



**WESTERN  
BULLDOGS**



2015  
Financial  
Report





**Footscray Football Club Ltd  
trading as Western  
Bulldogs and controlled  
entity**

**ABN 68 005 226 595**

Consolidated Financial report  
For the year ended 31 October 2015

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**FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY**  
**ABN 68 005 226 595**

**DIRECTORS' REPORT**

The directors present their report together with the financial report of the group, being the company and its controlled entity, for the year ended 31 October 2015 and auditor's report thereon. This financial report has been prepared in accordance with Australian Accounting Standards.

**Directors names**

The names of the directors in office at any time during or since the end of the year are:

Peter Gordon

Dr Susan Alberti AO HonLLD

Chris Grant

Gaye Hamilton

Gary Kent

Kylie Watson-Wheeler

Chris Nolan

Levent Shevki

Fiona McGauchie Appointed 7 October 2015

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

**Results**

The operating result for the group for the year ended 31 October 2015 was a profit of \$388,262 (2014: profit of \$329,945).

**Review of operations**

The group continued to engage in its principal activity, the results of which are disclosed later in this report.

**Significant changes in state of affairs**

There were no significant changes in the group's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.



**FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY  
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**DIRECTORS' REPORT**

**Principal activities**

The Footscray Football Club Limited trading as Western Bulldogs is a member of the Australian Football League. The principal activity of the Company is the encouragement of sport and the playing of Australian Rules Football by competing in the Australian Football League competition and preserving and fostering the ideals, and community spirit of the Club.

**Company Performance**

Season 2015 has seen the Western Bulldogs produce an operating profit of \$388,262 compared to an operating profit of \$329,945 in 2014.

**Football**

2015 was a big year for the Western Bulldogs on-field, with the Club being the only one in the competition to field three teams - Western Bulldogs (AFL), Footscray Bulldogs (VFL) and the Western Bulldogs women's team.

With a new Senior Coach, Luke Beveridge, and Captain, Bob Murphy at the helm, the AFL team had a stand out season with the young Bulldogs team entering finals for the first time in five years. The top eight finish, coming off the back of 14 wins in the home and away season, doubled our tally of seven in 2014, and included key victories against six teams who would go on to be finalists.

Although the team was defeated by 11 points by Adelaide in the first Elimination Final in front of a 60,000-strong MCG crowd, the foundation built in 2015 looks set to yield exciting results in the future with continued hard work and commitment by the players, coaching and football staff.

Coming off a Premiership in 2014 the Club's VFL team the Footscray Bulldogs, once again finished in the top four with 12 wins for the year.

In an important outcome for the Club, 12 of the 23 players selected to play on VFL Grand Final day in 2014 played for the Western Bulldogs in 2015, with nine of them being selected in the team that took on the Adelaide Crows in September.

While our women's team were defeated in both encounters against Melbourne FC in 2015, the future looks increasingly bright with the AFL looking to establish a National Women's League by 2017 in which the Club is poised to compete.

Club accolades went to Easton Wood, who took home his first Charles Sutton Medal (Western Bulldogs Best and Fairest), Brent Prismall who was named Footscray Bulldogs Best and Fairest and Katie Brennan who took home the inaugural Susan Alberti Award (Western Bulldogs Women's Best and Fairest) for her stand-out year.

Easton Wood was also named All-Australian in 2015 alongside team mates Jake Stringer and Bob Murphy, who was also honoured with All-Australian Captaincy.

The recognition of Luke Beveridge as Coach of the Year in his first year as a Senior Coach – topped off an exciting year.



## **DIRECTORS' REPORT**

### **Company Performance (Continued)**

#### **Membership**

The Western Bulldogs achieved a Club record membership tally in 2015 with a total of 36,213 members. This eclipses the previous record of 34,842 set in 2010. A member-centric focus early in 2015 saw momentum build steadily towards Round 1. During this period we undertook a player telethon, hosted a NAB Challenge game and introduced new products: Ballarat Gold and Footscray VFL membership. A member-get-member campaign, Pay It Forward, also resulted in several large donations being received which enabled us to provide memberships to those less fortunate in the west, and to bolster a local school program facilitated by our Fan Engagement team.

Strong on-field results were successfully leveraged, in particular in the week following the win against Sydney where 965 members joined. This reflected the renewed optimism and belief that the Club was on its way to making the finals for the first time since 2010.

High growth was experienced in several key membership areas by season's end:

- Revenue: +8% (\$5.22M)
- New members: +55%
- Juniors: +20%

A record total of 3,261 Western Bulldogs members completed the AFL's annual member survey with some exciting results. Survey results showed that overall satisfaction with the Club increased by 1.3 points to 8.9/10; far greater than the league average of 7.79. Our members also expressed strong intentions to renew with 97% of participants confirming they will re-join in 2016, and 49% signalling an intention to upgrade their level of support. Engagement with members and confidence in the Club's administration also received much improved scores.

In addition to the survey, the Club held a fan focus session which allowed the voice of our members to be heard across a myriad of topics. This firsthand feedback together with the survey results will play a big hand in driving our 2016 initiatives.

A significant highlight of 2015 was our member attendance rate for home games being the highest out of all Melbourne teams.

#### **Bulldog Community and SpiritWest Foundation**

2015 saw some important changes to the Club's Community activities within the Club following the decision to consolidate all community programs under the Bulldogs community arm, the SpiritWest Foundation. This decision was taken to distinguish the Club's highly successful community program from the Club's core business of football. An important part of these changes was the SpiritWest Board's appointment of Gavin Ackerly as the Foundation's Executive Manager, with direct responsibility of running the organisation. Gavin is a recent recipient of a Churchill Fellowship and comes to SpiritWest from the Asylum Seeker Resource Centre where he worked for over 10 years. Importantly, the new structure will enhance the impact and growth prospects of current community programs, in particular their ability to attract distinct funding sources not typically available to entities such as AFL clubs.

Throughout the year, our core programs operated with great success. Our Sons of the West men's health



**FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY  
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**DIRECTORS' REPORT**

**Company Performance (Continued)**

program continued to be a trailblazer in the men's health space, using its unique ability to engage a typically hard-to-reach demographic and motivating men of all ages into taking action on their health situation. The program had 150% - 200% participant growth, with 380 men attending at least one session held over the 15-week program life compared to last year's 150, and an average weekly attendance of 260 men across the 5 Local Government Areas compared to 95 in 2014. The program has enormous potential to expand further and is expected to grow substantially again in 2016.

2015 was also a big year for the Club's youth leadership initiative, the Whitten Project, with improvements across the board: nominations increased to 159 (from 101 in 2014), as did participation (to 67 from 60 in 2014), participating schools (to 30 from 24) and suburbs reached (to 39 from 28). 66 out of the 67 participants graduated from the program, whereas there was a 100% completion rate of the Community Leadership Project, an initiative where young people delivered basic activities in their local communities addressing key issues of youth mental health, bullying, racism and female football. 2015 also saw record female participation, with the cohort of 67 students comprised of 43 females, up from 28 in 2014 and 9 in 2013. Finally, this year saw the introduction ambassadors Jordan Roughead and Matthew Boyd into the program, providing mentoring to the group.

