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# **SOCCER AUSTRALIA LIMITED**

A.C.N. 008 540 770

## **FINANCIAL STATEMENTS**

### **1996**

NATIONAL SPORT INFORMATION CENTRE  
AUSTRALIAN SPORTS COMMISSION  
LEVERRIER STREET  
BRUCE A.C.T. 2617  
AUSTRALIA

10 MAR 1998





# Directors' Report

The Directors present their report together with the accounts of the Soccer Australia Limited and the consolidated accounts of the economic entity, being the Federation and its controlled entities, for the year ended 30TH SEPTEMBER, 1996 and the directors' report thereon.

## DIRECTORS

The names and qualifications of the Directors of the Federation in office at the date of this report are:

### DAVID HILL AAYOIC

Chairman  
Age 50  
Former Chairman of the Australian Broadcasting Corporation  
Former Managing Director of the Australian Broadcasting Corporation  
Former Chief Executive Officer of the State Rail Authority of N.S.W.

### BASIL SCARSELLA B.EC, CPA.

Deputy Chairman  
Age 41  
Former Deputy Chairman of South Australian Soccer Federation  
Player Life Member Cambelltown City Soccer Club

### CAV. DON DI FABRIZIO, OAM.

Director  
Age 63  
Director of Di Frabro Group of Companies  
Trustee of the Victorian Soccer Federation  
Life Member of the Victorian Soccer Federation  
Former Director of the Victorian Soccer Federation  
Patron of Morwell Falcons Soccer Club  
Life Member and former President of Morwell Falcons Soccer Club

### GEORGE NEGUS

Director  
Age 54  
Director Never Never Holdings  
Director Negus Media International  
Presenter 'Foreign Correspondent' ABC Television  
Member Order of Australia Council  
Life Member Taringa Rovers Soccer Football Club  
President Bellingen Junior Soccer Club  
Soccer Australia Delegate 1995 FIFA 'Football of the Future' Symposium  
Member of the Australian UN 50th Anniversary Committee

### SUE BAKER FINCH

Director  
Age 43  
Member of Project 2000  
Member of Australia Abroad Council

### PETER BRIAN GRAY

Director  
Age 54  
Chairman of the New South Wales Soccer Federation  
Chairman of Soccer New South Wales Limited  
Life Member of the New South Wales Soccer Federation  
Life Member of Sutherland Shire Soccer Club  
Manager of the Australian Olympic Soccer Team

### FREDERICK LENZI

Director  
Age 45  
Life Member of Adelaide City Soccer Club  
Former Chairman of Adelaide City Soccer Club  
Life Vice President of the South Australian Italian Association  
Former Committee Member of 1st Division Management Committee of the South Australian Soccer Federation

## DIRECTORS' MEETINGS

The number of directors' meetings and number of meetings attended by each of the directors of the Federation during the financial year are:

Director	No. of Meetings attended	No. of Meetings Held
Mr. D. Hill	9	10
Mr. B. Scarsella	10	10
Mr. D. Di Fibrizio	9	10
Mr. G. Negus	5	10
Ms. S. Baker Finch	6	6
Mr. P. Gray	8	8
Mr. F. Lenzi	3	3
Mr. G. Vasilopoulos	6	6

## PRINCIPAL ACTIVITIES

The principal continuing activities of the company in the course of the financial year were the fostering and control of the game of association football in the Commonwealth of Australia. No significant change in the nature of these activities occurred during the year.

## RESULTS

The consolidated profit (loss) for the year attributable to the members of the Soccer Australia Limited was \$35,556 (1995 loss \$798,425).

**DIVIDEND**

In accordance with the company's Memorandum And Articles Of Association no dividend shall be paid and no dividend has been paid during the financial year.

**REVIEW OF OPERATIONS**

The period under review recorded an excess of income over expenditure of \$35,556. While the Company recorded an increase in revenues in excess of \$1,500,000, costs increased significantly in the areas of salaries and wages due to the restructuring of the organisation, and player payments and team costs. The year under review encompassed the successful staging of the Travellers v's True Blues series, screened nationally on commercial television, and our Olympic campaign.

