

# East Fremantle Football Club Inc

ABN: 68 020 160 814

## Financial Statements

For the year ended 31 October 2024

# East Fremantle Football Club Inc

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# East Fremantle Football Club Inc

## Director's Report

For the year ended 31 October 2024

The directors submit the financial report of the Club for the financial year ended 31 October 2024.

### General Information

#### Directors

The names of directors throughout the year and at the date of this report are:

Mark Stewart (President)  
Adam Drake-Brockman (Vice President)  
Kim Chatfield  
David Edinger  
Danielle Green (appointed December 2023)  
John Ipsen (appointed December 2023)  
Con Tripi  
Lynsey Warby  
Rob Young (appointed December 2023)  
Paul Chapman (resigned December 2023)  
Flora Furness (resigned December 2023)  
Michelle Madge (resigned December 2023)

#### Principal Activities

The principal activities of the Club during the financial year were the promotion and provision of Australian Rules Football for the community within the East Fremantle Football Club Inc. district and zones.

#### Significant Changes

In October 2022, the Club moved headquarters to Tricolore Community Centre in East Fremantle due to the redevelopment of the East Fremantle Oval Precinct over the next two years. No significant change in the nature of these activities occurred during the year.

# East Fremantle Football Club Inc

## Director's Report

For the year ended 31 October 2024

### Subsequent Events


In the past five years, East Fremantle Football Club has experienced significant developments, notably with the establishment of Women's Football and the advancement of the East Fremantle Oval Precinct Development. The Club has been involved in the redevelopment for the precinct, engaging regularly with the Town of East Fremantle and community stakeholders. A notable factor in this development is that the Club has operated without a formal lease agreement for over 30 years. This long-standing arrangement has added complexity to our engagement with the precinct redevelopment, as we seek to establish a formal lease to secure the Club's long-term future within the precinct.

### Operating Result

The Deficit of the Club for the financial year amounted to \$ (17,277) (2023: \$(139,924)).

Signed in accordance with a resolution on behalf of the directors:

President .....

Chief Executive Officer .....

Dated this .....03..... day of .....December..... 2024

**East Fremantle Football Club Inc**  
**Statement of Profit or Loss and Other Comprehensive Income**  
 For the year ended 31 October 2024

	Note	2024 \$	2023 \$
Revenue	5	2,172,972	2,339,247
Cost of Sales		(52,201)	(61,805)
Administration Expenses		(558,025)	(589,478)
Finance Expenses		(38,209)	(39,120)
Depreciation and Amortisation Expense		(8,343)	(12,728)
Football Expenses		(511,944)	(573,648)
Salaries and Wages		(1,021,527)	(1,202,392)
<b>Surplus/(Deficit) before Income Tax</b>		<b>(17,277)</b>	<b>(139,924)</b>
Income Tax Expense		-	-
<b>Surplus/(Deficit) for the Year</b>		<b>(17,277)</b>	<b>(139,924)</b>
<b>Total Comprehensive Income for the Year</b>		<b>(17,277)</b>	<b>(139,924)</b>

The accompanying notes form part of these financial statements.

# East Fremantle Football Club Inc

## Statement of Financial Position

As at 31 October 2024

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	6	112,519	370,293
Trade and Other Receivables	7	285,506	77,827
Inventories	8	20,016	14,695
Other Assets		2,513	-
<b>Total Current Assets</b>		<b>420,554</b>	<b>462,815</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	9	97,185	17,375
Right-of-Use Assets	9	-	1,705
<b>Total Non-Current Assets</b>		<b>97,185</b>	<b>19,080</b>
<b>Total Assets</b>		<b>517,739</b>	<b>481,895</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and Other Payables	10	325,001	434,664
Provisions	13	14,934	30,207
Lease Liabilities	11	-	1,943
Grants Received in Advance	12	180,000	-
<b>Total Current Liabilities</b>		<b>519,935</b>	<b>466,814</b>
<b>Total Liabilities</b>		<b>519,935</b>	<b>466,814</b>
<b>Net Assets</b>		<b>(2,196)</b>	<b>15,081</b>
<b>Equity</b>			
Retained Earnings		(2,196)	15,081
<b>Total Equity</b>		<b>(2,196)</b>	<b>15,081</b>

The accompanying notes form part of these financial statements.

