

# 20 17

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## REVIEW



WEST AUSTRALIAN  
FOOTBALL COMMISSION INC.



## Introduction

2017 was a landmark year for WA Football, with the West Australian Football Commission (WAFC) completing a once-in-a-generation Structural Review of WA Football and establishing a new Strategic Plan for 2017-2022 following significant research, planning and consultation.

The Strategic Plan has been developed to assist in aligning the industry to achieve common goals and a reform agenda consisting of 60 key reform projects. The plan also outlines the new core values of the WAFC, setting the tone for how the WAFC leads the industry through this significant period of reform.

## Our Vision

Connecting and enhancing WA communities through our great game.

At the WAFC we value:

**Our People:** We care for, support and develop our people. We are one united team committed to delivering our agreed objectives. Together we celebrate our successes and achievements.

**Leading our Industry:** We respect our history as we shape our future. We work in partnership to ensure football is successful. We aim to set the standards for our industry.

**Our relationships:** We deeply value the players, volunteers, stakeholders and fans of our game. We are committed to building relationships that are enduring. We earn trust through our behaviours and communication.

**Being our very best:** We strive to give our very best every day. We are recognised as an organisation that gets things done. We bring passion, perseverance and a positive attitude to everything we do.

## Our Role

The WAFC is the caretaker of football throughout the State and is responsible for the overall development of the game.

The WAFC's role includes holding the license of the State's two AFL teams – the West Coast Eagles and Fremantle Football Club, guiding the West Australian Football League (WAFL), overseeing community football, managing umpiring, and driving participation through game development and the talent pathway.

The WAFC is a not for profit sports association. It is incorporated under the Associations Incorporation Act and governed by a voluntary Board of Commissioners that oversees the operation of all football activities throughout the State.



## We Manage and Support

**The WAFL competition** The Colts competition and supporting talent pathway State talent academies for males and females  
**The umpiring talent pathway** School competitions and the AFL School Ambassador program  
**Multicultural engagement programs** Indigenous engagement programs including the Nicky Winmar and Kirby Bentley carnivals  
**Auskick, junior and youth football** All community competitions through our affiliated leagues  
**Tribunals, governance and integrity programs** Community facility funding  
**Coaching, umpiring and volunteer accreditation and development**



## CONTENTS

2017 HIGHLIGHTS	2
LEADERSHIP	4
WAFC STRATEGIC PLAN 2017-2022	8
KEY PROJECTS	10
SUBIACO OVAL	12
ENGAGEMENT	14
TALENT	20
SUSTAINABILITY	25



**330,001**  
WA participants  
up 9%

**194,432**  
attended  
WAFL games  
up 7%

**15**

WA players recruited  
for the 2018 AFLW  
competition

# 2017

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## HIGHLIGHTS



The WAFL State  
team defeated  
Victoria for the first  
time in Victoria in  
113 years

**92,761**  
female  
participants  
up 28%

Peel Thunder  
defeated Subiaco  
by 16 points in the  
last ever WAFL Grand  
Final at Subiaco  
Oval

**20**

WA players drafted  
by AFL clubs

The WAFC farewelled Subiaco Oval  
with a special tribute at the WA  
Football Hall of Fame



**169,184**  
school program  
participants  
up 24.5%

The Deppro WA State 16s won the AFL  
National 16s Championships

The Deppro WA State 18s finished runners-up  
at the AFL National 18s Championships





# LEADERSHIP

The 2017 season shaped as one of the most significant in WA Football history, with the collective efforts of the WAFC Commissioners and Executive Team establishing a clear vision for the game in WA, with a once-in-a-generation Structural Review of Football, new strategic plan and long-term funding agreement finalised with the State Government.

Reflecting on the year, it included significant challenges, opportunities, and many successes, built around a fundamental focus on how the WAFC and its people engage and build relations with stakeholders to support the success and sustainability of our game.

In a period of significant change for WA football, having positive relations and greater levels of trust with stakeholders is providing the right environment to align as a collective industry and move forward with our reform agenda.

Some of the key highlights of the year included:

- Completing negotiations with the State Government on a 'Football funding Football' agreement for the next 50 years.
- Completing the Structural Review of Football and the associated consultation process for WA Football stakeholders.
- Finalising a new 5-year WAFC Strategic Plan that sets a clear vision, goals and objectives for WA Football.
- Finalising the new Talent Development Model to be launched in 2018, with \$1M in additional funding support from the AFL.
- Restructuring WAFC operations in line with the new strategy and funding.
- Successful management of the Stadium in its final year of operation including hosting Adele, the largest ever concert at Subiaco Oval.

- Making significant improvements in stakeholder relations across the industry, reflected by a 4% increase in the annual stakeholder satisfaction survey.
- The performance of WA's State teams in showcasing WA talent.
- Increasing year on year participation numbers and participation satisfaction.
- WA's Kickstart and All Nations teams won their divisions at the 2017 National Male Diversity Championships.
- Female participation grew 28% from 72,386 to 92,761.
- The sound financial performance of the WAFC.

On behalf of the WAFC, thank you to everyone who played a part in achieving these outcomes.

In a year where the WAFC experienced a great success, there was also a range of challenges.

These included a tough commercial market which placed pressure on attracting new sponsors and renewing existing partners in the final year of operation of Subiaco Oval. Club-based football participation, in particular in youth and regional areas, remained a challenge.

Equalisation, competitiveness and the financial sustainability of the WAFL requires continual focus and effort to ensure our historic State League competition remains relevant to our local communities.

Ongoing investment in football facilities must also be maintained to ensure high quality and appropriate facilities are provided for all participants, particularly among the growing female football segment.

The negotiations with the State Government also required significant time investment to reach our future funding agreement between both parties. We thank the State in concluding these negotiations and look forward to fostering a deep and strong partnership to deliver the many positive football outcomes across WA.



*Murray McHenry*

**Murray McHenry**  
Chair, West Australian Football Commission



*Gavin Taylor*

**Gavin Taylor**  
Chief Executive Officer,  
West Australian Football Commission

## Thanks to our Partners

The WAFC thanks and acknowledges its major funding partners including the West Coast Eagles and Fremantle Football Club, the AFL and the Western Australian Government through the Department of Local Government, Sport and Cultural Industries. Their investment in our not-for-profit operations allows football to grow and prosper in Western Australia for the ongoing benefit of the community.

We also sincerely thank the volunteer board members of the WAFC, AFL and WAFL clubs, districts, regions and community clubs. Their time and commitment is greatly appreciated and absolutely critical to ensuring the continued success of WA Football. Also, to the volunteers, umpires, coaches, players, media, sponsors and everyone else involved with football in WA. Without you the game we all love so much simply wouldn't be possible.

We are looking forward to another exciting year of challenges and opportunities in 2018 as we set about implementing the reform strategies that will ensure WA Football continues to thrive for future generations to enjoy.

More than  
**3,000**  
games of senior football  
played at Subiaco Oval  
since 1908.





# LEADERSHIP 2017 West Australian Football Leaders

## District Football Development Council



**PAUL DONOVAN**  
Chair  
Claremont



**GEOFF WOLFENDEN**  
Chair  
East Fremantle



**LUKE MCNIECE**  
Chair  
East Perth



**BRETT LEE**  
Chair  
Peel



**SEAN COLLINGWOOD**  
Chair  
Perth



**STEPHEN GOODALL**  
Chair  
South Fremantle



**CINDY DUNHAM**  
Chair  
Subiaco



**IAN WESTMORE**  
Chair  
Swan Districts



**CHRIS ERIKSON**  
Chair  
West Perth



Community  
Football Council

**BRAD GOODLET**  
Chair

## Regional Football Development Council



**MILTON MILLOY**  
Chair  
Midlands



**JERRY DAWSON**  
Chair  
Midwest



**DARYL MANSFIELD**  
Chair  
Pilbara



**MARK BLAKELY**  
Chair  
South West



**CRAIG GMEINER**  
Chair  
Wheatbelt



**GEOFF DAVIS**  
Chair

Kimberley  
Football  
Association



**SAM BIRMINGHAM**  
President

West Australian  
Country Football  
League



**TERRY HOUSE**  
President

West Australian  
Metro Football  
League



**ROWAN CARSON**  
President

West Australian  
Women's  
Football League



**CAROLYN HILLS**  
President

West Australian  
AFL Masters



**NATHAN DIXON**  
President

## West Australian Football League



**KEVIN SOMES**  
President  
Claremont FC



**MARK STEWART**  
President  
East Fremantle FC



**BRONTE HOWSON**  
President  
East Perth FC



**BOB RYAN**  
President  
Peel Thunder FC



**DARYLE MANN**  
President  
Perth FC



**HAYDN RAITT**  
President  
South Fremantle FC



**MARK LAWRENCE**  
President  
Subiaco FC



**PETER HODYL**  
President  
Swan Districts FC



**SCOTT BALLEM**  
President  
West Perth FC



**DALE ALCOCK**  
President

Fremantle  
Football Club



**RUSSELL GIBBS**  
Chair

West Coast  
Eagles

## WAFC Board of Commissioners



**MURRAY MCHENRY**  
WAFC Chair, Facilities  
Committee Chair, WA Football  
Hall of Fame Selection  
Committee Chair  
Appointed to WAFC Board  
2010-2012, 2013-2015, 2016-2018



**STUART LOVE**  
WAFC Deputy Chair, Finance  
Committee Chair, Facilities  
Committee  
Appointed to WAFC Board  
2013-2015, 2016-2018



**JON CARSON**  
Corporate Governance  
Committee, Finance  
Committee  
Appointed to WAFC Board  
2016-2018



**GRANT DORRINGTON**  
**BEM OAM**  
Heritage Committee Chair,  
Aboriginal Advisory Committee,  
Football Affairs Committee,  
Facilities Committee  
Appointed to WAFC Board 2015-2017



**HON. CHERYL  
EDWARDES AM**  
Corporate Governance  
Committee Chair,  
Facilities Committee  
Appointed to WAFC Board  
2016, 2017-2019



**BRETT FULLARTON**  
Football Affairs Committee  
Chair, Corporate Governance  
Committee  
Appointed to WAFC Board  
2009-2011, 2012-2014, 2015-2017



**LARRY KICKETT**  
Aboriginal Advisory Committee  
Chair, Football Affairs  
Committee, Facilities Committee  
Appointed to WAFC Board  
2012-2014, 2015-2017



**NEIL RANDALL**  
Finance Committee, Football  
Affairs Committee, WA Football  
Hall of Fame Selection Committee  
Appointed to WAFC Board  
2012-2013, 2014-2016, 2017-2019

# WAFC STRATEGIC PLAN 2017-2022

## The WAFC Strategic Plan sets a new vision for football in WA.

### It is a vision to connect and enhance WA communities via our great game.

This plan was developed following the 2017 Structural Review of WA Football (SRF) where the WAFC, in conjunction with the Boston Consulting Group, reviewed all competitions, pathways, structures and governance models across WA Football. The review included deep consultation with key stakeholders backed by industry research and comparison against best practice sporting organisations across Australia and overseas.

The SRF identified that whilst football had solid foundations in WA, significant reform was required to meet the challenges and demands required for our game to continue to thrive from grassroots football through to our elite pathways. It is this reform that forms the basis of our strategic plan for the next five years for the WAFC and the broader football industry in Western Australia.

The WAFC's strategic plan sets an ambitious reform agenda through to 2022, with over 60 industry reforms across our pillars of Engagement, Talent and Sustainability aimed at ensuring our game continues to prosper.

Importantly the reform required for WA Football cannot be delivered by one person, one club or one organisation. It will require the collective effort of the WA football industry, working in partnership from the AFL to community football clubs, to deliver outcomes in the best interests of WA Football.

Setting the direction for the WAFC and football industry in Western Australia



## VISION Connecting and enhancing WA communities through our great game

PILLARS	ENGAGEMENT	TALENT	SUSTAINABILITY
	<i>More people are engaged in footy than with any other sport in WA.</i>	<i>WA is recognised as best practice in talent identification and player development.</i>	<i>WA clubs and competitions are well-governed, operate with integrity and are sustainable.</i>

INDUSTRY ALIGNMENT

GOALS	WHAT ARE WE TRYING TO ACHIEVE?			
E1	Introduce all WA children to football	T1	Increase the number and quality of AFL draftees	
E2	Increase the number of players who choose to continue to play football	T2	Ensure retention of talented players within WA football system	
E3	Support all types of participants, including volunteers and fans	T3	Ensure career pathways for talented coaches, umpires and administrators	
E4	Deliver measurable community benefits through football		S1	Support the ongoing success of our AFL clubs
E5	Maintain a quality State league competition		S2	Ensure all parts of football have a sustainable business model
			S3	Improve the quality of governance
			S4	Build the capacity of staff and volunteers
			S5	Ensure football is supported through appropriate and quality facilities
			S6	Ensure effective integrity measures are in place

WAFC SPECIFIC

KPIs	HOW WILL WE MEASURE SUCCESS?		
	<ul style="list-style-type: none"> <li>Total participation</li> <li>Club participation</li> <li>Participant satisfaction</li> <li>WAFL competitiveness</li> <li>Social return on investment</li> </ul>	<ul style="list-style-type: none"> <li>Total AFL draftees</li> <li>Total AFLW draftees</li> <li>AFL &amp; WAFL club talent perception</li> <li>Umpire &amp; coach pathway progression</li> </ul>	<ul style="list-style-type: none"> <li>WAFC cash balance</li> <li>Annual governance review</li> <li>% of funding from commercial sources</li> <li># of WAFL clubs with positive annual cash balance</li> <li>Board &amp; Executive diversity target</li> <li>Employee satisfaction and capability result</li> <li>HSE internal compliance</li> </ul>
STRATEGIES			

AT THE WEST AUSTRALIAN FOOTBALL COMMISSION WE VALUE:  
OUR PEOPLE | OUR RELATIONSHIPS | BEING OUR VERY BEST | LEADING OUR INDUSTRY





# KEY PROJECTS

## Future Funding Model

The WAFC, the AFL and State Government reached an agreement in October 2017 on the future funding model for WA football.

