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FOOTBALL
WEST

ANNUAL REPORT **2005**

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Joint message from our Chairman and CEO

Firstly can we say how very pleased we are that Football in WA has achieved so much in such a small amount of time. This has been a wonderful year for Football with all the Football Family coming together as one.

There are over 1,000,000 players of our World game across Australia and WA has over 30,000 players, 250 Clubs, 360 referees, 1,000 coaches and up to 10,000 volunteers.

A special note of thanks goes out to the Football Family including the Regional Associations, Committee members, Club members, players, coaches, referees, Football West team members and all our volunteers.

The Football West Board is determined to ensure that we continue to make positive progress in all aspects of our game. The recently announced long term funding from the State Government through the Department of Sport and Recreation will provide much needed support for our plans, helping us concentrate our efforts on building better coaching and development programs, and providing all players will the best opportunities to play our game.

We would like to make a special mention of the new Minister of Sport Mr John Bowler MLA, and thank his department for their invaluable support to the Football Family, together with Healthway 'Smarter than Smoking', Vodafone, Radio 6PR, The Loans Cafe, Harvey Fresh, Western QBE, Umbro, Kelme, Midland Brick and Perth Glory for their involvement and assistance during the course of the year.

We are delighted that Australia has qualified for the 2006 World Cup and look forward to the boost it will bring to our local grassroots game.

Once again, we would like to thank and congratulate our Football Family for a fantastic year of Football, as your dedication and passion for the World Game has been paramount in the success that has taken place and will continue to do so.



Kevin Campbell AM
Chairman



Michelle Phillips
CEO



FOOTBALL WEST LIMITED DIRECTORS REPORT For the 15 month period ending 30 September 2005

Your directors submit their report for the period ended 30 September 2005.

DIRECTORS

The names of the directors of the company in office during the financial year and until the date of this report are:

Kevin Victor Campbell	Chairman (appointed 6 July 2004)
Stephen John Coppack	Director/Company secretary (appointed 6 July 2004)
Michael Russell Goodrick	Director (appointed 6 July 2004)
Jane Frances King	Director (appointed 30 August 2004)
Linda Louise Wayman	Director (appointed 30 August 2004)
Marcello David Cardaci	Director (appointed 30 August 2004)
Paul Anthony Kelly	Director (appointed 30 August 2004)
Robert Andrew Mackay	Director (appointed 19 November 2004)

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

Football West Ltd is a member of the Football Federation Australia and administers Football through the state of Western Australia. Football West promotes, provides and regulates football in Western Australia via managed competitions and development programs.

Football West Ltd is a not-for-profit company and any profits, other income and property must be applied to promote its principal activities.

RESULTS AND DIVIDENDS

The profit after income tax of the company for the period 6 July 2004 to 30 September 2005 was \$782,090 . (2004:Nil), which includes \$238, 644 from the transfer of undertakings from the Junior Soccer Association of Western Australia (Inc).

No dividends have been paid by the company or recommended by the directors since the commencement of this financial year. Under the Football West Ltd constitution no dividends can be transferred to members.

REVIEW OF OPERATIONS

Football West Ltd commenced trading on 6 July 2004 to administer Football throughout Western Australia. This is a very exciting time in the history of Football in Western Australia as it was the first time the code has been unified under one body. The unification of the code was brought to fruition by recommendations in the Crawford Report. The power of a single unified voice has been proven with the announcement of \$700,000 funding commitment from the Department of Sport and Recreation (in conjunction with Lottery West through its Sports Funding Program) over the next 3 years.

During 2005 Football West Ltd focused on:

- Affiliation of all Western Australian Clubs to the newly formed peak body- Football West
- Administering the metropolitan competitions
- Developing and implementing State and Development plans, in particular the tours.
- Lifting the profile of the game by securing leading brand partnerships.
- Increasing funding into the sport at all levels.

During the year the Junior Soccer Association of Western Australia (Inc) transferred its undertakings to Football West Ltd. Football West which has in turn committed to spend the non-operational surplus cash in the amount of \$97,920 on junior development.

We are very pleased with the progress of the sport in Western Australia and we now look towards building the game for years to come.

**FOOTBALL WEST LIMITED
DIRECTORS REPORT
For the 15 month period ended 30 September 2005**

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The directors are not aware of any significant changes in the state of affairs during the 15 month period ending 30 September 2005.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

The directors are not aware of any significant events after the Balance Date up to the date of signing this financial report with the exception of the following:

1. Football West and The Department of Sport and Recreation have announced funding of \$700,000 over 3 years. The Agreement has not been signed however it is anticipated it will go ahead.

