

**PROFESSIONAL FOOTBALLERS AUSTRALIA INC**  
**REG No. A0027415N**  
**ARBN 083 328 581**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2012**

**PROFESSIONAL FOOTBALLERS AUSTRALIA INC**

**REG No. A0027415N**

**ARBN 083 328 581**

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PROFESSIONAL FOOTBALLERS AUSTRALIA INC  
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COMMITTEE'S REPORT

Your committee members submit the financial report of the Professional Footballers Australia Inc. for the year ended 30<sup>th</sup> June 2012.

**Committee Members**

Simon Colosimo (President)	Alex Wilkinson
Brendan Schwab (Chief Executive)	Vincenzo Grella
John Poulakakis (Chairman)	Tim Cahill
John McKain	Shane Stefanutto
Adrian Leijer (appointed – 4 October 2011)	Travis Dodd
Chris Coyne	Bruce Djite (appointed – 12 June 2012)
Kevin Muscat (resigned – 4 October 2011)	Liam Reddy (resigned – 12 June 2012)

**Principal Activities**

The principal activity of the association during the financial year was to represent inter alia the professional, industrial and employment interests of its members who are professional footballers.

**Significant Changes**

No significant change in the nature of these activities occurred during the year.

**Operating Result**

The surplus amounted to \$110,704. (2011: \$158,484)

**Matters subsequent to the end of the financial year**

Brendan Schwab stepped down as PFA Chief Executive and was replaced in this position by Nick Holland on the 10<sup>th</sup> August 2012.

Except for the change in Chief Executive, discussed above, no other matter or circumstance has arisen since 30<sup>th</sup> June 2012 that has significantly affected or may significantly affect the operations, the results of those operations or the group's state of affairs in future financial years.

Signed in accordance with a resolution of the Members of the Committee:

Committee Member / Chief Executive  
Nick Holland

Dated this 16<sup>th</sup> day of October 2012.

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.  
REG No. A0027415N  
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STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 \$	2011 \$
<b>REVENUE AND OTHER INCOME</b>			
Revenue	2	1,630,628	1,583,235
Other Comprehensive Income		-	-
<b>TOTAL REVENUE AND OTHER INCOME</b>		<b>1,630,628</b>	<b>1,583,235</b>
Employee benefits expenses		(688,645)	(652,950)
Depreciation and amortisation expenses		(24,194)	(23,295)
Travelling expenses		(34,998)	(38,180)
Administration Expenses		(73,423)	(59,516)
Provision for Mindshare		40,000	-
Legal expenses		(1,981)	(702)
Rent		(31,190)	(40,288)
Events & Member benefits		-	26,841
Player relations and programs		(130,819)	-
FIFPro		(48,208)	(52,155)
FIFPro Asia		(142,286)	(64,289)
Player Education & Special Assistance		(127,047)	(123,100)
Rembursements (Chairman's Expenses)		(48,810)	(48,185)
Other Expenses		(208,323)	(348,931)
<b>TOTAL EXPENDITURE</b>		<b>(1,519,924)</b>	<b>(1,424,751)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>110,704</b>	<b>158,484</b>

The accompanying notes form part of these financial statements

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.  
REG No. A0027415N  
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STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2012

	Notes	2012 \$	2011 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	4	1,251,162	1,553,679
Trade and Other Receivables	5	410,201	213,433
<b>TOTAL CURRENT ASSETS</b>		<u><b>1,661,363</b></u>	<u><b>1,767,113</b></u>
<b>NON-CURRENT ASSETS</b>			
Plant and Equipment	6	8,221	4,460
Intangible Assets	7	1,158	21,118
<b>TOTAL NON-CURRENT ASSETS</b>		<u><b>9,379</b></u>	<u><b>25,578</b></u>
<b>TOTAL ASSETS</b>		<u><b>1,670,742</b></u>	<u><b>1,792,691</b></u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	208,373	281,956
Provisions	9	58,593	102,143
<b>TOTAL CURRENT LIABILITIES</b>		<u><b>266,966</b></u>	<u><b>384,098</b></u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred Income	10	32,500	148,022
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u><b>32,500</b></u>	<u><b>148,022</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>299,466</b></u>	<u><b>532,120</b></u>
<b>NET ASSETS</b>		<u><b>1,371,275</b></u>	<u><b>1,260,571</b></u>
<b>MEMBER'S FUNDS</b>			
Contributed Equity		50	50
Retained Profits		1,371,225	1,260,521
<b>TOTAL MEMBERS' FUND</b>		<u><b>1,371,275</b></u>	<u><b>1,260,571</b></u>

