

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.

REG No. A0027415N

ARBN 083 328 581

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2010**

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

TABLE OF CONTENTS

Committee's Report	1
Financial Report	
- Income Statement	2
- Balance Sheet	3
- Statement of Changes in Equity	4
- Statement of Cash Flows	5
- Notes to the Financial Statements	6
Statement by Members of the Committee	10
Independent Audit Report	11

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COMMITTEE'S REPORT

Your committee members submit the financial report of the Professional Footballers' Australia Inc. for the financial year ended 30 June 2010.

Committee Members

The names of committee members throughout the financial year and at the date of this report are:

Simon Colosimo (President)

Brendan Schwab (Chief Executive)

John Poulakakis (Chairman)

John McKain

John Aloisi

Kevin Muscat

Chris Coyne (appointed 13 November 2009)

Alex Wilkinson

Vincenzo Grella

Liam Reddy

Tim Cahill

Ante Covic

Ante Milicic (resigned 13 November 2009)

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 after providing for income tax amounted to \$112,625 (2009:\$276,065)

After Balance Date Events

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

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



Committee Member / Chief Executive
Brendan Schwab

Dated this ^{4th} 24 day of September 2010

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.
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INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 \$	2009 \$
Revenue	2	1,571,244	1,513,279
Employee benefits expense		(631,812)	(460,962)
Depreciation and amortisation expenses		(26,340)	(5,381)
Travelling expenses		(60,285)	(52,037)
Administration expenses		(58,964)	(45,806)
Provision for Mindshare		(40,000)	-
Legal expenses		(9,376)	(11,825)
Rent		(38,320)	(15,844)
Consultancy Fees		-	(43,425)
Events & Member Benefits		-	(54,409)
FIFPro		(45,591)	(56,187)
FIFPro Asia		(133,502)	(237,263)
Player Education & Special Assistance		(75,824)	(73,310)
Reimbursements (Chairman's Expenses)		(47,752)	(48,059)
Other expenses		(260,937)	(132,706)
Surplus before income tax expense		112,625	276,065
Income tax expense		-	-
Net result for the period		112,625	276,065

The accompanying notes form part of these financial statements.

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.
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BALANCE SHEET
AS AT 30 JUNE 2010

	Notes	2010 \$	2009 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	904,626	1,202,865
Trade and Other Receivables	5	386,165	123,545
TOTAL CURRENT ASSETS		<u>1,290,792</u>	<u>1,326,410</u>
NON-CURRENT ASSETS			
Plant and Equipment	6	6,698	11,599
Intangible Assets	7	41,076	47,133
TOTAL NON-CURRENT ASSETS		<u>47,774</u>	<u>58,732</u>
TOTAL ASSETS		<u>1,338,566</u>	<u>1,385,142</u>
CURRENT LIABILITIES			
Trade and Other Payables	8	146,288	366,700
Provisions	9	90,190	28,978
TOTAL CURRENT LIABILITIES		<u>236,478</u>	<u>395,678</u>
TOTAL LIABILITIES		<u>236,478</u>	<u>395,678</u>
NET ASSETS		<u>1,102,088</u>	<u>989,464</u>
MEMBERS' FUNDS			
Contributed Equity		50	50
Retained Profits		1,102,038	989,414
TOTAL MEMBERS' FUNDS		<u>1,102,088</u>	<u>989,464</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 2010

	Contributed Equity	Retained Earnings	Total
	\$	\$	\$
Balance at 30 June 2008	50	713,349	713,399
Surplus attributable to members	-	276,065	276,065
Balance at 30 June 2009	50	989,414	989,464
Surplus attributable to members	-	112,625	112,625
Balance at 30 June 2010	50	1,102,038	1,102,088

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 \$	2009 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts re: Contracted income		1,272,487	1,437,906
Payments to Suppliers and Employees		(1,591,480)	(1,012,317)
Interest Received		36,137	42,992
Net Cash Provided by Operating Activities	10(b)	<u>(282,856)</u>	<u>468,581</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for Intangible Assets		(1,507)	(47,000)
Payment for Property, Plant and Equipment		(13,875)	(9,621)
Net Cash Used in Investing Activities		<u>(15,382)</u>	<u>(56,621)</u>
Net Increase in Cash Held		(298,238)	411,960
Cash at Beginning of Financial Year		1,202,865	790,905
Cash at End of Financial Year	10(a)	<u>904,626</u>	<u>1,202,865</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE 1: STATEMENT OF SIGNIFIGANT 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 the Australian Professional Footballers' Association Inc. as an individual entity. The Australian Professional Footballers' Association 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 107: Cash Flow Statements
AASB 101: Presentation of Financial Statements
AASB 1031: Materiality
AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

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 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) Plant and Equipment

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset was held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(b) 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 accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss 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.

