31 October 2015



FOOTBALL FEDERATION VICTORIA

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 October 2015

	Note	2015 \$	2014 \$
Revenue	2(a)	10,563,379	9,519,627
Other Revenue	2(b)	860,422	261,417
		<u>11,423,801</u>	<u>9,781,044</u>
Employee benefits expense	3	(4,287,876)	(3,896,836)
Depreciation and amortisation	3	(333,973)	(284,387)
Finance and borrowing costs	3	(7,100)	(24,614)
Operating expenses	3	<u>(4,679,620)</u>	<u>(5,070,923)</u>
		<u>(9,308,569)</u>	<u>(9,276,760)</u>
Surplus for the year		<u><u>2,115,232</u></u>	<u><u>504,284</u></u>
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		<u><u>2,115,232</u></u>	<u><u>504,284</u></u>

The accompanying notes form part of these financial statements

FOOTBALL FEDERATION VICTORIA

Statement of Financial Position As at 31 October 2015

	Note	2015 \$	2014 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	3,453,483	1,248,229
Trade and other receivables	5	207,686	430,500
Other current assets	6	172,801	159,039
Total current assets		<u>3,833,970</u>	<u>1,837,768</u>
Non-current assets			
Property, plant and equipment	7	1,626,457	1,946,487
Investment property	8	2,400,000	1,800,000
Other non-current assets	6	150,000	-
Total non-current assets		<u>4,176,457</u>	<u>3,746,487</u>
TOTAL ASSETS		<u>8,010,427</u>	<u>5,584,255</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	9	2,052,775	1,415,614
Interest bearing loans and borrowings	10	36,272	75,006
Employee benefits	11	286,438	336,811
Income in advance	12	538,192	739,111
Total current liabilities		<u>2,913,677</u>	<u>2,566,542</u>
Non-current liabilities			
Interest bearing loans and borrowings	10	46,525	82,797
Employee benefits	11	19,902	19,825
Total non-current liabilities		<u>66,427</u>	<u>102,622</u>
TOTAL LIABILITIES		<u>2,980,104</u>	<u>2,669,164</u>
NET ASSETS		<u>5,030,323</u>	<u>2,915,091</u>
MEMBERS' FUNDS			
Building Trust Fund		964,079	964,079
Accumulated surplus		4,066,244	1,951,012
TOTAL MEMBERS FUNDS		<u>5,030,323</u>	<u>2,915,091</u>

The accompanying notes form part of these financial statements

FOOTBALL FEDERATION VICTORIA

Statement of Changes in Members' Funds For the year ended 31 October 2015

	Note	Building Trust Fund \$	Accumulated surplus \$	Members Funds \$
Balance as at 31 October 2013		964,079	1,446,728	2,410,807
Surplus for the year		-	504,284	504,284
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	504,284	504,284
Balance as at 31 October 2014		964,079	1,951,012	2,915,091
Surplus for the year		-	2,115,232	2,115,232
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	2,115,232	2,115,232
Balance as at 31 October 2015		<u>964,079</u>	<u>4,066,244</u>	<u>5,030,323</u>

The accompanying notes form part of these financial statements

FOOTBALL FEDERATION VICTORIA

Statement of Cash Flows

For the year ended 31 October 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities:			
Receipts from registrations, sponsorships, affiliation and other fees		11,194,096	10,110,287
Payments to suppliers and employees		(8,881,190)	(9,173,522)
Finance and borrowing costs		(7,100)	(17,353)
Interest received		55,513	29,575
Total cash from operating activities	14(a)	2,361,319	948,987
Cash flows from investing activities:			
Receipts received from investment income		114,202	110,340
Investment property costs		(28,020)	(19,495)
Payments for plant and equipment		(17,241)	(297,708)
Funds advanced for Knox pitch replacement		(150,000)	-
Net cash used by investing activities		(81,059)	(206,863)
Cash flows from financing activities:			
Repayment of borrowings		(75,006)	(67,417)
Net cash used by financing activities		(75,006)	(67,417)
Net cash increase in cash and cash equivalents		2,205,254	674,707
Cash and cash equivalents at beginning of year		1,248,229	573,522
Cash and cash equivalents at end of year	4	3,453,483	1,248,229

The accompanying notes form part of these financial statements

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

1 Statement of Significant Accounting Policies

(a) Corporate information

The financial report is for Football Federation Victoria Inc. (FFV) as an individual entity and as an association incorporated in Victoria under the Associations Incorporation Reform Act 2012.