FUTURE DEVELOPMENT AND RESULTS

It is expected that the activities and operating results of the individual entity will continue throughout the next financial year in the same manner as the past with the exception of the transfer of undertakings of the Junior Soccer Association of Western Australia(Inc.).

CORPORATE INFORMATION

Football West Limited is a company limited by guarantee that is incorporated and domiciled in Australia.

EMPLOYEES

The individual entity employed 10 full time employees as at 30 September 2005.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

DIRECTORS' BENEFITS

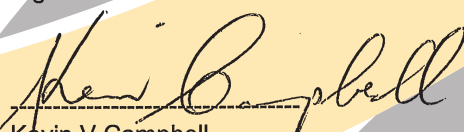
During or since the financial year, no director of the company has received or become entitled to receive any benefit, other than a benefit by reason of a contract entered into by the company or a body corporate that was related to the company when the contract was made or when the director received, or became entitled to receive, the benefit with:

- a director; or
- a firm of which a director is a member, or
- an entity in which a director has a substantial financial interest.

INDEMNITY AND INSURANCE

During or since the financial year, the company has indemnified and paid premiums in respect of a contract insuring directors and officers against liability incurred in their role as directors and officers of the company.

Signed in accordance with a resolution of the directors.



Kevin V Campbell
Chairman
Date: 15th November 2005



Stephen J Coppack
Director
Date: 15th November 2005



Chartered Accountants
& Advisers

Level 8, 256 St George's Terrace Perth WA 6000
PO Box 7426 Cloisters Square Perth WA 6850
Tel: (61-8) 9360 4200
Fax: (61-8) 9481 2524
Email: bdo@bdowa.com.au
www.bdo.com.au

15 November 2005

The Directors
Football West Limited
PO Box 214
MAYLANDS WA 6931

Dear Sirs

**DECLARATION OF INDEPENDENCE BY BDO CHARTERED ACCOUNTANTS TO THE
DIRECTORS OF FOOTBALL WEST**

To the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of this Act in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to this audit.

Yours faithfully

BDO

Chartered Accountants & Advisers



Sherif Andrawes
Partner

FOOTBALL WEST LIMITED
STATEMENT OF FINANCIAL PERFORMANCE
For the 15 month period ended the 30 September 2005

	Notes	2005 \$
Revenue from ordinary activities	2	2,500,831
Revenue on take up of JSA Assets		<u>238,644</u>
Total Revenue		<u>2,739,475</u>
Employee Benefits Expense	3	(356,983)
Depreciation & Amortisation Expense	3	(4,909)
Borrowing Costs Expense	3	(1,814)
Other expenses from ordinary activities	3	<u>(1,593,679)</u>
Total Expenses		<u>(1,957,385)</u>
Net result from ordinary activities		782,090
Total changes in accumulated funds		<u><u>782,090</u></u>

The accompanying notes form an integral part of these financial statements.

FOOTBALL WEST LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30 September 2005

	Notes	2005 \$
CURRENT ASSETS		
Cash assets		1,129,507
Receivables	4	136,710
Inventories	5	26,830
TOTAL CURRENT ASSETS		1,293,047
NON-CURRENT ASSETS		
Property, plant and equipment	6	98,687
TOTAL NON-CURRENT ASSETS		98,687
TOTAL ASSETS		1,391,734
CURRENT LIABILITIES		
Payables	7	530,396
Provisions	8	24,536
Interest bearing liabilities	9	5,405
TOTAL CURRENT LIABILITIES		560,337
NON-CURRENT LIABILITIES		
Interest bearing liabilities	9	49,307
TOTAL NON-CURRENT LIABILITIES		49,307
TOTAL LIABILITIES		609,644
NET ASSETS		782,090
ACCUMULATED FUNDS		
Accumulated profits/(losses)	10	782,090
TOTAL ACCUMULATED FUNDS		782,090

The accompanying notes form an integral part of these financial statements

FOOTBALL WEST LIMITED
STATEMENT OF CASH FLOWS
For the 15 month period ended 30 September 2005

	2005 \$
Cash flows from operating activities	
Receipts from customers	2,434,554
Payments to suppliers and employees	(1,367,848)
Interest Paid	(1,814)
Net cash inflow/(outflow) from operating activities	<u>1,064,892</u>
Cash flows from investing activities	
Proceeds on take up of assets on transfer of undertakings	99,409
Cash paid for acquisition of property, plant and equipment	<u>(34,794)</u>
Net cash outflow from investing activities	<u>64,615</u>
Cash flows from financing activities	
Loans from related party	-
Net cash from financing activities	-
Net increase/(decrease) in cash held	1,129,507
Cash at beginning of the period	-
Cash at the end of the financial period	<u><u>1,129,507</u></u>

The accompanying notes form an integral part of these financial statements.