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

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

(e) Income Tax Expense

The Executive is of the opinion that the Australian Professional Footballers' Association Inc. satisfies the necessary prerequisites to be an unregistered trade union pursuant to section 50-15 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 the Australian Professional Footballers' Association Inc. as an unregistered trade union allows no recognition of income tax expense in the statements.

(f) 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 not 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 provide accumulated benefits. Contributions are made in accordance with the statutory requirements of each jurisdiction.

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.

REG No. A0027415N

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
NOTE 2: REVENUE		
Operating activities		
- Interest	36,137	48,589
- Member Subscriptions	89,495	65,665
- Collective Agreements	650,065	585,903
- Australian Athletes' Alliance	30,000	-
- Player Services	72,982	18,425
- FIFPro	484,943	604,476
- FIFPro Asia	131,420	180,711
- Other Revenue	76,202	9,510
	<u>1,571,244</u>	<u>1,513,279</u>
(a) Interest from:		
-Term deposits	27,143	33,874
- Other	8,994	14,715
	<u>36,137</u>	<u>48,589</u>
NOTE 3: AUDITORS' REMUNERATION		
Remuneration of the auditor		
- Auditing and reviewing the financial report	<u>9,000</u>	<u>10,500</u>
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash on hand	50	50
Term Deposits	506,591	528,277
Petty Cash	146	-
Cash at bank	397,839	674,538
	<u>904,626</u>	<u>1,202,865</u>
NOTE 5: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade debtors	387,462	88,309
Less:- Allowance for doubtful debts	(660)	(660)
Accrued Income	-	30,800
Interest Receivable	-	5,598
Sundry Debtors	(636)	(501)
	<u>386,165</u>	<u>123,546</u>

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
NOTE 6: PLANT AND EQUIPMENT		
PLANT AND EQUIPMENT		
Office equipment		
At cost	53,273	51,767
Less accumulated depreciation	<u>(46,576)</u>	<u>(40,168)</u>
Total plant and equipment	<u>6,698</u>	<u>11,599</u>
NOTE 7: INTANGIBLE ASSETS		
Curriculum - at cost	46,330	46,000
Less accumulated amortisation	(15,417)	-
Trademark	1,000	1,000
Formation Costs	133	133
Web design & building	13,545	-
Less accumulated depreciation	<u>(4,515)</u>	<u>-</u>
Total Intangible Assets	<u>41,076</u>	<u>47,133</u>
NOTE 8: TRADE AND OTHER PAYABLES		
CURRENT		
Trade Payable	3,735	3,500
Mastercard	4,296	2,777
GST Payable	25,798	2,913
Superannuation Payable	458	8,152
PAYG Withholding	11,568	24,021
FBT Payable	(1,243)	3,502
Income in Advance	28,691	260,416
ABN Withholding	3,487	-
Accruals - Various	(380)	(7,134)
Accruals - Auditors Remuneration	6,000	7,000
Education Grant	-	5,000
FIFPro Asia	63,878	56,552
	<u>146,288</u>	<u>366,700</u>
NOTE 9: PROVISIONS		
Annual Leave	50,190	28,978
Provision for Mindshare	40,000	-
	<u>90,190</u>	<u>28,978</u>

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.

REG No. A0027415N

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
NOTE 10: CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of financial year as shown in the statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:		
Cash on hand	50	50
Cash at bank	904,576	1,202,815
	<u>904,626</u>	<u>1,202,865</u>
(b) Reconciliation of cash flow from operations with profit after income tax		
Surplus after income tax	112,625	276,065
<u>Non-cash flow items in profit</u>		
Depreciation	6,408	5,381
Amortisation	19,932	-
Provision	61,211	-
<u>Changes in assets and liabilities</u>		
Increase / (Decrease) in receivables	(262,620)	(53,150)
Increase / (Decrease) in provisions	(220,412)	240,284
Cash flows from operations	<u>(282,856)</u>	<u>468,581</u>

NOTE 11: ASSOCIATION DETAILS

The principal place of business of the association is:

Australian Professional Footballers' Association Inc.

833 Bourke Street

DOCKLANDS VIC 3008

PROFESSIONAL FOOTBALLERS AUSTRALIA INC.
REG No. A0027415N
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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 on pages 2 to 9;

1. Presents a true and fair view of the financial position of Australian Professional Footballers' Association Inc. as at 30 June 2010 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 Australian Professional Footballers' Association 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
Brendan Schwab

Dated this 24th day of September 2010

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF PROFESSIONAL FOOTBALLERS AUSTRALIA INCORPORATED

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Professional Footballers Australia Incorporated (the Association), which comprises the assets and liabilities statement as at 30 June 2010 for the year then ended, the income and expenditure statement, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The 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

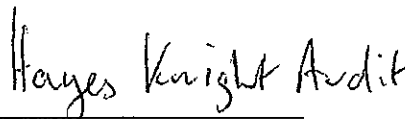
In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

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 2010 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.



George Georgiou
Director



Hayes Knight Audit Pty Ltd

Signed in Melbourne this 24th day of September 2010