**STATE OF AFFAIRS**

In the opinion of the Directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report and the accounts.

**EVENTS SUBSEQUENT TO BALANCE DATE**

In the opinion of the Directors no matter or circumstance has arisen since the end of the financial year that has significantly affected or may significantly affect:-

- (i) the operations of the company;
- (ii) the results of those operations; or
- (iii) the state of affairs of the company,

in financial years subsequent to this financial year.

**LIKELY DEVELOPMENTS**

The activities of the national teams and the expansion of the Ericsson Cup competition over the coming year will highlight Soccer Australia's continuing commitment to the development of the sport in Australia.

The national teams programs are in an exciting cycle. The Coca-Cola Under 17's, the Joeys, have the FIFA/JVC Cup in their sights. The Oceania qualification process is in New Zealand in April. The Under 17 World Championships will be held in Egypt in September, 1997.

The Coca-Cola Under 20 team, the Young Socceroos are also moving along the path to their World Championships. The Young Socceroos' target is the World Youth Championships in Malaysia in June and July of next year.

At the end of the World Youth titles, Soccer Australia will assemble the squad that will form the foundation of the Olyroos for the Sydney Olympic Games.

For the Coca-Cola Socceroos, the target of a berth in the 1998 World Cup in France remains firmly in focus. Terry Venables appointment as National Coach, an event reported

worldwide, has added immense momentum to the Socceroos' campaign for France.

The road to the World Cup finals begins with the selection of the squad after the expatriate Australians play the local stars in the Superstars Series in late May. This event, a television ratings success in its inaugural year, will become a Socceroo selection stage in its second year.

The Socceroos face the Oceania Qualifiers for World Cup 98 in June, 1997.

Australia's longest running national football league, the Ericsson Cup, continues its evolution.

The Carlton Soccer Club will follow the lead of Collingwood Soccer Club and join the Ericsson Cup for the 1997-98 season. Soccer Australia continues to field calls from sports clubs and individuals keen to take a place in the Cup.

Off the field, the Referees Department is investigating technology to allow two-way communication between referee and linesmen while the Coaching and Development Office is coordinating a national approach to training children.

**INDEMNIFICATION AND INSURANCE OF OFFICERS OR AUDITORS**

The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company or a related body corporate:-  
- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or  
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

**DIRECTORS' BENEFITS**

No director of the company has, since the end of the previous financial year, received or become entitled to receive a benefit other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts, or the fixed salary of a full-time employee of the company or of a related corporation by reason of a contract made by the company in which he has a substantial financial interest. Further details of relevant transactions are set out in Note 17 to the financial statements.

For and on behalf of the Board in accordance with a resolution of the directors.

.....  
DAVID HILL  
CHAIRMAN

.....  
BASIL SCARSELLA  
DEPUTY CHAIRMAN

Dated:



## Statement by Directors

In the opinion of the directors -

(a) the accompanying financial statements are drawn up so as to give a true and fair view of the results and cash flows of the company and the entities that it controls for the financial year ended 30TH SEPTEMBER, 1996 and of the state of affairs as at that date.

(b) the consolidated accounts have been made out in accordance with Divisions 4A and 4B of Part 3.6 of the Corporations Law;

(c) there are reasonable grounds to believe that the company and the entities that it controls will be able to pay its debts as and when they fall due, and

(d) the financial statements have been made out in accordance with applicable Accounting Standards and Urgent Issues Group Consensus Views.

For and on behalf of the Board in accordance with a resolution of the directors.

.....  
DAVID HILL  
CHAIRMAN

.....  
BASIL SCARSELLA  
DEPUTY CHAIRMAN

Dated:

## Auditors' Report

### SCOPE

We have audited the accompanying financial statements of the Australian Soccer Federation Limited for the year ended 30TH SEPTEMBER, 1996.