With AFL moving to the new Perth Stadium in 2018 and revenue no longer being generated from Subiaco Oval, it was important to maintain the highly successful 'football funding model', which sees funds generated by our two AFL Clubs at the new stadium channelled back into all levels of WA football.

The agreement reached means this funding model will continue for the next 50 years with key outcomes to include:

- A total agreement of 50 years, made up of 5 x 10-year terms
- A fixed funding commitment of ~\$10.9M per year for the initial 10-year term, indexed by CPI annually
- A variable funding model in subsequent terms based on the needs of grassroots football and the performance of WA's AFL clubs at the new Stadium, with this to be funded out of Stadium revenues
- A detailed review process undertaken at year 7 to determine the variable funding in the subsequent term
- A medium-term commitment for accommodation of the WAFC at Subiaco Oval and the establishment of an MOU for the development of a new home for WA football

The WAFC acknowledges the joint Football Working Group, including representatives from the AFL, Fremantle Football Club, and the West Coast Eagles, for working together with the State Government to achieve these outcomes.

## Structural Review of Football

The Structural Review of WA Football Report was released in March, 2017 and identified a number of best practice reforms to ensure football remains engaging, sustainable, and relevant in the long-term.

A key finding of the review was that WA footy is fundamentally in good shape, however there are clear challenges facing the game.

The reforms put forward in the report are intended to address these challenges and deliver a clearly aligned approach across every level of WA football with clear strategic targets.

The Report was informed by a comprehensive review into WA football completed by The Boston Consulting Group (BCG), which interviewed more than 70 WA football stakeholders, surveyed 1,000 people, analysed data from the WAFC, WAFL clubs, the AFL, and community clubs, and drew on best practice models used in other states, countries, and across different sports.

Further research by the WAFC included a stakeholder satisfaction survey which had more than 2,000 respondents.

The implementation of key reforms has now commenced.

## Summary of key reforms:

### Talent

The WAFC to manage the talent pathway and WAFL Colts competition, with a 'player first' focus to deliver improved outcomes whilst maintaining alignment to WAFL Clubs.

### Community Football

Establish Football Development Regions, supported by a new community governance model where more front line WAFC staff will work together, in partnership with affiliates and schools, to support the focus on introducing, engaging and retaining

participants with increased resources in the areas of coaching, umpiring, youth and club development.

### WAFL

To structure the WAFL to be a competitive broadcast-quality competition, that supports the AFL club alignment and sees the clubs as the peak of the State's participation pathway and relevant to their local communities.

### Regions

To support the needs of regional football through improved governance structures, increased focus on providing appropriate resources,

developing talent and supporting volunteers.

### WAFC

To review governance structure to be more reflective of community, re-align staff structures and targets to match new strategic priorities to fulfil the WAFC's role as the leader of WA football.

### Diversity

To ensure that football continues to cater for and reflect our communities with specific focus on females, multicultural and indigenous engagement strategies.

## Talent Development Model

A restructured talent model will be launched for the 2018 football season as WA football sets its sights on being the nation's best State for talent development.

The AFL will invest an additional \$1 million per year into the revised model, which has been developed by the WAFC in partnership with the AFL and nine WAFL clubs as one of the key reforms from the WAFC's Structural Review of Football.

The model's ongoing success will be measured by the total number of AFL draftees, WAFL club player retention, player satisfaction and AFL feedback which will be assessed via an annual perception survey.

## Reconciliation Action Plan

The WAFC Reconciliation Action Plan (RAP) was launched in 2017 to set a clear vision for building stronger relationships with Aboriginal people and communities across WA.

The WAFC's vision for reconciliation is an inclusive football industry built on acceptance and understanding, where all people work together to improve the quality of life for Aboriginal people and strengthen

relationships between Aboriginal and non-Aboriginal Australians.

The RAP was developed by the WAFC Aboriginal Advisory Group with significant input from Aboriginal community members, and representatives from the WAFL, WA Amateur Football League (WAAFL), WA Country Football League (WACFL), and past players and officials.

## Youth Football Working Group

Based on research and consultation, the Youth Football Working Group (YFWG) helped to develop a WAFC Youth Football participation plan for 2017-2020. This is aimed at achieving growth in youth community club football, improving player retention and increasing the interaction of school football with community competitions for 13 to 17-year-olds in WA.

The YFWG included representatives from the WAFC, WAFL clubs, WAAFL, WACFL, District Football Development Council and independent consultant Craig Turley, a former West Coast Eagles player who specialises in community and social impact research. In season 2017, the WAFC focused on the development of the following Youth Football Recommendations:

- Developed a 15 a side youth football division,
- Refining the Youth Calendar and Player welfare protocols,
- Facility Audit necessary for night football trial,
- Year 12 Transition Strategy,
- Coach Education staff appointed,
- Engagement of Youth to act in an advisory capacity.

## Female Participation Strategy

The AFL Women's competition was the catalyst for 28% growth in female football participation in WA in 2017, with numbers increasing from 72,386 to 92,761. The WAFC explored a range of options to ensure this growing segment is provided with the best possible experience and that clubs offer positive, welcoming environments for new participants. This work has included exploring the challenges and opportunities associated with female participation and undertaking a state-wide facility audit to assess and prioritise female-friendly developments. Planning also commenced for the implementation of a WAFL-aligned Women's State League competition, along with a new entry level senior community competition to provide a more social alternative for female participants.





# SUBIACO OVAL

In its final year of operation, Subiaco Oval maintained its commitment to delivering great fan experiences with a focus on customer service and safety for all patrons.

The 2017 season saw a 2.1% improvement in customer satisfaction. The venue also hosted its largest ever concert – Adele and held several events to acknowledge the historical significance of the oval and farewell the venue.

These included a special 'Subi Oval Memories' project in partnership with the City of Subiaco and LotteryWest, as well as the 2017 WA Football Hall of Fame induction dinner on the turf followed by a fireworks display.

**A total of 29 major events were held at Subiaco Oval, attended by 911,646 people.**

**Adele Concert / 61,537**

**WAFL Grand Final / 18,180**

**AFL Women's match / 6,639**

**22 AFL matches / 760,351 total**

**Guns 'n' Roses Concert / 29,293**

**International Rules Series match / 30,116**

**2 AFL JLT Community Series matches / 11,976 total**

**WA Football Hall of Fame**

## Subi Oval Memories

The Subi Oval Memories campaign was conducted in partnership with the City of Subiaco and LotteryWest to encourage fans to share their fondest memories of attending football games, concerts, or other sporting events at the venue.

The experiences shared also included the close friendships and sense of community that has been forged at the ground, with many people sitting in the same seats for more than 20 years and developing life-long friendships with those who sit around them.

Memories included written submissions, photos and videos outlining personal recollections and fondest moments at Subiaco Oval.

WAFC staff also interviewed football fans and WA Football legends who have rooms and gates named in their honour at the venue, to record their favourite memories of Subiaco Oval.

## Hall of Fame

Ten of Western Australia's football greats were inducted to the WA Football Hall of Fame in a special event on the playing surface at Subiaco Oval in November, which also served as a final farewell to the ground.

Haydn Bunton Senior was also elevated to 'Legend' status on the night, becoming the 17th Legend, along with his son Haydn Bunton Jnr, who accepted on his behalf.

The night concluded with a firework display and video tribute to more than 100 years of football and other major events at the ground.

## Future of Subiaco Oval

The WAFC's agreement with the State Government includes remaining at Subiaco Oval in the medium-term and the establishment of a Memorandum of Understanding for the development of a longer-term home for WA football.

The WAFC is eager to continue working with the State and the City of Subiaco on master planning for the Subiaco Oval precinct and exploring the possibility of WA football's headquarters sharing complementary dual-purpose facilities with the State Government's proposed high school on the site.

The WAFC also looks forward to working with the Education Department to explore the possibility of this being an AFL-specialist high school where programs can be developed to help deliver education outcomes.

## 1908

**First game of football played at Subiaco Oval**

## Meet Michael Hoyne and Gale O'Brien

We lived at Subiaco Oval. Yes, you heard right.

The two of us and our parents lived in a three-bedroom flat in the old West Australian National Football League (WANFL) grandstand for 22 years from 1945 to 1967. It was perfect and suited us to a T.

Our father Bill Hoyne was the bar manager in the member's bar and our mother Rona cooked meals for the board meetings. The office holders of the WANFL at the time were Wally Stooke, Billy Orr and Dick Hill. The meals were served upstairs in our dining room in the flat.

We had no restrictions in kicking the football or playing in our backyard. The footy never went over the back fence. We both have fond memories of watching trucks from the Subiaco Council deliver land-fill to build up the banks at the eastern end of the oval. In the summer time for many years sheep were grazing on the banks to keep the grass down and in the winter months we had a nice crop of

mushrooms to pick and eat, some as big as dinner plates!

Subiaco Oval holds fond memories for our family. We recall the Queen mother's visit in the 50s where she walked past our front door on her way up to the grandstands. Nat King Coles' concert was another amazing memory, Frank Sedgman took part in tennis competitions on the oval, and we used to watch Shirley Strickland training for the Olympics. She placed the hurdles diagonally across the oval from one forward pocket to the opposite back pocket to give her extra running distance. We also witnessed a number of football matches including interstate carnivals and local WAFL clashes.



# ENGAGEMENT

## GOAL: More people are engaged in football than with any other sport in WA.

### KEY PERFORMANCE INDICATORS

Measure	2016 Actual	2017 Target	2017 Actual
Total Participation	302,662	325,000	330,001
Club Participation	67,361	67,500	66,750
Participant Satisfaction	42%	50%	46%
Social return on investment	Metrics to be finalised		
WAFL Competitiveness	Metrics to be finalised		

## Total Participation

Western Australia retained its position as Australia's highest football participation state outside of Victoria, with a record 330,001 participants in 2017, a 9% increase on WA's 2016 participation total.

WA football participation made up 21.3% of Australia's overall total of 1,547,915, which increased nationally by 10.2%. Positive stakeholder engagement was a focus and anecdotally this improved across both metro and regional areas.

School competitions and programs experienced the most significant overall growth, with more than 208,000 participants representing an increase of 21%. This can be attributed largely to the outstanding work of AFL School Ambassadors and the quality programs delivered by the WAFC in partnership with the Fremantle Football Club and West Coast Eagles.

Challenges still exist with converting school-based participation into clubs, particularly at Auskick, Junior and Youth football level. As shown in the KPI results, club-based football participation levels requires significant focus and effort to improve the retention of players in the pathway.

Female participation increased 28% to 92,761, which included a 7% increase in Auskick participation and 78% increase in club participation. This saw the number of dedicated female club teams grow from 157 in 2016 to 214 in 2017 – a 36% increase.

To support this growth, the WAFC will continue to focus on developing a clearly defined and well-resourced female participation and talent pathway, female football club guides and education sessions, and a strategic facilities plan which will focus on improving football facilities for female participants.

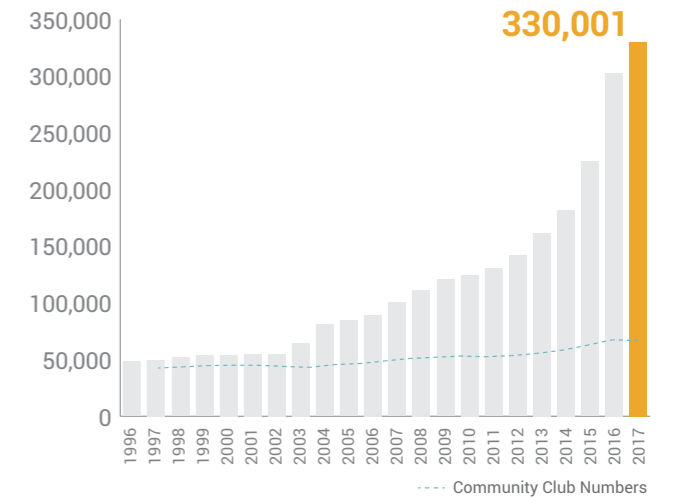
## Key growth outcomes

- Female participation grew 28% from 72,386 to 92,761
- The number of female club teams increased by 36% from 157 to 214
- Growth of 21% in school football programs and competitions

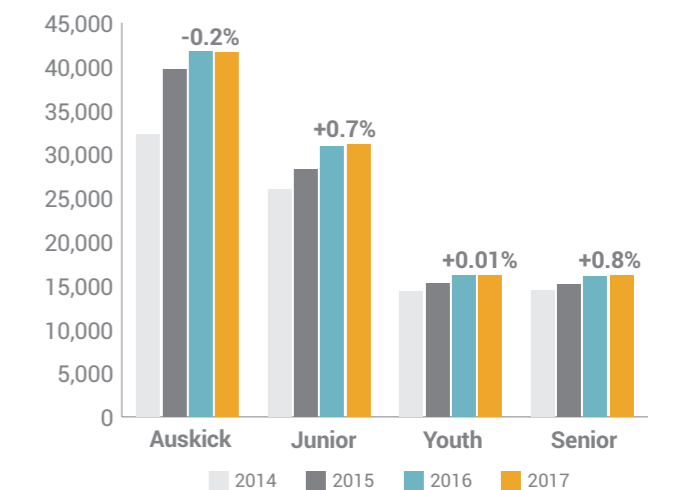
## Key engagement outcomes

- Indigenous participation increased 25.3% to 7,378
- WA's Kickstart and All Nations teams won their divisions at the 2017 National Male Diversity Championships
- WA's Kickstart team won the 2017 National Female Diversity Championship