Finally, again the Club continued to lead the way in multicultural and settlement services. Over 2015, the Club engaged with over 5,000 newly arrived migrants, refugees and asylum seekers in Melbourne's west across a number of programs and initiatives including the CALD young women's program, WELS and CALDplay sports programs, humanitarian youth activities, healthy living programs and ready-to-work programs for AMES students.

**Victoria University Whitten Oval re-development**

During the year Victoria University Whitten Oval facilities saw a significant upgrade as part of a \$1.5 million joint initiative with the Victorian Government, Maribyrnong Council and the AFL. The upgrade will provide greater access to those residing in the West with first-class community and sporting amenities, and prepare for an increase in scheduled VFL games to be played at the oval in the coming years, including nine games that were played this year. The redevelopment involved the installation of gender inclusive change rooms, new coaches' boxes and perimeter fencing, all of which were completed in February this year in time for the Club to host a NAB Challenge pre-season game against Richmond, the first game of our AFL team played on home soil since 1997. New lights will also be installed during 2016, improving use of the ground at night, particularly during the winter months. Overall, the addition of the new facilities will support the ground's application as a potential finals venue across VFL, VWFL and junior football in the years to come, with the gender-inclusive change rooms in particular providing much needed facilities for school children, youth, women, men, umpires and sports officials who frequent the ground.



## **DIRECTORS' REPORT**

### **Company Performance (Continued)**

#### **Fan Engagement**

Increasing and engaging the Club's member and supporter base continues to be an important strategic priority. This year our traditional heartland areas of western metropolitan Melbourne were expanded to include the regional areas of the western Victoria, with a focus in and around Ballarat. The Club has received support for fan engagement activities and programs from a range of key stakeholders including the AFL, AFL Victoria, the Western Region Football League, Victoria University, the Victorian State Government and the local councils of Maribyrnong, Brimbank, Hobsons Bay, Wyndham, Melton, Moorabool and Ballarat.

Highlights from 2015 include the following:

The introduction and launch of the Club's new brand identity and logo.

An increase in the Club's commitment to female football with two games played against the Melbourne Football Club in 2015. The second game was the first ever live broadcast of female football and attracted over 350,000 viewers.

An increased focus on junior engagement through the introduction of four new Club mascots named The Pack. The new mascots have been used to increase excitement for kids on match days, at schools, Club events and have an online presence including mascot profiles, activities and competitions.

The Bulldogs Friendly Schools program entering its eighth year, continuing to take Club's brand directly into local schools through a structured six week football program, Western bulldogs giveaways, tickets to home games and tours of Victoria University Whitten Oval.

The introduction of the Pay it Forward schools program, an extension of Bulldogs Friendly Schools that was made possible through the generous donations of members. The program provided an opportunity to work closely with three local schools that are on the doorstep of Victoria University Whitten Oval: Footscray West Primary School, Christ the King Primary School and St Johns Primary School. The program included a visit from Captain Bob Murphy and President Peter Gordon, a bespoke leadership session and buses provided to 600 students and families to enjoy the Club's Round 17 game against Collingwood.

Continued support of grassroots football as the major partner of the Western Region Football League (WRFL) junior competition. The partnership provides opportunities for young boys and girls playing football to attend Western Bulldogs home games, receive appearances from Western Bulldogs players and win the Western Bulldogs Heartland Award handed out after each and every junior match to the player that showed the best values and behaviours.

All Western Bulldogs players spent up to 40 hours each in the community through visits to schools, junior clubs, Auskick centres, community centres, hospitals and events.



## **DIRECTORS' REPORT**

### **Company Performance (Continued)**

An increase in the 'home ground feel' at Etihad Stadium through the installation of new technology including full LED lighting wraps around the boundary and level 2 fence and the addition of 1,400 new IPTV screens. The LED and IPTV technology has increased the Club's ability to theme the stadium in red, white and blue. The technology installations were supported by a refresh in traditional banner signage and the introduction of new activities at The Footscray End.

Significant brand exposure through the AFL Community Camp in Ballarat and the Western Region Blitz in Melbourne's west.

### **Events**

During 2015 the Western Bulldogs delivered a range of successful events that were well attended by members, supporters and corporate guests.

The year started with AFL football returning to Victoria University Whitten Oval when the Western Bulldogs hosted Richmond in a pre-season NAB Challenge match in front of just over 10,000 fans.

A week after the NAB Challenge match fans returned to Victoria University Whitten Oval for the Club's annual Family Day. For the first time the day incorporated a Western Bulldogs intra-club match. The new format on the day still featured a great selection of food and beverages, sponsor activations and player autographs. This was well received with a crowd of about 3,000 in attendance.

To kick start another big year; the Club hosted the 2015 Season Launch at Crown Palladium. Over 800 guests attended to hear from newly appointed Senior Coach Luke Beveridge and Captain Robert Murphy along with a number of other Bulldog identities. The night also saw the return of the players being presented with their 2015 playing jumper.

Once again we hosted two luncheons for the Central Bulldogs District (CBD) in 2015. For the first time we held one in Ballarat which attracted a crowd of around 150 people. The second CBD Luncheon was held at the RACV Club in Melbourne. This highly successful event attracted over 350 guests, who heard from Managing Director of Channel 7 Melbourne, Lewis Martin as the key note speaker along with a footy panel featuring Channel 7 stars Luke Darcy and Cameron Ling plus Western Bulldogs Coach, Luke Beveridge.

For the first time in 2015 the Club hosted a 200 Game Lunch attended by 10 Bulldog greats who played 200 games or more. Held at Rivers Edge on the Yarra guests were treated to some classic stories from true Bulldogs champions.

Following on from a successful debut season for the Footscray Bulldogs VFL team in 2015 the Club hosted nine home games at Victoria University Whitten Oval. Crowds continued to be strong for the reigning premiers with on average about 1,000 people attending games.

After making finals for the first time in four years the pinnacle of the Western Bulldogs events calendar was held in October when the Club hosted the 2015 Charles Sutton Medal (Best and Fairest). Attracting a record crowd of over 1,200 guests, the event saw the crowning of first time Charles Sutton Medallist, Easton Wood.



## **DIRECTORS' REPORT**

### **Company Performance (Continued)**

#### **Commercial Partnerships**

The Club achieved a record commercial partnership result in 2015 with a net profit result of \$5.5 million, significantly up on last year.

Slater & Gordon came on board as the Western Bulldogs Coaches Partner with the Club also announcing a five year partnership with the State Government to support the Bulldogs engagement activities in Western Victoria and pledge to play AFL games at an AFL standard Eureka Stadium from 2017. As part of the Ballarat strategy the Club also signed a three year partnership with the City of Ballarat.

Several new community partners were also secured in 2015 with the Victorian Responsible Gambling Foundation increasing investment with the Club by becoming the Bulldogs Multicultural Partner. In line with our strong community brand the Club also signed the Responsible Gambling Charter to help drive awareness in the community around problem gambling. CDC Buses was another new community partner to come on board with the Club, becoming the Major Partner of the Bulldogs youth leadership program, The Whitten Project.

