

ANNUAL NANCIAL REPORT

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



ANNUAL FINANCIAL REPORT

31 OCTOBER 2020



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CONTENTS

Collingwood Football Club Limited Directors' report	
Lead auditor's independence declaration under section 307C of the Corporations Act 2001	
Consolidated Statement of Comprehensive Income	
Consolidated Statement of Changes in Equity	
Consolidated Statement of Financial Position	,
Consolidated Statement of Cash Flows	1
Notes to the Consolidated Financial Statements	1
Directors' declaration	3
Auditor's report	3

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 2020 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 Casua (RMIT)
	Experience – Director of McGuire Media Pty Ltd; Director of Twenty3 Sport and Entertainment; 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, Liquidato and Official Liquidator
	Experience – Founder and Principal of the KordaMentha Group; Director of many various companies; Chair of CFC Finance and Risk Committee
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 – Former Chief Executive Officer & Managing Director of Australia Post Chair Australia ASEAN council; Co-Chair Ministerial Advisory Council for Trade
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; Chairpersor Australian Institute for Aboriginal and Torres Strait Islander Studies; Board membe 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	

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 Cor	mmittee 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	19	19	-	-
Alex Waislitz	15	19	-	-
Mark Korda	19	19	10	10
Christine Holgate	19	19	-	-
Paul Licuria	19	19	-	-
Jodie Sizer	18	19	9	10
Peter Murphy	18	19	10	10

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

In the opinion of the Directors there we no significant changes to the State of Affairs of the Group other than those disclosed in this report.

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.

Review and Results of Operations

Collingwood Football Club reported a loss of \$1.8m for the year ended 31 October 2020 compared to a profit from continuing operations of \$3.87m for the year ended 31 October 2019. The unprecedented impact of COVID-19 on the AFL 2020 season severely impacted all revenue streams, but fortunately through the loyalty and support of our members and partners along with actions by the club to reduce all operational and discretionary costs, the club was able to overcome the challenges of the 2020 season and still retain its strong financial position.

Our strong financial position has allowed us to operate independently from the AFL as one of the few unassisted clubs. As an unassisted club we have been able to prioritise the welfare of our staff and it provides us with the autonomy over strategic decision making to drive the Club's growth into the future.

The loyal support from our 76,931 members in 2020 is not to be underestimated in terms of the significant contribution they have made to help ensure the financial sustainability of the Club during a period where most were not able to attend games. Along with our partners, most of which were also significantly impacted by COVID-19, the club expresses its gratitude to both our members and partners for their continued support.

As at 31 October 2020, the net assets of the Group were \$42.9m compared to \$44.7m in 2019, a decrease of \$1.8m due to the impact of COVID-19 on the 2020 season. Following the sale of the gaming venues last year the proceeds were invested into the CFC Future Fund with the investments being managed by an Investment Committee and comprise international equities, hybrids, fixed interests, property and alternatives and cash. As at 31 October 2020, the market value of the CFC Future Fund has increased to \$17.1m (2019: \$16.8m) which is a pleasing result given the dislocation of investment markets throughout 2020.

The Group's cash position as at 31 October 2020 was \$8.3m (2019: \$17.7m) with the reduction from 2019 attributable to \$4.5m of cash previously on call within the Future Fund which has now been invested in accordance with asset allocation guidelines approved by the Investment Committee, and \$4.9m due to the operational cash requirements of dealing with the impact of COVID-19 during the season, although it should be noted that \$4m of this relates to the delayed timing of membership renewals for the 2021 season.

A summary of the key financial information is as follows:

	2020	2019
	\$	\$
Profit/(Loss) from continuing operations after interest, taxes, depreciation and amortisation	(1,807,130)	3,875,111
Total comprehensive income attributable to members of Collingwood Football Club	(1,807,130)	12,033,113
Net cash flows from operating activities	(3,959,676)	5,988,277
The club has cash and cash equivalents of	8,304,967	17,713,403
Club has debt of	-	-
Club has net assets of	42,916,453	44,723,579

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

4 COLLINGWOOD FOOTBALL CLUB LIMITED 5

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 2020. 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 vear ended 31 October 2020.

