ANNUAL FINANCIAL REPORT

Collingwood Football Club Limited
(A company limited by guarantee)
ACN 006 211 196

31 October 2019

COLLINGWOOD FOOTBALL CLUB LIMITED

(A COMPANY LIMITED BY GUARANTEE)
ACN 006 211 196

ANNUAL FINANCIAL REPORT

31 OCTOBER 2019

CONTENTS

Collingwood Football Club Limited

Directors' report

To the Members of the Collingwood Football Club Limited (the "Company").

The directors present their report, together with the financial report of the Group, being the Company and its controlled entities, for the year ended 31 October 2019 and the auditor's report thereon.

Directors

The directors of the Group at any time during or since the end of the financial year were:

Mr E McGuire AM	**President** – Appointed 29 October 1998 **Qualifications** – Doctorate of Communications Honoris Causa (RMIT) **Experience** – Director of McGuire Media Pty Ltd; Director of Twenty3 Sport and Entertainment; President of Melbourne Stars; Board & Committee member for numerous charities
Mr A Waislitz	**Vice President/Director** – Appointed 29 October 1998 **Qualifications** – B.Ec., LL.B (Monash University Melbourne). Graduate Harvard Business School OPM Program (Boston USA) **Experience** – Executive Chairman Thorney Investment Group, a private diversified investment company and Chairman of Thorney Opportunities and Thorney Technologies, both publicly listed investment companies
Mr M Korda	**Vice President/Director** – Appointed 15 May 2007 **Qualifications** – Doctor of Business (Hon); Registered Company Auditor, Liquidator and Official Liquidator **Experience** – Founder and Principal of the KordaMentha Group; Director of many various companies
Ms C Holgate	**Director** – Appointed 29 January 2016 **Qualifications** – Masters of Business Administration (University Westminster, London), Graduate Diploma – Marketing, Graduate Diploma – Purchasing & Supply, Graduate Diploma – Management **Experience** – Chief Executive Officer & Managing Director of Australia Post; Chair Australia ASEAN council; Patron of Princes Trust
Mr P Licuria	**Director** – Appointed 16 February 2018 **Qualifications** – Masters of Business Administration – Victoria University; Graduate Diploma – Business Management – Swinburne University **Experience** – Chief Executive Officer of Alffie; former AFL player
Ms J Sizer	**Director** – Appointed 16 February 2018 **Qualifications** – Bachelor of Commerce – University of Ballarat; Certified Practicing Accountant **Experience** – Co-CEO and Co-owner, PwC's Indigenous Consulting; Chairperson Australian Institute for Aboriginal and Torres Strait Islander Studies; Board member Wathaurong Glass
Mr P Murphy	**Director** – Appointed 13 February 2019 **Qualifications** – B.Bus Acc, Grad Dip Mkt, G.A.I.C.D. **Experience** – Founder and Director PAN Group Australia; Global Chair of Global Citizen; Trustee and Chair of Collingwood Football Club Foundation
Mr P Leeds	**Director –** Appointed 13 November 2007 Resigned 28 November 2018

Directors meetings

The number of directors' meetings held and the number of meetings attended by each of the directors during the financial year was as follows:

	Directors Meetings[1]		Finance & Risk Committee Meetings [1]	
Directors	No. of Meetings attended	No. of Meetings eligible to attend	No. of Meetings attended	No. of Meetings eligible to attend
Edward McGuire	10	10	-	-
Alex Waislitz	8	10	-	-
Mark Korda	9	10	9	9
Christine Holgate	9	10	-	-
Paul Licuria	10	10	-	-
Jodie Sizer	10	10	7	9
Peter Murphy	9	9	8	8
Paul Leeds [2]	1	1	-	-

Principal activities

The principal activities of the Group during the course of the financial year were to conduct the operations of the Collingwood Football Club, to manage its affairs, provide teams of athletes bearing the name of the Collingwood Football Club and Magpies Netball and conduct various community activities.

The Group also owns and operates a travel agency, as well as the Glasshouse events business located at the Holden Centre.

State of affairs

The Group finalised and settled the contract of sale with Melbourne Racing Club (MRC) to sell the leasehold for "The Coach & Horses" in Ringwood and "The Club" in Caroline Springs on 6th December 2018. More detail is contained in note 8 to the financial statements.

[1] Shows the number of meetings held and attended by each director during the period the director was a member of the Board or Committee. Note: E. McGuire, A. Waislitz, P.Licuria and C. Holgate attend Finance & Risk Committee meetings from time to time.
[2] P. Leeds was replaced by P. Murphy at the AGM in Feb 2019.