The Federation's directors are responsible for the preparation and presentation of the financial statements and the information contained therein. We have conducted an independent audit of these accounts in order to express an opinion on them to the members of the Federation.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free from material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and statutory requirements so as to present a view of the company which is consistent with our understanding of

the Federation's financial position and the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

### AUDIT OPINION

In our opinion:

The accompanying accounts are properly drawn up in accordance with the provisions of the Corporations Law, applicable Accounting Standards, and other mandatory professional reporting requirements and so as to give a true and fair view of:

(i) the state of affairs of the Federation and the economic entity at 30TH SEPTEMBER, 1996 and of the results and cash flows of the Federation and the economic entity for the year ended on that date; and

(ii) the other matters required by Division 4, 4A and 4B of Part 3.6 of that Law to be dealt with in the financial statements.

BILLERWELL, POWERS & SMITH  
Chartered Accountants

SYDNEY: ROSS E. CHAPMAN - Partner



## Balance Sheet as at 30th September 1996

	Note	Consolidated		Federation	
		1996	1995	1996	1995
		\$	\$	\$	\$
<b>CURRENT ASSETS</b>					
Cash		537,497	705,286	537,495	705,284
Receivables	6	1,892,050	1,083,961	1,892,050	1,083,961
Other	7	192,327	9,314	192,327	9,314
<b>TOTAL CURRENT ASSETS</b>		<u>2,621,874</u>	<u>1,798,561</u>	<u>2,621,872</u>	<u>1,798,559</u>
<b>NON-CURRENT ASSETS</b>					
Investments	8	-	-	2	2
Property, plant and equipment	9	317,878	343,449	317,878	343,449
Other	7	1,218	3,180	1,218	3,180
<b>TOTAL NON-CURRENT ASSETS</b>		<u>319,096</u>	<u>346,629</u>	<u>319,098</u>	<u>346,631</u>
<b>TOTAL ASSETS</b>		<u>2,940,970</u>	<u>2,145,190</u>	<u>2,940,970</u>	<u>2,145,190</u>
<b>CURRENT LIABILITIES</b>					
Creditors and borrowings	10	1,553,229	850,574	1,553,229	850,574
Provisions	11	91,631	77,313	91,631	77,313
Other	12	182,080	127,000	182,080	127,000
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,826,940</u>	<u>1,054,887</u>	<u>1,826,940</u>	<u>1,054,887</u>
<b>NON-CURRENT LIABILITIES</b>					
Creditors and borrowings	10	53,153	58,683	53,153	58,683
Provisions	11	5,055	11,354	5,055	11,354
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>58,208</u>	<u>70,037</u>	<u>58,208</u>	<u>70,037</u>
<b>TOTAL LIABILITIES</b>		<u>1,885,148</u>	<u>1,124,924</u>	<u>1,885,148</u>	<u>1,124,924</u>
<b>NET ASSETS</b>		<u>1,055,822</u>	<u>1,020,266</u>	<u>1,055,822</u>	<u>1,020,266</u>
<b>MEMBERS' FUNDS</b>					
Retained profits (Accumulated losses)		<u>1,055,822</u>	<u>1,020,266</u>	<u>1,055,822</u>	<u>1,020,266</u>
<b>TOTAL MEMBERS' FUNDS</b>		<u>1,055,822</u>	<u>1,020,266</u>	<u>1,055,822</u>	<u>1,020,266</u>

The balance sheets are to be read in conjunction with the accompanying notes which form part of the accounts.



## Profit and Loss Account for the year ended 30th September 1996

	Note	Consolidated		Federation	
		1996	1995	1996	1995
		\$	\$	\$	\$
Operating profit (loss) before income tax	2	35,556	(798,425)	35,556	(798,425)
Income tax attributable to operating profit		-	-	-	-
Operating profit (loss) after income tax		<u>35,556</u>	<u>(798,425)</u>	<u>35,556</u>	<u>(798,425)</u>
Accumulated profits (losses) at the beginning of the financial year		1,020,266	1,818,691	1,020,266	1,818,691
Total available for appropriation		<u>1,055,822</u>	<u>1,020,266</u>	<u>1,055,822</u>	<u>1,020,266</u>
Retained profits (accumulated losses) at the end of the financial year		<u>1,055,822</u>	<u>1,020,266</u>	<u>1,055,822</u>	<u>1,020,266</u>

The profit and loss accounts are to be read in conjunction  
with the notes to and forming part of the financial statements.