The financial report of Football Federation Victoria Inc. was authorised for issue by the Board on 15 February 2016.

(b) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations), other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Reform Act 2012.

(c) Adoption of new and revised Accounting Standards

Changes in accounting policy and disclosures

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

Accounting Standards or Interpretations issued but not yet effective

At the date of authorisation of the financial report there were no Standards or Interpretations that were on issue but not yet effective that would affect any of the amounts recognised in the financial report.

(d) Income Tax

Football Federation Victoria is exempt from income tax in accordance with the provisions of the Income Tax Assessment Act. Football Federation Victoria is a not-for-profit entity which is established for developing and promoting football within Victoria.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

1 Statement of Significant Accounting Policies (cont)

(e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost, less any accumulated depreciation and impairment losses. Costs includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation

The depreciable amount of all fixed assets including capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Asset	Depreciation Rates Depreciation Basis	
Buildings	5%	Straight Line
Darebin football facility	6.25%	Straight Line
Knox football facility	5.3-15%	Straight Line
Leasehold improvements	10 - 33%	Straight Line
Leased motor vehicles	22.5%	Straight Line
Leased office equipment	33%	Straight Line
Motor vehicles	20%	Straight Line
Office equipment and software	17 - 40%	Straight Line
Furniture, fixture and fittings	10 - 33%	Straight Line

The assets' carrying value and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

(f) 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.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

1 Statement of Significant Accounting Policies (cont)

(g) Impairment of Assets

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

Where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset.

(h) Trade and Other Receivables

Trade receivables, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

(i) Trade and Other Payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to Football Federation Victoria prior to the end of the financial year that are unpaid and arise when Football Federation Victoria becomes obliged to make future payments in respect of the purchase of these goods and services.

(j) Employee Benefits

Wages, Salaries and Annual Leave

Liabilities for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date. They are calculated at undiscounted amounts based on remuneration wage and salary rates that Football Federation Victoria expects to pay as at reporting date including related on-costs, such as workers compensation insurance, superannuation and payroll tax.

Long-term service benefits - Annual Leave and Long Service Leave

The FFV's net obligation in respect of long-term service benefits, is the amount of future benefit that employees have earned in return for their service in current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Governments bonds at the balance sheet date which have maturity dates approximating to the terms of Football Federation Victoria's obligations.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

1 Statement of Significant Accounting Policies (cont)

(j) Employee Benefits (cont)

Superannuation

The amount charged to the profit or loss in respect of superannuation represents the contributions made by Football Federation Victoria to superannuation funds during the period.

(k) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to Football Federation Victoria and the revenue can be reliably measured.

Government and Other Grants

Non-reciprocal grant revenue is recognised in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Sponsorship revenue

Sponsorship revenue is recognised over the period to which the sponsorship relates as specified by the sponsorship agreement. Amounts received in advance of the sponsorship period or event are recognised as income in advance.

Rendering of services

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. When the period of service delivery extends beyond year end, a share of the revenue is recognised as income in advance.

Interest Income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

All revenue is stated net of the amount of goods and services tax (GST).

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

1 Statement of Significant Accounting Policies (cont)

(l) 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 Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(m) Leases

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

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

(n) Investment Property

Property

In 2010 the trustees of the Trust Deed dated 24 February 1997 (the "Building Trust") vested the ownership of the investment property at 236 Dorcas St, South Melbourne, to Football Federation Victoria.

Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are carried at fair value, determined on a regular basis by independent valuers and reviewed annually by the board of directors. Changes to fair value are recorded in the Statement of Profit or Loss and Other Comprehensive Income.

The fair value of the investment property takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

1 Statement of Significant Accounting Policies (cont)

(o) Financial Instruments

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

The FFV has determined that it does not hold any assets in the above categories except for loans and receivables which are defined below.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or directly in equity.