Review and Results of Operations

Collingwood Football Club reported a profit from continuing operations of $3.87m for the year ended 31 October 2019. The significant improvement in 2019 was largely driven by the continued support of the Collingwood fans with membership and match day revenues improving by $7.1m – a membership record of 85,226 which was an improvement of 9,490 members and an average home game attendance of 58,975, an improvement of 9,077. It was pleasing that following the exit from the gaming industry the Group improved its financial performance and much of this improvement is attributable to the support of the Collingwood faithful.

On 6 December 2018, the sale of the gaming venues was completed. The profit on disposal (included as discontinued operations) contributed to a total profit of $12.03m. Following the sale of the gaming venues, the Group repaid the $1.6m loan and invested $16m from the proceeds into the CFC Future Fund. The investments are managed by an Investment Committee and comprise international equities, hybrids, fixed interests, property and alternatives and cash. As at 31 October 2019, the market value of the CFC Future Fund is $16.8m as a result of income received of $506k and a movement in market value of $352k.

As at 31 October 2019, the net assets of the Group were $44.72m compared to $32.69m in 2018, an increase of $12.03m due to the profit on sale of the Club's gaming interests and the strong 2019 profit result.

The Group's cash position as at 31 October 2019 was $17.71m (2018: $9.16m) due to the sale of gaming venues and cash from operating activities of $6.0m. $5.2m of the cash balance is attributable to the CFC Future Fund, largely on call waiting on market timing to execute in accordance with the asset allocation guidelines approved by the Investment Committee.

A summary of the key financial information is as follows:

	2019 $	2018 $
Earnings before interest, taxes, depreciation and amortisation (EBITDA) [3]	6,671,151	1,246,106
Profit/(Loss) from continuing operations after interest, taxes, depreciation and amortisation	3,875,111	(1,764,171)
Total comprehensive income attributable to members of Collingwood Football Club	12,033,113	112,052
Net cash flows from operating activities	5,988,277	4,248,663
The club has cash and cash equivalents of	17,713,403	9,162,317
Club has debt of	-	1,600,000
Club has net assets of	44,723,579	32,690,470

The Articles of Association specifically prohibit the payment of dividends to members. No such dividends were declared or paid.

Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

[2] EBITDA is calculated as net profit plus adding back interest, depreciation and amortisation expense.

Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Directors' interests and benefits

Other than as outlined in the notes to and forming part of the financial statements, since the end of the previous financial year no director of the Group has received or become entitled to receive any benefits because of a contract made by the Group with a director or with a firm of which a director is a member, or with an entity in which the director has a substantial interest. Directors are not remunerated by the Group for their services.

Indemnification and insurance of officers

Indemnification

Under the Articles of Association, the Board and all members thereof shall be indemnified by the Group against all costs, losses, expenses and liabilities incurred by the Board or any members thereof in the course of the business and it shall be the duty of the Board to pay and satisfy all such costs, losses, expenses and liabilities out of the funds of the Group.

Insurance premiums

During the financial year, the Group has paid premiums in respect of Directors' and Officers' liability in respect of directors, secretaries and officers of the Group for the year ended 31 October 2019. The directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the directors' and officers' liability, as such disclosure is prohibited under the terms of the contract.

Lead auditor's independence declaration under section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 6 and forms part of the Directors' report for the year ended 31 October 2019.

Dated at Melbourne this 26th day of November 2019.

Signed in accordance with a resolution of the Directors:

Edward McGuire *Director*	**Mark Korda** *Director*

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

550 Bourke Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001 Australia

DX: 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

26 November 2019

The Board of Directors
Collingwood Football Club
PO Box 165
ABBOTSFORD VIC 3067

Dear Board Members

Auditor's Independence Declaration to Collingwood Football Club Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Board of Directors of Collingwood Football Club Limited.

As lead audit partner for the audit of the financial report of Collingwood Football Club Limited for the year ended 31 October 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Anneke Du Toit
Partner
Chartered Accountants
Melbourne

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities. DTTL (also referred to as "Deloitte Global") and each of its member firms and their affiliated entities are legally separate and independent entities. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte Network

Consolidated Statement of Comprehensive Income

For the year ended 31 October 2019

	Note	2019 $	2018 $
Continuing Operations			
Revenue		72,558,512	66,260,720
Financial income		860,586	17,752
Total revenue and other income	3	73,419,098	66,278,472
Commercial activities, membership and match days expenses		(22,313,255)	(21,475,336)
Teams expenses		(30,863,891)	(30,592,495)
Function centres		(5,368,128)	(5,118,291)
Other expenses		(6,581,583)	(6,253,475)
Operating lease rental expenses		(1,621,090)	(1,592,769)
Depreciation and amortisation expense	10 & 11	(2,781,927)	(2,916,820)
Financial expenses	4	(14,113)	(93,457)
Profit/(Loss) from Continuing Operations before income tax		3,875,111	(1,764,171)
Income tax expense	2	-	-
Profit/(Loss) from Continuing Operations after income tax		3,875,111	(1,764,171)
Discontinued Operations			
Profit from Discontinued Operations	9	8,158,002	1,876,223
Profit for the year		**12,033,113**	**112,052**
Total comprehensive income attributable to:			
Members of Collingwood Football Club		12,033,113	112,052