## Statement of Cash Flows for the year ended 30th September 1996

	Note	Consolidated		Federation	
		1996	1995	1996	1995
		\$	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from members, sponsors and customers		7,786,733	7,512,401	7,786,733	7,512,401
Interest received		92,139	101,668	92,139	101,668
Payments to suppliers and employees		(8,172,192)	(8,343,413)	(8,172,192)	(8,343,413)
Interest paid		(13,625)	(11,581)	(13,625)	(11,581)
Net cash provided by (used in) operating activities	1	<u>(306,945)</u>	<u>(740,925)</u>	<u>(306,945)</u>	<u>(740,925)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Payment for property, plant & equipment		(87,504)	(236,292)	(87,504)	(236,292)
Proceeds on sale of property, plant & equipment		40,157	7,359	40,157	7,359
Net cash provided by (used in) investing activities		<u>(47,347)</u>	<u>(228,933)</u>	<u>(47,347)</u>	<u>(228,933)</u>
Net increase (decrease) in cash held		(354,292)	(969,858)	(354,292)	(969,858)
Cash at beginning of year		705,286	1,675,144	705,284	1,675,142
Cash at end of year	2	<u>350,994</u>	<u>705,286</u>	<u>350,992</u>	<u>705,284</u>

The statements of cash flows are to be read in conjunction with the accompanying notes which form part of the accounts.



# Notes to the Statement of Cash Flows for the year ended 30th September 1996

	Consolidated		Federation	
	1996	1995	1996	1995
	\$	\$	\$	\$
<b>1. Reconciliation of net cash provided by operating activities to operating profit (loss) after income tax:</b>				
Operating profit (loss) after income tax	35,556	(798,425)	35,556	(798,425)
(Profit)/Loss on sale of plant & equipment	(11,843)	23,890	(11,843)	23,890
Amortisation of leased assets	18,319	16,600	18,319	16,600
Depreciation	66,442	49,636	66,442	49,636
Decrease (increase) in trade debtors	(383,947)	243,925	(383,947)	243,925
Increase (decrease) in provision for doubtful debts	42,452	74,208	42,452	74,208
Decrease (increase) in other debtors	(466,594)	96,146	(466,594)	96,146
Decrease (increase) in prepayments	(183,013)	12,359	(183,013)	12,359
Decrease (increase) in other assets	1,962	1,820	1,962	1,820
Increase (decrease) in creditors	523,851	(466,872)	523,851	(466,872)
Increase (decrease) in other current liabilities	55,080	(37,139)	55,080	(37,139)
Increase (decrease) in provision for annual leave & long service leave	8,019	15,394	8,019	15,394
Increase (decrease) in lease liabilities	(4,067)	3,863	(4,067)	3,863
Increase (decrease) in hire purchase creditors	(9,162)	23,670	(9,162)	23,670
 Net cash provided by (used in) operating activities	 (306,945)	 (740,925)	 (306,945)	 (740,925)

The statements of cash flows are to be read in conjunction with the accompanying notes which form part of the accounts.





## Notes to the Statement of Cash Flows for the year ended 30th September 1996

Consolidated		Federation	
1996	1995	1996	1995
\$	\$	\$	\$

### 2.Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash on hand	1,152	1,152	1,150	1,150
Cash at bank	127,335	278,777	127,335	278,777
Deposits at call	409,010	425,357	409,010	425,357
Bank overdraft	(186,503)	-	(186,503)	-
	<u>350,994</u>	<u>705,286</u>	<u>350,992</u>	<u>705,284</u>

### Bank Overdraft Facility

The economic entity has a bank overdraft facility available to the extent of \$200,000 (1995 \$200,000).