An assessment of whether a financial asset is impaired is made at least at each reporting date.

All income and expenses relating to financial assets are recognised in the Statement of Comprehensive Income as a line item "finance income" or "finance costs", respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

Football Federation Victoria's trade and other receivables fall into this category of financial instruments.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

1 Statement of Significant Accounting Policies (cont)

(p) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless Football Federation Victoria has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs

Borrowing costs are recognised as an expense when incurred.

Gains and losses are recognised in profit or loss when the liabilities are derecognised.

(q) Income in Advance

Income is brought to account in the period in which it relates. Income received prior to 31 October 2015 which relates to future periods, has been recorded as income in advance.

(r) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(s) Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Long Service Leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

1 Statement of Significant Accounting Policies (cont)

(s) Significant management judgement in applying accounting policies (cont)

Definition of Knox Facility Asset

The main pitch, the pavilion, the second main pitch upon which the cages are built, the cages, the lights on both pitches and the surrounding carpark and access roads. These facilities are built on land leased from the Knox City Council under a 10-year lease with a five-year option.

Valuation of Knox Facility

The Knox Football Facility is a key resource utilised by Football Federation Victoria. Whilst the original purpose of the Knox Facility included commercial objectives the prime use of the facility is community based, as over 60% of revenue is generated by Knox resident or club bookings, as well as clubs and community tournaments, Knox residents and the broader football community. The majority of this is priced at less than commercial rates. As a result of this, the future economic benefits of the Knox Football Facility are not primarily dependent on the assets ability to generate net cash inflows. Depreciated replacement cost has therefore been considered by management when assessing impairment of the Knox Football Facility.

Treatment of Knox facility lease

Under the lease agreement, Football Federation Victoria agrees to manage and operate the Knox Facility premises and provide the "management services". Football Federation Victoria has the obligation to manage, operate and maintain the premises and the right to retain all revenue generated from the operation of the premises during the lease term. This includes an obligation to provide access to the facilities to Knox-based football clubs and other Knox-based hirers at a significant discount to market rates. There are no management rights that require any accounting in accordance with Accounting Standards.

The Football Centre Knox Asset (note 7) is the sum of the Knox Facility Funding Agreement and Knox Facility Lease Agreement. The Asset is depreciated over the expected initial lease term of 10 years.

Knox pitch replacement fund

Under the lease agreement with the Knox City Council, Football Federation Victoria has contracted commitments to contribute towards a future pitch replacement fund at the Knox facility. Football Federation Victoria has no liability for the cost of future pitch replacement providing that it expects to adequately utilise the assets to be created in these future pitch replacements. Football Federation Victoria is not yet able to determine whether it will exercise the option to renew the Knox lease agreement for a further five years at the end of the current lease period, and therefore on this basis, scheduled contributions are recognised as a non-current asset and will be transferred to Property, Plant and Equipment and depreciated when pitch replacement at the Knox facility takes place.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements For the year ended 31 October 2015

	Note	2015 \$	2014 \$
2 Revenue			
2(a) Operating revenue			
- Registration Fees		4,953,118	4,357,717
- Affiliation and Team Entry Fees		2,811,784	2,448,092
- Sponsorships and Grants		1,384,921	1,286,718
- Licence Fees		24,545	24,000
- Coaching and Development		108,919	139,506
- Fines and Appeals		7,500	22,450
- Referees Levies and Fees		86,994	133,770
- Events		116,732	88,428
- Talented Player Development		638,207	641,417
- Venue and Retail Operations		430,659	377,529
Total operating revenue		<u>10,563,379</u>	<u>9,519,627</u>
2(b) Other revenue			
- Rental Income from Investment Property		114,202	110,340
- Other Revenue		90,707	121,502
- Revaluation of Investment Property		600,000	-
<i>Finance Income</i>			
- Bank Interest		55,513	29,575
Total other revenue		<u>860,422</u>	<u>261,417</u>