Dated at Melbourne this 11th day of December 2020.

Signed in accordance with a resolution of the Directors:

Edward McGuire Mark Korda

Director



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11 December 2020

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 2020, 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;
- (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

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Consolidated Statement of Comprehensive Income

For the year ended 31 October 2020

	Note	2020 \$	2019 \$
Continuing Operations		<u> </u>	
Revenue		41,592,374	72,558,512
Other income		5,932,399	860,586
Total revenue and other income	3	47,524,773	73,419,098
Commercial activities, membership and match days expenses		(9,539,130)	(22,313,255)
Teams expenses		(26,427,830)	(30,863,891)
Function centres		(3,048,239)	(5,368,128)
Other expenses		(5,454,705)	(6,581,583)
Operating lease rental expenses	2	-	(1,621,090)
Depreciation and amortisation expense	10, 11 & 12	(4,186,985)	(2,781,927)
Financial expenses	4	(675,014)	(14,113)
Profit/(Loss) from Continuing Operations before income tax		(1,807,130)	3,875,111
Income tax expense	2	-	-
Profit/(Loss) from Continuing Operations after income tax	_	(1,807,130)	3,875,111
Discontinued Operations			
Profit from Discontinued Operations	9	-	8,158,002
Profit for the year	_	(1,807,130)	12,033,113
Total comprehensive income attributable to:			
Members of Collingwood Football Club		(1,807,130)	12,033,113

The notes on pages 11 to 35 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 October 2020

	Settled		
	Sum	Retained Earnings	Total Equity
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
Balance at 1st November 2019	10	44,723,573	44,723,583
Total comprehensive income for the period			
Profit/(Loss)	-	(1,807,130)	(1,807,130)
Balance at 31st October 2020	10	42,916,443	42,916,453

The notes on pages 11 to 35 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 October 2020

	Note	2020 \$	2019 \$
Assets			
Cash and cash equivalents	5	8,304,967	17,713,403
Trade and other receivables	6	1,734,453	1,953,059
Inventories	8	37,386	37,852
Prepayments		860,561	1,605,746
Financial Assets	7	1,000,000	-
Total current assets		11,937,367	21,310,060
Financial assets	7	15,522,201	11,660,373
Property, plant and equipment	10	24,104,871	26,438,692
Intangible assets	11	300,689	303,886
Right of use assets	12	16,040,437	-
Total non-current assets		55,968,198	38,402,951
Total assets		67,905,565	59,713,011
Liabilities			
Trade and other payables	13	2,766,497	4,246,299
Employee benefits	15	2,445,252	2,462,389
Unearned income		2,634,131	7,726,528
Lease liabilities	12	1,100,935	-
Total current liabilities		8,946,815	14,435,216
Employee benefits	15	715,437	385,362
Unearned income		93,992	168,850
Lease liabilities	12	15,232,868	-
Total non-current liabilities		16,042,297	554,212
Total liabilities		24,989,112	14,989,428
Net assets		42,916,453	44,723,583
Equity			
Settled sum		10	10
Retained earnings		42,916,443	44,723,573
Total equity		42,916,453	44,723,583

Consolidated Statement of Cash Flows

For the year ended 31 October 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Cash receipts in the course of operations		44,750,513	78,819,589
Cash paid in the course of operations		(48,710,189)	(72,831,312)
Net cash from operating activities		(3,959,676)	5,988,277
Cash flows from investing activities			
Acquisition of property, plant and equipment		(385,587)	(764,299)
Acquisition of software		(112,861)	(277,927)
Acquisition of investments		(5,159,278)	(11,318,159)
Cash received from investments		565,684	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		(5,092,042)	4,164,615
Cash flows from financing activities			
Interest received		16,132	12,307
Interest paid		(9,070)	(14,113)
Interest paid on lease liabilities		(119,595)	-
Repayment of lease liabilities		(244,185)	-
Repayment of borrowings		-	(1,600,000)
Net cash from/(used in) financing activities		(356,718)	(1,601,806)
Net increase/(decrease) in cash and cash equivalents		(9,408,436)	8,551,086
Cash and cash equivalents at 1 November		17,713,403	9,162,317
Cash and cash equivalents at 31 October	5	8,304,967	17,713,403

The notes on pages 11 to 35 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 October 2020

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 2020 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.

