



RICHMOND FOOTBALL CLUB
CONCISE FINANCIAL REPORT

31 OCTOBER 2008



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 2008.

Directors

The names and details of the Club's Directors in office during the financial year of this report are as follows.

Gary March (President)

Gary 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 a Director of Beyond Sportswear International Ltd.

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

Garry 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.

Robert Dalton BA, FCPA, CA

Robert Dalton was appointed to the board on 9 November 2004. Mr Dalton is a member of the Audit and Risk Sub-Committee. Mr Dalton is a Senior Partner at Ernst & Young.

Tony Free

Tony Free is a Life Member and former captain of the Richmond Football Club. Mr Free was appointed as a Director on 10 June 2008.

Peggy Haines BA, JD

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

Don Lord B.Com, FAICD

Don Lord has been a member of the board since 23 October 2001. Mr Lord is a member of the Finance, Fundraising and Redevelopment Sub-Committees. Mr Lord holds various company Directorships. Since year end Mr Lord has also become a Director of the Coburg Football Club.

John Matthies

John 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 holds the position of Senior Partner of law firm John Matthies & Co Solicitors.

Greg Miller

Greg Miller was appointed as a Director of the company on 22 December 2004. Mr Miller was also an employee of the Richmond Football Club and held the position Director of Football. He ceased being a Director on 20 May 2008.

Anthony Mithen

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

Maurice O'Shannassy B.Sc

Maurice O'Shannassy has been a Director of the company since 22 December 2004. Mr O'Shannassy is a member of the Finance Sub-Committee 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 2008 was \$8,010,285 (2007: \$1,031,077). This profit includes significant income from Government relating to the redevelopment of Punt Road Oval.

The profit relating to operations excluding the impact of the redevelopment and one-off items is \$394,724.

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 2008 is set out in the President and Treasurer's reports.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 31 October 2008 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.

Likely developments and expected results

Information on the likely developments and expected results of the Club's operations are detailed in the Club's Annual Report.

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 \$9,990 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:

	Directors' meetings	Audit & risk	Centenary	Finance	Fundraising	Re-development
Number of meetings held:	11	4	2	4	3	4
Number of meetings attended:						
GI Cameron	10			4		4
R Dalton	11	4				
T Free	5 / 5					
PO Haines	9		2		3	
DE Lord	10			4	3	4
G March	10		2	3	2	
JG Matthies	11	4	2			
G Miller	6 / 6					
AP Mithen	9		2			
M O'Shannassy	9			4		

Committee membership

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

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

Audit & risk	Centenary	Finance	Fundraising	Redevelopment
R Dalton (c)	JG Matthies (c)	GI Cameron (c)	PO Haines (c)	DE Lord (c)
JG Matthies	PO Haines	DE Lord	D Lord	GI Cameron
M Stahl #	A Mithen	M O'Shannassy	M Stahl #	M Stahl #
A Sloman @	M Stahl #	M Stahl #	S Wright #	S Wright #
	S Wright #	S Wright #	B Collins @	
Notes -	(c)	Designates chairman of the committee		
	@	Independent consultant and non-Director		
	#	Invited staff member and non-Director		

G March holds an ex-officio position on all Sub-Committees.

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)


GARRY CAMERON (Director)

Dated this 19th day of November 2008

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Auditor's Independence Declaration

As lead auditor for the audit of Richmond Football Club Ltd for the year ended 31 October 2008, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Richmond Football Club Limited and the entities it controlled during the period.



Chris Dodd
Partner
PricewaterhouseCoopers

Melbourne
19 November 2008

Independent auditor's 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 2008, 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 2008. 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 2008. Our audit report on the financial report for the year was signed on 19 November 2008 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 opinions.

**Independent auditor's report to the members of
Richmond Football Club Limited (continued)**

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 19 November 2008, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's opinion on the financial report

In our opinion, the concise financial report of Richmond Football Club Limited for the year ended 31 October 2008 complies with Australian Accounting Standard AASB 1039: Concise Financial Reports.

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of Richmond Football Club Limited (the company) for the year ended 31 October 2008 included on Richmond Football Club Limited web site. The company's directors are responsible for the integrity of the Richmond Football Club Limited web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report and remuneration report to confirm the information included in the audited financial report and remuneration report presented on the web site.