# East Fremantle Football Club Inc

## Statement of Changes in Equity

For the year ended 31 October 2024

<b>2023</b>	<b>Retained Earnings \$</b>	<b>Total \$</b>
Opening Balance	154,849	154,849
Deficit After Income Tax Expense for the Year	(139,924)	(139,924)
Prior Year Adjustment	156	156
<b>Closing Balance</b>	<b>15,081</b>	<b>15,081</b>

<b>2024</b>	<b>Retained Earnings \$</b>	<b>Total \$</b>
Opening Balance	15,081	15,081
Deficit After Income Tax Expense for the Year	(17,277)	(17,277)
<b>Closing Balance</b>	<b>(2,196)</b>	<b>(2,196)</b>

The accompanying notes form part of these financial statements.

# East Fremantle Football Club Inc

## Statement of Cash Flows

For the year ended 31 October 2024

	Note	2024 \$	2023 \$
<b>Cash Flows from Operating Activities:</b>			
Receipts from Customers		1,790,719	2,313,634
Payments to Suppliers and Employees		(2,120,320)	(2,228,602)
Interest Received		2,422	2,239
Interest Paid		(6,522)	(1,197)
Interest Paid - Lease Liabilities		-	(177)
Receipt from Government Subsidies		164,318	30,000
<b>Net Cash Provided by/(used in) Operating Activities</b>	19	<b>(169,383)</b>	<b>115,897</b>
<b>Cash Flows from Investing Activities:</b>			
Purchase of Property, Plant and Equipment		(86,448)	(1,200)
<b>Net Cash Provided by/(used in) Investing Activities</b>		<b>(86,448)</b>	<b>(1,200)</b>
<b>Cash Flows from Financing Activities:</b>			
Repayment of Lease Liabilities		(1,943)	(5,310)
<b>Net Cash Provided by/(used in) Financing Activities</b>		<b>(1,943)</b>	<b>(5,310)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents Held</b>		<b>(257,774)</b>	<b>109,387</b>
Cash and Cash Equivalents at Beginning of Year		370,293	260,906
<b>Cash and Cash Equivalents at End of Financial Year</b>	6	<b>112,519</b>	<b>370,293</b>

The accompanying notes form part of these financial statements.



# East Fremantle Football Club Inc

## Notes to the Financial Statements

For the year ended 31 October 2024

### 1. Introduction

The financial statements cover East Fremantle Football Club Inc as an individual entity. East Fremantle Football Club Inc is a not-for-profit Association incorporated in Western Australia under the *Associations Incorporation Act (WA) 2015* ('the Act').

The functional and presentation currency of East Fremantle Football Club Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

### 2. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards – Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Associations Incorporation Act 2015 and associated regulations, as appropriate for not-for profit oriented entities.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information relating to the preparation of these financial statements are presented below, and are consistent with prior reporting periods unless otherwise stated.

### 3. Significant Accounting Policies

#### a. Revenue Recognition

Revenue is recognised at the transaction price when the Club transfers control of the services to their members and customers. The performance obligations are satisfied when the services have been provided to the customer.

Revenue is recognised for the major activities as follows:

##### Sales Revenue

Events, fundraising and raffles are recognised when received or receivable.

##### Donations and Sponsorships

Donations and sponsorships are recognised as revenue when received.

### 3. Significant Accounting Policies (continued)

#### a. Revenue Recognition (continued)

##### Grants

Grant revenue is recognised in profit or loss when the Club obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Club and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before the entity 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 Club incurs an obligation to deliver economic value directly back to the contributor, 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.

##### Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

##### Other Revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

##### Government Subsidies

Income from government subsidies are recognised in profit or loss when the Club obtains control of the subsidies as the criteria for the subsidies are not sufficiently specific to apply AASB 15 and are recognised under AASB 1058.

All revenue is stated net of the amount of goods and services tax revenue is recognised when the Association is entitled to it.

#### b. Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### c. Borrowing Costs

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

# East Fremantle Football Club Inc

## Notes to the Financial Statements

For the year ended 31 October 2024

### 3. Significant Accounting Policies (continued)

#### d. Goods and Services Tax (GST)

Revenue, 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 (ATO).

Receivables and payable are stated inclusive of GST.