### 3.Non-cash financing and investing activities

Property, plant & equipment  
During the year the economic entity acquired property, plant & equipment with an aggregate fair value of \$28,909 (1995 \$38,663) by means of finance leases. These acquisitions are not reflected in the statement of cash flows.

<u>28,909</u>	<u>38,663</u>	<u>28,909</u>	<u>38,663</u>
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The statements of cash flows are to be read in conjunction with the accompanying notes which form part of the accounts.



# Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial accounts of the economic entity have been drawn up in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views, the requirements of the Corporations Law and the provisions of Schedule 5 to the Corporations Regulations. They have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied.

Set out below is a summary of the significant accounting policies adopted by the economic entity in the preparation of the accounts.

### Principles of Consolidation

The consolidated accounts of the economic entity include the accounts of the Federation, being the chief entity, and its controlled entities.

Where an entity either began or ceased to be controlled during the year, the results are included only from the date control commenced or up to the date control ceased. The controlled entity included in the consolidated accounts was dormant during the year.

The balances, and effects of transactions, between controlled entities included in the consolidated accounts have been eliminated.

### Non-current Assets

The carrying amounts of all non-current assets are reviewed at least annually to determine whether they are in excess of their recoverable amount. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower value. In assessing recoverable amounts the relevant cash flows have not been discounted to their present values.

### Depreciation and Amortisation of Non-Current Assets

Depreciation has been charged on fixed assets at rates assessed to match the cost of each of the assets over their estimated economic life.



# Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

## Income Tax

No provision has been made for income tax as the economic entity is exempt in accordance with the terms of Section 23 (g)(iii) of the Income Tax Assessment Act, 1936, as amended.

## Employee Benefits

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, long service leave and vested sick leave.

Liabilities arising in respect of wages and salaries, annual leave and any other employee entitlements expected to be settled within twelve months of the reporting date are measured at their nominal amounts. All other employee entitlement liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the interest rates attaching to government guaranteed securities which have terms to maturity approximating the terms of the related liability are used.

In determining the liability for employee entitlements, consideration has been given to future increases in wage and salary rates, and the economic entity's experience with staff departures. Related on-costs have also been included in the liability.

## Leased Non-Current Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incident to ownership of non-current assets and operating leases under which the lessor effectively retains all such risks and benefits. Where non-current assets are acquired by means of finance leases, the present value of minimum lease payments is established as an asset at the beginning of the lease term and amortised on a straight line basis over its expected economic life. A corresponding liability is also established and each lease payment is allocated between such liability and interest expense. Operating lease payments are charged to expense in the periods in which they are incurred.

## Company Limited By Guarantee

Every member of the company undertakes in accordance with the Memorandum of Association of the company to contribute such amount (not exceeding \$20.00) as may be required in the event of the winding up of the company during the time that they are a member or within one year afterwards.



# Notes to and forming part of the accounts for the year ended 30th September 1996

	Consolidated		Federation	
Note	1996	1995	1996	1995
	\$	\$	\$	\$
<b>2. OPERATING PROFIT</b>				
Operating revenue and expenses				
Operating profit (loss) has been arrived at after including:				
Operating revenue				
Other Revenue				
Affiliation fees	590,200	565,200	590,200	565,200
Advertising and special promotions	32,236	35,436	32,236	35,436
Interest received or due and receivable from:				
Other persons	92,139	101,668	92,139	101,668
Fines and appeals	71,150	75,755	71,150	75,755
Entry fees	170,000	77,380	170,000	77,380
Gate takings	1,236,496	1,481,383	1,236,496	1,481,383
FIFA Grant	-	4,630	-	4,630
Sundry income	20,068	20,544	20,068	20,544
National registration fee	288,779	349,051	288,779	349,051
Sponsorship	2,753,672	1,977,334	2,753,672	1,977,334
Television & radio royalties and subsidies	1,061,877	454,105	1,061,877	454,105
Player transfer commissions	351,582	243,793	351,582	243,793
Government grants and subsidies	1,191,443	939,325	1,191,443	939,325
Pools commission - Australia	43,147	43,147	43,147	43,147
Pools commission - PPA.	388,500	388,495	388,500	388,495
Match fee & Signage income	213,160	224,537	213,160	224,537
Merchandising and royalties	106,470	41,572	106,470	41,572
Manager/coach registration fee	3,800	9,150	3,800	9,150
Bad debts recovered	59,614	-	59,614	-
Proceeds from sale of non-current assets	40,157	7,359	40,157	7,359
Abnormal items:				
Unsecured loan written back	3	206,025	-	206,025
	8,714,490	7,245,889	8,714,490	7,245,889