The accompanying notes form part of these financial statements

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.  
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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2012

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	Contributed Equity \$	Retained Earnings \$	Total \$
Balance as at 30th June 2010	50	1,102,036	1,102,086
Surplus attributable to members	-	158,485	158,485
Balance as at 30th June 2011	<u>50</u>	<u>1,260,521</u>	<u>1,260,571</u>
Surplus attributable to members	-	110,704	110,704
Balance as at 30th June 2012	<u><u>50</u></u>	<u><u>1,371,225</u></u>	<u><u>1,371,275</u></u>

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PROFESSIONAL FOOTBALLERS AUSTRALIA INC.  
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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 \$	2011 \$
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>			
Receipts re: Contracted Income		1,367,632	1,865,510
Payments to Suppliers and Employees		(1,724,483)	(1,253,837)
Interest Received		64,477	38,480
Interest Paid		(2,148)	-
<b>Net Cash Provided by Operating Activities</b>	11(b)	<u>(294,522)</u>	<u>650,153</u>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Payment for Intangible Assets		-	-
Payment for Property, Plant and Equipment		(7,995)	(1,100)
<b>Net Cash Used in Investing Activities</b>		<u>(7,995)</u>	<u>(1,100)</u>
Net Increase in Cash Held		(302,517)	649,053
Cash at Beginning of Financial Year		1,553,679	904,626
<b>Cash at End of Financial Year</b>	11(a)	<u><u>1,251,162</u></u>	<u><u>1,553,679</u></u>

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of Victoria. The committee has determined that the association is not a reporting entity.

The financial report covers Professional Footballers Australia Inc. as an individual entity. Professional Footballers Australia Inc. is an incorporated association which is incorporated and domiciled in Australia.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act of Victoria and the following applicable Accounting Standards in Australia:

- AASB 101: Presentation of Financial Statements
- AASB 107: Cash Flow Statements
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 1031: Materiality

No other Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is also prepared on an accruals basis and is based on historic costs and does not take into account changing money values or except where specifically stated, current valuations of non-current assets. The financial report is prepared in Australian dollars.

**Significant Judgements and Key Assumptions**

No significant judgements have been made in applying accounting policies that have a significant effect on the amounts recognised in the financial statements. No key assumptions have been made concerning the future and there are no other key sources of estimation, uncertainty at the balance date that the committee members consider to have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

**(a) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and with are subject to an insignificant risk of changes in value, and bank overdrafts.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012

**(b) Trade Receivables**

Trade receivables are recognised at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivable.

**(c) Plant and Equipment**

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on Plant and Equipment is calculated using either the straight-line or the diminishing value method depending on the type of asset, over their estimated useful lives or in the case of leasehold improvements the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

**(d) Intangibles**

Intangible assets that have a finite useful life are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired or whenever events or circumstances indicate that the carrying amount may not be recoverable. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method as appropriate which is a change in the accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income in the expense category consistent with the function of the intangible asset. If any indication of impairment exists an estimate of the asset's recoverable amount is calculated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

**(e) Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the association prior to the end of financial year which are unpaid. These amounts are unsecured and are usually payable within 30 days of recognition.

**(f) Provisions and Accruals**

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012

**(g) Employee Benefits**

Charges have been made against profits for amounts expected to be paid to employees for accrued annual leave and long service leave. Amounts accrued which represent vested entitlements are shown as current liabilities. Amounts accrued for long service benefits which are vested are shown as non-current liabilities and are calculated on the basis of the unvested rights of employees.