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

#### e. Inventories

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

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

#### f. Property, Plant and Equipment

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

#### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed Asset Class	Depreciation Rate
Leasehold Improvements	2.5%
Plant and Equipment	10% - 33.3%
Office Equipment	10% - 33.3%

# East Fremantle Football Club Inc

## Notes to the Financial Statements

For the year ended 31 October 2024

### 3. Significant Accounting Policies (continued)

#### f. Property, Plant and Equipment (continued)

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Club. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Club. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

#### g. Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

#### h. Leases

##### i. Right-of-Use Asset

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Club expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Club has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### 3. Significant Accounting Policies (continued)

#### h. Leases (continued)

##### ii. Lease Liability

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Club's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

##### i. Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Club has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

### 3. Significant Accounting Policies (continued)

#### j. Employee Benefits

##### Short-Term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

##### Other Long-Term Employee Benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### Defined Contribution Superannuation Expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

#### k. Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Club's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Club's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

### 3. Significant Accounting Policies (continued)

#### **l. Impairment of Non-Financial Assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

#### **m. Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Club prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition

#### **n. Fair Value Measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

#### **o. Finance Costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

#### 4. Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

##### *Allowance for Expected Credit Losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

##### *Provision for Impairment of Inventories*

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

##### *Estimation of Useful Lives of Assets*

The Club determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

##### *Impairment of Non-Financial Assets Other Than Goodwill and Other Indefinite Life Intangible Assets*

The Club assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Club and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.



#### 4. Critical Accounting Estimates and Judgements (continued)

##### a. Key Estimates - Impairment of Goodwill

In accordance with AASB 136 *Impairment of Assets*, the Club is required to estimate the recoverable amount of goodwill at each reporting period.

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate and using a terminal value to incorporate expectations of growth thereafter.

In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- growth in EBITDA, calculated as adjusted operating profit before depreciation and amortisation;
- timing and quantum of future capital expenditure;
- long-term growth rates; and
- the selection of discount rates to reflect the risks involved.

The Club prepares and approves formal five year management plans for its operations, which are used in the value in use calculations. Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Club's impairment evaluation and hence results.

The Club's review includes the key assumptions related to sensitivity in the cash flow projections.

# East Fremantle Football Club Inc

Notes to the Financial Statements  
For the year ended 31 October 2024

## 5. Revenue

	2024 \$	2023 \$
<b>Revenue from Contracts with Customers (AASB 15)</b>		
Bar Sales	3,459	32,731
Gate Receipts	58,763	56,731
Functions and Events	144,768	233,502
Grants	983,834	869,165
Sponsorship Income	533,842	642,176
Football Income	206,120	201,053
Donations	57,265	58,544
Interest Received	2,422	2,239
<b>Total Revenue from Contracts with Customers</b>	<b>1,990,473</b>	<b>2,096,141</b>
<b>Other Revenue</b>		
Other Income	156,499	83,356
Government Subsidies	-	3,750
Town of East Fremantle Compensation	26,000	156,000
<b>Total Other Revenue</b>	<b>182,499</b>	<b>243,106</b>
<b>Total Revenue</b>	<b>2,172,972</b>	<b>2,339,247</b>

## 6. Cash and Cash Equivalents

	2024 \$	2023 \$
Cash on Hand	-	200
Bank Balances	112,519	370,093
<b>Total Cash and Cash Equivalents</b>	<b>112,519</b>	<b>370,293</b>

# East Fremantle Football Club Inc

Notes to the Financial Statements  
For the year ended 31 October 2024

## 7. Trade and Other Receivables

Current	2024	2023
	\$	\$
Deposits	-	800
Grant Funding Receivable	180,000	-
Prepayments	-	1,560
Trade Receivables	105,506	75,467
<b>Total Trade and Other Receivables</b>	<b>285,506</b>	<b>77,827</b>

## 8. Inventories

Current	2024	2023
	\$	\$
At Cost	20,016	14,695

## 9. Property, Plant and Equipment

	2024	2023
	\$	\$
<b>Plant and Equipment</b>		
At Cost	83,244	129,228
Accumulated Depreciation	(58,646)	(111,853)
<b>Total Plant and Equipment</b>	<b>24,598</b>	<b>17,375</b>
<b>Capital Works in Progress</b>		
At Cost	72,587	-
<b>Total Capital Works in Progress</b>	<b>72,587</b>	<b>-</b>
<b>Right-of-Use</b>		
Plant and Equipment - Rental	20,665	20,665
Accumulated Depreciation	(20,665)	(18,960)
<b>Total Right-Of-Use</b>		<b>1,705</b>
<b>Total Property, Plant and Equipment</b>	<b>97,185</b>	<b>19,080</b>