## Notes to and forming part of the accounts for the year ended 30th September 1996 (Continued)

Note	Consolidated 1996 \$	1995 \$	Federation 1996 \$	1995 \$
<b>2. OPERATING PROFIT (CONTINUED)</b>				
Operating expenses				
Interest paid or due and payable to:				
Other persons	5,006	3,478	5,006	3,478
Finance charges on capitalised leases	8,619	8,104	8,619	8,104
	13,625	11,582	13,625	11,582
Non-recoverable trade debts written off to profit and loss account	-	55,382	-	55,382
Amortisation of:				
Leased assets capitalised	18,319	16,600	18,319	16,600
Depreciation of property, plant and equipment	66,442	49,636	66,442	49,636
Amounts set aside to provision for:				
Employee entitlements	8,020	15,393	8,020	15,393
Amounts set aside to provision for: doubtful debts	107,094	96,197	107,094	96,197
Loss on sale of property, plant and equipment	-	23,890	-	23,890
 <b>3. ABNORMAL ITEMS</b>				
Included in the operating profit are the following abnormal items:				
Items credited				
Unsecured loan written back	-	206,025	-	206,025
Income tax effect	-	-	-	-
	-	206,025	-	206,025



## Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

	Consolidated		Federation	
	1996	1995	1996	1995
	\$	\$	\$	\$
<b>4.REMUNERATION OF DIRECTORS</b>				
Directors' Income				
The number of Directors of the Federation whose income from the Federation and related entities falls within the following bands:				
\$30,000 - \$39,999			-	1
Total income received, or due and receivable by all Directors of the Federation.			-	31,500
Total income received, or due and receivable by all Directors of each entity in the economic entity from the Federation, or controlled entities.	-	31,500		

### 5.AUDITORS' REMUNERATION

Total amounts received or due and receivable by the auditors of the Federation for:

- Audit of the Federation's accounts	17,500	15,000	17,500	15,000
- Accounting, secretarial and support staff services	79,492	41,650	79,492	41,650
	96,992	56,650	96,992	56,650



## Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

	Consolidated		Federation	
Note	1996	1995	1996	1995
	\$	\$	\$	\$
<b>6. RECEIVABLES</b>				
<b>CURRENT</b>				
Trade debtors	1,278,779	894,832	1,278,779	894,832
Provision for doubtful debts	166,177	123,725	166,177	123,725
	1,112,602	771,107	1,112,602	771,107
Other debtors	779,448	312,854	779,448	312,854
	1,892,050	1,083,961	1,892,050	1,083,961
Trade debtors include the following amounts owing by related parties:				
Directors and director-related entities				
- Directors	10,802	11,031	10,802	11,031
- Director related entities	-	25,912	-	25,912
	10,802	36,943	10,802	36,943
Included in trade debtors are debts of \$10,802 (1995 \$36,943) owing by former directors and entities associated with those former directors. All outstanding debts are being actively pursued.				
<b>7. OTHER ASSETS</b>				
<b>CURRENT</b>				
Prepayments and other	192,327	9,314	192,327	9,314
	192,327	9,314	192,327	9,314
<b>NON-CURRENT</b>				
Unexpired hire purchase interest	1,218	3,180	1,218	3,180
	1,218	3,180	1,218	3,180



## Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

	Note	Consolidated		Federation	
		1996 \$	1995 \$	1996 \$	1995 \$
<b>8. INVESTMENTS</b>					
<b>NON-CURRENT</b>					
Shares in controlled entities	14				
Unquoted - at cost		-	-	2	2
		-	-	2	2
<b>9. PROPERTY, PLANT AND EQUIPMENT</b>					
Plant, equipment & motor vehicles - at cost		507,491	490,731	507,491	490,731
Less: Accumulated depreciation		260,170	220,433	260,170	220,433
		<u>247,321</u>	<u>270,298</u>	<u>247,321</u>	<u>270,298</u>
Plant, equipment & motor vehicles under lease		109,972	115,878	109,972	115,878
Less: Accumulated amortisation		39,415	42,727	39,415	42,727
		<u>70,557</u>	<u>73,151</u>	<u>70,557</u>	<u>73,151</u>
Total property, plant & equipment		<u>317,878</u>	<u>343,449</u>	<u>317,878</u>	<u>343,449</u>





## Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

	Consolidated		Federation	
	1996	1995	1996	1995
	\$	\$	\$	\$
<b>10. CREDITORS AND BORROWINGS</b>				
<b>CURRENT</b>				
Bank overdraft	186,503	-	186,503	-
Trade creditors	620,952	522,538	620,952	522,538
Other creditors and accruals	712,373	286,936	712,373	286,936
Hire purchase liability	9,163	9,163	9,163	9,163
Lease liabilities	24,238	31,937	24,238	31,937
13	1,553,229	850,574	1,553,229	850,574
<p>The lease liability is secured by a charge over the leased assets.</p> <p>The hire purchase liability is secured by a charge over the motor vehicle under contract.</p>				
<b>NON-CURRENT</b>				
Lease liabilities	47,808	44,176	47,808	44,176
Hire purchase liability	5,345	14,507	5,345	14,507
	53,153	58,683	53,153	58,683



# Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

	Consolidated 1996 \$	1995 \$	Federation 1996 \$	1995 \$
<b>11. PROVISIONS</b>				
<b>CURRENT</b>				
Employee entitlements - including on costs	91,631	77,313	91,631	77,313
	91,631	77,313	91,631	77,313
	91,631	77,313	91,631	77,313
<b>NON-CURRENT</b>				
Employee entitlements - including on costs	5,055	11,354	5,055	11,354
	5,055	11,354	5,055	11,354
	5,055	11,354	5,055	11,354
<b>12. OTHER LIABILITIES</b>				
<b>CURRENT</b>				
Compensation Tribunal Deposits	11,050	1,000	11,050	1,000
Income received in advance	171,030	126,000	171,030	126,000
	182,080	127,000	182,080	127,000
	182,080	127,000	182,080	127,000



## Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

	Consolidated		Federation	
	1996	1995	1996	1995
	\$	\$	\$	\$
<b>13.COMMITMENTS FOR EXPENDITURE</b>				
<b>LEASE RENTAL COMMITMENTS</b>				
Finance lease rentals are payable as follows:				
- not later than one year	31,797	39,810	31,797	39,810
- later than one year but not later than two years	30,541	25,696	30,541	25,696
- later than two years but not later than five years	24,942	24,440	24,942	24,440
	87,280	89,946	87,280	89,946
less amounts provided for in the accounts:				
Current liability	24,238	31,937	24,238	31,937
Non-current liability	47,808	44,176	47,808	44,176
Total lease liability	72,046	76,113	72,046	76,113
Finance lease expenditure not provided for in the accounts	15,234	13,833	15,234	13,833

The Federation has entered into an agreement with The Sydney Cricket & Sports Ground Trust to occupy office premises and to utilise The Trust's sporting grounds for consideration based on gate revenue of fixtures staged at The Trust's grounds and the Trust's costs of staging those fixtures.