The notes on pages 11 to 32 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 October 2019

	Settled Sum	Retained Earnings	Total Equity
Balance at 1st November 2017	10	32,578,408	32,578,408
Total comprehensive income for the period			
Profit/(Loss)	-	112,052	112,052
Balance at 31st October 2018	10	32,690,460	32,690,460
Balance at 1st November 2018	10	32,690,460	32,690,470
Total comprehensive income for the period			
Profit/(Loss)	-	12,033,113	12,033,113
Balance at 31st October 2019	**10**	**44,723,573**	**44,723,583**

The notes on pages 11 to 32 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 October 2019

	Note	2019 $	2018 $
Assets			
Cash and cash equivalents	5	17,713,403	9,162,317
Trade and other receivables	6	1,953,059	2,801,774
Inventories	8	37,852	136,359
Prepayments		1,605,746	1,114,967
Assets classified as held for sale		-	8,193,974
Total current assets		21,310,060	21,409,391
Financial Assets	7	11,660,373	-
Property, plant and equipment	10	26,438,692	28,392,296
Intangible assets	11	303,886	89,983
Total non-current assets		38,402,951	28,482,279
Total assets		**59,713,011**	**49,891,670**
Liabilities			
Trade and other payables	12	4,246,299	6,497,111
Loans and borrowings	13	-	1,600,000
Employee benefits	14	2,462,389	2,671,744
Unearned income		7,726,528	5,718,883
Total current liabilities		14,435,216	16,487,738
Employee benefits	14	385,362	348,005
Unearned income		168,850	365,457
Total non-current liabilities		554,212	713,462
Total liabilities		14,989,428	17,201,200
Net assets		**44,723,583**	**32,690,470**
Equity			
Settled sum		10	10
Retained earnings		44,723,573	32,690,460
Total equity		**44,723,583**	**32,690,470**

The notes on pages 11 to 32 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 October 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Cash receipts in the course of operations		78,819,589	91,122,326
Cash paid in the course of operations		(72,831,312)	(86,873,663)
Net cash from operating activities		5,988,277	4,248,663
Cash flows from investing activities			
Acquisition of property, plant and equipment		(764,299)	(4,997,739)
Acquisition of software		(277,927)	(179,644)
Acquisition of investments		(11,318,159)	-
Cash received from investments		506,061	-
Payments made on sale of discontinued operations		(1,320,462)	-
Cash received from sale of investments		17,339,401	-
Net cash from/(used in) investing activities		4,164,615	(5,177,383)
Cash flows from financing activities			
Repayment of borrowings		(1,600,000)	-
Interest received		12,307	26,476
Interest paid		(14,113)	(93,457)
Net cash from/(used in) financing activities		(1,601,806)	(66,981)
Net increase/(decrease) in cash and cash equivalents		8,551,086	(995,701)
Cash and cash equivalents at 1 November		9,162,317	10,158,018
Cash and cash equivalents at 31 October	5	17,713,403	9,162,317

The notes on pages 11 to 32 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 October 2019

1. Collingwood Football Club Limited

Collingwood Football Club Limited (the "Company"), a not-for-profit entity, is a company limited by guarantee where statutory members guarantee its liabilities to the extent of $10. The registered office of the Company is The Holden Centre, Olympic Park, Melbourne, Victoria. The consolidated financial statements of the Company as at and for the year ended 31 October 2019 comprise of the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates and jointly controlled entities.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Certain comparative amounts have been reclassified to conform with the current year's presentation.

2. Statement of significant accounting policies

The significant policies which have been adopted in the preparation of this financial report are:

Statement of compliance

The consolidated financial statements of the Group are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The consolidated financial statements were authorised for issue by the directors on 26th November 2019. The directors have the power to amend and reissue the financial statements.

Basis of preparation

The consolidated financial statements are presented in Australian dollars, which is the Group's functional currency. The consolidated financial statements have been prepared on the historical cost basis, unless otherwise stated.

The preparation of consolidated financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 6 & 7 – Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of Financial assets

Financial instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Group may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs.

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories:

- Financial assets at amortised cost
- Equity instruments at FVTOCI
- Financial assets at FVTPL

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

(ii) Equity instruments at fair value through other comprehensive income (Equity FVTOCI)

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not to be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

(iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "Net gain/(loss) arising on financial assets measured at FVTPL" line.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Financial liabilities and Equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

Financial liabilities at FVTPL

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss.

