



DIRECTORS' REPORT

The Directors present their report on the consolidated entity consisting of Richmond Football Club Limited ("the Club") and the entity it controlled at the end of, and during, the year ended 31 October 2007.

DIRECTORS

The names and details of the Club's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period.

G March (President)

G March was appointed President in November 2005. Mr March was appointed to the board on 1 October 2002, and holds an ex officio position on all board sub-committees. Mr March is the Managing Director of Concept Sports International Ltd.

GI Cameron PSM, B.Bus(Acc), M.Eco, FAICD, FCPA

GI Cameron has been a director of the company since 16 December 1999. Mr Cameron is currently a member of the Finance and Redevelopment Sub-Committees. Mr Cameron holds various company directorships including ANZ Specialist Asset Management Ltd and ANZ Business Equity Fund Ltd.

R Dalton BA, FCPA, CA

R Dalton was appointed to the board on 9 November 2004. For the last financial year, Mr Dalton was a member of the Football and Audit and Risk Sub-Committees. Mr Dalton is a Senior Partner at Ernst & Young.

PO Haines BA, JD

PO Haines joined the board on 12 November 2005. Ms Haines is a member of the Centenary and Fundraising Sub-Committees. Ms Haines is a partner at Freehills.

DE Lord B.Com, FAICD

DE Lord has been a member of the board since 23 October 2001. Mr Lord is a member of the Fundraising and Redevelopment Sub-Committees. Mr Lord holds various company directorships.

JG Matthies

JG Matthies was appointed to the board on 29 January 2004. Mr Matthies is a member of the Audit and Risk and Centenary Sub-Committees. Mr Matthies is also a member of the Club's Historical Committee. Mr Matthies holds the position of Senior Partner of law firm John Matthies & Co Solicitors.

G Miller

G Miller has been a director of the company since 22 December 2004. Mr Miller is a member of the Football Sub-Committee. Mr Miller is also an employee of the Richmond Football Club and holds the position Director of Football.

AP Mithen

AP Mithen was appointed to the board on 20 April 2004. Mr Mithen is a member of the Centenary, and Marketing Sub-Committees. Mr Mithen manages a horse breeding operation and is employed as a sports broadcaster with various organisations.

M O'Shannassy B.Sc

M O'Shannassy has been a director of the company since 22 December 2004. Mr O'Shannassy is a member of the Finance and Marketing Sub-Committees and is also the Managing Director for Black Rock Investment Management (Australia) Ltd (formerly Merrill Lynch Investment Managers).

PRINCIPAL ACTIVITIES

The principal continuing activity during the year of the consolidated entity constituted by the Club and the entity it controlled was the playing and promotion of Australian Rules Football. There has been no significant change in the nature of these activities during the financial year.

CONSOLIDATED RESULTS

The net profit of the consolidated entity for the year ended 31 October 2007 was \$1,031,077 (2006: \$948,586).

No provision for Income Tax was necessary, as the Club is an exempt sporting organisation in accordance with section 50-45 of the *Income Tax Assessment Act 1997*.

DIVIDENDS

The Constitution of the Club specifically prohibits the payment of any dividends to members.

REVIEW OF OPERATIONS

An outline of the key events and their impact on the Club's operations during 2007 is set out in the President, Chief Executive Officer and Treasurer's reports.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

No matter or circumstance has arisen since 31 October 2007 that has significantly affected, or may significantly affect:

- (a) the consolidated entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the consolidated entity's state of affairs in future financial years.



DIRECTORS' REPORT CONTINUED

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Information on the likely developments and expected results of the Club's operations is set out in the accompanying President, Chief Executive Officer and Treasurer's reports.

ENVIRONMENTAL REGULATION

The club has assessed whether there are any particular or significant environmental regulations which apply to it and has determined that there are none.

INDEMNIFICATION AND INSURANCE OF DIRECTORS

The Club entered into insurance arrangements concerning all the Directors, but not the auditor, of the Club. The Club paid insurance premiums of \$10,000 in respect of a contract insuring each of the Directors against liabilities and expenses arising as a result of work performed by them to the extent permitted by law.

PROCEEDINGS ON BEHALF OF THE CLUB

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Club, or to intervene in any proceedings to which the Club is a party, for the purpose of taking responsibility on behalf of the Club for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Club with leave of the Court under section 237 of the *Corporations Act 2001*.