The agreement commenced from the date on which the Trust completed the construction of the premises for a period of 15 years with an option for a further term of 10 years.



# Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

**14. PARTICULARS IN RELATION TO  
CONTROLLED ENTITIES**

	Class of share	Interest Held		Amount of Investment		Contribution to Consolidated Profit	
		1996 %	1995 %	1996 \$	1995 \$	1996 \$	1995 \$
Soccer Australia Limited							
Controlled Entities							
The "A" League Pty. Limited	Ord	100	100	2	2	-	-
						-	-

Consolidated		Federation	
1996 \$	1995 \$	1996 \$	1995 \$

**15. FINANCING ARRANGEMENTS**

The economic entity has access to the following lines of credit:

Total facilities available:				
- Bank overdraft	200,000	200,000	200,000	200,000
Facilities used at balance date:				
- Bank overdraft	59,168	-	59,168	-
Facilities not utilised at balance date:				
- Bank overdraft	140,832	200,000	140,832	200,000

**Bank Overdrafts**

The bank overdraft facility of the Company is secured by a registered mortgage debenture and a term deposit letter of amalgamation.



# Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

Consolidated		Federation	
1996	1995	1996	1995
\$	\$	\$	\$

## 16. CONTINGENT LIABILITIES

The details and estimated maximum amounts of contingent liabilities, classified according to the party from whom the contingent liability arises, are set out below. The directors are not aware of any circumstance or information which would lead them to believe that these liabilities will crystallise and consequently no provisions are included in the accounts in respect of these matters.

### *In Respect Of The Federation*

A bank guarantee, secured by a \$200,000 term deposit has been established in favour of The Honourable D.G. Stewart for possible defamation actions arising from the Stewart Report.

<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
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The Federation has received notice of intention to recover monies previously reflected in the accounts as an unsecured loan to the Federation from ATG (Holdings) Pty. Limited.

The origins of this loan date back prior to 1988.

The Company refutes any claim to these monies, with previous Boards of Commissioners having written back this loan (\$206,025) and a related loan due to the Federation from Australian Sports Sponsorship & Promotions Limited (\$243,600) in the 1994 & 1995 accounts.

The Company will defend any action to recover said monies.



# Notes to and forming part of the accounts for the year ended 30th September 1996 (continued)

## 16. CONTINGENT LIABILITIES (CONTINUED)

The Federation has received notice of dispute from Prime Advertising Developments and Digital Colour Pty. Limited in respect of the publication of the "Soccer Australia" magazine. The Company is resisting this claim.

The Company has entered into a Joint Venture Deed relating to the development of office premises in Canberra. The Company is not obligated to contribute any funds to the development. The Joint Venture has entered into a mortgage securing a principal sum of no more than \$2,950,000. The Company has no obligations in relation to security or repayment under the mortgage.

## 17. RELATED PARTIES

### Directors

The names of each person holding the position of Director of Soccer Australia Limited during the financial year were:

Messrs D. Hill, B. Scarsella, D. Di Fabrizio, G. Negus, S. Baker Finch (appointed February 1996), P. Gray (resigned April 1996, reappointed June 1996), F. Lenzi (appointed June 1996), and G. Vasilopoulos (resigned April 1996).

Messrs D. Hill, F. Lenzi (appointed June 1996) and G. Vasilopoulos (resigned June 1996) were directors of The "A" League Pty. Limited during the financial year.

Details of directors' remuneration are set out in note 4.

The Federation entered into a consultancy agreement with Arkootha Pty. Limited, a company in which Mr D. Hill is director and shareholder. The contract is for a term of 12 months and stipulates consultancy fees are not to exceed \$50,000. No consultancy fees were paid during the 1996 financial year.

The Directors resolved during the course of the 1995 financial year that on some occasions the Company would meet the reasonable costs of partner accompanied travel undertaken for business purposes. No benefit is deemed to have arisen in respect of any partner accompanied travel.