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 11th December 2020. 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.

The principal accounting policies adopted are set out below.

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Basis of preparation (cont.)

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 2019.

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

AASB 16 Leases

AASB 16 Leases and related amending Standards

In the current year, the Group has applied AASB 16 Leases. The standard replaces the existing guidance on leases, including AASB 16 Leases. AASB 16 introduces significant changes to lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases.

The Group has applied AASB for the first time as of 1 November 2019, using the modified retrospective approach. During the first-time application of AASB 16 under the modified retrospective approach (Option B), the right-of-use asset is measured as if AASB 16 had been applied from lease commencement but using the incremental borrowing rate at the date of transition. In applying the modified retrospective approach, there has been no restatement of comparatives.

The Group has made use of the practical expedient available on transition to AASB 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with AASB 117 will continue to be applied to those leases entered into or modified before 1 November 2019.

The change in definition of a lease mainly relates to the concept of control. AASB 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applied the definition of a lease and related guidance set out in AASB 16 to all lease contracts entered into or modified after 1 November 2019. The Group carried out an implementation project to identify and review all such contracts. This showed that the new definition in AASB 16 will not significantly change the scope of contracts that meet the definition of a lease.

2. Statement of significant accounting policies (cont.)

AASB 16 Leases and related amending Standards (cont.)

Impact on lessee accounting

Initial application has affected leases that previously had been classified as operating leases and were off-balance sheet. In applying AASB 16, the Group:

- a. Recognises right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments;
- b. Recognises depreciation of right-to-use assets and interest on lease liabilities in the statement of profit or loss and other comprehensive income;
- c. Separates the total amount of cash paid into a principal portion and interest, presented within financing and operating activities in the statement of cashflows.

Lease incentives (e.g. rent relief) are recognised as part of the measurement of right-of-use assets and lease liabilities, whereas under AASB 17 they resulted in the recognition of a lease incentive liability, amortised as a reduction of rental expense on a straight-line basis.

For short-term leases with a term not exceeding 12 months as well as leases where the underlying asset is of low value, the Group has opted to recognise a lease expense on a straight-line basis using the option under AASB 16.5. This expense is presented within the statement of profit or loss on the functional expenditure line to which the right-of-use asset relates.

In addition to applying the practical expedient of not reassessing whether a contract is or contains a lease, the Group has elected to apply the following transition options in accordance with the provisions of AASB 16 C10:

- a. The Group decided not to apply the new guidance to leases whose term will end within 12 months of the date of initial application and therefore lease payments associated with these leases are included with other short-term and low-value leases on the appropriate functional expenditure line of the statement of profit or loss;
- b. The Group has opted to apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
- c. The Group has elected to use hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease;
- d. The Group chooses to apply the rent relief option in respect of leases previously categorised as onerous, which allows it to adjust the right-of-use asset by the amount of any provision for onerous leases recognised in the balance sheet immediately before the date of initial application.

AASB 16 Leases and related amending Standards (cont.)

Financial impact of initial application of AASB 16

The weighted average lessees incremental borrowing rate applied to lease liabilities recognised in the statement of financial position on 1 November 2019 is 3.97%.

The following table shows the operating lease commitments disclosed applying AASB 117 at 31 October 2019, discounted using the incremental borrowing rate at the date of initial application and the lease liabilities recognised in the statement of financial position at the date of initial application.

	\$
Operating lease commitments at 31 October 2019	26,306,769
Effect of discounting the above amounts	(8,914,799)
Short-term and leases of low-value assets	(14)
Lease liabilities recognised at 1 November 2019	17,391,956

The adoption of this standard resulted in leases previously classified as operating leases, being recognised in the balance sheet as a lease liability, make good provision and right-of-use assets totalling \$17,391,956 on 1 November 2019.