With the improvement in the Club's on-field performance in 2015, corporate hospitality enjoyed a much stronger performance compared to previous years with three of the five areas exceeding budget. With a strong corporate fixture for the 2016 season including several 'blockbuster' night fixtures against strong Melbourne based teams, this upside trend is expected to continue. With the enormous growth in digital, the Club will be focused on uncovering new digital revenue opportunities. This growth provides the Club with the opportunity to drive over and above revenue with existing partners as well as creating new branded assets.

The improved on-field performance has also seen a rise in corporate sponsorship interest with several long-term partners in the final stages of renewing with the Club and a number of branded assets currently in the market place. The Club intends to implement a number of new commercial products in 2016 to capitalise on a strong AFL fixture, the Club's strong community brand and one of the most exciting young teams in the league.

#### **Consumer Products**

The launch of the new logo was the beginning of a successful year for merchandise. Paired with the launch of a new on-field partner in BLK (formerly KooGa) and stock levels managed efficiently throughout the year, merchandise had a successful and profitable year. The overall result saw over \$1m in revenue for the first time in several years.

Game days at Etihad took on a new look with the club being given access to all merchandise concession stands in the stadium. This was a fantastic opportunity for the Club and provided a great opportunity to showcase the extensive range of Western Bulldogs apparel and accessories on offer. It also meant fans were able to purchase their merchandise from several locations at each home and away match making their game day experience even better.

The merchandise team expanded their retail presence at games this year, trading at eighteen out of a possible twenty-three games including interstate trips to Tasmania, Cairns and Perth which made a positive



## DIRECTORS' REPORT

### Company Performance (Continued)

contribution. The success of these interstate trips will encourage more trips for the 2016 season ensuing we are able to reach more Western Bulldogs fans across Australia.

Early in the season the fans were given an opportunity to vote on a choice of Guernseys for our Round six clash against St Kilda. The design chosen by fans was named the 'Be More Bulldog' Guernsey and was so well-received that it resulted in huge demand and sales for both the adults and youth Guernseys. The 'Be More Bulldog' range was then extended late in the season to include a hoody for adults, youth and toddlers and a t-Shirt for adults. The overall success of the Be More Bulldog program saw in excess of 1,100 units sold making it one of the most popular ranges for the year.

### Entertainment Venues

The Club's entertainment venues in Footscray and Dromana enjoyed a successful trading year making a significant contribution to the clubs overall trading result. The audited Community Benefits Statement lodged by the Club showed that we funded almost \$3.3 million of community benefits from these venues, well in excess of the minimum statutory requirements.

The Peninsula Club added 15 new gaming machines during the year which helped drive increased patronage at the venue. We are currently planning further investment at the Peninsula Club, including a large semi-enclosed deck area which is expected to improve amenity and further drive patronage.

During the year the Club gave notice to the Edgewater developer to terminate our agreement for lease over the site, as a result of the developer's failure to perform its obligations under the agreement. The Club continues to explore options to monetise its investment in the project, including the prospect of a successful damages claim against Prizac and the potential value of the gaming licences.

### Communications

In 2015, the Communications Department continued to positively promote the Club while protecting the Western Bulldogs brand through best practice risk and issues management – generating the highest media exposure value on record for the Club, coming in just under \$20 million.

The Club kicked off the year with the launch of a new logo which was accompanied by a comprehensive communications campaign calling on members and supporters to Be More Bulldog.

During the year, the Club placed a strategic emphasis on 'story-telling' and communicating our values resulting in the highly successful and award winning Club documentary The Ride and online video campaign Be Loud Be Fair.

In the community space, the Club's Sons of the West men's health program continued to drive significant media exposure highlighting the Western Bulldogs commitment to civic leadership and engagement.

Media interest in the Club's strategic focus on Ballarat and Western Victoria and continued commitment to women's football also yielded significant brand outcomes for the Bulldogs. Exposure of the Western Bulldogs Women's Team was bolstered by the first time broadcast of an AFL's elite women's match which attracted an audience of 350,000.



## DIRECTORS' REPORT

### Company Performance (Continued)

The Club's digital platforms continued to grow, achieving record traffic for both web and content consumption. Average monthly website audience unique browsers and video streams increased by 34% year-on-year respectively.

For the fourth year running the team scored its highest total of 8.7 (out of 10) in the AFL's Annual Members Survey (up from 8.3 in 2014), reflecting the high quality editorial, digital and design content across all of the Western Bulldogs communications platforms.

### After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

### Likely developments

The group expects to maintain the present status and level of operations.

### Environmental regulation

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

### Information on directors

<b>Peter Gordon</b>	President and Chairman
Qualifications	Bachelor of Laws, Melbourne University Admitted as a barrister and solicitor of the Supreme Court of Victoria
Experience	Formerly Director, Chairman, Deputy Chairman and Senior Partner, Slater & Gordon Director, Gordon Legal (2009 to current) Director of Comprehensive Legal Funding LLC (2010 to current) Formerly a Director and Deputy Chair of VicHealth President of Footscray Football Club (1989-1996) Directors, Australian Football League (1989-1993) Chair of Victoria Walks (2009-2011) Founding Co-Chair of the McCabe centre for Law and Cancer President of Western Bulldogs from (2012 to current)



## DIRECTORS' REPORT

### Information on directors (Continued)

<b>Dr Susan Alberti AO HonLLD</b>	Vice President/Forever Foundation
Qualifications	Graduate of Doctor of Laws honoris causa of Monash University - 2006
Experience	Director, Western Bulldogs Forever Foundation Managing Director, DANSU Group and associated companies Chair of the Susan Alberti Medical Research Foundation Former National President, Juvenile Diabetes Research Foundation Former Director, Juvenile Diabetes Research Foundation International Board Former Director, Juvenile Diabetes Research Foundation International Board of Chancellors Life Governor, Walter Eliza Hall Research Institute Australia Life Governor, International Diabetes Institute Life Governor, Juvenile Diabetes Research Foundation Australia Chair of the Melbourne Dinner Committee for almost 29 years Former Director, GoldAge Pty Ltd Director, St Vincent's Institute of Medical Research Chair of St. Vincent's Institute of Medical Research Foundation Board Member of the Australian Centre for Health Research Member of the Advisory Group for the Australian Community Centre for Diabetes Chair, Victoria University Foundation Retired Director of The Click Foundation (Epilepsy) Member of the Australia Day Committee (Victoria) Australia Day Ambassador (Victoria) Director Western Health Foundation Member of the National Diabetes Strategy Advisory Group President of the Footscray VFL Club Director of the National Australia Day Council Board Member of the Danii Meads-Barlow Foundation
<b>Chris Grant</b>	Football Director
Experience	Former player for the Western Bulldogs (1990 to 2007) Winner of two Western Bulldogs best and fairest awards (1994, 1996) Three times All-Australian honours (1997, 1998, 1999) Western Bulldogs Hall of Fame 2010 Australian Football Hall of Fame inductee 2012 Club Captain (2000–2004) Club games record holder (2006–2009)
<b>Gaye Hamilton</b>	SpiritWest Services
Qualifications	Bachelor of Science Education (Melbourne)
Experience	Chair, State Sports Centres Trust Director, Western Chances Council Member, Victoria University