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

	Note	2015 \$	2014 \$
3 Expenses included in income statement			
<i>Employee benefits expense</i>			
- Salaries and Wages		3,755,828	3,422,233
- Superannuation		335,303	301,152
- Payroll Tax and Workers Compensation		196,745	173,451
		<u>4,287,876</u>	<u>3,896,836</u>
<i>Depreciation of non-current assets:</i>			
- State Football Centre Darebin	7	51,807	51,807
- Football Centre Knox	7	149,440	89,368
- Motor Vehicles	7	21,499	10,478
- Computer Systems	7	32,246	39,287
- Sport and Office Equipment	7	78,981	93,447
		<u>333,973</u>	<u>284,387</u>
<i>Finance costs and borrowings paid:</i>			
- Darebin Council Loan		3,438	7,261
- Bank interest		3,662	17,353
		<u>7,100</u>	<u>24,614</u>
<i>Operating Expenses</i>			
- Game Development		392,793	429,971
- Competitions and Events		489,725	435,760
- Referees Administration and Development		188,977	167,628
- Football Operations		1,104,241	1,012,969
- Administration		1,344,135	1,536,455
- IT Expenses		158,426	123,777
- Sponsorship, Marketing and Communications		68,723	75,786
- Talented Player Development		632,882	978,338
- Venue and Retail Operations expense		299,718	310,239
		<u>4,679,620</u>	<u>5,070,923</u>

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements For the year ended 31 October 2015

	Note	2015 \$	2014 \$
4 Cash and cash equivalents			
Cash at bank and on hand		<u>3,453,483</u>	<u>1,248,229</u>
5 Trade and other receivables			
Trade receivables		205,316	454,599
Provision for doubtful debts		(49,902)	(69,406)
		<u>155,414</u>	<u>385,193</u>
Other receivables		52,272	45,307
		<u>207,686</u>	<u>430,500</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

We have used the following basis to assess the doubtful debt required for trade receivables:

- an individual account by account assessment based on past credit history;
- any prior knowledge of debtor insolvency or other credit risk; and
- working with stakeholders on a monthly basis to assess amounts past due to determine recoverability.

6 Other Assets

CURRENT

Prepayments	<u>172,801</u>	<u>159,039</u>
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NON CURRENT

Funds advanced for pitch replacement	<u>150,000</u>	<u>-</u>
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Football Federation Victoria has contracted commitments to a future pitch replacement fund at the Knox facility. During 2015 the first contribution was made of \$150,000 which has been recognised as an asset on the basis that FFV is not yet able to determine whether it will exercise the option to renew the Knox lease agreement for a further five years at the end of the current lease period, and therefore FFV may expect to enjoy the benefit of the use of the proposed new pitches for their full useful lives. The funds advanced will be transferred to PPE and depreciated when pitch replacement at the Knox facility takes place.

The remaining contracted commitments in relation to the pitch replacement fund are shown at Note 7.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements For the year ended 31 October 2015

	Note	2015 \$	2014 \$
7 Property, Plant and Equipment			
LAND AND BUILDINGS			
State Football Centre - Darebin		830,241	830,241
Less accumulated depreciation		<u>(812,896)</u>	<u>(761,089)</u>
		<u>17,345</u>	<u>69,152</u>
Football Centre - Knox	1(s)	1,598,999	1,598,999
Less accumulated depreciation	1(s)	<u>(353,575)</u>	<u>(204,135)</u>
		<u>1,245,424</u>	<u>1,394,864</u>
Total land and buildings		<u>1,262,769</u>	<u>1,464,016</u>
PLANT AND EQUIPMENT			
Motor vehicles		111,415	163,310
Less accumulated depreciation		<u>(50,977)</u>	<u>(81,373)</u>
		<u>60,438</u>	<u>81,937</u>
Computer systems		189,397	318,540
Less accumulated depreciation		<u>(160,730)</u>	<u>(262,293)</u>
		<u>28,667</u>	<u>56,247</u>
Sport and office equipment		925,793	987,946
Less accumulated depreciation		<u>(651,210)</u>	<u>(643,659)</u>
		<u>274,583</u>	<u>344,287</u>
Total plant and equipment		<u>363,688</u>	<u>482,471</u>
Total property, plant and equipment		<u>1,626,457</u>	<u>1,946,487</u>