As previously	AASB 16	
reported	adjustments	As restated
-	17,391,956	17,391,956
	17,391,956	17,391,956
-	1,058,153	1,058,153
-	16,333,803	16,333,803
	-	<u> </u>
-	17,391,956	17,391,956
<u>-</u>	-	_
	reported	reported adjustments

The impact of this standard during 2020 on the statement of profit or loss was as follows:

	2020
Decrease in operating lease expenses	(1,724,097)
Increase in finance costs	665,944
Increase in amortisation costs	1,351,519
Net impact on profit for the year	293,366

The Group has applied AASB 16 using the modified retrospective approach and therefore comparative information has not been restated and is presented under AASB 117. The details of accounting policies under both AASB 117 and AASB 16 are presented separately below.

2. Statement of significant accounting policies (cont.)

AASB 16 Leases and related amending Standards (cont.)

Policies applicable from 1 November 2019

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- · Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a
 change in the assessment of exercise of a purchase option, in which case the lease liability is
 remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment
 under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the
 revised lease payments using an unchanged discount rate (unless the lease payments change is due
 to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in
 which case the lease liability is remeasured based on the lease term of the modified lease by
 discounting the revised lease payments using a revised discount rate at the effective date of the
 modification.

The Group did not make any such adjustments during the periods presented.

AASB 16 Leases and related amending Standards (cont.)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy in note 2.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss.

As a practical expedient, AASB 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Policies applicable prior to 1 November 2019

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2. Statement of significant accounting policies (cont.)

AASB 16 Leases and related amending Standards (cont.)

Assets held under finance leases are recognised as assets of the Group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Applicable from year ended
AASB 2018-7 'Amendments to Australian Accounting Standards – Definition of Material'	1 January 2020	31 October 2021
AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework	1 January 2020	30 June 2021
AASB 2019-5 'Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia'	1 January 2020	30 June 2021
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	1 January 2022	30 June 2023
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022	30 June 2023

The potential effect of the other revised Standards/Interpretations listed above on the Group's financial statements has not yet been determined. The Group does not expect any material impact on its financial position and performance, with the adoption of revised Standards/ Interpretations.

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, Glasshouse function centre, 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.

2. Statement of significant accounting policies (cont.)

Revenue recognition (cont.)

Members' payments in advance

In a normal year, a significant amount of membership revenue is received in upfront payments in September and October. 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.

Finance income

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.

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

The Group assesses whether a contract us or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made.

2. Statement of significant accounting policies (cont.)

Leased assets (cont.)

The Group measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment
 under a guaranteed residual value, in which case the lease liability is remeasured by discounting the
 revised lease payments using an unchanged discount rate (unless the lease payments change is due
 to a change in a floating interest rate, in which case a revised discount rate is used);
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in
 which case the lease liability is remeasured based on the lease term of the modified lease by
 discounting the revised lease payments using a revised discount rate at the effective date of the
 modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy in note 2.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss.

Leased assets (cont.)

As a practical expedient, AASB 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

COVID-19 related rent concessions

The Group has adopted the practical expedient issued by the Australian Accounting Standards Board whereby it has not accounted for rent concessions (which are a direct consequence of the COVID-19 pandemic) as lease modifications. Instead, the Group has recognised these concessions in the statement of comprehensive income for the year ended 31 October 2020 as 'Rent relief' as and when incurred.

The practical expedient may be applied where the following conditions apply:

- The changed lease payments were substantially the same or less than the payments prior to the rent concession;
- The reductions only affect payments which fall due before 31 October 2020;
- There has been no substantive change in terms and conditions of the lease.

Concessionary leases

The Group leases a building from Melbourne & Olympic Parks Trust with significantly below-market terms and conditions principally to enable it to further its objectives.