**DIRECTORS' REPORT**

**Information on directors (Continued)**

<b>Gary Kent</b>	Finance
Qualifications	Bachelor of Economics Harvard Business School Advanced Management Program Graduate of the Institute of Company Directors Associate of the Institute of Chartered Accountants
Experience	Chief Financial Officer Skilled Group (May 2012 to Nov 2015) Chief Financial Officer Healthscope (August 2008 to November 2010) Chief Financial Officer Coles Group (July 2007 to February 2008) Deputy CFO and Group Financial Controller ColesMyer (December 2005 to June 2007) General Manager Finance Kmart (April 2002 to December 2005)
<b>Kylie Watson-Wheeler</b>	
Qualifications	Bachelor of Arts (BA) Politics and English Literature – Monash University Grad Dip Communications, Marketing & PR – University of Canberra
Experience	Vice President and General Manager, Disney Consumer Products & Retail, The Walt Disney Company Australia and New Zealand Vice President and Chief Marketing Officer, The Walt Disney Company Australia and New Zealand General Manager, Consumer Sales, The Walt Disney Company Australia and New Zealand General Manager, Licensing, The Walt Disney Company Australia and New Zealand Director of Walt Disney Publishing Worldwide (DPW) for Australasia ASEAN, India and Korea Director of Advertising and Brand Management, Hallmark Cards Inc., based in Kansas City, USA Various Marketing positions at Coca-Cola Amatil and Penguin Books
<b>Chris Nolan</b>	
Qualifications	Bachelor of Science
Experience	Chief Executive Officer and Director, Starcom MediaVest Group, Chairman - VivaKi Executive Committee Member, Media Federation of Australia Director, Melbourne Food and Wine Festival Board Member, The Alfred Hospital Foundation Board Member, The AMAA (Audited Media Association of Australia)
<b>Levent Shevki</b>	
Qualifications	Bachelor of Commerce Bachelor of Laws (Hons)
Experience	Partner, Cornwall Stodart (February 2000 to current) Director, Astus Edge (July 2013 to current) Director, Twenty3 Sport and Entertainment (2009 to current)



**DIRECTORS' REPORT**

**Information on directors (Continued)**

**Fiona McGauchie**

Qualifications Bachelor of Laws (Hons), Melbourne University  
 Bachelor of Commerce, Melbourne University  
 Masters of Business Administration, Melbourne Business School  
 Previously admitted as a barrister and solicitor of the Supreme Court of Victoria  
 Previously admitted as a barrister and solicitor to the High Court of Australia

Experience Partner, Egon Zehnder  
 Senior Associate, Corrs Chambers Westgarth (2006-2009)  
 Legal Counsel, Linfox (2003-2006)  
 Solicitor, Minter Ellison (1999-2003)  
 School Council Member of the Bayside Special Developmental School  
 Board Member, Melbourne Chamber Orchestra (2011-2015)  
 Board Member, Centre for Contemporary Photography (2008-2011)  
 Board Member, St Kilda Centre for Contemporary Arts (2007-2013)

**Meetings of directors**

Directors	Directors' meetings	
	Number eligible to attend	Number attended
Peter Gordon	12	12
Dr Susan Alberti AO HonLLD	12	9
Chris Grant	12	10
Gaye Hamilton	12	11
Gary Kent	12	9
Kylie Watson-Wheeler	12	9
Chris Nolan	12	8
Levent Shevki	12	7
Fiona McGauchie (Appointed 7 October 2015)	1	-

**Members guarantee**

The group is incorporated under the *Corporations Act 2001* and is a group limited by guarantee. If the group is wound up, the Constitution states that each member is required to contribute to a maximum of \$2 each towards meeting any outstandings and obligations of the group.



**DIRECTORS' REPORT**

**Indemnification of officers**

During or since the end of the year, the group has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums in order to indemnify the directors of the group against a liability incurred as such a director or employee to the extent permitted by the Corporations Act 2001.

Further disclosure required under section 300(9) of the corporations law is prohibited under the terms of the contract.

**Indemnification of auditors**

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the group.

**Auditor's independence declaration**

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report.

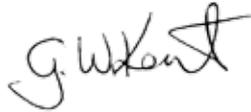
**Proceedings on behalf of the group**

No person has applied for leave of Court to bring proceedings on behalf of the group or intervene in any proceedings to which the group is a party for the purpose of taking responsibility on behalf of the group for all or any part of those proceedings.

Signed on behalf of the board of directors.

Director: \_\_\_\_\_  


Peter Gordon

Director: \_\_\_\_\_  


Gary Kent

Dated this 10th day of December 2015

**FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY  
ABN 68 005 226 595**

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS**

In relation to the independent audit for the year ended 31 October 2015, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of any applicable code of professional conduct.

This declaration is in respect of Footscray Football Club Ltd trading as Western Bulldogs and the entity it controlled during the year.



P A JOSE  
Partner



PITCHER PARTNERS  
Melbourne

10 December 2015



FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY  
ABN 68 005 226 595

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 OCTOBER 2015

	Note	2015 \$	2014 \$
<b>Revenue and other income</b>			
Revenue from Operating Activities	3	<u>41,321,293</u>	<u>37,538,814</u>
		<u>41,321,293</u>	<u>37,538,814</u>
<b>Less: expenses</b>			
Administration expenses		(4,506,865)	(4,382,122)
Borrowing costs	4	(440,461)	(478,583)
Business Development Expense		(2,519,644)	(2,292,334)
Membership Expense		(2,923,863)	(2,697,342)
Hospitality Expense		(5,001,379)	(4,543,561)
Event Expenses		(724,771)	(731,452)
Consumer Products Expense		(897,261)	(999,785)
Community Expense		(1,315,485)	(1,707,822)
Communication Expense		(702,109)	(574,925)
Football Department Expense		(21,272,339)	(18,800,943)
Write off of capitalised leasehold costs	4	<u>(628,854)</u>	<u>-</u>
		<u>(40,933,031)</u>	<u>(37,208,869)</u>
<b>Profit for the year</b>		<u>388,262</u>	<u>329,945</u>
<b>Total comprehensive income</b>		<u>388,262</u>	<u>329,945</u>



CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT 31 OCTOBER 2015

	Note	2015 \$	2014 \$
<b>Current assets</b>			
Cash and cash equivalents	6	3,754,383	2,983,904
Receivables	7	1,087,049	955,742
Inventories	8	134,920	96,526
Other assets	9	<u>86,355</u>	<u>45,368</u>
<b>Total current assets</b>		<u>5,062,707</u>	<u>4,081,540</u>
<b>Non-current assets</b>			
Intangible assets	10	4,893,828	5,068,514
Property, plant and equipment	11	<u>30,181,151</u>	<u>30,670,467</u>
<b>Total non-current assets</b>		<u>35,074,979</u>	<u>35,738,981</u>
<b>Total assets</b>		<u>40,137,686</u>	<u>39,820,521</u>
<b>Current liabilities</b>			
Payables	12	7,170,849	6,957,944
Borrowings	13	4,192,507	3,430,497
Provisions	14	564,324	513,518
Other liabilities	15	<u>1,474,040</u>	<u>1,135,509</u>
<b>Total current liabilities</b>		<u>13,401,720</u>	<u>12,037,468</u>
<b>Non-current liabilities</b>			
Payables	12	982,787	2,112,978
Borrowings	13	1,440,910	2,230,550
Provisions	14	<u>18,354</u>	<u>25,156</u>
<b>Total non-current liabilities</b>		<u>2,442,051</u>	<u>4,368,684</u>
<b>Total liabilities</b>		<u>15,843,771</u>	<u>16,406,152</u>
<b>Net assets</b>		<u>24,293,915</u>	<u>23,414,369</u>
<b>Equity</b>			
Accumulated funds - Spirit West Foundation	17	491,284	-
Retained earnings	16	<u>23,802,631</u>	<u>23,414,369</u>
<b>Total equity</b>		<u>24,293,915</u>	<u>23,414,369</u>