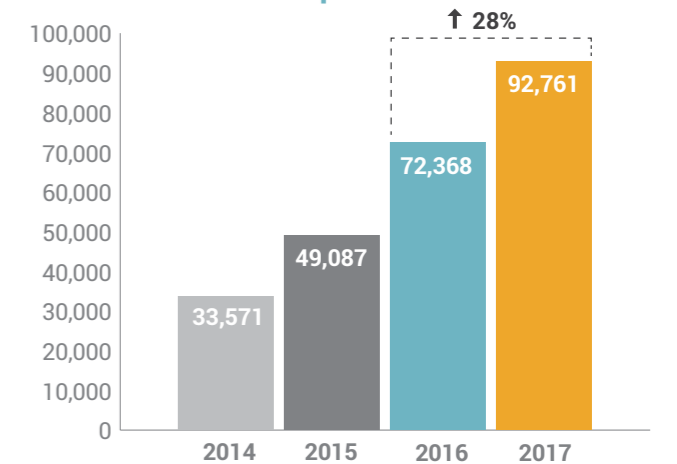
## 1996-2017 Total WA Participation



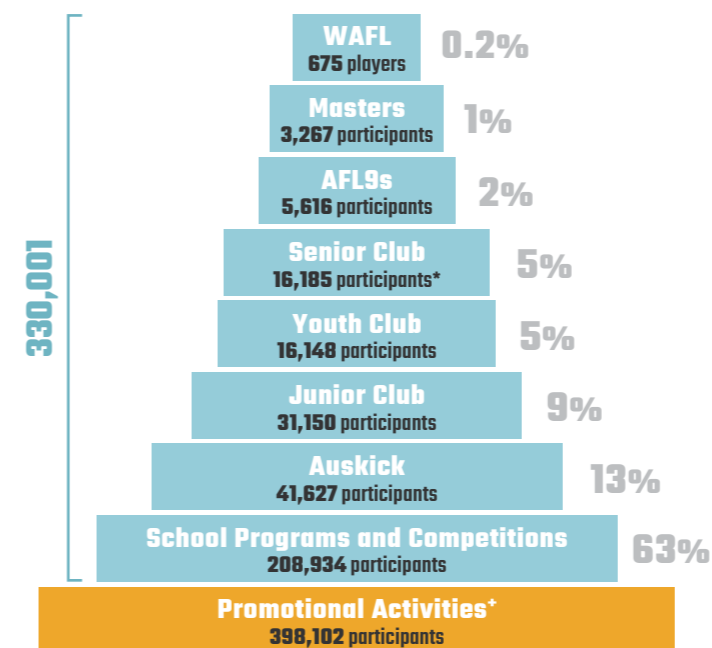
## Community Club Growth



## Total Female Participation



## WA Football Participation Pyramid



\* Note: 15,385 Senior Club plus WAFI players equate to 16,060 total Senior Players. Percentages indicate market share of total participation. \* Promotional Activities are not included in Participation figures.

**330,001**  
total WA participants

**9% increase on 2016**





## Meet Volunteer of the Year Tom Busher

WA Football volunteer Tom Busher was recognised for his significant contribution and leadership in the growth and development of football in the South West region as the 2017 recipient of The Sunday Times WA Football Volunteer of the Year Award.

Busher was presented with the award at the WAFL's Sandover Medal Count as one of 17 regional and district finalists chosen from more than 2,000 nominees and received a trip for two to the AFL Grand Final, thanks to the AFL.

Busher, who is President and Sponsorship Director of the Bunbury Football Club and a member of the South West Regional Football Development Council, has been a driving force in raising much-needed funds to provide extra football staff to the region.

Over the past three years, between his roles with the Bunbury Football Club and as a junior football coach, Busher lined up a number of sponsorship deals with local companies in the region and raised more than \$300,000.

A full-time Football Development Officer is now working in the area and producing fantastic school and community football outcomes in the region.

Busher has also been instrumental in driving Auskick participation numbers at Bunbury Football Club, which has experienced a 300% increase in participants over the last two years.



### Club Participation

Club participation remained steady in 2017, decreasing marginally by 0.9%, with 66,750 players competing across 2502 teams at 559 community clubs. Impressive growth in female participation rates saw the number of dedicated female teams increase by 36% from 157 to 214.

Implementing recommendations from the Youth Football Working Group also made inroads to addressing youth dropout which was positively received by football stakeholders. However, the WAFC remains conscious that the drop-off in participation between junior and youth levels in WA remains more pronounced than in other states.

In country areas football remains popular but faces its own unique challenges with changing demographics and fluctuating population numbers.

In 2018 the WAFC will continue to investigate opportunities for greater coordination and alignment between the Regional Football Development Councils and the WA Country Football League.

The WAFC is also targeting an uplift in conversion rates from introductory and school-based programs into club-based participation in 2018 with the support of community clubs, volunteers and AFL School Ambassadors.

Community engagement initiatives such as the Nicky Winmar Carnival, Kirby Bentley Cup and Multicultural Gala Days are also crucial to engaging more Aboriginal and Multicultural participants that can be connected with community clubs as players, coaches, umpires and administrators.

### Participant Satisfaction

Participant satisfaction showed an increase in 2017 for coaches and volunteers, however further measures are required to ensure that satisfaction levels also continue to increase for players and umpires each year.

Football is underpinned by a large and valued network of volunteers who are seeking more support and resources to assist them to deliver better club and gameday environments, particularly in the areas of coaching, umpiring and administration.

Further investment into front-line WAFC staff who support club development, coaching and umpiring is expected to deliver a greater support network for these volunteers, which will result in a more consistent level of satisfaction from all participants. Club development and the creation of positive game day environments will be critical to ensuring that we make clubs and football grounds the welcoming and positive environments that will enhance player retention.

An extensive review of the Auskick program was undertaken in 2017 in consultation with the AFL and led to the commencement of Auskick 2.0. The evolution of the Auskick program will ensure greater levels of fun, engagement and skill development for participants effectively enabling greater levels of retention and transition to junior football.

**4%** increase in participant satisfaction with the WAFC

### FIVE ELEMENTS TO SUCCESS

The key pillars that respondents believe underpin a successful football system in WA remained consistent compared to 2016.

-  1. Providing a positive and safe football environment
-  2. Quality of Coaches
-  3. Quality of Umpires
-  4. Quality and suitability of ovals and facilities
-  5. Attracting new players to the game



## WAFL Competition

The West Australian Football League (WAFL) represents the peak of the community participation pathway providing support to Western Australia's most talented players.

The WAFL reinforced its reputation as Australia's premier State League competition in 2017 with the WAFL State team creating history by defeating the Victorian Football League by 63 points in Melbourne.

It was the first ever senior West Australian team to beat Victoria on their home soil, breaking a drought that began with the first attempt to win in Melbourne in 1904. The eventual 20.14 (134) to 10.11 (71) result was

a resounding victory under coach Michael Broadbridge.

Retaining the WAFL's status as a highly competitive broadcast-quality competition is a key priority. The WAFL will focus on identifying and implementing specific competition equalisation measures that support club sustainability, team competitiveness and quality, with all measures intended to be in place by the end of the 2019 season, including a zone review of WAFL Club/District zones.

A detailed review of community expectations for WAFL Clubs is also planned to develop an appropriate mix of facilities, services, food and

beverage experiences, plus marketing strategies to attract a new generation of members and fans to the WAFL.

The WAFL will continue to work with WAFL Clubs to understand and enhance their connections with the community.

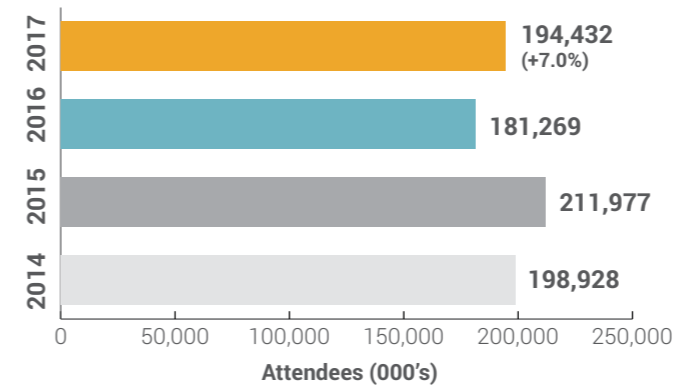
Changes were announced to the finals eligibility of players for the 2018 season as the result of an in-depth analysis of four years of data (2014-2017) under the AFL Partner Club model and extensive consultation with stakeholders.

The WAFL is also committed to ensuring the WAFL remains the only senior competition in WA from which AFL players can be drafted.

## Claremont Football Club opened its new \$15.5M state-of-the-art facility

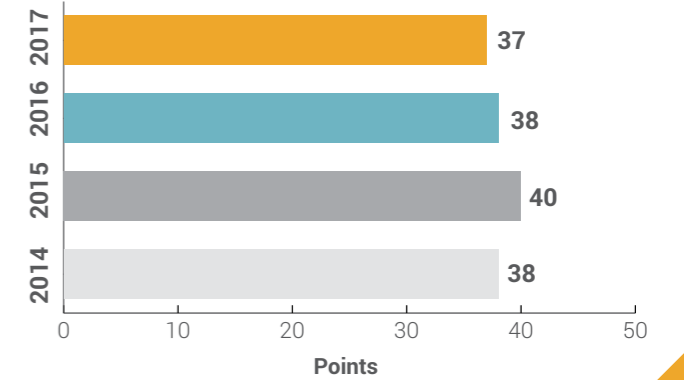
**7%**  
increase  
in WAFL  
attendance

## Cumulative attendance<sup>^</sup>

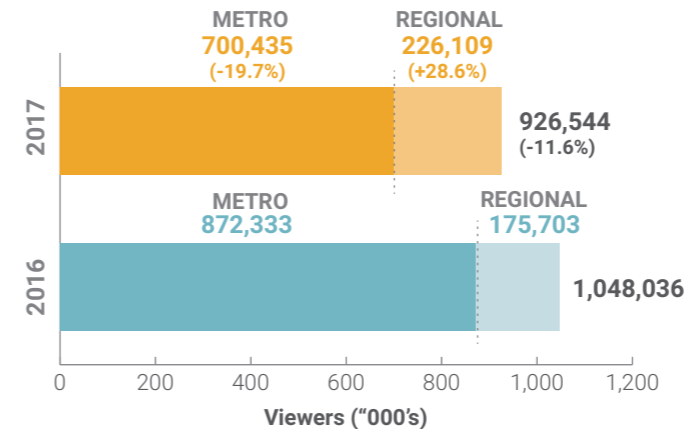


<sup>^</sup>Based after Round 21

## Average Winning Margin



## Cumulative TV audience



\*Average and cumulative audience % differs due to 23 broadcasts in 2016 vs 22 broadcasts in 2017.

**34,808**

Social media  
followers  
up 30%

## WAFL state team beat Victoria in Victoria for the first time in 113 years



2017 Sandover Medallist  
Haide Schloithe



## GOAL: WA is recognised as best practice in talent identification and player development.

### KEY PERFORMANCE INDICATORS

Measure	2016 Actual	2017 Target	2017 Actual
Total AFL draftees	15	15	20
Total AFLW draftees	23	15	15
AFL and WAFL club talent perception	Metrics to be finalised		
Umpire and coach pathway progression	Metrics to be finalised		

### Talent Pathway

The WAFC's commitment to ensuring WA's talent pathway aspires to the highest possible standards saw the appointment of key staff to the male and female talent academies for the 2017 season.

This included former AFL Assistant Coaches Peter Sumich and Tony Micale to new roles with the State 16s and State 18s Academy, and Clint Degebrodt as the WAFC's first ever full-time Talent Manager –

Female Programs to support the development and advancement of WA players and coaches aspiring to the AFL Women's competition.

Sumich was appointed as Coach Coordinator State 18s and Micale as Coach Coordinator State 16s. The new roles included coaching WA's respective sides at the NAB AFL National Championships, as well as the WAFL coaches linked to each age group.



2017 Larke Medallist  
Oscar Allen

Both were also involved with mentoring players in the AFL Academy and attending key AFL Academy events and programs to support national talent outcomes.

Degebrodt's role included overseeing and managing the State Female Academy and supporting stakeholders involved in the development of talented female players.

### National Championship Results

#### State 16 Boys

The Deppo WA State 16s remained undefeated at the NAB AFL National 16s Championships, taking out the title with a thrilling one-point win over Victoria Metro. Perth's Deven Robertson was named MVP.

#### State 18 Girls

WA's Mundella Youth Girls claimed two wins from five games at the AFL Youth Girls Championships and

had eight players selected for All Australian honours. Courtney Hodder won the MVP award for WA.