Contributions are made to employee superannuation funds and are charged as expenses when incurred. All employees are entitled to varying levels of benefits on retirement, disability or death. The superannuation plans or equivalent provided accumulated benefits. Contributions are made in accordance with the statutory requirements of each jurisdiction.

**(h) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the Australian Taxation Office, is included with other receivables or payables in the Balance Sheet.

**(i) Revenue**

Revenue from the sale of goods and services is recognised upon the delivery of goods and services to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Sponsorship income is recognised over the term of the agreement as set out in the sponsorship agreements. Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt. All revenue is stated net of the amount of GST.

**(j) Income Tax Expense**

The Executive is of the opinion that the Professional Footballers Australia Inc. satisfies the necessary prerequisites to be an unregistered trade union pursuant to section 50-55 of the ITAA97. The Association is located in Australia, undertakes its activities principally in Australia and it is an association of workers established for the protection and furtherance of workers interests. The tax exempt status of Professional Footballers Australia Inc. as an unregistered trade union allows no recognition of income tax expense in the statements.

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.  
REG No. A0027415N  
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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012

	2012	2011
	\$	\$
<b>NOTE 2: REVENUE</b>		
<b>Operating activities</b>		
- Interest	64,477	38,480
- Member Subscriptions	87,252	101,880
- Collective Agreements	525,250	596,808
- Australian Athletes' Alliance	42,725	41,240
- Player Development	113,669	94,657
- FIFPro	463,991	436,288
- FIFPro Asia	125,000	60,000
- Other Revenue	208,266	213,883
	<u>1,630,628</u>	<u>1,583,236</u>
Interest from:		
- Term Deposits	43,721	28,030
- Other	20,756	10,450
	<u>64,477</u>	<u>38,480</u>
<b>NOTE 3: AUDITORS' REMUNERATION</b>		
Remuneration of the auditor		
- Auditing and reviewing the financial report	9,800	9,000
	<u>9,800</u>	<u>9,000</u>
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>		
Cash on hand	50	50
Term Deposits	783,365	534,621
Fundraising Account	136	57,351
Petty Cash	424	140
Cash at Bank	467,187	961,517
<b>Total Cash and Cash Equivalents</b>	<u>1,251,162</u>	<u>1,553,679</u>
<b>NOTE 5: TRADE AND OTHER RECEIVABLES</b>		
<b>CURRENT</b>		
Trade Debtors	329,034	216,987
Less: Allowance for Doubtful Debts	-	(3,554)
Sundry Debtors	1,562	-
Other Receivables	34,544	-
Prepayments	3,280	-
Loan - Brendan Schwab	41,781	-
<b>Total Trade and Other Receivables</b>	<u>410,201</u>	<u>213,433</u>

The accompanying notes form part of these financial statements

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
<b>NOTE 6: PLANT AND EQUIPMENT</b>		
Office Equipment at cost	62,367	54,372
Less accumulated depreciation	(54,146)	(49,912)
<b>Total Plant and Equipment</b>	<b><u>8,221</u></b>	<b><u>4,460</u></b>
<b>NOTE 7: INTANGIBLE ASSETS</b>		
Curriculum at cost	46,330	46,330
Less accumulated amortisation	(46,305)	(30,861)
Trademark	1,000	1,000
Formation Costs	133	133
Web Design and Build	13,545	13,546
Less accumulated amortisation	(13,545)	(9,030)
<b>Total Intangible Assets</b>	<b><u>1,158</u></b>	<b><u>21,118</u></b>
<b>NOTE 8: TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Trade Payable	48,499	18,591
Mastercard	3,031	2,773
Donations / QLD Flood Appeal	-	57,351
GST Payable	18,540	11,759
Superannuation Payable	1,381	458
PAYG Withholding	54,625	10,072
FBT Payable	(3,426)	(5,509)
Income in Advance	10,693	20,813
ABN Withholding	8,137	5,231
Accruals - Various	13,818	(380)
Accruals - Auditors Remuneration	6,000	6,000
Accruals - Bonus	-	30,105
Accruals - PFA Scholarships	26,600	14,000
Payroll Tax	14,425	-
FIFPro Asia	-	110,041
AAA Funds	6,050	650
<b>Total Trade and Other Payables</b>	<b><u>208,373</u></b>	<b><u>281,955</u></b>
<b>NOTE 9: PROVISIONS</b>		
Provision - Annual Leave	58,593	44,143
Provision - B. Maloney	-	5,000
Provision - Bonuses	-	13,000
Provision - Mindshare	-	40,000
<b>Total Provisions</b>	<b><u>58,593</u></b>	<b><u>102,143</u></b>