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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 OCTOBER 2015

	SpiritWest accumulated funds \$	Retained earnings \$	Total equity \$
<b>Consolidated</b>			
Balance as at 1 November 2013	-	23,084,424	23,084,424
Profit for the year	-	<u>329,945</u>	<u>329,945</u>
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>329,945</u>	<u>329,945</u>
Balance as at 1 November 2014	-	23,414,369	23,414,369
Profit for the year	-	<u>388,262</u>	<u>388,262</u>
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>388,262</u>	<u>388,262</u>
<b>Transactions with owners in their capacity as owners:</b>			
Contributed funds	<u>491,284</u>	<u>-</u>	<u>491,284</u>
<b>Total transactions with owners in their capacity as owners</b>	<u>491,284</u>	<u>-</u>	<u>491,284</u>
<b>Balance as at 31 October 2015</b>	<u>491,284</u>	<u>23,802,631</u>	<u>24,293,915</u>



**CONSOLIDATED STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED 31 OCTOBER 2015**

	Note	2015 \$	2014 \$
<b>Cash flow from operating activities</b>			
Receipts from customers		46,202,082	41,465,883
Payments to suppliers and employees		(43,334,896)	(38,513,949)
Interest received		38,700	65,822
Interest paid		<u>(310,986)</u>	<u>(387,487)</u>
<b>Net cash provided by operating activities</b>		<u>2,594,900</u>	<u>2,630,269</u>
<b>Cash flow from investing activities</b>			
Payment for gaming entitlements		(863,159)	(786,715)
Payment for property, plant and equipment		(1,292,664)	(280,998)
Accumulated funds - Spirit West Foundation		<u>491,284</u>	<u>-</u>
<b>Net cash used in investing activities</b>		<u>(1,664,539)</u>	<u>(1,067,713)</u>
<b>Cash flow from financing activities</b>			
Repayment of other loan		(409,882)	(474,614)
(Repayment) / proceeds of commercial bill		750,000	(800,000)
(Repayment) / proceeds of related party loan		<u>(500,000)</u>	<u>(300,000)</u>
<b>Net cash (used in) / provided by financing activities</b>		<u>(159,882)</u>	<u>(1,574,614)</u>
<b>Reconciliation of cash</b>			
Cash at beginning of the financial year		2,983,904	2,995,962
Net (decrease) / increase in cash held		<u>770,479</u>	<u>(12,058)</u>
<b>Cash at end of financial year</b>	6	<u>3,754,383</u>	<u>2,983,904</u>

The accompanying notes form part of these financial statements.



**FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report was approved by the directors as at the date of the directors' report.

The financial report is for the entity Footscray Football Club Ltd trading as Western Bulldogs as an individual entity and Footscray Football Club Ltd trading as Western Bulldogs and its consolidated entity. Footscray Football Club Ltd trading as Western Bulldogs is a company limited by guarantee, incorporated and domiciled in Australia. Footscray Football Club Ltd trading as Western Bulldogs is a for-profit entity for the purpose of preparing the financial statements.

The financial report is for Footscray Football Club Ltd trading as Western Bulldogs and its consolidated entity. Footscray Football Club Ltd trading as Western Bulldogs is a company limited by guarantee, incorporated and domiciled in Australia. Footscray Football Club Ltd trading as Western Bulldogs is a for-profit entity for the purpose of preparing the financial statements.

The following is a summary of the material accounting policies adopted by the group in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Basis of preparation of the financial report**

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

**(b) Going concern**

As at 31 October 2015, the Western Bulldogs has a current asset deficiency of \$8,339,013 (2014: \$7,955,928). This gives rise to significant uncertainty about the ability of the company to continue to operate as a going concern.

The directors of the company are satisfied that the going concern basis is appropriate due to the following:

- The company has continued to receive ongoing financial support from the AFL. Subsequent to year end the Western Bulldogs have received confirmation that they will receive total assistance from the AFL of \$3.84 million from the Club Future Fund which is predominately tagged to specific initiatives. This is to be paid during the 2016 financial year subject to certain criteria being met.
- The AFL have provided a bank guarantee totalling \$5.35 million to the company's bankers as security for the current borrowing facilities. This guarantee has been provided through to the next review date and the directors have the expectation that this guarantee will be extended by the AFL.



**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(b) Going concern (Continued)**

The appropriateness of adopting the going concern basis of accounting is dependent on the company being able to generate sufficient funds through membership, gate receipts, sponsorship, fundraising, hospitality and other revenue streams to continue to fund its operations, in addition to receiving financial support from the AFL.

If the going concern basis is found to no longer be appropriate, the recoverable amount of assets shown in the Statement of Financial Position are likely to be significantly less than the amounts disclosed and the extent of liabilities may differ significantly from those reflected in the Statement of Financial Position.

**(c) Principles of consolidation**

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the parent entity and all of the entities the parent controls. The group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entities to affect the amount of its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is transferred to the group and are de-recognised from the date that control ceases.

Non-controlling interests in the result of subsidiaries are shown separately in the consolidated statement of comprehensive income and consolidated statement of financial position respectively.



NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(d) Revenue**

*Sale of goods*

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

*AFL Distribution and prize money*

AFL distributions and prize money revenue is recognised as it is received.

*Membership and match day revenue*

Membership income is recognised in the relevant AFL season. Match day revenue is recognised at the conclusion of each AFL home game.

*Sponsorship*

Marketing and sponsorship income is recognised when amounts are due and payable in accordance with the terms and conditions of the sponsorship contract.

*Donations*

Revenue from donations is recognised when received.

*Gaming and function revenue*

Sales comprise revenue earned from gaming machines and provision of food and beverages and is recognised on an accruals basis.

*Grants*

Grant revenue is recognised in the statement of comprehensive income when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purpose, it is recognised in the statement of financial position as a liability until such conditions are met or services provided.

*Rental*

Rent revenue is recognised on a straight-line basis over the rental term.

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

**(e) Income tax**

No provision for income tax has been raised as the group is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.



**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(f) Inventories**

Inventories are held for sale are measured at the lower of cost and net realisable value. Net realisable value is the estimate selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

**(g) Financial instruments**

*Classification*

The group classifies its financial assets into the following categories: financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

*Non-derivative financial instruments*

Non-derivative financial instruments consist of investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are initially recognised at fair value, plus directly attributable transaction costs (if any), except for instruments recorded at fair value through profit or loss. After initial recognition, non-derivative financial instruments are measured as described below.