#### State 18 Boys

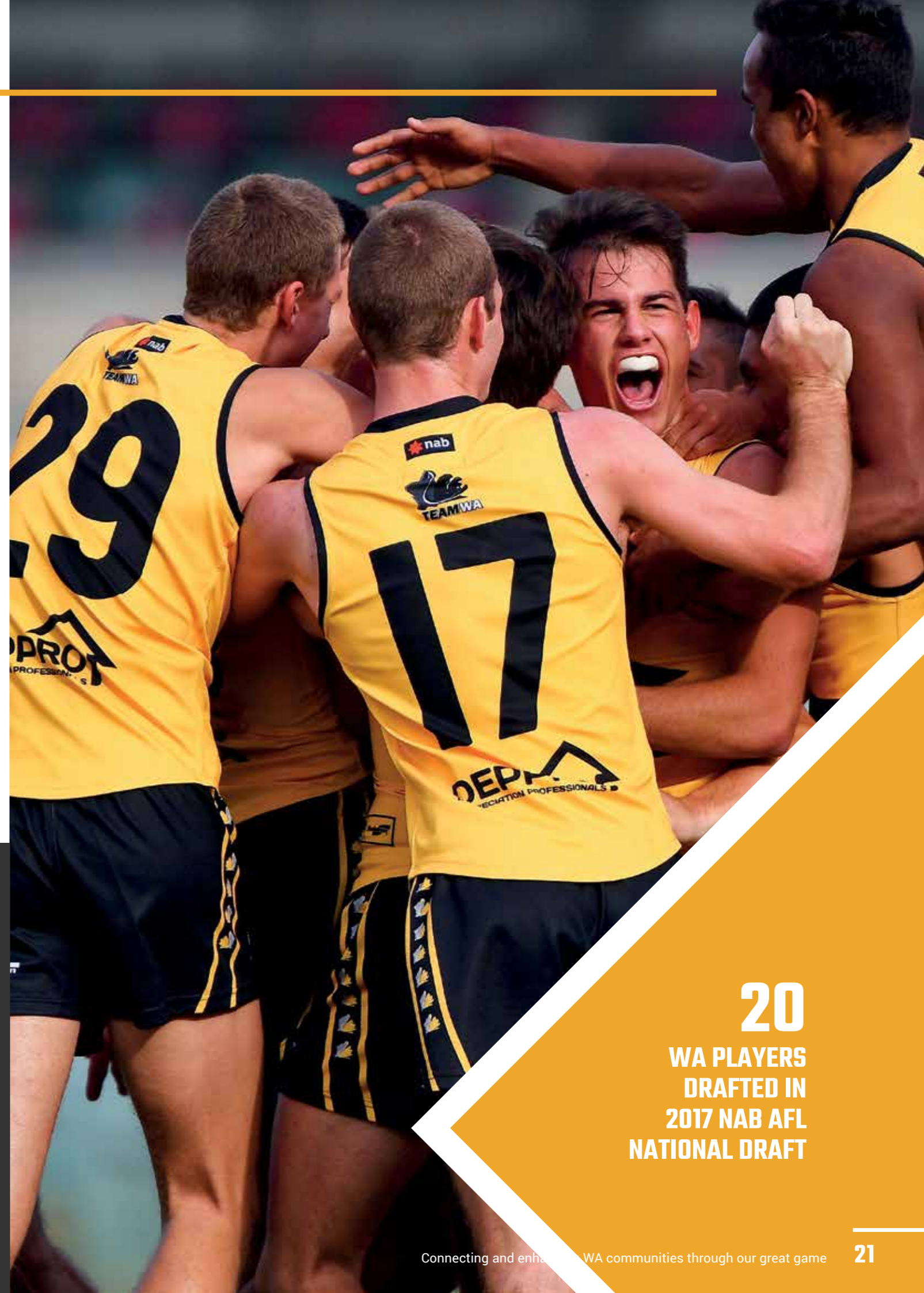
The Deppo WA State 18s finished second on percentage to Victoria Metro at the 2017 NAB AFL National 18s Championships.

Co-captain Oscar Allen won the Larke Medal and was named as an All Australian alongside fellow

co-captain Aaron Naughton, defender Sam Taylor and midfielder Brayden Ainsworth.

#### State 23 Women

The Mundella WA State Under 23s team was defeated in two closely fought battles against Queensland at the NAB AFL Women's Under 23 games in Brisbane.



**20**  
WA PLAYERS  
DRAFTED IN  
2017 NAB AFL  
NATIONAL DRAFT





## AFL Draftees

15 WAFL players were selected in the 2017 NAB AFL National Draft in Sydney, which included three first round selections. An additional five WAFL players were added to AFL Rookie lists, taking the total number of WA players drafted in 2017 to 20.

### 2017 WA Draftees

9	Aaron Naughton	Peel Thunder/ Rockingham	Western Bulldogs
18	Brandon Starcevich	East Perth/Trinity/ Mt Lawley-Inglewood	Brisbane Lions
19	Wil Powell	Claremont/ Scarborough	Gold Coast
21	Oscar Allen	West Perth/Whitfords	West Coast
24	Tim Kelly	South Fremantle/ Palmyra	Geelong
26	Liam Ryan	Subiaco/Rovers Geraldton	West Coast
28	Sam Taylor	Swan Districts/ Guildford Grammar/ Upper Swan	Greater Western Sydney
32	Brayden Ainsworth	Subiaco/Ports Esperance	West Coast
56	Zac Langdon	Claremont/Dampier	Greater Western Sydney
58	Jake Patmore	Claremont/Christ Church/Swanbourne	Port Adelaide
62	Kyron Hayden	Subiaco/Hale	North Melbourne
63	Ben Miller	Subiaco/Railways Kalgoorlie	Richmond
75	Scott Jones	East Perth/Busselton	Fremantle
76	Matt Guelfi	Claremont/Wembley Downs	Essendon
78	Jarrold Garlett	South Fremantle/ Bibra Lake	Carlton

### Rookie Draftees

5	Bailey Banfield	Claremont/Scotch/ Swanbourne	Fremantle
13	Ryan Burrows	South Fremantle/ Roleystone	West Coast
18	Liam Baker	Subiaco/Lake Grace	Richmond
20	Gordon Narrier	Perth/Hale	North Melbourne
35	Callan England	Claremont/Wembley Downs	West Coast



## 2 Top 10 selections in the AFLW draft

### AFLW Draft

A total of 15 West Australian players were drafted to the AFLW in 2017. Nine of these players were selected in the 2017 NAB AFL Women's Draft, including two top 10 selections.

#### 2017 WA draftees:

2	Stephanie Cain	Swan Districts	Fremantle
10	Evangeline Gooch	East Fremantle	Fremantle
18	Jodie White	Coastal Titans	Fremantle
26	Ashlee Atkins	East Fremantle	Fremantle
33	Emily McGuire	Swan Districts	Fremantle
34	Ashleigh Brazill	Swan Districts	Collingwood
39	Alicia Janz	Swan Districts	Fremantle
41	Rheanne Lugg	Swan Districts	Adelaide
43	Leah Mascall	Coastal Titans	Fremantle

#### Rookie Draftees:

2	Lisa Webb	Coastal Titans	Fremantle
10	Jade De Melo	East Fremantle	Fremantle
12	Katie-Jayne Grieve	South Bunbury	Carlton
16	Beatrice Devlyn	South Fremantle	Fremantle
19	Tayla McAuliffe	Swan Districts	Fremantle

#### Free Agents:

Rachel Ashley	Perth Angels	Western Bulldogs
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## Coaching and Umpiring

The number of accredited umpires in Western Australia increased by 32% in 2017 to a total of 980, while the number of accredited coaches increased by 10% to 6,674.

The WAFC is developing a plan to provide relevant professional development and mentoring to support talented coaches, umpires and administrators that will ensure strong career pathways are established for these important segments of the game.



## Meet Wellbeing & Development Coach Darren Rumble

After 15 years playing for Subiaco Football Club and relishing all the great experiences that came along with it, I was given the opportunity to share everything I'd learnt with the State's most talented players, through the position of Wellbeing & Development Coach at the WAFC. I am extremely passionate about this area and know that juggling life and part-time football commitments can be tough. Particularly when study, work, family and social life are combined with those things that foxy throws at you, such as injuries, selection, inconsistent performance and striving for what you've dreamed of your whole life – playing at the highest level. All this can be at times overwhelming when you're still in the adolescent stage of life.

Through education and constant contact with the players, our aim at the WAFC is to prepare them to not only perform at their best physically but also psychologically. Once a player enters the pathway at the age of 16, they will be educated on topics such as mental health, professionalism, resilience and positive health strategies, preparing them for both life in football and life itself.

Moving forward, there will be Well-Being Officer (WBO) at every WAFL Colts Club to ensure all

players across the State's underage competition are given the same education opportunities as those in the talent pathways. Players will be required to enter a daily wellness diary via an app, which can be accessed by their WBO, and attend education sessions.

Although I feel extremely fortunate to have enjoyed a lot of success throughout my career and will always cherish that part of my life, there were times where it was particularly difficult mentally. Having a dedicated person in this role for all players will not only benefit them but those around them. Ultimately, we want the players to graduate from the Colts and Talent systems with positive experiences and to be conscious and open about their mental wellbeing, which will assist them in day to day life and prepare them for the rigors of a WAFL or AFL career.

### DARREN RUMBLE

- > 229 games for Subiaco FC
- > 6 x WAFL Premiership player (2004,06,07,08,14,15)
- > WAFL State Team player (2005,06,08,09,15)

# SUSTAINABILITY

## GOAL: WA football clubs and competitions are well-governed, operate with integrity and are sustainable.

### KEY PERFORMANCE INDICATORS

Measure	Actual 2016	Target	Actual
WAFC Cash balance*	7.6M	8.1M	18.6M
Annual governance review	No	1	1
% of funding from commercial sources	19%	20%	15%
No. of WAFL clubs with positive annual cash balance	9	9	9
Board and Executive diversity target	Metrics to be finalised		
Employee satisfaction and capability result	83%	N/A	N/A
HSE internal compliance (MS accreditation ISO14001 AS/NZS4801)	100%	100%	100%

\*Note: Cash balance includes State Government funding for 2018.





## Financial Overview

The audit for 31 October 2017 financial report has been completed with the auditors, EY providing an unqualified opinion. The WAFC's 2016-2017 result shows an operating profit of \$4.27 million and a cash result of \$10.97 million. The operating profit and cash result includes the State Government funding for 2018 that was received 30 October 2017, plus a charge for the accelerated Stadium depreciation due to a targetted written down value of \$0 at the end of 31 October 2017.

Even though the State Government funding is for spend in the 2018 financial year, it is required to be recognised in the year of receipt under AASB1004 Contributions.

Depreciation in 2017 also includes \$7.6 million in accelerated depreciation for the Stadium. The written down value of Domain Stadium and related assets as at 31 October 2017 was \$nil (2016; \$10.56 million). Accelerated depreciation in 2016 for the Stadium was \$5.9M.

Income	Expenses	Ordinary Net Profit	State Funding for 2018	Accelerated Depreciation	Net Profit
<b>\$36.3m</b>	<b>– \$35.4m</b>	<b>= \$0.96m</b>	<b>+ \$10.95m</b>	<b>– \$7.64m</b>	<b>= \$4.27m</b>

Statutory Cash Result	–	2018 Government Funding	=	2017 Cash result
<b>\$10.97m</b>		<b>\$10.95m</b>		<b>\$0.02m</b>

The WAFC continues to pay down its long-term debt of \$10.4 million, and as at 31 October 2017 the balance of this debt is \$5.6 million. In 2017 WAFC made a repayment of \$0.3 million and paid \$0.18 million in interest. This is consistent to the cost of debt in 2016.

Operating revenue in 2017 was on par with 2016 with a 1% increase year on year. Cost reduction efforts in administration and facilities in 2017 has provided an opportunity to increase spend in football operations and development. Ongoing reviews and controls of operating expenditure played a key part in containing costs in 2017, which contributed to the overall result. Cost control was a key focus in 2017, with further efforts to increase financial ownership by all budget managers in 2018 and moving forward.

Outlined below is a summary breakdown of the financial results of the WAFC.