PricewaterhouseCoopers



Chris Dodd
Partner

Melbourne
19 November 2008



DIRECTORS' DECLARATION

The Directors declare that in their opinion, the concise financial report of the consolidated entity for the year ended 31 October 2008 as set out on pages 8 to 13 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 2008. 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

Melbourne
19 November 2008



CONSOLIDATED BALANCE SHEET AS AT 31 OCTOBER 2008

	Consolidated	
	2008	2007
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	12,413,597	1,744,465
Trade and other receivables	1,537,153	847,751
Prepayments	227,099	226,720
Inventories	103,455	92,004
TOTAL CURRENT ASSETS	<u>14,281,304</u>	<u>2,910,940</u>
NON CURRENT ASSETS		
Property, plant & equipment	4,646,348	6,698,490
TOTAL NON CURRENT ASSETS	<u>4,646,348</u>	<u>6,698,490</u>
TOTAL ASSETS	<u>18,927,652</u>	<u>9,609,430</u>
CURRENT LIABILITIES		
Trade and other payables	2,781,370	3,252,319
Borrowings	-	162,500
Provisions	419,152	257,658
Interest bearing liabilities	4,405,075	4,405,726
Income received in advance	1,007,519	589,112
TOTAL CURRENT LIABILITIES	<u>8,613,116</u>	<u>8,667,315</u>
NON CURRENT LIABILITIES		
Provisions	1,443,234	76,673
Interest bearing liabilities	12,858	17,283
TOTAL NON CURRENT LIABILITIES	<u>1,456,092</u>	<u>93,956</u>
TOTAL LIABILITIES	<u>10,069,208</u>	<u>8,761,271</u>
NET ASSETS / (LIABILITIES)	<u>8,858,444</u>	<u>848,159</u>
EQUITY		
Retained profits	8,858,395	848,110
Minority interest in controlled entities	49	49
TOTAL EQUITY	<u>8,858,444</u>	<u>848,159</u>

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



CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2008

	Consolidated	
	2008	2007
	\$	\$
Revenue from continuing activities	29,631,303	27,764,370
Revenue from government grants	10,975,000	-
Employee benefits expense	(15,102,948)	(14,284,967)
Depreciation and amortisation expense	(299,726)	(274,609)
Marketing and promotional expense	(3,439,263)	(2,747,491)
Materials purchases and match day hospitality	(1,844,746)	(1,917,256)
Administration expense	(698,695)	(572,456)
Finance costs	(281,988)	(332,034)
Property maintenance expense	(609,573)	(617,666)
Football support expense	(2,655,340)	(2,296,170)
Membership expense	(1,267,524)	(1,274,979)
Property lease expense	(1,215,893)	(1,192,653)
Other expenses	(1,820,883)	(1,223,012)
Fixed assets written off (associated with Punt Road Oval redevelopment)	(1,819,439)	-
Provision for Wantirna Club onerous lease	(1,540,000)	-
PROFIT FOR THE YEAR	8,010,285	1,031,077

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



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 OCTOBER 2008

	Consolidated	
	2008	2007
	\$	\$
Total equity at the beginning of the financial year	848,159	(182,918)
Profit for the year	8,010,285	1,031,077
Total equity at the end of the financial year	8,858,444	848,159

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



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2008

	Consolidated	
	2008	2007
	\$	\$
Cash flows from operating activities		
Receipts from football operations	9,629,697	8,902,424
Receipts from marketing operations	13,463,638	12,241,068
Receipts from gaming and social operations	5,771,663	5,824,755
Payments to suppliers and employees	(29,066,764)	(25,631,792)
Interest received	295,849	64,968
Interest paid	(281,988)	(332,003)
Jack Dyer Foundation contributions	20,456	198,783
Net cash inflow / (outflow) from operating activities	(167,449)	1,268,203
Cash flows from investing activities		
Proceeds from sale of land and buildings	419,636	-
Payment for land and buildings	-	(275,876)
Payment for property, plant and equipment	(395,555)	(381,392)
Receipts from government grants	10,975,000	-
Net cash inflow / (outflow) from investing activities	10,999,081	(657,268)
Cash flows from financing activities		
Proceeds from commercial bills	1,100,000	-
Repayment of commercial bills	(1,100,000)	(500,000)
Proceeds from / (repayment) of borrowings	(162,500)	162,500
Net cash inflow / (outflow) from financing activities	(162,500)	(337,500)
Net cash increase / (decrease) in cash held	10,669,132	273,435
Cash at the beginning of the year	1,744,465	1,471,030
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	12,413,597	1,744,465

The above cash flow statements 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 2008

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 2008. The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated.

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

	Consolidated	
	2008	2007
	\$	\$
Revenue from continuing activities		
- Football	9,629,697	8,902,424
- Sponsorship and marketing	13,463,638	12,536,068
- Gaming and social	5,771,663	6,062,127
- Interest received	295,849	64,968
- Jack Dyer Foundation contributions	470,456	198,783
Total revenue from operating activities	29,631,303	27,764,370
Revenue from government grants		
- Punt Road oval redevelopment	10,975,000	-
Total Revenue	40,606,303	27,764,370

5. Events occurring after the balance sheet date

No matter or circumstance has arisen since 31 October 2008 that has significantly affected, or may significantly affect:

- the consolidated entity's operations in future financial years, or
- the results of those operations in future financial years, or
- 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 2008. 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 Hayley Bell, hbelle@richmondfc.com.au (03 9429 5333) and a copy will be forwarded to you.