The Group is dependent on this lease to further its objectives as it utilises the building to run its Glasshouse event and catering operations and to deliver its services. The Group is restricted on the use of the building as agreed with Melbourne & Olympic Parks Trust and may not utilise it for other purposes including sub-leasing to other entities. The lease term for this lease is for a further 14 years and the lease payments are \$1 per annum, payable annually.

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.

2. Statement of significant accounting policies (cont.)

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.

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

	2020	2019
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:

	2020	2019
Software	5 years	5 years

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

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.

2. Statement of significant accounting policies (cont.)

Financial Instruments (cont.)

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 Instruments (cont.)

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.

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.

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.

Statement of significant accounting policies (cont.)

Employee benefits (cont.)

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 17 has been prepared on the same basis as the consolidated financial statements.

		2020	2019
		\$	\$
3.	Revenue and other income		
	AFL distribution	9,929,681	11,534,172
	Commercial activities	10,236,152	20,233,386
	Function centres	4,284,958	7,690,124
	Membership and match day	15,851,219	30,985,842
	Other	1,290,364	2,114,988
	Revenue	41,592,374	72,558,512
	Rent Relief	1,360,317	-
	Government subsidies	4,287,716	-
	Interest income from operations	16,132	12,307
	Interest and dividend income from investments	565,684	506,061
	Net (loss)/gain arising from financial assets measured at FVTPL	(297,450)	342,218
	Total Revenue and Other Income	47,524,773	73,419,098
4.	Financial expense		
	Interest expense on borrowings	-	(8,921)
	Investment expense	(9,070)	(5,192)
	Interest expense on leases	(665,944)	-
		(675,014)	(14,113)
5.	Cash and cash equivalents		
	Cash on hand	10,078	8,355
	Client trust account ¹	110,163	82,912
	Cash at bank	6,414,087	11,283,081
	Cash at bank - Investments	610,757	-
	Investment holding accounts	169,291	4,182,712
	Term deposits – short term	-	1,000,000
	Grant funds unspent	990,591	1,156,343
		8,304,967	17,713,403

 $^{^{1}}$ The cash shown as client trust account is held on behalf of customers until suppliers are paid.

	2020 \$	201 9
Trade and other receivables		
Current		
Trade receivables	1,250,342	1,922,86
Less: Provision for impairment	(31,581)	(135,212
	1,218,761	1,787,65
Other receivables	515,692	165,400
	1,734,453	1,953,059
Financial Assets		
Current		
Fixed interest securities	1,000,000	-
	1,000,000	
Non Current		
Global equities	2,528,867	1,062,244
Hybrids	3,954,791	4,030,150
Fixed interest securities	3,944,739	3,327,972
Property/Alternatives	4,893,804	3,240,007
Other Investments	200,000	
	15,522,201	11,660,373

8. Inventories

Merchandise, liquor, food, souvenirs, and football equipment	37,386	37,852
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2020	2019
\$	\$

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 were included in the 2019 profit for the year as follows:

Revenue	-	1,876,024
Expenses	-	(1,790,009)
Profit from discontinued operations	-	86,015
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

2020 2019 \$ \$

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		
At cost	1,617,845	1,561,355
Accumulated depreciation	(1,455,667)	(1,295,920)
	162,178	265,435
Leasehold Improvements		
At cost	35,574,870	35,574,870
Accumulated depreciation	(12,920,729)	(10,928,044)
	22,654,141	24,646,826
Plant and Equipment		
At cost	5,658,367	5,400,377
Accumulated depreciation	(4,900,593)	(4,333,617)
	757,774	1,066,760
Purchased memorabilia		
At cost	412,022	412,022
	412,022	412,022
Under construction		
At cost	118,756	47,649
	118,756	47,649
Total property, plant and equipment	24,104,871	26,438,692

The total property, plant and equipment depreciation expense for the year ended 31 October 2020 was \$2,719,408 (2019: \$2,717,903).