Football Federation Victoria has contracted commitments to a future pitch replacement fund at the Knox facility. The remaining commitments to the future pitch replacement fund are as follows:

- not later than one year	150,000	150,000
- later than one year and not later than five years	415,000	565,000
- greater than five years	-	-
	<u>565,000</u>	<u>715,000</u>

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

7 Property Plant and Equipment (Cont)

Movements in carrying amounts

2015	State Football Centre - Darebin \$	Football Centre - Knox \$	Motor Vehicles \$	Computer System \$	Sport and Office Equipment \$	Total \$
Balance at the beginning of year	69,152	1,394,864	81,937	56,247	344,287	1,946,487
Additions	-	-	-	4,856	12,386	17,242
Disposals	-	-	-	(190)	(3,109)	(3,299)
Depreciation expense	(51,807)	(149,440)	(21,499)	(32,246)	(78,981)	(333,973)
Carrying amount at the end of year	<u>17,345</u>	<u>1,245,424</u>	<u>60,438</u>	<u>28,667</u>	<u>274,583</u>	<u>1,626,457</u>

2014	State Football Centre - Darebin \$	Football Centre - Knox \$	Motor Vehicles \$	Computer System \$	Sport and Office Equipment \$	Total \$
Balance at the beginning of year	120,959	1,251,207	28,025	62,828	421,504	1,884,523
Additions	-	233,025	64,390	33,555	18,420	349,390
Disposals	-	-	-	(849)	(2,190)	(3,039)
Depreciation expense	(51,807)	(89,368)	(10,478)	(39,287)	(93,447)	(284,387)
Carrying amount at the end of year	<u>69,152</u>	<u>1,394,864</u>	<u>81,937</u>	<u>56,247</u>	<u>344,287</u>	<u>1,946,487</u>

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements For the year ended 31 October 2015

	Note	2015 \$	2014 \$
8 Investment property			
Investment property - fair value		2,400,000	1,800,000
		<u>2,400,000</u>	<u>1,800,000</u>
Balance at beginning of the year		1,800,000	1,800,000
Fair value adjustments		600,000	-
Balance at end of the year		<u>2,400,000</u>	<u>1,800,000</u>

The association applies the fair value model in valuing the investment property. A valuation of the association's investment property was last carried out by First Valuation Group on 27 October 2015 as representing the value of the property at an arm's length transaction between willing parties.

The present value of minimum lease payments receivable at the end of the reporting period relating to the lease of the investment property is as follows:

- not later than one year	48,264	114,202
- later than one year and not later than five years	-	48,264
- greater than five years	-	-
Total operating lease receivable on investment property	<u>48,264</u>	<u>162,466</u>

9 Trade and other Payables

Unsecured liabilities

Trade payables	483,731	357,054
Other payables and accruals	1,002,549	783,430
Community Football Reinvestment Fund*	566,495	275,130
	<u>2,052,775</u>	<u>1,415,614</u>

* - During the 2014 financial year the FFV Board approved the Community Football Reinvestment Fund Policy. The policy aims to reinvest funds raised from disciplinary sanctions back into the football community, funding future assets for the game

10 Interest bearing loans and borrowings

CURRENT

Secured liabilities

Loan - State Football Centre	24,599	63,979
Loan - CBA Financing	11,673	11,027
	<u>36,272</u>	<u>75,006</u>

NON CURRENT

Secured liabilities

Loan - State Football Centre	-	24,599
Loan - CBA Financing	46,525	58,198
	<u>46,525</u>	<u>82,797</u>

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

	Note	2015 \$	2014 \$
10 Interest bearing loans and borrowings (cont)			
The loan for the State Football Centre commenced in April 2005 and is payable over 10 years to the City of Darebin Council with payments made quarterly in arrears. Interest is charged at 7.25% per annum and is at a fixed rate.			
11 Employee benefits			
CURRENT			
Annual leave		227,736	211,003
Long service leave		58,702	67,604
Other provisions		-	58,204
		<u>286,438</u>	<u>336,811</u>
NON CURRENT			
Long service leave		<u>19,902</u>	<u>19,825</u>
(a) Aggregate employee benefits		<u>306,340</u>	<u>356,636</u>
(b) Number of full time equivalent employees at year end		<u>53.5</u>	<u>53</u>
12 Income in advance			
CURRENT			
Income in advance		<u>538,192</u>	<u>739,111</u>
13 Operating Leases			
<i>Operating Lease Commitments</i>			
Non-cancellable operating leases contracted for but not capitalised in the financial statements:			
- not later than one year		337,062	325,664
- later than one year and not later than five years		1,083,634	1,420,696
- greater than five years		-	-
Total operating lease commitment		<u>1,420,696</u>	<u>1,746,360</u>