FOOTBALL WEST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the 15 month period ended 30 September 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial report is a special purpose financial report which has been prepared specifically for distribution to members in accordance with the entity's constitution. The Directors have determined that that the Company is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the of the Corporations Act 2001, applicable Accounting Standards, UIG Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board, with the exception of the following:

AASB 1005	Segment Reporting
AASB 1008	Leases
AASB 1010	Recoverable Amount of Non-current Assets
AASB 1017	Related Party Disclosures
AASB 1020	Accounting for Income Taxes
AASB 1024	Consolidated Accounts
AASB 1026	Statement of Cash Flows
AASB 1040	Revaluation of Non-Current Assets
AASB 1047	Disclosing the impact of Adopting Australian Equivalents to International Financial Reporting Standards.

The financial report has been prepared on an accrual basis. It is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

(b) Change in accounting policy

The accounting policies have been adopted in the current period as this is the first period of reporting.

(c) Cash

For the purpose of the statements of cash flows, cash includes cash on hand, deposits held at call and short term deposits with banks net of bank overdrafts.

(d) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on an average costs basis.

FOOTBALL WEST LIMITED NOTES TO THE FINANCIAL STATEMENTS For the 15 month period ended 30 September 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Property, Plant and Equipment

Cost

Property, leasehold buildings, plant and equipment are measured on cost basis.

Depreciation

Depreciation is provided on a straight line basis on all plant and equipment, at rates calculated to allocate the cost, less estimated residual value, against revenue over the estimated useful lives of the assets.

The depreciation period used for each class of depreciable assets is:

Major depreciation periods are:	2005
Plant and Equipment	3 to 8 years
Leasehold Buildings	20 year

(g) Trade and Other Creditors

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services rendered, whether or not billed, to the consolidated entity.

Payables to related parties are carried at principal amount.

(h) Employee Entitlements

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

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

Wages and salaries and annual leave entitlements are charged against profits on a net basis in their respective categories.

(i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets

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

(j) Reporting Period

This financial report covers a period of 15 months from the 6 July 2004 to 30 September 2005. The reasons for the period being greater than 12 months is to align the company's year end with the revenue cycle being the period ending 30 September.

FOOTBALL WEST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the 15 month period ended 30 September 2005

2005
\$

2. REVENUES FROM ORDINARY ACTIVITIES

Revenue from ordinary activities

Player Registrations	1,299,043
Grants	437,622
Development Fees	455,385
Sponsorship	139,224
Team Entries Fees	104,013
Other Income	65,544
Total Revenue from ordinary activities	<u>2,500,831</u>

3. EXPENSES FROM ORDINARY ACTIVITIES

Depreciation Expense	<u>4,909</u>
Borrowing Cost Expense:	
Interest on Loan – City of Bayswater	<u>1,814</u>
Employee Benefits Expense:	
Salaries and Wages	327,625
Superannuation	29,358
Total Employee Benefits Expense	<u>356,983</u>

Other Expenses from Ordinary Activities:

Insurance expense	385,837
Coaches	65,363
Consultants and Contractors	80,571
Travel and Accommodation	334,991
Computer and Internet	47,949
Audit Fees	6,000
Football Federation Australia Levy	170,574
Advertising and Marketing	40,573
Bad Debts Expense	30,000
Sports Equipment	138,401
Competition and Events	139,349
Printing, Postage and Stationery	34,696
Other expenses	119,375

Total Other Expenses from Ordinary Activities	<u>1,593,679</u>
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4. RECEIVABLES (CURRENT)

Trade debtors	166,710
Provision for doubtful debts	(30,000)
	<u>136,710</u>

FOOTBALL WEST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the 15 month period ended 30 September 2005