# East Fremantle Football Club Inc

Notes to the Financial Statements  
For the year ended 31 October 2024

## 10. Trade and Other Payables

Current	2024	2023
	\$	\$
Accrued Expenses	-	35,593
GST Payable	128,888	87,316
Other Payables	16,050	53,858
Provision for WAFL TPP Audit	-	10,000
Trade Payables	180,063	247,897
<b>Total Trade and Other Payables</b>	<b>325,001</b>	<b>434,664</b>

## 11. Lease Liabilities

Current	2024	2023
	\$	\$
Macquarie Equipment Rentals	-	1,943
<b>Total Current Lease Liabilities</b>	<b>-</b>	<b>1,943</b>

## 12. Grant Received in Advance

Current	2024	2023
	\$	\$
Grant in Advance	180,000	-
<b>Total Grant Received in Advance</b>	<b>180,000</b>	<b>-</b>

## 13. Provisions

Current	2024	2023
	\$	\$
Provision for Annual leave	14,934	30,207
<b>Total Current Provisions</b>	<b>14,934</b>	<b>30,207</b>

# East Fremantle Football Club Inc

## Notes to the Financial Statements

For the year ended 31 October 2024

### 14. Auditors' Remuneration

	2024	2023
	\$	\$
<b>Remuneration of the Auditor</b>		
Auditing or Reviewing the Financial Statements	4,500	7,000
Other Services in Relation to the Club	-	2,000
<b>Total Auditors' Remuneration</b>	<b>4,500</b>	<b>9,000</b>

### 15. Related Parties

#### Transactions with Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

- Classic Contractors Pty Ltd sponsored \$10,500 to the Club during the year. Mark Stewart has an interest in Classic Contractors Pty Ltd.
- Edinger Real Estate Pty Ltd sponsored \$10,000 to the Club during the year. David Edinger has an interest in Edinger Real Estate Pty Ltd.
- Nepean Building & Infrastructure Pty Ltd sponsored \$5,000 to the Club during the year. Steve Nugent has an interest in Nepean Building & Infrastructure Pty Ltd.
- Imperial Homes sponsored \$3,700 to the Club during the year. Con Tripi has an interest in Imperial Homes.
- Vinidex sponsored \$3,000 to the Club during the year. Adam Drake-Brockman has an interest in Vinidex.
- Signify sponsored \$10,000 to the Club during the year. Kim Chatfield has an interest in Signify.

### 16. Contingencies

In the opinion of the Committee of Management, the Club did not have any contingencies at 31 October 2024. (31 October 2023 : None).

# East Fremantle Football Club Inc

## Notes to the Financial Statements

For the year ended 31 October 2024

### 17. Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the Club will continue its operations in the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of business.

The Board has identified the following factors that contribute to material uncertainty regarding the Club's financial position:

1. Total liabilities as of 31st October 2024 amount to \$519,935 which includes a Grant Received in Advance of \$180,000.
2. The Club relies heavily on external funding, sponsorships, and event revenue, which are subject to inherent risks and uncertainties.
3. Key agreements for the use of facilities remain unresolved, impacting potential revenue generation which are anticipated to be finalised and signed by all parties on or before the 20th December 2024.

To address these uncertainties, the Board has implemented several measures, including:

- Securing \$340,000 in government grants and pursuing additional grant opportunities.
- Implementing cost containment strategies and leveraging the Future Fund for operational purposes.
- Developing medium and long-term revenue streams, such as naming rights and corporate sponsorships.
- The Club will continue to receive ongoing support on a monthly basis from the WA Football Commission.
- Part of the signing process aligned with the Key Agreements for the use of the facilities will be that the Club will not incur or be responsible for the payment of any costs that can be directly related to electricity and Power, Water Rates, Council Rates and Taxes and ground maintenance.
- Some of the Funding initiatives received from the State Government will assist with construction and installation of the new scoreboard at East Fremantle Oval.

# East Fremantle Football Club Inc

## Notes to the Financial Statements

For the year ended 31 October 2024

### 18. Facility Agreements

The Club has relocated to its new premises and is operating from Shark Park as its primary venue for operations, events, and revenue generation. However, key agreements with the Town of East Fremantle (ToEF) and Belgravia are not yet fully finalised.