Expenditure	<b>\$32.2 million</b> Operational expenses increased by 1.29%. This figure excludes depreciation.	Investment in Football	<b>\$25.2 million</b> 4.6% increase in investment from prior year	AFL & AFL Clubs	<b>\$14.6 million</b> This includes revenue from WCE & FFC Royalty; AFL Grants; WCE & FFC Community Sponsorship
Depreciation	<b>\$10.79 million</b> \$7.6m attributed to accelerated depreciation	Stadium Net Result	<b>\$9.9 million</b> Excludes \$7.9m depreciation	Cash Result	<b>\$10.97 million</b> Total cash reserve target of \$3m was achieved

## Statements of Comprehensive Income

For the year ended 31 October 2017

	Consolidated		WAFC Inc	
	2017 \$	2016 \$	2017 \$	2016 \$
Revenue	138,316,384	136,333,563	36,326,171	35,945,529
State funding income(i)	10,947,000	-	10,947,000	-
Cost of goods and services provided	(23,273,129)	(24,480,981)	-	-
<b>GROSS PROFIT</b>	<b>125,990,255</b>	<b>111,852,582</b>	<b>47,273,171</b>	<b>35,945,529</b>
Administration expenses	(18,702,021)	(16,548,255)	(2,103,044)	(3,035,799)
Marketing expenses	(4,930,644)	(4,029,977)	(225,605)	(152,709)
Corporate expenses	(1,785,878)	(4,812,581)	(948,484)	(816,012)
Borrowing costs expensed	(176,995)	(218,883)	(176,995)	(218,883)
Football expenses	(64,038,928)	(59,628,540)	(12,893,524)	(12,168,718)
Supporter development expenses	(463,147)	(502,855)	-	-
Development expenses	(6,667,909)	(5,957,126)	(6,667,909)	(5,957,126)
Communication and corporate affairs	(1,810,837)	(974,754)	(746,146)	(487,508)
Facility expenses	(17,791,010)	(16,594,867)	(17,791,010)	(16,594,867)
Umpire expenses	(1,378,858)	(1,321,200)	(1,378,858)	(1,321,200)
Unrealised profit/(loss) on investments	(22,032)	-	-	-
Facility and club development contribution	(70,000)	(70,000)	(70,000)	(70,000)
<b>PROFIT/(LOSS) FROM NORMAL OPERATIONS</b>	<b>8,151,996</b>	<b>1,193,544</b>	<b>4,271,596</b>	<b>(4,877,293)</b>
<b>OTHER INCOME/(EXPENSES) OUTSIDE NORMAL OPERATIONS</b>				
Net Development Funding	7,456,077	1,944,754	-	-
Net loss on Surrender and Release of Fremantle Oval	(1,146,219)	-	-	-
Net gain on fair value measurement of lease benefit	4,082,188	-	-	-
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>	<b>18,544,042</b>	<b>3,138,298</b>	<b>4,271,596</b>	<b>(4,877,293)</b>
<b>INCOME TAX EXPENSE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF WAFC</b>	<b>18,544,042</b>	<b>3,138,298</b>	<b>4,271,596</b>	<b>(4,877,293)</b>
<b>Other comprehensive loss</b>				
Fair value movement of available for sale investments	390,748	(62,746)	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>18,934,790</b>	<b>3,075,552</b>	<b>4,271,596</b>	<b>(4,877,293)</b>

(i) Amount relates to monies received on 30 October 2017 from the State Government under the WAFC Funding Agreement relating to the 31 October 2018 financial year. As the amount was received prior to year-end, although it represents funding for the 31 October 2018 financial year, accounting standards require it to be recognised as income in the current financial year.



## Statements of Financial Position

For the year ended 31 October 2017

	Consolidated		WAFC Inc	
	2017 \$	2016 \$	2017 \$	2016 \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	42,597,418	27,037,736	18,584,612	7,617,925
Trade and other receivables	5,649,349	5,861,242	3,220,456	3,747,774
Inventories	681,036	870,268	-	-
Other financial assets	42,078,538	44,028,322	-	-
Non - interest bearing loan receivable	55,000	-	55,000	-
<b>TOTAL CURRENT ASSETS</b>	<b>91,061,341</b>	<b>77,797,568</b>	<b>21,860,068</b>	<b>11,365,699</b>
<b>NON-CURRENT ASSETS</b>				
Non-interest bearing loan receivable	635,000	210,000	135,000	210,000
Other financial assets	-	-	2,110,946	2,110,946
Property, plant and equipment	19,455,510	15,232,513	195,719	10,841,950
Investment properties	3,006,991	2,278,201	1,262,761	1,262,761
Intangible assets	8,000,000	8,000,000	-	-
Other non-current assets	8,228,479	13,975,192	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>39,325,980</b>	<b>39,695,906</b>	<b>3,704,426</b>	<b>14,425,657</b>
<b>TOTAL ASSETS</b>	<b>130,387,321</b>	<b>117,493,474</b>	<b>25,564,494</b>	<b>25,791,356</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	17,394,622	24,342,097	2,487,188	5,676,375
Interest bearing liabilities	5,606,348	5,906,348	5,606,348	5,906,348
Provisions	6,714,728	6,368,327	2,269,941	1,176,460
<b>TOTAL CURRENT LIABILITIES</b>	<b>29,715,698</b>	<b>36,616,772</b>	<b>10,363,477</b>	<b>12,759,183</b>
<b>NON-CURRENT LIABILITIES</b>				
Unearned revenue	722,220	898,312	-	2,027,832
Interest bearing liabilities	1,001,152	1,000	-	-
Provisions	1,274,893	1,238,823	84,543	159,463
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,998,265</b>	<b>2,138,135</b>	<b>84,543</b>	<b>2,187,295</b>
<b>TOTAL LIABILITIES</b>	<b>32,713,963</b>	<b>38,754,907</b>	<b>10,448,020</b>	<b>14,946,478</b>
<b>NET ASSETS</b>	<b>97,673,358</b>	<b>78,738,567</b>	<b>15,116,474</b>	<b>10,844,878</b>
<b>ACCUMULATED FUNDS</b>				
Accumulated surplus	96,074,008	77,598,731	15,116,474	10,844,878
Reserves	1,599,350	1,139,836	-	-
<b>TOTAL ACCUMULATED FUNDS</b>	<b>97,673,358</b>	<b>78,738,567</b>	<b>15,116,474</b>	<b>10,844,878</b>

## Statements of Cash Flows

For the year ended 31 October 2017

	Consolidated		WAFC Inc	
	2017 \$	2016 \$	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	141,780,204	137,204,011	42,913,939	40,589,383
Payments to suppliers and employees	(129,138,251)	(129,078,670)	(31,407,705)	(39,095,019)
Interest and dividends received	2,197,197	3,122,314	63,701	69,319
Development funding and grants received	7,456,077	144,754	-	-
Borrowing costs	(176,995)	(218,883)	(176,995)	(218,883)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>22,118,232</b>	<b>11,173,526</b>	<b>11,392,940</b>	<b>1,344,800</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Redemption of term deposits	1,032,764	2,043,736	-	-
Purchase of property, plant and equipment	(4,747,229)	(1,852,068)	(146,253)	(621,583)
Assets under construction	(5,293,786)	-	-	-
Proceed from sale of investments	22,300,227	-	-	-
Purchase of investments	(21,092,390)	(20,027,314)	-	-
Proceeds from sale of property, plant and equipment	521,864	195,577	-	194,659
Proceeds from repayment of loan receivable	20,000	-	20,000	-
<b>NET CASH FLOW / (USED IN) INVESTING ACTIVITIES</b>	<b>(7,258,550)</b>	<b>(19,640,069)</b>	<b>(126,253)</b>	<b>(426,924)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	1,000,000	-	-	-
Repayment of long term debt	(300,000)	(300,000)	(300,000)	(300,000)
Payments in relation to ETAF	-	(11,857,817)	-	-
<b>NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>700,000</b>	<b>(12,157,817)</b>	<b>(300,000)</b>	<b>(300,000)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>15,559,682</b>	<b>(20,624,360)</b>	<b>10,966,687</b>	<b>617,876</b>
Cash and cash equivalents at beginning of period	27,037,736	47,662,096	7,617,925	7,000,049
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>42,597,418</b>	<b>27,037,736</b>	<b>18,584,612</b>	<b>7,617,925</b>





# WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED FINANCIAL REPORT

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For the Year Ended 31 October 2017

## CONTENTS

Independent Audit Report	32
Chairman of the Board of Commissioners' Declaration	35
Statements of Comprehensive Income	36
Statements of Financial Position	37
Statements of Changes in Equity	38
Statements of Cash Flows	40
Notes to the Financial Statements	41 – 66



## Independent auditor's report to the Members of the West Australian Football Commission Incorporated

### Opinion

We have audited the financial report of the West Australian Football Commission Incorporated ("the Commission") and its subsidiaries (collectively the Group), which comprises:

- ▶ The Group consolidated and Commission statements of financial position as at 31 October 2017.
- ▶ The Group consolidated and Commission statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended.
- ▶ Notes to the financial statements, including a summary of significant accounting policies.
- ▶ The Commissioners' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Commission and the Group as at 31 October 2017, and their financial performance and their cash flows for the year then ended in accordance with Australian Accounting Standards.

### 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 Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

### Responsibilities of the Commissioners for the financial report

The Commissioners are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as the Commissioners determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Commissioners are responsible for assessing the Commission's and Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Commissioners either intend to liquidate the Commission or Group or to cease operations, or have no realistic alternative but to do so.

## 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

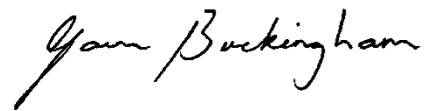
- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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 Commission's or the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioners.
- ▶ Conclude on the appropriateness of the Commissioners' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission or the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



We communicate with the Commissioners regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young



Gavin Buckingham  
Partner  
Perth  
20 February 2018

## WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED CHAIRMAN OF THE BOARD OF COMMISSIONERS' DECLARATION

I, Murray McHenry being the Chairman of the Board of Commissioners of the West Australian Football Commission Incorporated ("WAFC"), do hereby state that to the best of my knowledge and belief, the accompanying financial statements, being the Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity, Statements of Cash Flows and Notes to and forming part of the financial statements of the WAFC gives a true and fair view of the WAFC and the WAFC Consolidated Group financial position and performance as at and for the year ended 31 October 2017.



Chairman of the Board of Commissioners' Declaration  
Perth

20 February 2018





**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Note	Consolidated		WAFC Inc.	
		2017	2016	2017	2016
		\$	\$	\$	\$
Revenue	4	138,316,384	136,333,563	36,326,171	35,945,529
State funding income <sup>(i)</sup>		10,947,000	-	10,947,000	-
Cost of goods and services provided	5	(23,273,129)	(24,480,981)	-	-
<b>GROSS PROFIT</b>		<b>125,990,255</b>	<b>111,852,582</b>	<b>47,273,171</b>	<b>35,945,529</b>
Administration expenses		(18,702,021)	(16,548,255)	(2,103,044)	(3,035,799)
Marketing expenses		(4,930,644)	(4,029,977)	(225,605)	(152,709)
Corporate expenses		(1,785,878)	(4,812,581)	(948,484)	(816,012)
Borrowing costs expensed	5	(176,995)	(218,883)	(176,995)	(218,883)
Football expenses		(64,038,928)	(59,628,540)	(12,893,524)	(12,168,718)
Supporter development expenses		(463,147)	(502,855)	-	-
Development expenses		(6,667,909)	(5,957,126)	(6,667,909)	(5,957,126)
Communication and corporate affairs		(1,810,837)	(974,754)	(746,146)	(487,508)
Facility expenses		(17,791,010)	(16,594,867)	(17,791,010)	(16,594,867)
Umpire expenses		(1,378,858)	(1,321,200)	(1,378,858)	(1,321,200)
Unrealised profit/(loss) on investments		(22,032)	-	-	-
Facility and club development contribution		(70,000)	(70,000)	(70,000)	(70,000)
<b>PROFIT/(LOSS) FROM NORMAL OPERATIONS</b>		<b>8,151,996</b>	<b>1,193,544</b>	<b>4,271,596</b>	<b>(4,877,293)</b>
<b>OTHER INCOME/(EXPENSES) OUTSIDE NORMAL OPERATIONS</b>					
Net Development Funding	4	7,456,077	1,944,754	-	-
Net loss on Surrender and Release of Fremantle Oval	4	(1,146,219)	-	-	-
Net gain on fair value measurement of lease benefit	4	4,082,188	-	-	-
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>		<b>18,544,042</b>	<b>3,138,298</b>	<b>4,271,596</b>	<b>(4,877,293)</b>
<b>INCOME TAX EXPENSE</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF WAFC</b>	20(d)	<b>18,544,042</b>	<b>3,138,298</b>	<b>4,271,596</b>	<b>(4,877,293)</b>
<b>Other comprehensive loss</b>					
Fair value movement of available for sale investments		390,748	(62,746)	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>18,934,790</b>	<b>3,075,552</b>	<b>4,271,596</b>	<b>(4,877,293)</b>

(i) Amount relates to monies received on 30 October 2017 from the State Government under the WAFC Funding Agreement relating to the 31 October 2018 financial year. As the amount was received prior to year-end, although it represents funding for the 31 October 2018 financial year, accounting standards require it to be recognised as income in the current financial year.