The accompanying notes form part of these financial statements

**PROFESSIONAL FOOTBALLERS AUSTRALIA INC.**  
**REG No. A0027415N**  
**ARBN 083 328 581**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 10: DEFERRED INCOME</b>		
Deferred Income	32,500	148,022
<b>Total Deferred Income</b>	<b><u>32,500</u></b>	<b><u>148,022</u></b>
<b>NOTE 11: CASH FLOW INFORMATION</b>		
<b>(a) Reconciliation of Cash</b>		
Cash at the end of the financial year shown in the statement of cashflow is reconciled to the related items in the Balance Sheet as follows:		
Cash on hand	50	50
Cash at bank	1,251,112	1,553,629
	<b><u>1,251,162</u></b>	<b><u>1,553,679</u></b>
<b>(b) Reconciliation of cash flow from operations with operating surplus</b>		
Operating Surplus	110,704	158,484
<b>Non-cash flow items in profit</b>		
Depreciation	4,235	3,336
Amortisation	19,959	19,959
Provision	-	11,953
<b>Change in Assets and Liabilities</b>		
Increase / (Decrease) in receivables	(196,386)	172,733
Increase / (Decrease) in deferred income	-	148,022
Increase / (Decrease) in payables	(233,034)	135,667
<b>Cash flow from Operations</b>	<b><u>(294,522)</u></b>	<b><u>650,154</u></b>

**NOTE 12: ASSOCIATION DETAILS**

The principal place of business of the association is:  
Professional Footballers Australia Inc.  
Level 2  
833 Bourke Street  
DOCKLANDS VIC 3008

The accompanying notes form part of these financial statements

PROFESSIONAL FOOTBALLERS AUSTRALIA INC  
REG No. A0027415N  
ARBN 083 328 581

AS TRUSTEE FOR THE AUSTRALIAN SOCCER PLAYERS ASSOCIATION TRUST

STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE OF MANAGEMENT

The committee have determined that the association is not a reporting entity.

The committee have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in note 1 to the financial statements.

In the opinion of the committee the financial report as set out in pages 2 -11;

1. Presents a true and fair view of the financial position of the Professional Footballers Australia Inc. as at 30 June 2012 and its performance for the financial year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the Professional Footballers Australia Inc. will be able to pay its debts as and when they fall due.

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

Committee Member / Chief Executive  
Nick Holland

Dated this *16<sup>th</sup>* day of *October* 2012.

## **INDEPENDENT AUDIT REPORT**

### **TO THE MEMBERS OF PROFESSIONAL FOOTBALLERS AUSTRALIA INC.**

#### **Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Professional Footballers Australia Inc. (the Association), which comprises the assets and liabilities statement as at 30 June 2012 for the year then ended, the statement of comprehensive income, statement of financial position, statement of changes in equity, a summary of significant accounting policies, other explanatory notes and the statement by members of the executive committee.

#### ***Executive Committee's Responsibility for the Financial Report***

The executive committee of the association is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Act 1981 of Victoria and are appropriate to meet the needs of the members. The committee's responsibilities also include designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting obligations under the Associations Incorporation Act 1981 of Victoria. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.


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

***Independence***

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

***Auditor's Opinion***

In our opinion, the financial report of Professional Footballers Australia Incorporated presents fairly, in all material respects the financial position of the Association as at 30 June 2012 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the Associations Incorporation Act 1981 of Victoria.

  
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Geoff S. Parker  
Director

  
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Hayes Knight Audit Pty Ltd

Signed in Melbourne this 16 day of October 2012