Financial liabilities measured subsequently at amortised cost

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Note 11 – Intangible assets

The Group tests annually whether intangibles suffered any impairment in accordance with the accounting policy for intangible assets. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). The recoverable amounts of cash generating units have been determined by value in use calculations.

New and amended standards adopted by the group

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are mandatory and effective for an accounting period that begins on or after 1 November 2018. In addition, the Group has voluntarily adopted AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities.

New and revised standards and amendments thereof and Interpretations effective for the current year that are relevant include:

- AASB 9 Financial Instruments and related amending Standards
- AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 9 Financial Instruments and related amending Standards

In the current year, the Group has applied AASB 9 Financial Instruments (as amended) and the related consequential amendments to other Accounting Standards that are effective for an annual period that begins on or after 1 November 2018.

AASB 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities, and
- Impairment of financial assets

The Group has the following financial instruments:

- Trade and other receivables
- Trade and other payables
- Investments in listed securities and managed investment schemes

There were no changes to the classification of any of the Group's financial instruments since the prior year.

Classification and measurement of financial assets

The date of initial application (i.e. the date on which the Group has assessed its existing financial assets and financial liabilities in terms of the requirements of AASB 9) is 1 November 2018. Accordingly, the Group has applied the requirements of AASB 9 to instruments that continue to be recognised as at 1 November 2018 and has not applied the requirements to instruments that have already been derecognised as at 1 July 2018. The group has made an irrevocable election to present subsequent changes in fair value of an equity investment that is not held for trading in the statement of profit and loss.

Impairment of financial assets

In relation to the impairment of financial assets, AASB 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The Group's financial assets do not have a significant financing component. Therefore the Group has adopted the simplified approach for measuring expected credit losses at an amount equal to lifetime expected loss allowance for its financial assets.

None of the reclassifications or assessment of impairment of financial assets have had a material impact on the Group's financial position, profit or loss, other comprehensive income or total comprehensive income in either year.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

In the current year, the Group has applied AASB 15 Revenue from Contracts with Customers (as amended in April 2016). AASB 15 introduced a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) as well as current revenue recognition guidance including AASB 118 Revenue, AASB 111 Construction Contracts and the related Interpretations when it becomes effective.

The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by a Group.

The adoption of AASB 15 and 1058 did not have a significant impact on the financial performance or position for the Group for prior periods, however early adoption has resulted in the recognition of a deferred income balance as at 31 October 2019 for unspent grant funds received by the Group during the year.

New standards and interpretations not yet adopted

At the date of authorisation of the financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standards/amendment	Effective for annual reporting periods beginning on or after
AASB 16 Leases	1 November 2019
AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle	1 November 2019

In addition, at the date of authorization of the financial statements the following IASB Standards and IFRIC Interpretations were on issue but not yet effective, but for which Australian equivalent Standards and Interpretations have not yet been issued.

Standards/amendment	Effective for annual reporting periods beginning on or after
Amendments to References to the Conceptual Framework in IFRS Standards	1 November 2020

AASB 16 Leases is effective for years commencing on or after 1 July 2019. AASB 16 eliminates the classification of leases as either operating leases or finance leases for lessees as required by AASB 117 Leases and instead, introduces a single lessee accounting model.

On initial application of AASB 16, for all leases (except as noted below), the Group will:

a) Recognise right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments;

b) Recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss;

c) Separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the cash flow statement.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers and office furniture), the Group will opt to recognise a lease expense on a straight-line basis as permitted by AASB 16.

Under AASB 16, the Group will recognise a right of use asset and a corresponding lease liability in relation to the non-cancellable operating leases of property, plant and equipment. Upon adoption, a right-of-use asset will be recognised at an amount equal to the corresponding lease liability.

Comparative Financial information

Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability and provide more appropriate information to users.

Basis of consolidation

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with policies adopted by the Group.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Revenue recognition

Sales Revenue

Revenues are recognised in the consolidated statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer. Sales revenue comprises revenue earned (net of returns and discounts) from commercial activities, function centres and gaming, AFL distributions, membership, match day activities and the sale of products or services to entities outside the Group

Travel Revenue

Commission revenue from the sale of airline tickets and travel packages is recognised on the following basis:

- When deposits are received commission revenue is recognised based on the cancellation fee; or
- When full payment has been received from the consumer and airline tickets or redeemable value vouchers have been issued or when the airline or travel package provider has been paid.
- Commission revenue is recognised on a net basis.

AFL distributions

AFL distributions are recognised as they are received.

Commercial activities, membership and match day

Commercial activities income is recognised when amounts are due and payable in accordance with the terms and conditions of the transactions.

Membership income is recognised throughout the duration of the AFL home and away season.