**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**STATEMENTS OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Note	Consolidated		WAFC Inc.	
		2017	2016	2017	2016
		\$	\$	\$	\$
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	6	42,597,418	27,037,736	18,584,612	7,617,925
Trade and other receivables	7	5,649,349	5,861,242	3,220,456	3,747,774
Inventories	8	681,036	870,268	-	-
Other financial assets	9	42,078,538	44,028,322	-	-
Non - interest bearing loan receivable	10	55,000	-	55,000	-
<b>TOTAL CURRENT ASSETS</b>		<b>91,061,341</b>	<b>77,797,568</b>	<b>21,860,068</b>	<b>11,365,699</b>
<b>NON-CURRENT ASSETS</b>					
Non-interest bearing loan receivable	10	635,000	210,000	135,000	210,000
Other financial assets	9	-	-	2,110,946	2,110,946
Property, plant and equipment	11	19,455,510	15,232,513	195,719	10,841,950
Investment properties	12	3,006,991	2,278,201	1,262,761	1,262,761
Intangible assets	13	8,000,000	8,000,000	-	-
Other non-current assets	25	8,228,479	13,975,192	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>39,325,980</b>	<b>39,695,906</b>	<b>3,704,426</b>	<b>14,425,657</b>
<b>TOTAL ASSETS</b>		<b>130,387,321</b>	<b>117,493,474</b>	<b>25,564,494</b>	<b>25,791,356</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	14	17,394,622	24,342,097	2,487,188	5,676,375
Interest bearing liabilities	15	5,606,348	5,906,348	5,606,348	5,906,348
Provisions	16	6,714,728	6,368,327	2,269,941	1,176,460
<b>TOTAL CURRENT LIABILITIES</b>		<b>29,715,698</b>	<b>36,616,772</b>	<b>10,363,477</b>	<b>12,759,183</b>
<b>NON-CURRENT LIABILITIES</b>					
Unearned revenue	17	722,220	898,312	-	2,027,832
Interest bearing liabilities	18	1,001,152	1,000	-	-
Provisions	19	1,274,893	1,238,823	84,543	159,463
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,998,265</b>	<b>2,138,135</b>	<b>84,543</b>	<b>2,187,295</b>
<b>TOTAL LIABILITIES</b>		<b>32,713,963</b>	<b>38,754,907</b>	<b>10,448,020</b>	<b>14,946,478</b>
<b>NET ASSETS</b>		<b>97,673,358</b>	<b>78,738,567</b>	<b>15,116,474</b>	<b>10,844,878</b>
<b>ACCUMULATED FUNDS</b>					
Accumulated surplus	20	96,074,008	77,598,731	15,116,474	10,844,878
Reserves	20	1,599,350	1,139,836	-	-
<b>TOTAL ACCUMULATED FUNDS</b>		<b>97,673,358</b>	<b>78,738,567</b>	<b>15,116,474</b>	<b>10,844,878</b>



**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Accumulated Surplus	Reserves	Total Equity
<b>CONSOLIDATED</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>At 1 November 2015</b>	74,569,463	1,093,553	75,663,016
Profit for the year	3,138,298	-	3,138,298
Fair value movement of available for sale investments	-	(62,746)	(62,746)
<b>Total comprehensive income for the period</b>	<b>3,138,298</b>	<b>(62,746)</b>	<b>3,075,552</b>
Transfer to unsecured notes reserve	133	(133)	-
Transfer to undistributable profits reserve	(109,163)	109,163	-
<b>At 31 October 2016</b>	<b>77,598,731</b>	<b>1,139,837</b>	<b>78,738,568</b>
<b>At 1 November 2016</b>	77,598,731	1,139,837	78,738,568
Profit for the year	18,544,042	-	18,544,042
Fair value movement of available for sale investments	-	390,748	390,748
<b>Total comprehensive income for the period</b>	<b>96,142,773</b>	<b>1,530,585</b>	<b>97,673,358</b>
Transfer to unsecured notes reserve	152	(152)	-
Transfer to undistributable profits reserve	(68,917)	68,917	-
<b>At 31 October 2017</b>	<b>96,074,008</b>	<b>1,599,350</b>	<b>97,673,358</b>

**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Accumulated Surplus	Reserves	Total Equity
<b>WAFC</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>At 1 November 2015</b>	15,722,171	-	15,722,171
Loss for the year	(4,877,293)	-	(4,877,293)
<b>At 31 October 2016</b>	<b>10,844,878</b>	<b>-</b>	<b>10,844,878</b>
<b>At 1 November 2016</b>	10,844,878	-	10,844,878
Profit for the year	4,271,596	-	4,271,596
<b>At 31 October 2017</b>	<b>15,116,474</b>	<b>-</b>	<b>15,116,474</b>



**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Note	Consolidated		WAFC Inc.	
		2017	2016	2017	2016
		\$	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers		141,780,204	137,204,011	42,913,939	40,589,383
Payments to suppliers and employees		(129,138,251)	(129,078,670)	(31,407,705)	(39,095,019)
Interest and dividends received		2,197,197	3,122,314	63,701	69,319
Development funding and grants received		7,456,077	144,754	-	-
Borrowing costs		(176,995)	(218,883)	(176,995)	(218,883)
NET CASH FLOWS FROM OPERATING ACTIVITIES	6(b)	22,118,232	11,173,526	11,392,940	1,344,800
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Redemption of term deposits		1,032,764	2,043,736	-	-
Purchase of property, plant and equipment		(4,747,229)	(1,852,068)	(146,253)	(621,583)
Assets under construction		(5,293,786)	-	-	-
Proceed from sale of investments		22,300,227	-	-	-
Purchase of investments		(21,092,390)	(20,027,314)	-	-
Proceeds from sale of property, plant and equipment		521,864	195,577	-	194,659
Proceeds from repayment of loan receivable		20,000	-	20,000	-
NET CASH FLOW / (USED IN) INVESTING ACTIVITIES		(7,258,550)	(19,640,069)	(126,253)	(426,924)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from borrowings		1,000,000	-	-	-
Repayment of long term debt		(300,000)	(300,000)	(300,000)	(300,000)
Payments in relation to ETAF		-	(11,857,817)	-	-
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		700,000	(12,157,817)	(300,000)	(300,000)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		15,559,682	(20,624,360)	10,966,687	617,876
Cash and cash equivalents at beginning of period		27,037,736	47,662,096	7,617,925	7,000,049
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	6(a)	<b>42,597,418</b>	<b>27,037,736</b>	<b>18,584,612</b>	<b>7,617,925</b>

**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

**1. CORPORATE INFORMATION**

The financial report of the West Australian Football Commission (WAFC) for the year ended 31 October 2017 was authorised for issue in accordance with a resolution of the Commissioners on 20 February 2018.

The registered office of West Australian Football Commission is located at:

Gate 6, Domain Stadium  
Subiaco Road  
SUBIACO WA 6008

The nature of the operations and principal activities of the Commission is to promote and encourage the participation and growth in football and operate Domain Stadium.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation**

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Associations Incorporation Act (WA) and Australian Accounting Standards applicable to not for profit entities. The financial report has also been prepared on a historical cost basis, except for available-for-sale investments, which have been measured at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar.

**(b) Statement of compliance**

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board ("the AASB") that are relevant to its operations and effective for annual reporting periods beginning on 1 November 2016. The adoption of these standards had no impact on the financial position or performance of the Group.

**(c) Basis of Consolidation**

The consolidated financial statements comprise the financial statements of West Australian Football Commission Incorporated (WAFC) and all entities (the Group) which WAFC controlled as at 31 October each year.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist. In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

**(d) Significant accounting judgements, estimates and assumptions**

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing material misstatement to the carrying amounts of certain assets and liabilities within the next annual reporting periods are:



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(d) Significant accounting judgements, estimates and assumptions (continued)**

Long Service Leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expect future wages and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Lease benefit

In determining the fair value of the lease benefit received estimation is required to determine the fair value of such benefit and any difference of this benefits and the amount actually paid or payable for the use of the lease is determined to be a gain or loss.

Intangibles with indefinite useful lives

The Group determines whether intangibles with indefinitely useful lives are impaired at least on an annual basis. This requires estimations on the recoverable amount of the cash-generating units to which the intangibles with indefinitely useful lives are allocated.

Annual Leave

Liabilities for annual leave expected to be settled within twelve months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

**(e) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the cost incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customers.

Rendering of Services

Where the contract outcome can be reliably measured:

- Control of a right to be compensated for the services has been attained and the stage of completion can be reliably measured. For Indian Pacific Limited ('IPL') and Fremantle Football Club Limited ('FFCL'), stage of completion is measured by reference to the number of matches played as a percentage of the total number of matches for each contract.

Where the contract outcome cannot be reliably measured:

- Revenue is recognised only to the extent that costs have been incurred.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(e) Revenue recognition (continued)**

Interest

Revenue is recognized 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.

Grant income

Grant income, including contributions of assets, is recognised when the club controls the contribution or right to receive the contribution, and it is probable that the economic benefits comprising the contributions will flow to the club, and the amount of contribution can be measured reliably.

**(f) Deferred Revenue**

Deferred revenue is recognised in the statements of comprehensive income as each payment becomes due and payable. It includes income received in advance for ticketing rights

**(g) Borrowing costs**

Borrowing costs are recognised as an expense when incurred.

**(h) Leases**

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.

*(i) Group as a lessee*

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are recognized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as an expense in profit or loss. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognized as an expense in the statements of comprehensive income on a straight-line basis over the lease term. Lease incentives are recognized in the statements of comprehensive income as part of the total lease expense.

**(i) Cash and cash equivalents**

Cash and short-term deposits in the Statements of Financial Position comprised of cash at bank and in hand and short-term deposits with an original maturity of three months or less at balance date.

For the purposes of the Statements of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are carried at the principal amount. Interest is recognised as an expense as it accrues.

**(j) Trade and other receivables**

Trade receivables, which generally have 30 day terms, are recognized and carried at original invoice amount less an allowance for any uncollectible amounts.



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Trade and other receivables (continued)

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories are accounted for at purchase cost on a first in first out basis.

(l) Investments

Investments and Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit or loss, available for sale investments or loans and receivables. When financial assets are recognised initially, they are measured at fair value. The Group determines the classification of its financial assets at initial recognition.

(i) Available for sale investments

Available for sale investments are those non-derivative financial assets that are designated as available for sale or are not classified as financial assets at fair value through profit and loss or held to maturity investments. After initial recognition available for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit and loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(m) Taxes

*Income Taxes*

The WAFC and its controlled entities, FFCL and IPL, are not subject to income tax. WAFC obtained exemption under s50-45 of the ITAA (1997) as it is a sporting club and it promotes and encourages the participation and growth in the sport.

*Goods and Services Tax (GST)*

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

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

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statements of Financial Position.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Taxes (continued)

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(n) Property, Plant and Equipment

*Cost and valuation*

Plant and equipment is stated at cost or deemed cost less accumulated depreciation and any accumulated impairment losses. Such costs include the cost of replacing parts that are eligible for capitalization when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, the cost is recognized in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalization.

*Depreciation*

Depreciation of leasehold improvements, calculated on a straight-line basis over the lesser of its estimated useful life and the term of the lease.

Depreciation of other fixed assets, calculated on the reducing balance method or on a straight-line basis over its estimated useful life.

Major depreciation periods are:

	2017	2016
• Plant and equipment	- 4 to 40 years	- 4 to 40 years
• Leasehold improvements	Lease term/useful life	Lease term/useful life
• Furniture, fittings and equipment	3 to 10 years	3 to 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each financial year.

*Impairment*

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may not be recoverable.

The Commissioners have determined that items of plant and equipment do not generate independent cash inflows accordingly, each asset is tested for impairment as part of the cash-generating unit to which it belongs. The recoverable amount of the cash generating unit is based on fair value less costs to sell.

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. For plant and equipment, impairment losses are recognised in the Statements of Comprehensive Income as an expense.

*De-recognition and disposal*

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (o) Investment Properties

Investment properties are measured at cost, including transaction costs less accumulated depreciation and any impairment loss. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property.

### (p) Intangible assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. The AFL sub-licence has been assessed as having an indefinite useful life.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 October, as appropriate, and when circumstances indicate that the carrying value may be impaired. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash generating unit ("CGU") exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. A CGU's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the assets value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the CGU to which it belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount.

A summary of the policies applied to the Group's intangible assets is as follows:

#### **Australian Football League (AFL) Licences**

*Useful lives*

Indefinite

*Amortisation method used*

No amortisation

*Internally generated or acquired*

Acquired

*Impairment testing*

Annually and more frequently when an indication of impairment exists

### (q) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (q) Impairment of assets (continued)

The Commissioners have determined that individual assets or groups of assets do not generate independent cash inflows. Accordingly, each asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### (r) Trade and other payables

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

### (s) Interest-bearing loans and borrowings

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

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

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

### (t) Derivative Financial Instruments

The Group may use derivative financial instruments such as interest rate swaps to manage the risk associated with interest rate fluctuations. Derivatives are initially recognised at fair value on the date the contract is entered into and subsequently re-measured to fair value at each reporting date.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Derivatives are classified as a non-current asset or liability if the remaining maturity of the contract is more than 12 months.

The Group has elected not to use hedge accounting to account for its derivative financial instruments.

The Group has no derivatives as at 31 October 2017.

### (u) Unsecured Notes - IPL

The unsecured note liability is calculated by discounting the face value of the notes at a rate of 15% from the latest possible date of redemption. Redemption is at the discretion of the Commissioners prior to the year 2075.

The difference between the face value of the notes and the amount of the liability is recorded as an unsecured note redemption reserve (Note 20(b)).

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(v) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

When the discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

**(w) Employee Benefits**

*(i) Wages, salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

*(ii) Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the Reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

**(x) New accounting standards, and UIG interpretations**

Certain Australian Accounting Standards and UIG interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ended 31 October 2017. The Commissioners' are in the process of assessing the impact of these new or amended standards (to the extent they are relevant to the Group).

**(y) Contributed equity**

Ordinary share capital is recognised at the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

**(z) Comparatives**

Certain comparative balances have been reclassified to conform to the current year presentation.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(aa) Going Concern**

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

At balance date the Parent Entity and group had cash and cash equivalents of \$18,584,612 and \$42,597,418 and net current assets of \$ 11,496,591 and \$61,345,643 respectively. The Commissioners are satisfied there are reasonable grounds to believe that both the Parent Entity and group will be able to meet their obligations as and when they fall due.

**3. SEGMENT INFORMATION**

The Group operates in one segment being the football industry within Australia.