As of the reporting date:

- 1. Sublease Agreement Pending Signature:** While the sublease terms have been agreed upon, final execution is still awaiting Belgravia's signature and as referred to in Note 17 these agreements are anticipated to be finalised and signed by all parties on or before the 20th December 2024.
- 2. Licensing Agreement to Follow:** Upon finalising the sublease, the Club will need to negotiate a licensing agreement to govern key operational aspects of the facilities.
- 3. Impact on Revenue Generation:** The delay in finalising these agreements has limited the Club's ability to fully leverage its facilities for sponsorships, naming rights, and events. Although these events are subject to the delays in finalising these agreements extensive discussions have already commenced and are well under way in relation to these fund-raising objectives.
- 4. Financial Planning Risks:** The ongoing uncertainty regarding these agreements poses challenges to the Club's long-term financial planning and cash flow projections.

With reference to the comments in Point 1 above it must be noted that the Board is actively working with legal advisors to finalise the sublease and proceed with the licensing agreement negotiations. While management is confident of a favourable outcome, the potential impacts of further delays or modifications to the terms cannot be quantified at this stage.

### 19. Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2024	2023
	\$	\$
Profit for the Year	(17,277)	(139,924)
<b>Non-Cash Flows in Profit:</b>		
Depreciation	8,343	12,728
<b>Changes in Assets and Liabilities:</b>		
(Increase)/Decrease in Trade and Other Receivables	(207,679)	(4,692)
(Increase)/Decrease in Inventories	(5,321)	11,317
(Increase)/Decrease in Other Assets	(2,513)	-
Increase/(Decrease) in Trade and Other Payables	(109,663)	266,990
Increase/(Decrease) in Provisions	(15,273)	(30,522)
Increase/(Decrease) in Income Received in Advance	180,000	-
<b>Cash Flows from Operations</b>	<b>(169,383)</b>	<b>115,897</b>

# East Fremantle Football Club Inc

## Notes to the Financial Statements

For the year ended 31 October 2024

### 20. Events After the End of the Reporting Period

The financial report was authorised for issue on 03 December 2024 by the Committee of Management.

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

### 21. Statutory Information

The registered office and principal place of business of the Club is:

East Fremantle Football Club Inc  
PO Box 43  
Palmyra WA 6957



East Fremantle Football Club Inc

Director's Declaration

For the year ended 31 October 2024

In the opinion of the directors the financial report as set out on pages 2 to 23:

- 1. the attached financial statements and notes comply with the Australian Accounting Standards – Simplified Disclosures, the Associations Incorporation Act 2015 and associated regulations;
- 2. the attached financial statements and notes give a true and fair view of the Club's financial position as at 31 October 2024 and of its performance for the financial year ended on that date; and
- 3. there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

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

President .....

Director .....*Adam Drake-Brockman*

Dated .....3/12/2024



Francis A Jones  
Where people count.

# Independent Audit Report to the members of East Fremantle Football Club Inc

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of East Fremantle Football Club Inc (the Club), which comprises the statement of financial position as at 31 October 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- i. giving a true and fair view of the Club's financial position as at 31 October 2024 and of its financial performance and its cash flows for the year ended; and
- ii. complying with Associations Incorporation Act (WA) 2015.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Club in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Emphasis of Matter - Going Concern

#### Emphasis of Matter – Material Uncertainty Related to Going Concern

We draw attention to Note 17 in the financial statements, which indicates that the East Fremantle Football Club (EFFC) incurred a deficit for the year ended 31st October 2024, has a total of current liabilities which exceed the total of current assets by \$2,196, and may face ongoing liquidity challenges. The Board has acknowledged that without substantial additional funding or successful implementation of strategic initiatives, the Club may not be able to meet its obligations as they fall due. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Club's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

# East Fremantle Football Club Inc

## Notes to the Financial Statements

For the year ended 31 October 2024

### Emphasis of Matter - Facility Agreements

#### Emphasis of Matter – Facility Agreements Pending Finalisation

We draw attention to Note 18 in the financial statements, which discusses the status of ongoing negotiations and the finalisation of the sublease with the Town of East Fremantle and Belgravia. The Club has moved into its new facilities, and while the sublease is pending Belgravia's signature, the subsequent licensing agreement still requires negotiation and approval. The uncertainty surrounding these agreements continues to affect potential revenue generation. Our opinion is not modified in respect of this matter.

#### Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Associations Incorporation Act (WA) 2015, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar6.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf).



Daniel Papaphotis  
CPA Registered Company Auditor # - 410503  
Francis A Jones Pty Ltd  
154 High Street  
Fremantle WA 6160

04 December 2024