Match day gross income is recognised at the conclusion of each AFL home game.

Function centre revenue

Sales comprise revenue earned (net of returns, discounts and allowances) from the provision of food and beverage and function revenue is recognised as it is earned.

Members' payments in advance

A significant amount of membership revenue is received in upfront payments in September and October each year. This revenue is included in unearned revenue, as it relates to the following year. There are also contributions relating to non-refundable 5 and 10 year membership plans that were first introduced in 2010 and have continued to be offered each year. Appropriate amounts of these contributions are included as revenue in the years to which they relate.

Grant income

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

Expenses

Operating lease payments

Payments made under operating leases are recognised in the profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Finance income and costs

Finance income comprises interest income on funds invested. Interest income is recognised as it is received in the profit and loss, using the effective interest method.

Finance costs comprise transactional costs associated with the future fund investment portfolio.

Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability on the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Income tax

The Group is exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997.

Property, plant and equipment

Owned assets

Items of property, plant and equipment are measured at cost less accumulated depreciation (see accounting policy "Depreciation") and impairment losses (see accounting policy "Impairment – Financial assets").

Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within other income / other expenses in the profit or loss.

Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Other leases are classified as operating leases and the leased assets are not recognised in the Group's consolidated statement of financial position.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Memorabilia

Purchased

Items of memorabilia purchased are recorded at the cost of acquisition and memorabilia is reviewed on a periodic basis for impairment.

Memorabilia collections are kept under special conditions to limit physical deterioration and they are anticipated to have a very long and indeterminate useful life. No amount of depreciation has been recognised in respect of purchased memorabilia collections as their service potential has not, in any material sense, been consumed during the period.

Collected

Over the years the Group has also collected considerable memorabilia. This memorabilia is not recorded in the financial statements, but has been independently valued and will be reviewed on a periodic basis.

Depreciation

Depreciation is based on the cost of an asset less its residual value for items of property, plant and equipment, including building extensions and leasehold property but excluding memorabilia. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of the asset, that component is depreciated separately.

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The depreciation rates for the current and comparative year are as follows:

	2019	**2018**
Building Extensions	5%	5%
Leasehold Improvements	5-6%	5-6%
Furniture and Fittings	20%	20%
Plant and Equipment	20%	20%
Motor Vehicles	25%	25%
Memorabilia	0%	0%
Computer Hardware/Equipment	33%	33%

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible Assets

Software that is acquired by the Group and has a finite useful life is measured at cost less accumulated amortisation and accumulated impairment loss.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit and loss as incurred.

Amortisation

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date they are available for use. The estimated useful lives for the current and comparative year are as follows:

	2019	**2018**
Gaming entitlements	-	10 years
Gaming licences	-	16 years
Software	5 years	5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Non-derivative financial assets

The Group initially recognises loans, receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any direct attributable transactions costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and, trade and other receivables.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short-term bills, call deposits and development funding yet to be spent.

Non-derivative financial liabilities

The Group initially recognises financial liabilities (including liabilities designated at fair value through profit or loss) on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classified non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method. Financial liabilities comprise trade and other payables.

Impairment – Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Loans and receivables

The Group considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables and held-to-maturity investment securities are assessed for specific impairment. All individually significant receivables and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together receivables and held-to-maturity investment securities with similar risk characteristics.

In assessing collective impairment the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Employee benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave represent present obligations resulting from employees' services provided to reporting date, are measured on undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax and are expensed as the related service is provided. Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs.

The benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit-rated or government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method.

Superannuation plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Parent entity financial information

The financial information for the parent entity, Collingwood Football Club Limited, disclosed in note 16 has been prepared on the same basis as the consolidated financial statements.

		2019 $	2018 $
3.	**Revenue and other income**		
	AFL distribution	11,534,172	11,229,087
	Commercial activities	20,233,386	21,865,974
	Function centres	7,690,124	7,110,606
	Membership and match day	30,985,842	23,871,536
	Other	2,114,988	2,183,517
	Revenue	**72,558,512**	**66,260,720**
	Interest income from operations	12,307	17,752
	Interest and dividend income from investments	506,061	-
	Net gain arising of financial assets measured at FVTPL	342,218	-
	Total Revenue and Other Income	**73,419,098**	**66,278,472**
4.	**Financial expense**		
	Interest expense	(8,921)	(93,457)
	Investment expense	(5,192)	-
		(14,113)	**(93,457)**
5.	**Cash and cash equivalents**		
	Cash on hand	8,355	363,138
	Client trust account [4]	82,912	106,391
	Cash at bank	11,283,081	8,692,788
	Grant funds unspent	1,156,343	-
	Term deposits – short term	1,000,000	-
	Investment holding accounts	4,182,712	-
		17,713,403	**9,162,317**
6.	**Trade and other receivables**		
	Current		
	Trade receivables	1,922,865	2,700,543
	Less: Provision for impairment	(135,212)	(118,155)
		1,787,653	**2,582,388**
	Other receivables	165,406	219,386
		1,953,059	**2,801,774**

[4] The cash shown as client trust account is held on behalf of customers until suppliers are paid on behalf of these customers.