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>4. REVENUES AND OTHER INCOME</b>				
<b>Revenues from operating activities</b>	107,476,636	108,682,805	20,284,631	19,798,726
State funding income	10,947,000	-	10,947,000	-
Net royalty income		-	3,285,975	3,781,864
Rental income				
- Other corporations	1,367,934	1,367,934	1,367,934	1,367,934
- Wholly owned controlled entities		-	7,397,334	7,367,862
Interest income				
- Other corporations	2,785,135	3,122,314	63,701	69,319
AFL Distribution	24,898,876	21,589,165	2,817,609	2,667,295
Other	1,787,803	1,571,345	1,108,987	892,529
	<u>148,705,397</u>	<u>136,333,563</u>	<u>46,715,184</u>	<u>35,945,529</u>

**OTHER REVENUE/EXPENSES OUTSIDE NORMAL OPERATIONS**

Development Funding (i)	7,456,077	1,944,754	-	-
Loss on Surrender and Release of Fremantle Oval (ii)	(1,146,219)	-	-	-
Net gain on fair value measurement of lease (iii)	4,082,188	-	-	-
	<u>10,392,046</u>	<u>1,944,754</u>	<u>-</u>	<u>-</u>

(i) Development funding represents monies received in connection with the development of the Group's facilities at Lathlain Park.

(ii) Loss on Surrender and Release of Fremantle Oval



**4. REVENUES AND OTHER INCOME (continued)**

Following the move to the new Elite Training and Administration Facility the Group executed an agreement for the surrender and release of the Fremantle Oval.

Total consideration to be received by the Group in connection with the above is \$1,520,000, with \$520,000 received during the year ended 31 October 2017. The remainder has been recognised as follows:

- Receivable (current) \$500,000 due on 16 July 2018; and
- Receivable (non-current) \$500,000 due on 18 July 2019.

The loss on surrender and release of Fremantle Oval has been calculated based on the following:

Asset	Amount (\$'million)
Property, plant and equipment – Net book value	2,666,219
<b>Consideration</b>	<b>1,520,000</b>
<b>Loss on Surrender and Release of Fremantle Oval</b>	<b>(1,146,219)</b>

(iii) *Net gain on fair value measurement of lease benefit*

During the year ended 31 October 2017, the Group's subsidiary FFCL moved to its new Elite Training and Administration Facility ("ETAF"). The Group engaged PP&E Valuations to determine the fair value of the lease benefit associated with the use of the facility.

A description of the valuation technique used and key inputs follow:

Valuation Technique	Significant Inputs	Value
DCF method	Estimated rental value per sqm	Commercial rates
	Lease Term	42 years
	Rental growth rate	2.5%
	Discount rate	4.0%

Using the discounted cash flow (DCF) method, the fair value of the lease benefit was calculated as \$16,118,429 and will be amortised on a straight line basis over the lease period of 42 years.

The difference between the fair value of the lease benefit (\$16,118,429) and the amount paid by the Group in connection with the ETAF (\$12,036,241) of \$4,082,188 has been recognized in the profit and loss as a net gain on the initial fair value measurement of the lease benefit.

**5. EXPENSES AND LOSSES/(GAINS)**

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>(a) Expenses</b>				
Cost of goods and services provided				
Match expenses	5,857,007	6,248,698	-	-
Membership expenses	6,383,598	6,675,094	-	-
Sponsorship expenses	969,555	1,267,643	-	-
Arena advertising expenses	90,957	109,253	-	-
Corporate box expenses	854,098	862,165	-	-
Coterie group expenses	2,097,238	2,009,357	-	-
Merchandise expenses	3,352,267	3,691,632	-	-
Functions and special events expenses	3,668,409	3,617,139	-	-
<b>Total cost of goods and services provided</b>	<b>23,273,129</b>	<b>24,480,981</b>	<b>-</b>	<b>-</b>
Depreciation and amortisation				
Depreciation				
Leasehold improvements	10,637,089	8,087,326	10,637,089	7,975,369
Property, plant & equipment	1,614,970	1,655,710	155,394	895,806
<b>Total depreciation</b>	<b>12,252,059</b>	<b>9,743,036</b>	<b>10,792,483</b>	<b>8,871,175</b>
Operating lease				
Minimum lease payments	790,765	800,783	790,765	800,783
Borrowing costs expensed				
Interest expense – other corporations	176,995	218,883	176,995	218,883
Net doubtful debts expense/(write back)	(48,137)	(252,179)	(85,780)	(45,029)
<b>(b) Losses/(Gains)</b>				
(Gain)/Loss on disposal of non-current assets	(1,755)	83,370	-	84,293

WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2017

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>6. CASH AND CASH EQUIVALENTS</b>				
(a) Cash and deposits	42,597,418	27,037,736	18,584,612	7,617,925
	<u>42,597,418</u>	<u>27,037,736</u>	<u>18,584,612</u>	<u>7,617,925</u>
<b>(b) Reconciliation of the operating profit/(loss) to the net cash flows from/(used in) operations</b>				
Profit/(Loss) after tax from total operations	18,544,042	3,138,298	4,271,596	(4,877,293)
Adjustments for:				
Non-cash items				
Depreciation on property, plant and equipment	12,252,058	9,743,036	10,792,483	8,871,175
(Profit) on disposal of investments	(44,020)	-	-	-
Loss on disposal/write-off of assets	(151,238)	83,370	(85,780)	84,293
Net loss on Disposal of Fremantle Oval	1,146,219	-	-	-
Net gain on fair value measurement of lease benefit	(4,082,188)	-	-	-
Realised (profit)/loss on investments	22,032	8,198	-	-
Changes in assets and liabilities				
(Increase) / Decrease in trade and other receivables	2,578,633	587,942	613,097	3,599,225
(Increase) / Decrease in inventory	189,232	(212,376)	-	-
(Decrease) / Increase in creditors	(9,648,421)	(2,897,250)	(5,217,020)	(6,623,799)
(Decrease) / Increase in provisions	1,311,883	722,308	1,018,564	291,199
Net cash from operating activities	<u>22,118,232</u>	<u>11,173,526</u>	<u>11,392,940</u>	<u>1,344,800</u>

WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2017

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>7. TRADE AND OTHER RECEIVABLES</b>				
Trade debtors	4,983,514	5,708,389	1,751,850	1,914,647
Provision for doubtful debts	(365,441)	(413,577)	(51,998)	(137,778)
	<u>4,618,073</u>	<u>5,294,812</u>	<u>1,699,852</u>	<u>1,776,869</u>
Sundry debtors	574,001	42,745	139,230	483,232
Prepayments	457,275	523,685	177,344	442,268
	<u>5,649,349</u>	<u>5,861,242</u>	<u>2,016,426</u>	<u>2,702,369</u>
Total trade and other receivables				
Amounts other than trade receivables from related parties:				
Wholly owned group				
Fremantle Football Club Limited	-	-	203,612	25,000
Indian Pacific Limited	-	-	1,000,418	1,020,405
	<u>5,649,349</u>	<u>5,861,242</u>	<u>3,220,456</u>	<u>3,747,774</u>

**(a) Terms and conditions**

Terms and conditions relating to the above financial instruments:

- (i) Trade debtors are non-interest bearing and generally on 30 day terms.
- (ii) Sundry debtors and other receivables are non-interest bearing and have repayment terms between 30 and 90 days.
- (iii) Related party receivables are non-interest bearing and are on 30 day terms.

**8. INVENTORIES**

Items held for resale				
- At lower of cost and net realisable value	681,036	870,268	-	-
	<u>681,036</u>	<u>870,268</u>	<u>-</u>	<u>-</u>



**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>9. OTHER FINANCIAL ASSETS</b>				
<b>CURRENT</b>				
Available for sale investments - at fair value (i) (ii)	42,017,592	42,934,613	-	-
Other (iii)	60,946	1,093,709	-	-
	<u>42,078,538</u>	<u>44,028,322</u>	-	-

(i) The fair value of available for sale listed investments of \$41,887,392 (2016: \$42,804,393) has been determined by reference to published price quotations.

(ii) The fair value of available for sale unlisted investments of \$130,200 (2016: \$130,200) has been assessed by third party valuations.

(iii) Other financial assets are carried at fair value since inception. The fair value of term deposits with credit institutions is their carrying value. The carrying value represents the cost of the term deposit and accrued interest. Other financial assets have a maturity date greater than 3 months of their inception.

**NON-CURRENT**

Shares in Indian Pacific Ltd - at cost	-	-	2,110,945	2,110,945
Shares in Fremantle Football Club Ltd – at cost	-	-	1	1
	<u>-</u>	<u>-</u>	<u>2,110,946</u>	<u>2,110,946</u>

Investment in controlled entities comprises:

Name	Country of Incorporation	Beneficial interest held By the Company	
		2017	2016
		\$	\$
Indian Pacific Limited			
- Ordinary shares	Aust (i)	100%	100%
- Management share	Aust (i)	100%	100%
- West Coast Eagles Supporters Club Ltd (WCESC)	Aust (i)	100%	100%
Fremantle Football Club Limited			
- Ordinary shares	Aust (i)	100%	100%

(i) controlled entity audited by Ernst & Young

**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Consolidated		WAFC	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>10. NON-INTEREST BEARING LOAN RECEIVABLE</b>				
<b>CURRENT</b>				
Peel Football Club (i)	55,000	-	55,000	-
	<u>55,000</u>	<u>-</u>	<u>55,000</u>	<u>20,000</u>
<b>NON-CURRENT</b>				
Peel Football Club (i)	135,000	210,000	135,000	210,000
City of Fremantle (ii)	500,000	-	-	-
	<u>635,000</u>	<u>210,000</u>	<u>135,000</u>	<u>210,000</u>

- (i) The loan to Peel Football Club is interest free and repayable on demand. It is expected that the loan will be reduced by \$55,000 in 2018 and this portion has been classified as current. A deed of charge has been executed over Peel Football Club's assets.
- (ii) Amount represents the non-current portion of the proceeds owing from the surrender and release of Fremantle Oval.

**11. PROPERTY, PLANT AND EQUIPMENT**

Leasehold improvements – at cost (i)	77,077,000	76,997,681	77,076,998	76,997,680
Accumulated amortisation	(77,077,000)	(66,439,910)	(77,076,998)	(66,439,909)
	<u>-</u>	<u>10,557,771</u>	<u>-</u>	<u>10,557,771</u>
Property plant & equipment – at cost	26,256,281	23,348,227	12,672,534	12,605,599
Accumulated depreciation	(22,673,592)	(21,416,559)	(12,476,815)	(12,321,420)
	<u>3,582,689</u>	<u>1,931,668</u>	<u>195,719</u>	<u>284,179</u>
Buildings on leasehold land – at Cost	439,911	4,877,186	-	-
Less: Accumulated amortisation	(419,391)	(2,134,112)	-	-
	<u>20,520</u>	<u>2,743,074</u>	<u>-</u>	<u>-</u>
Buildings on leasehold land – at deemed cost	16,118,429	-	-	-
Less: Accumulated amortisation	(266,128)	-	-	-
	<u>15,852,301</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total property, plant and equipment	<u>19,455,510</u>	<u>15,232,513</u>	<u>195,720</u>	<u>10,841,950</u>

**(a) Assets pledged as security**

Included in the balances of property, plant and equipment are assets used as security for various lending facilities entered into by the Commission.

**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>11. PROPERTY, PLANT AND EQUIPMENT (continued)</b>				
<b>(b) Reconciliations</b>				
Reconciliations of the carrying amounts of leasehold improvements, and furniture and equipment at the beginning and end of the current and previous financial year.				
<i>Leasehold improvements</i>				
Carrying amount at beginning of the year	10,557,772	16,324,913	10,557,771	16,324,913
Additions	79,317	2,208,227	79,318	2,208,227
Disposals	-	-	-	-
Depreciation expense	(10,637,089)	(7,975,368)	(10,637,089)	(7,975,369)
Carrying amount at the end of the year	-	10,557,772	-	10,557,771
<i>Buildings on leasehold land – at deemed cost</i>				
Carrying amount at beginning of the year	2,743,073	2,855,032	-	-
Additions	12,062,860	-	-	-
Net Gain on fair value measurement of lease	4,082,188	-	-	-
Disposals	(2,657,363)	-	-	-
Depreciation expense	(357,937)	(111,958)	-	-
Carrying amount at the end of the year	15,872,821	2,743,074	-	-
<i>Property, plant and equipment</i>				
Carrying amount at beginning of the year	1,931,668	4,222,484	284,179	3,045,577
Additions	2,916,910	1,852,068	66,935	621,584
Disposals	(8,857)	(2,487,174)	-	(2,487,176)
Depreciation expense	(1,257,033)	(1,655,710)	(155,395)	(895,806)
Carrying amount at the end of the year	3,582,688	1,931,668	195,719	284,179
<i>Total Property, Plant and Equipment</i>				
Carrying amount at beginning of the year	15,232,513	23,402,430	10,841,950	19,370,490
Additions	15,059,088	4,060,295	146,253	2,829,811
Net Gain on fair value measurement of lease	4,082,188	-	-	-
Disposals	(2,666,220)	(2,487,176)	-	(2,487,176)
Depreciation expense	(12,252,059)	(9,743,036)	(10,792,484)	(8,871,175)
Carrying amount at the end of the year	19,455,510	15,232,513	195,719	10,841,950

**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>12. INVESTMENT PROPERTIES</b>				
Opening balance at 1 November	2,278,201	2,278,201	1,262,761	1,262,761
Transfer from assets under construction	728,790	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
Closing balance as at 31 October	3,006,991	2,278,201	1,262,761	1,262,761
<b>13. INTANGIBLE ASSETS</b>				
AFL licences	8,000,000	8,000,000	-	-

These licences have been determined to have infinite useful lives and the cost model is utilised for their measurement. The licences have been granted to WAFC by AFL to field two teams in the competitions conducted by the AFL provided they meet certain terms and conditions of the licence agreement. There is no expiry date on the licences and evidence supports the Group's ability to meet the necessary terms and conditions set out in the licence agreements, allowing the Group to determine that these assets have an indefinite useful life. These assets were tested for impairment as at 31 October 2017.