	2005 \$
5. INVENTORIES	
Stock on Hand	26,830
Total inventories at lower of cost and net realisable value	<u>26,830</u>
6. PROPERTY, PLANT & EQUIPMENT	
Total Property, Plant & Equipment	<u>98,687</u>
Leasehold buildings	<u>52,750</u>
Total leasehold buildings	<u>52,750</u>
Fixtures & Fittings	
At cost	12,729
Accumulated depreciation	<u>(729)</u>
	12,000
Computer & Electronic Equipment	
At cost	38,117
Accumulated depreciation	<u>(4,180)</u>
	33,937
 Total plant and equipment	 <u>45,937</u>
a) Reconciliations	
Fixtures & Fittings	
Carrying value transferred from JSA	6,770
Additions	5,959
Depreciation	<u>(729)</u>
Carrying value at the end of the year	<u>12,000</u>
Computers & Electronic Equipment	
Carrying value transferred from JSA	9,282
Additions	28,835
Depreciation	<u>(4,180)</u>
Carrying value at the end of the year	<u>33,937</u>
Total Plant and equipment	<u>45,937</u>
7. PAYABLES (CURRENT)	
Trade Creditors	299,976
Other Creditors and Accruals	<u>230,420</u>
	<u>530,396</u>

FOOTBALL WEST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the 15 month period ended 30 September 2005

8. PROVISIONS

	2005
	\$
Employee entitlements	<u>24,536</u>
Number of employees at reporting date	10

9. INTEREST BEARING LIABILITIES (CURRENT)

Loan - City of Bayswater	<u>5,405</u>
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INTEREST BEARING LIABILITIES (NON-CURRENT)

Loan - City of Bayswater	<u>49,307</u>
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The loan from the City of Bayswater is a 20 year self supporting loan resulting from the transfer of undertakings of the Junior Soccer Association of Western Australia (Inc).

10. ACCUMULATED PROFITS/ (LOSSES)

Accumulated profits/(losses)	<u>782,090</u>
Balance at the beginning of the year	-
Accumulated profits for the year	543,446
Accumulated Profits from the transfer of undertakings of the Junior Soccer Association of Western Australia(Inc)	<u>238,644</u>
Balance at the end of the year	<u>782,090</u>

11. MEMBERS GUARANTEES

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 30 September 2005 the number of first members was 3.

12. AUDITORS REMUNERATION

Amounts received or due and receivable by the auditors of Football West Ltd for:

- audit of the financial report of the individual entity	6,000
- other services	<u>1,000</u>
	<u>7,000</u>

FOOTBALL WEST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the 15 month period ended 30 September 2005

13. CAPITAL AND LEASING COMMITMENTS

Non-cancellable operating lease contracted for but not capitalised in the financial statements

Payable:

-	not later than 1 year	4,200
-	longer than 1 year but not longer than 5 years	16,800
-	longer than 5 years	<u>54,600</u>
		<u>75,600</u>

14. EVENTS SUBSEQUENT TO REPORTING DATE

The Directors are not aware of any significant events subsequent to the reporting that would be required to be disclosed in the Financial Statements with the exception of the following:

1. Football West and The Department of Sport and Recreation have announced funding of \$700,000 over 3 years. The Agreement has not been signed however it is anticipated it will go ahead.

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15. COMPANY DETAILS

Registered Office:

Gibbney Reserve
Ferguson Street
Maylands WA 6051

FOOTBALL WEST LIMITED DIRECTORS DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors declare that:

- 1 The financial statements and notes, as set out on pages 4 to 12 are in accordance with the Corporations Act 2001 and:
 - (a) give a true and fair view of the company's financial position as at 30 September 2005 and of its performance, as represented by the results of its operations and its cash flows, for the 15 month period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements, and
 - (b) comply with Accounting Standards described in Note 1 to the financial statements and the Corporations Regulations 2001.
- 2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

For and on behalf of the board



Kevin V Campbell
Chairman

Perth
Date: 15 November 2005



Stephen J Coppack
Director

FOOTBALL WEST LIMITED INDEPENDENT AUDIT REPORT

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF FOOTBALL WEST LIMITED

Scope

We have audited the attached financial report being a special purpose financial report of Football West Limited for the period ended 30 September 2005 as set out on pages 4 to 13. The company's directors are responsible for the financial report, and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of Football West Limited. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows. (These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.)

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

The independence declaration was given to the directors in accordance with section 307C.

FOOTBALL WEST LIMITED INDEPENDENT AUDIT REPORT

Audit Opinion

In our opinion, the financial report of Football West Limited is in accordance with:

- a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 September 2005 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1; and
 - (ii) complying with Accounting Standards in Australia to the extent described in Note 1 and complying with the Corporations Regulations 2001; and
- b) other mandatory professional reporting requirements in Australia to the extent described in Note 1.

BDO

Chartered Accountants



Sherif Andrawes
Partner

Perth
Date: 15th November 2005

FOOTBALL WEST 2005 PARTNERS



Football West Limited
P.O. Box 214, Maylands WA 6931
Telephone (08) 9422 6900 Facsimile (08) 9271 7299