DIRECTORS' MEETINGS

The number of Directors' meetings convened and the number attended by each Director during the financial year are:

Meetings of Sub-committees

	<i>Directors' meetings</i>	<i>Audit & risk</i>	<i>Centenary</i>	<i>Finance</i>	<i>Fundraising</i>	<i>Football</i>	<i>Marketing</i>	<i>Redevelopment</i>
<i>Number of meetings held:</i>	11	5	5	7	8	4	5	6
<i>Number of meetings attended:</i>								
GI Cameron	10			7				6
R Dalton	11	5				4		
PO Haines	11		5		8			
DE Lord	9				6			6
G March	11				2	4		
JG Matthies	10	5	5					
G Miller	9					4		
AP Mithen	7		3				4	
M O'Shannassy	9			6			5	

COMMITTEE MEMBERSHIP

At the date of this report, the company has an Audit and Risk Sub-committee, a Centenary Sub-committee, a Finance Sub-committee, a Fundraising Sub-committee, a Football Sub-committee, a Marketing Sub-committee and a Redevelopment Sub-committee of the Board of Directors.

Members acting on the committees of the Board during the year were:

<i>Audit & risk</i>	<i>Centenary</i>	<i>Finance</i>	<i>Football</i>	<i>Fundraising</i>
R Dalton (c)	JG Matthies (c)	GI Cameron (c)	G March (c)	PO Haines (c)
JG Matthies	PO Haines	M O'Shannassy	R Dalton	DE Lord
M Stahl #	AP Mithen	M Stahl #	G Miller	G March
A Sloman @	S Wright #	S Wright #	P Armstrong #	M Stahl #
	B Meaklim @		M Stahl #	S Wright #
			T Wallace #	B Collins @
			S Wright #	
<i>Marketing</i>	<i>Redevelopment</i>			
M O'Shannassy (c)	DE Lord (c)			
AP Mithen	GI Cameron			
T Jacobs #	M Stahl #			
C Styring #	S Wright #			

*Notes - (c) Designates chairman of the committee
@ Independent consultant and non-director
Invited staff member and non-director*

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Richmond Football Club Limited support and have adhered to the principles of good corporate governance.

AUDITOR

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

Signed at Melbourne in accordance with a resolution of the Board of Directors.

GARY MARCH (Director)

Dated this 20th day of November 2007

GARRY CAMERON (Director)



INDEPENDENT AUDIT REPORT

Independent audit report to the members of Richmond Football Club Limited

Report on the Concise Financial Report

The accompanying concise financial report of Richmond Football Club Limited comprises the balance sheet as at 31 October 2007, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Richmond Football Club Limited for the year ended 31 October 2007. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' Responsibility for the Concise Financial Report

The Directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Richmond Football Club Limited for the year ended 31 October 2007. Our audit report on the financial report for the year was signed on 20 November 2007 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

For further explanation of an audit, visit our website
<http://www.pwc.com/au/financialstatementaudit>.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Richmond Football Club Limited on 20 November 2007, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's opinion

In our opinion, the concise financial report of Richmond Football Club Limited for the year ended 31 October 2007 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

PricewaterhouseCoopers
20 November 2007, Melbourne

Chris Dodd
Partner

DIRECTORS' DECLARATION

The Directors declare that in their opinion, the concise financial report of the consolidated entity for the year ended 31 October 2007 as set out on pages 6 to 7 complies with Accounting Standard AASB 1039: *Concise Financial Reports*.

The concise financial report is an extract from the full financial report for the year ended 31 October 2007. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report, which is available on request.

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

GARY MARCH
President

GARRY CAMERON
Director

20 November 2007
Melbourne



CONSOLIDATED BALANCE SHEET AS AT 31 OCTOBER 2007

	CONSOLIDATED 2007 \$	2006 \$
CURRENT ASSETS		
Cash and cash equivalents	1,744,465	1,471,030
Trade and other receivables	847,751	1,250,006
Prepayments	226,720	239,187
Inventories	92,004	110,347
TOTAL CURRENT ASSETS	2,910,940	3,070,570
NON CURRENT ASSETS		
Property, plant and equipment	6,698,490	6,021,330
TOTAL NON CURRENT ASSETS	6,698,490	6,021,330
TOTAL ASSETS	9,609,430	9,091,900
CURRENT LIABILITIES		
Payables	3,252,319	3,713,974
Borrowings	162,500	-
Provisions	257,658	176,322
Interest bearing liabilities	4,405,726	4,905,036
Income received in advance	589,112	435,039
TOTAL CURRENT LIABILITIES	8,667,315	9,230,371
NON CURRENT LIABILITIES		
Provisions	76,673	21,623
Interest bearing liabilities	17,283	22,824
TOTAL NON CURRENT LIABILITIES	93,956	44,447
TOTAL LIABILITIES	8,761,271	9,274,818
NET ASSETS	848,159	(182,918)
EQUITY		
Retained earnings/(accumulated losses)	848,110	(182,967)
Minority interest in controlled entities	49	49
TOTAL EQUITY	848,159	(182,918)