		2020 \$	2019 \$		
1.	Intangible Assets				
	Software				
	At cost	1,236,292	1,123,431		
	Accumulated amortisation	(935,603)	(819,545)		
		300,689	303,886		
	The total intangible assets amortisation expense for the year (2019: \$112,861).	ear ended 31 October 2020 was	\$116,058		
2.	Leases				
	Right-of-use assets				
	Cost				
	Balance at 1 November 2019	-	-		
	Recognition on initial application of AASB 16	17,391,956	-		
	Balance 31 October 2020	17,391,956	-		
	Accumulated Depreciation				
	Balance at 1 November 2019	-	-		
	Amortisation Expense	1,351,519	-		
	Balance 31 October 2020	1,351,519	-		
	Written Down Value	16,040,437	-		
	The Group leases several assets including buildings and IT equipment. The average lease term is 8 years.				
	Amounts recognised in profit and loss:				
	Depreciation expense on right-of-use assets	1,351,519	-		
	Interest expense on lease liabilities	665,944	-		
	Expense relating to short-term leases	12	-		
	Lease Liabilities				
	Analysed as:				
	Current	1,100,935	-		
	Non-current	15,232,868	-		
		16,333,803	-		

		2020 \$	2019 \$
		,	
13.	Trade and other payables		
	Current		
	Trade payables	2,543,584	3,120,627
	Other payables and accruals	222,913	1,125,672
		2,766,497	4,246,299
14.	Loans and borrowings		
	Bank Facilities		
	Bank overdraft	250,000	250,000
15.	Employee benefits		
	Current		
	Employee benefits	2,445,252	2,462,389
	Non Current		
	Employee benefits	715,437	385,362
	The Group has paid contributions from continuing operations of some on behalf of employees for the year ended 31 October 2020 (201		contribution plans
16.	Commitments		
	Disclosure required by AASB 117 Non-cancellable operating lease rentals are payable as follows:		
	Within one year		1,778,936
	One year or no later than five years		7,276,576
	Later than five years		17,251,257
	Total		26,306,769

	2020	2019
	\$	\$
Parent		
Results of the parent entity		
Profit/(Loss) for the period	(2,025,588)	12,043,389
Other comprehensive income	-	-
Total comprehensive income	(2,025,588)	12,043,389
Financial position of parent entity at year end		
Current Assets	11,749,793	21,138,697
Total Assets	67,717,991	59,541,648
Current Liabilities	8,833,778	14,127,235
Total Liabilities	24,868,069	14,666,138
Total Equity of the parent entity comprising of:		
Settled sum	10	10
Retained Earnings	42,849,912	44,875,500
Total Equity	42,849,922	44,875,510

Parent company contingencies

Guarantees

17.

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

Guarantees issued for lease agreements	600,000	600,000
Guarantees issued for Pie in the Sky Trust	36,000	35,000
	636,000	635,000

18. Key Management Personnel disclosures

The key management personnel (KMP) compensation was \$2,631,501 for the year ended 31 October 2020 (2019: \$2,723,569).

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, and made donations. 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:

	2020	2019 \$
	\$	
Transactions with KMP		
KMP purchases from the Club	42,443	44,489
Club purchases from KMP	(18,913)	(207,962)
Receivables from KMP as at 31 October	-	-
Payables to KMP as at 31 October	-	-
During the year, a number of Directors of the Group mad Collingwood Football Club Foundations.	le donations totalling \$400,000	to the

19. 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

20. Events subsequent to balance date

There have been no matters or circumstances that have arisen since 31 October 2020 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 35, are in accordance with the Corporations Act 2001, including:
 - giving a true and fair view of the Group's financial position as at 31 October 2020 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

7 Korda

Director

Dated at Melbourne this 11th day of December 2020.



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

Opinion

We have audited the financial report of Collingwood Football Club Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 31 October 2020, the consolidated statement of profit or loss and other 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 other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group 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 2020 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 2020, 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.

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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 Requirements 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 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.

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Obtain sufficient appropriate audit evidence regarding the financial information of the entities
or business activities within the Group to express an opinion on the financial report. We are
responsible for the direction, supervision and performance of the Group's audit. We remain
solely responsible for our audit opinion.

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Anneke du Toit Partner

Chartered Accountants

Melbourne, 11 December 2020



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