*Loans and receivables*

Loans and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

*Financial liabilities*

Financial liabilities include trade payables, other creditors, loans from third parties and loans from or other amounts due to director-related entities.

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Financial liabilities are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.



**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(h) Property, plant and equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

*Property*

Property is measured on a cost basis.

*Plant and equipment*

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

*Depreciation*

The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held ready for use. Land and the land component of any class of property, plant and equipment is not depreciated.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

<b>Class of fixed asset</b>	<b>Depreciation rates</b>	<b>Depreciation basis</b>
Land and buildings at cost	2.5%	Straight line
Leasehold improvements at cost	2.5%-20%	Straight line
Plant and equipment at cost	5%-40%	Straight line
Leased plant and equipment at cost	20%	Straight line

**(i) Intangibles**

*Goodwill*

Goodwill is recognised initially at the excess over the aggregate of the consideration transferred, the fair value of the non-controlling interest, and the acquisition date fair value of the acquirer's previously held equity interest (in case of step acquisition), less the fair value of the identifiable assets acquired and liabilities assumed.



**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(i) Intangibles (Continued)**

Goodwill is not amortised, but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

*Gaming Entitlements*

Gaming entitlements acquired are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over their estimated useful economic lives.

*Lease acquisition costs*

Lease acquisition costs are recognised at cost of acquisition. Lease acquisition costs have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Lease acquisition costs are amortised over the initial term of the lease.

**(j) Impairment of non-financial assets**

Goodwill, intangible assets not yet ready for use and intangible assets that have an indefinite useful life are not subject to amortisation and are therefore tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

**(k) Provisions**

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

**(l) Leases**

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.



**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(l) Leases (Continued)**

*Operating leases*

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense on a straight-line basis over the term of the lease.

Lease incentives received under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**(m) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

*(ii) Long-term employee benefit obligations*

Liabilities arising in respect of long service leave and annual leave which is not expected to be settled within twelve months of the reporting date 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.

Employee benefit obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

**(n) Goods and services tax (GST)**

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(o) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.



**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(p) Adoption of new and amended accounting standards that are first operative**

During the year ended 31 October 2015, the Club commenced operations of Spirit West Foundation. Spirit West Foundation was registered on 27 September 2012 and remained inactive until Unity Link donated funds in September 2014. Access to these funds was subject to the finalisation of directors transferring to the Spirit West Foundation. Upon finalisation of directorships in December 2014, the Foundation took control of the funds and commenced operation of Spirit West Foundation. This has resulted in the adoption of *AASB 10 Consolidated Financial Statements* (effective for financial years commencing on or after 1 January 2013) for the year ended 31 October 2015.

The Club is the sole member of the SpiritWest Foundation. The SpiritWest Foundation has a separate bank account and it is the intention of the Club that the Foundation is financially independent from the Club. All funds donated by Unity Link will be used for the purposes of the Foundation.

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the parent entity and of all entities the parent controls.

Under AASB 10, the group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entities to affect the amount of its returns.

The group has applied AASB 10 retrospectively in accordance with the transition provisions. This has not impacted prior year comparatives as effective date of control was 12 December 2014.

**(q) Club Future Fund Distributions**

The AFL has committed to supporting the company in the 2016 financial year with a payment of \$3.84 million from the Club Future Fund (2015: \$3.65 million).



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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015

**NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

Certain accounting estimates include assumptions concerning the future, which, by definition, will seldom represent actual results. Estimates and assumptions based on future events have a significant inherent risk, and where future events are not as anticipated there could be a material impact on the carrying amounts of the assets and liabilities discussed below:

*(a) Impairment of intangible assets*

Assessments of impairment are based on value in use calculations. These calculations are based on projected cash flows approved by management. Management's determination of cash flow projections are based on past performance and its expectation for the future.

*Key Assumptions used in discounted cashflows are:*

- i) Inflation rate: 3%
- ii) Discount rate: 15.5%
- iii) Net Machine Revenue (NMR): \$110 - \$180

**NOTE 3: REVENUE AND OTHER INCOME**

Revenue from operating activities		
AFL sourced income	9,720,840	9,372,004
AFL - Club Future Fund	3,650,000	2,810,000
Gate receipts/match returns	1,633,911	1,543,716
Communications	99,609	376,423
Business Development	8,078,939	7,519,934
Membership	5,148,264	4,791,973
Hospitality	6,157,257	5,376,725
Events and fundraising	2,282,219	931,942
Consumer products	1,112,309	856,147
Community services	1,251,202	1,537,603
Other income	1,991,017	2,250,508
Other revenue	<u>195,726</u>	<u>171,839</u>
	<u>41,321,293</u>	<u>37,538,814</u>

**NOTE 4: OPERATING PROFIT**

Profit for the year has been determined after:

Depreciation	1,201,172	1,229,101
Amortisation	242,663	235,337
Bad debts	5,000	17,000
Impairment losses - trade and other receivables	-	(3,601)
Employee benefits	21,201,431	19,024,964



NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 OCTOBER 2015

	2015	2014
	\$	\$
<b>NOTE 4: OPERATING PROFIT (CONTINUED)</b>		
Write off of capitalised leasehold costs	628,854	-
Interest expense	440,461	550,391
Rental expense on operating leases	281,015	275,656

**NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION**

Compensation received by key management personnel of the company	<u>1,433,398</u>	<u>1,307,285</u>
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**NOTE 6: CASH AND CASH EQUIVALENTS**

Cash on hand	90,397	93,819
Cash at bank	3,227,513	2,890,085
Cash on deposit	<u>436,473</u>	<u>-</u>
	<u>3,754,383</u>	<u>2,983,904</u>

**NOTE 7: RECEIVABLES**

CURRENT

Trade debtors	1,086,702	951,132
Other receivables	<u>347</u>	<u>4,610</u>
	<u>1,087,049</u>	<u>955,742</u>

**Impairment of trade receivables**

Trade receivables are non interest bearing with 30 days terms. An impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. The impairment losses have been included within administration expenses in the consolidated statement of comprehensive income. All trade receivables that are not impaired are expected to be received within trading terms.