	2019 $	2018 $

7. Financial Assets

Non Current

	2019 $	2018 $
Global equities	1,062,244	-
Hybrids	4,030,150	-
Fixed interest securities	3,327,972	-
Property/Alternatives	3,240,007	-
	11,660,373	**-**

The CFC Future Fund investment portfolio is valued at $16,843,085 including the term deposit ($1,000,000) and the investment holding accounts ($4,182,712) shown under note 5.

8. Inventories

	2019 $	2018 $
Merchandise, liquor, food, souvenirs and football equipment	37,852	136,359

9. Discontinued Operations

On 10 July 2018, the group entered into a sale agreement to dispose of The Club Caroline Springs and the Coach & Horses, which carried out all of the Group's gaming operations. The disposal was completed on 6 December 2018, on which date control of The Club Caroline Springs and the Coach & Horses passed on to the acquirer.

The results of the discontinued operations, which have been included in the profit for the year, were as follows:

	2019 $	2018 $
Revenue	1,876,024	15,795,539
Expenses	(1,790,009)	(13,919,316)
Profit from discontinued operations	86,015	1,876,223
Proceeds from sale	17,339,401	-
Book value of assets sold and expenses	(9,267,414)	-
Profit on disposal of discontinued operations	8,071,987	-
	8,158,002	**1,876,223**

10. Property, plant and equipment

Collected memorabilia

In addition to purchased memorabilia, the Company has a significant collection of memorabilia which has been acquired over the years at no cost. An independent valuation was performed by Mr R. Milne, certified with the Department of Communications, in the 2017 financial year for $12,559,474.

	Furniture and fittings	**Leasehold improvements**	**Plant and equipment**	**Purchased memorabilia**	**Under Construction**	**Total**
Cost						
Balance as at 1 November 2018	1,450,911	35,561,870	4,807,171	412,022	-	42,231,974
Acquisitions	110,444	13,000	593,206	-	47,649	764,299
Transfers to Assets classified as held for sale	-	-	-	-	-	-
Asset retirements	-	-	-	-	-	-
Balance as at 31 October 2019	1,561,355	35,574,870	5,400,377	412,022	47,649	42,996,273
Depreciation						
Balance as at 1 November 2018	1,148,716	8,953,135	3,737,827	-	-	13,839,678
Depreciation charge for the year	147,204	1,974,909	595,790	-	-	2,717,903
Transfers to Assets classified as held for sale	-	-	-	-	-	-
Asset retirements	-	-	-	-	-	-
Balance as at 31 October 2019	1,295,920	10,928,044	4,333,617	-	-	16,557,581
Carrying amounts						
As at 1 November 2018	302,195	26,608,735	1,069,344	412,022	-	28,392,296
As at 31 October 2019	265,435	24,646,826	1,066,760	412,022	47,649	26,438,692

11. Intangible Assets

	Software	Gaming Entitlements	Gaming Licence	Total
Cost				
Balance as at 1 November 2018	845,504	-	-	845,504
Acquisitions	277,927	-	-	277,927
Transfers to Assets classified as held for sale	-	-	-	-
Asset retirements	-	-	-	-
Balance as at 31 October 2019	1,123,431	-	-	1,123,431
Amortisation				
Balance as at 1 November 2018	755,521	-	-	755,521
Amortisation for the year	64,024	-	-	64,024
Transfers to Assets classified as held for sale	-	-	-	-
Asset retirements	-	-	-	-
Balance as at 31 October 2019	819,545	-	-	819,545
Carrying amounts				
As at 1 November 2018	89,983	-	-	89,983
As at 31 October 2019	303,886	-	-	303,886

	2019 $	2018 $

12. Trade and other payables

	2019 $	2018 $
Current		
Trade payables	3,120,627	3,900,078
Other payables and accruals	1,125,672	2,447,033
Gaming licence	-	150,000
	4,246,299	**6,497,111**

13. Loans and borrowings

	2019 $	2018 $
Bank Facilities		
Loan Facility	-	4,200,000
Bank overdraft	250,000	250,000
Loan Facility utilised at reporting date	-	1,600,000

The overdraft facility is secured by general security agreements over the whole of the Group's assets including all properties and members' payments in advance. Interest on any bank overdraft is charged at prevailing market rates. This facility was not used during the year.