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2007

	CONSOLIDATED 2007 \$	2006 \$
Revenue from continuing operations	27,764,370	25,840,319
Employee benefits expenses	(14,284,967)	(12,819,157)
Depreciation and amortisation expenses	(274,609)	(172,644)
Marketing and promotional expenditure	(2,747,491)	(2,743,502)
Materials purchases and match day hospitality	(1,917,256)	(1,542,420)
Administration expenditure	(572,456)	(620,776)
Borrowing cost expense	(332,034)	(478,003)
Property maintenance	(617,666)	(590,838)
Football support expenditure	(2,296,170)	(2,234,449)
Membership expenditure	(1,274,979)	(1,193,510)
Property lease expenditure	(1,192,653)	(1,166,018)
Other expenses from ordinary activities	(1,223,012)	(1,330,416)
Net profit / (loss)	1,031,077	948,586

The above consolidated income statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 OCTOBER 2007

	CONSOLIDATED 2007 \$	2006 \$
Total equity at the beginning of the financial year	182,918	(1,131,504)
Profit / (loss) for the year	1,031,077	948,586
Total equity at the end of the financial year	848,159	(182,918)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2007

	CONSOLIDATED 2007 \$	2006 \$
Cash flows from operating activities		
Receipts from football operations	8,902,424	7,095,463
Receipts from marketing operations	12,241,068	12,056,540
Receipts from gaming and social operations	5,824,755	6,397,903
Payments to suppliers and employees	(25,631,792)	(24,135,560)
Interest received	64,968	21,942
Borrowing costs	(332,003)	(478,003)
Jack Dyer Foundation contributions	198,783	139,254
Net cash inflow/(outflow) from operating activities	1,268,203	1,097,539
Cash flows from investing activities		
Payment for land and buildings	(275,876)	-
Payment for property, plant and equipment	(318,392)	(648,498)
Net cash inflow/(outflow) from investing activities	(657,268)	(648,498)
Cash flows from financing activities		
Proceeds from borrowings	162,500	-
Draw down of commercial bills	-	5,200,000
Repayment of borrowings	(500,000)	(1,306,414)
Net cash inflow (outflow) from financing activities	(337,500)	3,893,586
Net increase/(decrease) in cash held	273,435	4,342,627
Cash at the beginning of the year	1,471,030	(2,871,597)
CASH AT THE END OF THE YEAR	1,744,465	1,471,030

The above statement of cash flows should be read in conjunction with the accompanying notes.

INCOME TAX

Income Tax has not been provided for in the accounts as the Company is an exempt sporting organisation in accordance with Section 50-45 of the *Income Tax Assessment Act 1997*.

RICHMOND CRICKET CLUB LIMITED

The Richmond Football Club Limited owns 51% of the Richmond Cricket Club Limited and includes any surplus or deficit of the cricket operations in its results. The operations of the Cricket Club are to hold the lease of the Punt Road Oval from the Melbourne City Council, and to be an accredited member of Cricket Victoria.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2007

The concise financial report relates to the consolidated entity consisting of Richmond Football Club Limited and the entity it controlled at the end of, and during, the year ended 31 October 2007. The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated in note 1 below.

Richmond Football Club Limited is a Company Limited by guarantee that is incorporated and domiciled in Australia. Members of the Club guarantee its liabilities to the extent of \$50 each. Richmond Football Club Limited holds a licence to play in the Australian Football League.

1. Presentation currency

The presentation currency used in this concise financial report is Australian dollars.

2. Segment information

The Company operates in the sporting and leisure industry in Australia and its predominant activity is to field a football team in the Australian Football League.

3. Dividends

The Articles of Association specifically prohibits the payment of any dividends to any members.

4. Revenue

	<i>CONSOLIDATED</i>	
	<i>2007</i>	<i>2006</i>
	\$	\$
Revenue from the continuing operations		
Football	8,902,424	7,095,463
Sponsorship & Marketing	12,536,068	12,185,757
Gaming and Social	6,062,127	6,397,903
Interest	64,968	21,942
Jack Dyer Foundation	198,783	139,254
	<u>27,764,370</u>	<u>25,840,319</u>

5. Events occurring after the balance sheet date

No matter or circumstance has arisen since 31 October 2007 that has significantly affected, or may significantly affect:

- (a) the consolidated entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the consolidated entity's state of affairs in future financial years.

6. Full financial report

The concise financial report is an extract from the full financial report for the year ended 31 October 2007. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Richmond Football Club Limited and its controlled entity as the full financial report. Further financial information can be obtained from the full financial report.

The full financial report and auditor's report will be sent to members on request, free of charge. Please email Shannon Gordon, sgordon@richmondfc.com.au (03 9429 5333) and a copy will be forwarded to you.