Movements in the accumulated impairment losses were:

Opening balance at 1 November	-	3,601
Amounts written off	<u>-</u>	<u>(3,601)</u>



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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015

	2015	2014
	\$	\$
<b>NOTE 8: INVENTORIES</b>		
CURRENT		
<i>At net realisable value</i>		
Bulldogs Shop Merchandise	113,122	71,187
Food and liquor	<u>21,798</u>	<u>25,339</u>
	<u>134,920</u>	<u>96,526</u>
Write downs of inventories to net realisable value recognised as an expense during the year	18,723	54,289
<b>NOTE 9: OTHER ASSETS</b>		
CURRENT		
Prepayments	<u>86,355</u>	<u>45,368</u>
<b>NOTE 10: INTANGIBLE ASSETS</b>		
Goodwill at cost	735,493	735,493
Provision for impairment loss	<u>(20,571)</u>	<u>(20,571)</u>
	714,922	714,922
Gaming Entitlements	4,909,307	4,841,330
Accumulated amortisation	<u>(752,365)</u>	<u>(512,972)</u>
	4,156,942	4,328,358
Lease acquisition costs	80,000	80,000
Accumulated amortisation	<u>(58,036)</u>	<u>(54,766)</u>
	<u>21,964</u>	<u>25,234</u>
Total intangible assets	<u>4,893,828</u>	<u>5,068,514</u>
<b>(a) Reconciliations</b>		
Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year		
<i>Goodwill at cost</i>		
Opening balance	<u>714,922</u>	<u>714,922</u>
Closing balance	<u>714,922</u>	<u>714,922</u>



NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015

	2015	2014
	\$	\$
<b>NOTE 10: INTANGIBLE ASSETS (CONTINUED)</b>		
<b>(a) Reconciliations (Continued)</b>		
<i>Gaming Entitlements</i>		
Opening balance	4,328,358	4,560,425
Additions	67,977	-
Amortisation expense	<u>(239,393)</u>	<u>(232,067)</u>
Closing balance	<u>4,156,942</u>	<u>4,328,358</u>
<i>Lease acquisition costs</i>		
Opening balance	25,234	28,504
Amortisation expense	<u>(3,270)</u>	<u>(3,270)</u>
Closing balance	<u>21,964</u>	<u>25,234</u>
<b>NOTE 11: PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Land and buildings</b>		
At cost	542,695	542,695
Accumulated depreciation	<u>(66,164)</u>	<u>(52,597)</u>
	<u>476,531</u>	<u>490,098</u>
<b>Whitten Oval and Leasehold Improvements</b>		
At cost	34,032,673	33,047,389
Accumulated depreciation	<u>(5,643,858)</u>	<u>(4,712,514)</u>
Whitten Oval and Leasehold Improvements	<u>28,388,815</u>	<u>28,334,875</u>
<b>Plant and equipment</b>		
Plant and equipment at cost	3,611,583	3,363,301
Accumulated depreciation	<u>(2,415,648)</u>	<u>(2,157,432)</u>
	1,195,935	1,205,869
Capitalised leasehold costs	126,737	646,492
Accumulated amortisation	<u>(6,867)</u>	<u>(6,867)</u>
	<u>119,870</u>	<u>639,625</u>
Total plant and equipment	<u>1,315,805</u>	<u>1,845,494</u>
Total property, plant and equipment	<u>30,181,151</u>	<u>30,670,467</u>



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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015

	2015	2014
	\$	\$
<b>NOTE 11: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)</b>		
<b>(a) Reconciliations</b>		
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
<i>Land and buildings</i>		
Opening carrying amount	490,098	503,666
Depreciation expense	<u>(13,567)</u>	<u>(13,568)</u>
Closing carrying amount	<u>476,531</u>	<u>490,098</u>
<i>Whitten Oval and leasehold improvements</i>		
Opening carrying amount	28,334,875	29,176,978
Additions	986,530	85,164
Disposals	(1,246)	-
Depreciation expense	<u>(931,344)</u>	<u>(927,267)</u>
Closing carrying amount	<u>28,388,815</u>	<u>28,334,875</u>
<i>Plant and equipment</i>		
Opening carrying amount	1,205,869	1,436,958
Additions	248,281	57,176
Depreciation expense	<u>(258,215)</u>	<u>(288,265)</u>
Closing carrying amount	<u>1,195,935</u>	<u>1,205,869</u>
<i>Capitalised leasehold costs</i>		
Opening carrying amount	639,625	500,967
Additions	107,853	138,658
Amounts written off	<u>(627,608)</u>	<u>-</u>
Closing carrying amount	<u>119,870</u>	<u>639,625</u>
<i>Total property, plant and equipment</i>		
Carrying amount at 1 November	30,670,467	31,618,569
Additions	1,342,664	280,998
Disposals/amounts written off	(628,854)	-
Depreciation expense	<u>(1,203,126)</u>	<u>(1,229,100)</u>
Carrying amount at 31 October	<u>30,181,151</u>	<u>30,670,467</u>



NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 OCTOBER 2015

	2015	2014
	\$	\$
<b>NOTE 12: PAYABLES</b>		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	5,184,254	5,332,072
Other payables	42,766	-
Sundry creditors and accrued expenses	1,106,777	802,846
Payable for gaming machine entitlements	<u>837,052</u>	<u>823,026</u>
	<u>7,170,849</u>	<u>6,957,944</u>
NON CURRENT		
<i>Unsecured liabilities</i>		
Other payables	158,047	479,030
Payable for gaming machine entitlements	<u>824,740</u>	<u>1,633,948</u>
	<u>982,787</u>	<u>2,112,978</u>
<b>NOTE 13: BORROWINGS</b>		
CURRENT		
<i>Secured liabilities</i>		
Commercial bill	4,032,000	3,282,000
Other loan	<u>160,507</u>	<u>148,497</u>
	<u>4,192,507</u>	<u>3,430,497</u>
NON CURRENT		
<i>Unsecured liabilities</i>		
Loans from related parties	18 <u>-</u>	<u>500,000</u>
<i>Secured liabilities</i>		
Other loan	<u>1,440,910</u>	<u>1,730,550</u>
	<u>1,440,910</u>	<u>2,230,550</u>

**(a) Terms and conditions and assets pledging as security relating to the above financial instruments**

The above financial instruments are secured by:

- a) A second ranking registered company charge by Westpac Banking Corporation (with a deed of priority to rank first) over the assets of Footscray Football Club Limited to the amount of \$5,000,000 and;
- b) A standard guarantee and indemnity limited to \$5,350,000 by the Australian Football League in favour of the Westpac Banking Corporation.
- c) A fixed and floating charge in favour of Tabcorp Investments No. 6 Pty Ltd over the assets of The Peninsula Club operated at the former Dromana-Red Hill RSL.



FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY  
ABN 68 005 226 595

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015

		2015	2014
		\$	\$
<b>NOTE 14: PROVISIONS</b>			
CURRENT			
Employee benefits	(a)	<u>564,324</u>	<u>513,518</u>
NON CURRENT			
Employee benefits	(a)	<u>18,354</u>	<u>25,156</u>
(a) Aggregate employee benefits liability		582,678	538,674
<b>NOTE 15: OTHER LIABILITIES</b>			
CURRENT			
Income in Advance		<u>1,474,040</u>	<u>1,135,509</u>
<b>NOTE 16: RETAINED EARNINGS</b>			
Retained earnings at beginning of year		23,414,369	23,084,424
Net profit		<u>388,262</u>	<u>329,945</u>
		<u>23,802,631</u>	<u>23,414,369</u>
<b>NOTE 17: ACCUMULATED FUNDS</b>			
Accumulated funds - Spirit West Foundation		<u>491,284</u>	-
		<u>491,284</u>	-

The Club received donated funds from Unitylink Inc, these funds became available to the Spirit West Foundation upon finalisation of director changes. The effective date of control from Unitylink to Spirit West Foundation was effective from 16 December 2014.



**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**NOTE 18: RELATED PARTY TRANSACTIONS**

The company has a related party relationship with its key management personnel and their associated entities.