14. Employee benefits

	2019 $	2018 $
Current		
Employee benefits	2,462,389	2,671,744
Non Current		
Employee benefits	385,362	348,005

The Group has paid contributions from continuing operations of $2,068,821 to defined contribution plans on behalf of employees for the year ended 31 October 2019 (2018: $1,957,936).

	2019 $	2018 $

15. Commitments

Leases

Operating leases and plant and equipment contracted but not provided for as payable:

	2019 $	2018 $
Within one year	1,778,936	1,754,217
One year or no later than five years	7,276,576	7,062,482
Later than five years	17,251,257	19,077,560
	26,306,769	**27,894,259**

The Group leases property, plant and equipment under operating leases expiring from one to fifteen years, typically with an option to renew the leases after they expire. In calculating the above commitments, the Group has assumed a CPI of 2%, where a CPI increase is stipulated in the contract, and the exercise of certain options to renew. If these assumptions were excluded from the calculation, the total commitments for minimum lease payments in relation to operating leases would be $24,671,518 (2018: $23,657,529).

Other commitments

Player Payments

Due to the contract terms varying considerably amongst players, it is not practical to reliably measure the future commitments under player contracts.

Capital Commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	2019 $	2018 $
Within one year	-	696,409
Later than one year, but not later than five years	-	-
	-	**696,409**

Guarantees

The nature and the amounts of the guarantees issued by the Group are detailed below:

	2019 $	2018 $
Guarantees issued for lease agreements	600,000	600,000
Guarantees issued for Pie in the Sky Trust	35,000	43,000
Guarantees issued for venue/gaming operations	-	353,590
	635,000	**996,590**

16. Parent

	2019 $	2018 $
Results of the parent entity		
Profit/(Loss) for the period	12,043,389	(1,169)
Other comprehensive income	-	-
Total comprehensive income	12,043,389	(1,169)
Financial position of parent entity at year end		
Current Assets	21,138,697	21,160,580
Total Assets	59,541,648	49,642,859
Current Liabilities	14,127,235	16,148,162
Total Liabilities	14,666,138	16,810,738
Total Equity of the parent entity comprising of:		
Settled sum	10	10
Retained Earnings	44,875,500	32,832,111
Total Equity	44,875,510	32,832,121

Parent company contingencies

Guarantees

The nature and the amounts of the guarantees issued by the Company are detailed below:

	2019 $	2018 $
Guarantees issued for lease agreements	600,000	600,000
Guarantees issued for Pie in the Sky Trust	35,000	43,000
Guarantees issued for venue/gaming operations	-	353,590
	635,000	996,590

17. Key Management Personnel disclosures

The key management personnel (KMP) compensation was $2,723,569 for the year ended 31 October 2019 (2018: $1,978,130). This increase is largely due to an increase in KMP in 2019.

Directors are not remunerated by the Group for their services.

Other key management personnel disclosures

A number of KMP of the Group, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

During the year a number of KMP purchased club membership packages, match day tickets, club merchandise, attended club functions, made donations and contributed towards fundraising auctions. The terms and conditions of the transactions with KMP and their KMP related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions with non-KMP related entities on an arm's length basis.

The aggregate amounts of significant transactions recognised during the year relating to key management personnel and other related parties, for the Company and Group amounted to:

	2019 $	2018 $
Transactions with KMP		
Sales to KMP	44,489	124,113
Purchases from KMP	(207,962)	(215,222)
Receivables from KMP as at 31 October	-	-
Payables to KMP as at 31 October	-	-

18. Group entities

Name	Group Interest (%)	
Parent Entity		
Collingwood Football Club Limited		
Subsidiaries		
Pie in the Sky Travel Pty Ltd	100	100
Pie in the Sky Trust	100	100

19. Events subsequent to balance date

There have been no matters or circumstances that have arisen since 31 October 2019 that will significantly affect, or may significantly affect the operations of the Group, the results of the operations, or the state of affairs of the Group in subsequent years.

Directors' declaration

In the opinion of the directors of Collingwood Football Club Limited (the "Company"):

a. the financial statements and notes that are contained in pages 7 to 32, are in accordance with the Corporations Act 2001, including:

   i. giving a true and fair view of the Group's financial position as at 31 October 2019 and of its performance, as represented by the results of its operations and its cashflows for the financial year ended on that date; and

   ii. complying with Australian Accounting Standards – reduced disclosure requirements and the Corporations Regulations 2001;

b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Edward McGuire *Director*	**Mark Korda** *Director*

Dated at Melbourne this 26th day of November 2019.

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

550 Bourke Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001 Australia

Tel: +61 (0) 3 9671 7000
Fax: +61 (0)3 9671 7001
www.deloitte.com.au

Independent Auditor's Report to the members of Collingwood Football Club

Opinion

We have audited the financial report of Collingwood Football Club (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 31 October 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Directors' declaration.