**14. PAYABLES**

**CURRENT**

Trade creditors	14(a)(i)	4,868,958	5,850,276	1,111,905	938,529
Sundry creditors	14(a)(ii)	8,294,425	8,307,337	607,509	1,988,848
Deferred income	14(a)(iii)	4,231,239	10,184,484	767,774	2,748,998
		17,394,622	24,342,097	2,487,188	5,676,375

**(a) Terms and conditions**

Terms and conditions relating to the above financial instruments.

(i) Trade creditors are non-interest bearing and are normally settled on 30 day terms.

(ii) Sundry creditors are non-interest bearing and are settled within 1 year.

(iii) Refer note 2(f) for details on deferred income.

**15. INTEREST BEARING LIABILITIES**

**CURRENT**

ANZ loan facility - secured	15(a)	5,606,348	5,906,348	5,906,348	5,906,348
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**(a) Terms and conditions**

Terms and conditions relating to the ANZ loan facility.

The ANZ loan facility matures on 31 May 2018. The loan is secured by a leasehold mortgage over Domain Stadium, as well as \$2,000,000 in term deposits, entered into after 31 October 2017 as further security.



WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2017

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>16. PROVISIONS</b>				
<b>CURRENT</b>				
Employee entitlements	6,714,728	5,968,327	2,269,941	1,176,460
Injury compensation	-	400,000	-	-
	<u>6,714,728</u>	<u>6,368,327</u>	<u>2,269,941</u>	<u>1,176,460</u>
<b>17. PAYABLES</b>				
<b>NON - CURRENT</b>				
Trade creditors and accruals	272,220	-	-	-
Unearned revenue	450,000	898,312	-	2,027,832
17(a)	<u>722,220</u>	<u>898,312</u>	<u>-</u>	<u>2,027,832</u>

(a) Trade creditors and accruals represent the non-current portion of the ETAF construction works liability. Unearned income represents the non-current portion of the Curtin University alliance agreement.

**18. INTEREST BEARING LIABILITIES**

**NON-CURRENT**

Unsecured notes	(a)	1,152	1,000	-	-
Interest-bearing loan	(b)	1,000,000	-	-	-
		<u>1,001,152</u>	<u>1,000</u>	<u>-</u>	<u>-</u>

**(a) Unsecured notes**

Terms and conditions relating to the unsecured notes

The unsecured notes are interest free, repayable at the discretion of the Commissioners up to the year 2075 and in any event not repayable before 30 June 2075. Each note has a full value of \$500 and 7,735 were issued as at balance date. This figure has been arrived at by the application of a discount rate of 15% to the date of redemption. These notes are unsecured and as such there is no collateral pledged as security.

**(b) Interest-bearing loan**

This FFCL loan is not secured against any of the assets of the club. Interest on the loan did not commence until 11 November 2017, when the loan transitioned from an interest free period to 4% per annum. Whilst the loan is not due to be fully repaid until 11 November 2019, with at least \$650,000 to be repaid by 11 November 2018, the expectation of the club Board is that repayment of the loan will occur during the 2018 financial year.

**19. PROVISIONS**

**NON-CURRENT**

Employee entitlements	1,274,893	1,238,823	84,543	159,463
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WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2017

		Consolidated		WAFC Inc.	
		2017	2016	2017	2016
		\$	\$	\$	\$
<b>20. RESERVES AND ACCUMULATED SURPLUS</b>					
Other reserves	20(a)	120,974	(269,774)	-	-
Unsecured notes redemption	20(b)	99,632	99,784	-	-
Distributable profits	20(c)	1,378,744	1,309,827	-	-
		<u>1,599,350</u>	<u>1,139,836</u>	<u>-</u>	<u>-</u>
Accumulated surplus	20(d)	96,074,008	77,598,731	15,116,474	10,844,878
<b>(a) Other reserves</b>					
<i>(i) Nature and purpose of reserve</i>					
This reserve records movements in the fair value of available for sale investments					
<i>(ii) Movements in reserve</i>					
Balance at the beginning of year		(269,774)	(207,028)	-	-
Fair value movement		390,748	(62,746)	-	-
Balance at the end of year		<u>120,974</u>	<u>(269,774)</u>	<u>-</u>	<u>-</u>
<b>(b) Unsecured notes redemption</b>					
<i>(i) Nature and purpose of reserve</i>					
The unsecured note redemption reserve is used to record the equity component of unsecured notes issued by a controlled entity. The reserve is reduced by the movement in the net present value of the unsecured note liability.					
<i>(ii) Movements in reserve</i>					
Balance at the beginning of year		99,784	99,917	-	-
Amortisation of present value		(152)	(133)	-	-
Balance at the end of year		<u>99,632</u>	<u>99,784</u>	<u>-</u>	<u>-</u>
<b>(c) Distributable profits</b>					
<i>(i) Nature and purpose of reserve</i>					
The undistributable profits reserve is used to accumulate profits arising from the West Coast Eagles Supporters Club.					
<i>(ii) Movements in reserve</i>					
Balance at the beginning of year		1,309,827	1,200,664	-	-
Transfer from accumulated surplus		68,917	109,163	-	-
Balance at the end of year		<u>1,378,744</u>	<u>1,309,827</u>	<u>-</u>	<u>-</u>

**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>20. RESERVES AND ACCUMULATED SURPLUS (continued)</b>				
<b>(d) Accumulated surplus</b>				
Balance at the beginning of year	77,598,731	74,569,463	10,844,878	15,722,171
Net profit/(loss) attributable to WAFC	18,554,042	3,138,298	4,271,596	(4,877,293)
Total available for appropriation	96,152,773	77,707,761	15,116,474	10,844,878
Aggregate of amounts transferred to undistributable profits reserve and from unsecured notes redemption reserve	(68,765)	(109,030)	-	-
Balance at the end of year	96,074,008	77,598,731	15,116,474	10,844,878

**22. RELATED PARTY DISCLOSURES**

a) The WAFC Commissioners during the year ended 31 October 2017 were:

- Murray McHenry
- Jon Carson
- Cheryl Edwardes (2016, 2017 - 2019)
- Stuart Love
- Brett Fullarton
- Larry Kickett
- Neil Randall
- Grant Dorrington (reappointed Dec 2017)
- Chris Cottier (appointed Dec 2017)
- Brian O'Donnell (appointed Dec 2017)

b) The WAFC receive a royalty from IPL and FFCL. IPL and FFCL use the assets of the WAFC under a sub-licence agreement whereby football teams participate in AFL competition. Amounts received under the sub-licence agreement during 2017 are as follows:

	2017	2016
	\$	\$
IPL	2,300,000	2,300,000
FFCL	985,975	1,481,864
	<u>3,285,975</u>	<u>3,781,864</u>

**WEST AUSTRALIAN FOOTBALL COMMISSION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2017**

	Consolidated		WAFC Inc.	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>21. EXPENDITURE COMMITMENTS</b>				
(a) Operating lease expenditure commitments				
- Not later than one year	550,662	800,783	550,662	800,783
- Later than one year and not later than five years	240,104	306,760	240,104	306,760
	<u>790,766</u>	<u>1,107,543</u>	<u>790,766</u>	<u>1,107,543</u>
(b) Player expenditure commitments				
- Not later than one year	23,929,299	23,464,376	-	-

The Group acknowledges the contractual obligations of player contracts and the commitment to player expenditure. Due to contract terms varying considerably amongst players, it is not practical to estimate the future contingency under player contracts. WAFC's minimum commitment is to pay 95% of the AFL imposed salary cap (2017: \$12,445,028) for both FFCL and IPL. The AFL imposed salary cap for 2018 is \$12,594,368.

**22. RELATED PARTY DISCLOSURES**

(a) IPL and FFCL use the football assets of the WAFC under a facility agreement. Amounts received under this agreement were as follows:

	2017	2016
	\$	\$
IPL	3,698,667	3,683,931
FFCL	3,698,667	3,683,931
	<u>7,397,334</u>	<u>7,367,862</u>

(b) In their role as Commissioners, the following football related benefits were provided by the WAFC to the Commissioners, for the year ended 31 October 2017.

	2017	2016
	\$	\$
Murray McHenry	1,315	1,342
Jon Carson	889	1,264
Cheryl Edwardes	928	1,309
Stuart Love	-	146
Brett Fullarton	1,315	1,242
Larry Kickett	1,315	2,088
Neil Randall	1,215	1,242
Grant Dorrington	1,315	1,242

The Commissioners are required to attend certain games during the year as part of their duties. The associated costs of travel and accommodation are not included in the above benefits.

The benefits applicable to Commissioners for 2017 are travel and accommodation costs for their spouse/partner to the AFL grand final.

During the financial year, the WA Football Commission engaged FTI Consulting, of whom Cheryl Edwardes is a director. The value of these transactions was \$143,919 (2016: \$69,036).



**22. RELATED PARTY DISCLOSURES (continued)**

(e) The directors of Indian Pacific Limited (“IPL”) during the financial year were:

R Gibbs (Chairman)  
 P Carter (Deputy Chairman)  
 M Fewster (resigned 4 December 2017)  
 P Fitzpatrick  
 T Nisbett  
 C Wharton  
 T Bowen (appointed 1 May 2017)  
 J Langer (appointed 1 July 2017)

Director transactions with Indian Pacific Limited

A number of directors of Indian Pacific Limited, or their director-related entities hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

The terms and conditions of these transactions with directors and their director-related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm’s length basis.

The aggregate amounts recognised during the year to directors and their director-related entities were as follows:

Director	Service	Income / (Expense) 2017 GST exclusive	Receivable / (Payable) at 31 October 2017	Service	Income / (Expense) 2016 GST exclusive	Receivable / (Payable) at 31 October 2016
Trevor Nisbett, West Coast Eagles	5 x Premium Gold Adult Season Memberships	3,545	-	5 x Premium Gold Adult Season Memberships	3,455	-
Russell Gibbs, Hawaiian Pty Ltd	Sponsorship 2017	220,000	-	Sponsorship 2016	200,000	-
Chris Wharton, Seven West Media	Sponsorship 2017	751,628	-	Sponsorship 2016	726,211	-
Peter Carter, Crosby Tiles	4 x Premium Adult Season Memberships	2,455	-	4 x Premium Adult Season Memberships	2,382	-
Paul Fitzpatrick, Clayton Utz	12 Seat Corporate Suite	62,209	-	12 Seat Corporate Suite	61,409	-

(d) The directors of Fremantle Football Club Limited (“FFCL”) during the financial year were:

D Alcock (non-executive chairman)  
 S O’Reilly  
 P Mann  
 C Carter  
 P Bell  
 A Hall  
 T Grist  
 S Murphy  
 C Hayward (appointed 1 September 2017)

Transactions with other related parties

Included in accounts receivable is an amount of \$9,274 (2016: \$9,274) owing from the Fremantle Football Foundation (“The Foundation”). No interest is charged for the advance. The Football Foundation is a trust established to facilitate the raising of funds through donations from the public and also to channel grants from the Australian Sports Foundation for the building of the approved project, being the Fremantle Football Club Headquarters. Due to limited assets remaining in the Foundation, this amount has been provided in full.

**23. SUBSEQUENT EVENTS**

Subsequent to year end IPL have signed a construction agreement with Perkins Builders for the Lathlain Park facility. No other matters or events have arisen since the end of the financial period which have significantly affected or may significantly affect the operations of the Group, the results of its operations or the state of affairs of the Group in subsequent financial periods.

Consolidated		WAFC Inc.	
2017	2016	2017	2016
\$	\$	\$	\$

**24. AUDITORS’ REMUNERATION**

Amounts received or due and receivable by Ernst & Young Australia for:

- an audit or review of the financial report of the entity and any other entity in the Group	216,492	216,066	69,860	67,828
- other services in relation to the entity and any other entity in the Group	-	-	-	-
	<u>216,492</u>	<u>216,066</u>	<u>69,860</u>	<u>67,828</u>

**25. NON – CURRENT ASSETS**

Prepayments (non-current)	8,228,479	13,975,192	-	-
	<u>8,228,479</u>	<u>13,975,192</u>	<u>-</u>	<u>-</u>

Prepayments in the current year of \$8,228,479 (2016: \$2,934,693) represent the construction costs of IPL’s new training facilities incurred to date. The balance in the prior year of \$11,140,034 represents the project costs of FFCL’s Elite Training and Administration Facility at Cockburn Central West incurred as at 31 October 2016.





**26. FINANCIAL INSTRUMENTS (continued)**

**(c) Fair values**

All assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or at fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

**(d) Financial risk management objectives and policies**

The Group's principal financial instruments, other than derivatives, comprise bank loans, finance leases and cash and short-term deposits.

**Credit risk**

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables, and available for sale financial assets. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments as well as \$130,200 (2016: \$130,200) in relation to certain unlisted available-for-sale investments – see Note 9 for further information.

The Group only trades with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

It is the Group's policy that major customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their financial position, past experience or industry reputation.

Risk limits are set for each individual customer in accordance with parameters set by the Commissioners. These risk limits are regularly monitored.

In addition receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

There are no significant concentrations of credit risk within the Group and the financial instruments are spread amongst a number of financial institutions to minimise the risk of default of counterparties.

**Cash flow interest rate risk**

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with a floating interest rate.

**(e) Foreign exchange risk**

The Group's exposure to foreign exchange risk is minimal.

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WEST AUSTRALIAN  
FOOTBALL COMMISSION INC.

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