Football Federation leases Level 2 & 3, 436 St Kilda Rd as its registered office. The lease is for a period of 10 years, with an option to renew the lease for a further 5 years after that date.

The lease payments for Level 2 & 3, 436 St Kilda Rd, increase annually at a fixed rate of 3.5% per annum.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements For the year ended 31 October 2015

	Note	2015 \$	2014 \$
14 Cash Flow Information			
(a) Reconciliation of Cash Flow from Operations with Surplus from Ordinary Activities			
Surplus for the year		2,115,232	504,284
Non-cash flows in surplus from ordinary activities			
Depreciation & amortisation		333,973	284,387
Investment income/expenses classified as investment activities		(86,182)	(90,845)
Interest associated with borrowings		-	7,260
Net (gain) / loss on disposal of property, plant and equipment		3,299	3,039
Change in value of investment property		(600,000)	-
<i>Changes in assets and liabilities:</i>			
Trade and other receivables		222,814	6,565
Prepayment		(13,763)	(95,873)
Inventories		-	-
Trade payables and accruals		637,161	232,498
Unearned income		(200,919)	73,435
Employee Provisions		(50,296)	24,237
Net cash and cash equivalents from operating activities		<u>2,361,319</u>	<u>948,987</u>
(b) Credit Standby Arrangements with banks			
Lending facility		799,000	866,000
Amount utilised		-	-
Unused credit facility		<u>799,000</u>	<u>866,000</u>
Overdraft facility		500,000	500,000
Amount utilised		-	-
Unused credit facility		<u>500,000</u>	<u>500,000</u>

Banking overdraft

Bank overdraft facility is arranged with the National Australia Bank with the general terms and conditions being set and agreed to annually.

FOOTBALL FEDERATION VICTORIA

Notes to the Financial Statements

For the year ended 31 October 2015

	Note	2015 \$	2014 \$
15	Key management personnel disclosures		
(a)	Transactions with key management personnel		
The key management personnel compensation included in 'employee expenses' are as follows:			
		<u>1,040,559</u>	<u>686,520</u>

Three existing roles were added to the Executive Leadership Team in 2015, being; Legal Counsel, Technical Director and Government Liaison Manager.

16 **Contingencies**

As security for the overdraft facility with the National Australia Bank a mortgage has been registered over the association's investment property. The Board is not aware of any other contingencies that warrant disclosure in the financial report.

17 **Subsequent Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of Football Federation Victoria, the results of those operations, or the state of affairs of Football Federation Victoria in subsequent financial years.

18 **Football Federation Victoria's Details**

Registered office

The registered office of the association is:

Football Federation Victoria
Level 3
436 St Kilda Road
Melbourne VIC 3004

FOOTBALL FEDERATION VICTORIA

Statement by the Board of Directors

In the opinion of the Board of Football Federation Victoria the financial report as set out on pages 2 to 20:

1. Presents a true and fair view of the financial position of Football Federation Victoria as at 31 October 2015 and its performance for the year ended on that date in accordance with the Australian Accounting Standards-Reduced Disclosure Regime (including the Australian Accounting Interpretations) and the requirements of the Associations Incorporation Reform Act 2012.

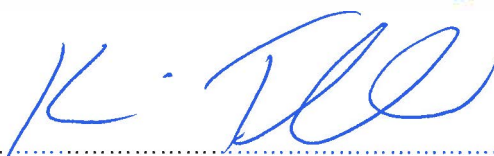
2. At the date of this statement, there are reasonable grounds to believe that Football Federation Victoria will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Director



Director



Dated this

15

day of

February

2016