In our opinion, the accompanying financial report of the Collingwood Football Club is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 31 October 2019 and of their financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

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 auditor independence requirements of the *Corporations Act 2001* and 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company**,** would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 October 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte Network

Deloitte.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Regime and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or has 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 judgement and maintain professional scepticism throughout the audit. We also:

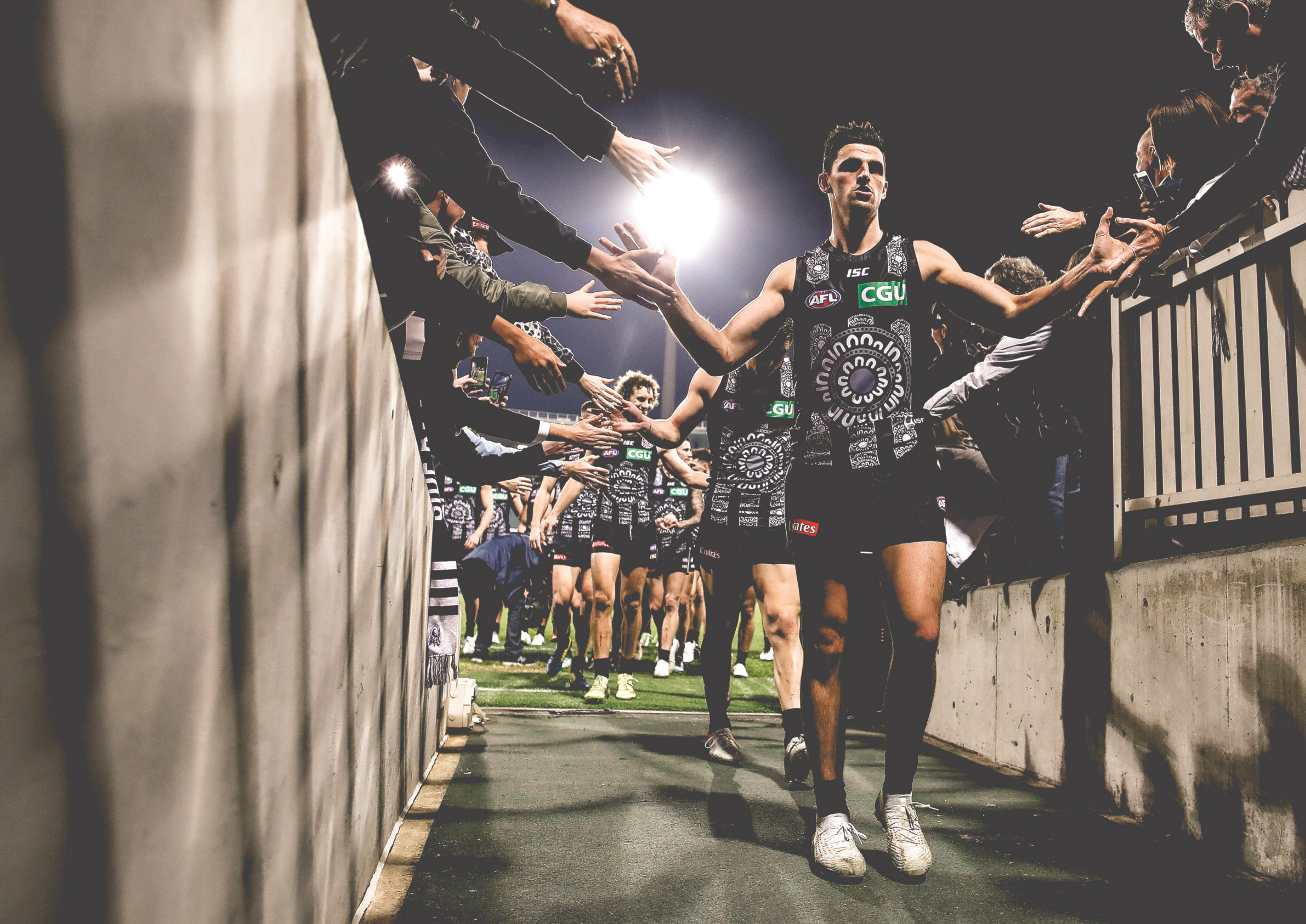
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' 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 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 Group's 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.


ISC
AFL
CGU

COLLINGWOOD FOOTBALL CLUB LIMITED

Holden Centre
Cnr Olympic Blvd & Batman Ave,
Olympic Park, Melbourne VIC 3000
PO Box 165 Abbotsford VIC 3067 | ABN 89 006 211 196

T | +61 3 8412 0000
E | info@collingwoodfc.com.au
M | 1300 MAGPIE (1300 62 47 43)

collingwoodfc.com.au