The company has a related party relationship with the Western Bulldogs Forever Foundation, an entity for which Dr Susan Alberti HonLLD is a director, and Gordon Legal and Comprehensive Legal Funding, entities for which Peter Gordon is a director.

A number of key management personnel of the company, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial reporting policies of these entities.

Two of these entities transacted with the company in the reporting period. The terms and conditions of the transaction with directors and their related parties were no more favourable than those available, or which might reasonably be expected to be available on an arms length basis.

**(a) Transactions with directors of the entity and their personally related entities**

*Amounts due to related parties*

During the 2013 financial year, the club received an interest free loan from a director or his related entities. This loan totalled \$1 million. This loan was repaid as at 31 October 2015. Since 2013 all of these loan monies have been re-donated back to the Club.

*Corporate Sponsorship*

The below corporate sponsorship transactions are in relation to Dr Susan Alberti HonLLD as Director of GoldAge Pty Ltd and Peter Gordon as Director of Gordon Legal and Comprehensive Legal Funding and were entered into on arms length terms.

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Amounts due to related parties	-	500,000
Corporate Sponsorship	214,500	385,000

(b) Each director is a fully paid up member of the Club and from time to time may purchase tickets to Club events and functions at normal member rates.



FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY  
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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015

2015	2014
\$	\$

**NOTE 19: COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES**

*(a) Whitten Oval Redevelopment*

In 2010, the Company entered into an agreement with the Victorian University to occupy and use certain space at the redeveloped Whitten Oval on a long term arrangement. In the event of termination, this agreement provided for a contribution refund starting at \$7,671,450 which included the upfront premises contribution \$5,921,450 and an amount representing Victoria Universities fit out costs of \$1,750,000.

The fit-out contribution of \$1,750,000 reduces by \$175,000 per annum over a 10 year period, whilst the premises contribution reduces over a period of 18 years.

Total amounts payable at 31 October 2015 in the event of termination are \$4,276,605 for the premises contribution and \$875,000 for the fit-out contribution.

In 2014, the Club committed to contributing \$250,000 to the \$1,500,000 Whitten Oval upgrade. It will be delivered in partnership with the Victoria State Government (\$500,000), Maribyrnong City Council (\$500,000) and the AFL (\$250,000) to bring the Oval's match day facilities up to VFL standard including new change-rooms, coaches' boxes and ground lighting improvements.

As at 31 October, expenditure on the upgrade totalled \$965,689. The portion of funding received in the 2015 financial year was \$1,275,000 with the remaining balance of funding receivable of \$225,000 to be paid in the 2016 financial year to cover the costs of new lights for the Whitten Oval.

*(b) Non-cancellable operating lease commitments contracted for but not capitalised in the financial statements*

Operating lease commitments include the lease of the property located at Whitten Oval, 417 Barkly Street, Footscray West, venues operated by the club and plant and equipment used in the operations of the club.

Not later than one year	224,919	307,374
Later than one year but not later than five years	530,125	494,833
Later than five years	<u>975,000</u>	<u>547,623</u>
	<u>1,730,044</u>	<u>1,349,830</u>

*(c) Gaming Machine Commitments*

The Club has gaming machines in place at several venues; Club Leeds, The Peninsula Club and Edgewater. Based on the Gaming Service Agreement they have commitments for each machine until 2022.

Not later than one year	963,203	717,024
Later than one year but not later than five years	4,150,571	7,896,040
Later than five years	<u>2,266,730</u>	<u>8,396,067</u>
	<u>7,380,504</u>	<u>17,009,131</u>



NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 OCTOBER 2015

	2015	2014
	\$	\$

**NOTE 19: COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES (CONTINUED)**

*(d) Edgewater Development*

In 2014, the Club entered into a 10 year operating lease agreement with Edgewater developers. During the year the Club gave notice to the Edgewater developer to terminate our agreement for lease over the site, as a result of the developer's failure to perform its obligations under the agreement. The Club continues to explore options to monetise its investment in the project, including the prospect of a successful damages claim against Prizac and the potential value of the gaming licences.

*Edgewater Development - lease payments*

Not later than one year	-	866,667
Later than one year but not later than five years	-	10,400,000
Later than five years	-	<u>14,733,333</u>
	-	<u>26,000,000</u>

*Edgewater Development - sub lease receipts*

Not later than one year	-	215,000
Later than one year but not later than five years	-	2,580,000
Later than five years	-	<u>3,655,000</u>
	-	<u>6,450,000</u>

*(e) Player Payments*

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

**NOTE 20: EVENTS SUBSEQUENT TO REPORTING DATE**

There has been no matter or circumstance, which has arisen since 31 October 2015 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 October 2015, of the group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 October 2015, of the group.



FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY  
ABN 68 005 226 595

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015

	2015	2014
	\$	\$
<b>NOTE 21: PARENT ENTITY DETAILS</b>		
Summarised presentation of the parent entity, Footscray Football Club Ltd trading as Western Bulldogs, financial statements:		
<b>(a) Summarised consolidated statement of financial position</b>		
<b>Assets</b>		
Current assets	4,552,971	4,081,540
Non-current assets	<u>35,074,979</u>	<u>35,738,981</u>
Total assets	<u>39,627,950</u>	<u>39,820,521</u>
<b>Liabilities</b>		
Current liabilities	13,372,075	12,037,468
Non-current liabilities	<u>2,453,244</u>	<u>4,368,684</u>
Total liabilities	<u>15,825,319</u>	<u>16,406,152</u>
Net assets	<u>23,802,631</u>	<u>23,414,369</u>
<b>Equity</b>		
Retained earnings	<u>23,802,631</u>	<u>23,414,369</u>
Total equity	<u>23,802,631</u>	<u>23,414,369</u>
<b>(b) Summarised consolidated statement of comprehensive income</b>		
Profit for the year	<u>388,262</u>	<u>329,945</u>
Total comprehensive income for the year	<u>388,262</u>	<u>329,945</u>



**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2015**

**NOTE 22: MEMBERS' GUARANTEE**

The group is incorporated under the *Corporations Act 2001* and is a group limited by guarantee. If the group is wound up, the Constitution states that each member is required to contribute to a maximum of \$2 each towards meeting any outstandings and obligations of the group.

**NOTE 23: ENTITY DETAILS**

The registered office of the group is:

Footscray Football Club Ltd trading as Western Bulldogs  
417 Barkly St  
Footscray West VIC 3012



**FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY**  
**ABN 68 005 226 595**

**DIRECTORS' DECLARATION**

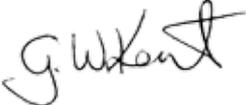
The directors of the company declare that:

1. The financial statements and notes, as set out on pages 15 - 38, are in accordance with the *Corporations Act 2001*: and
  - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and
  - (b) give a true and fair view of the financial position of the consolidated entity as at 31 October 2015 and its performance for the year ended on that date.
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 Board of Directors.

Director:   
\_\_\_\_\_

Peter Gordon

Director:   
\_\_\_\_\_

Gary Kent

Dated this 10th day of December 2015

**FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY  
ABN 68 005 226 595**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS**

We have audited the accompanying financial report of Footscray Football Club Ltd trading as Western Bulldogs and controlled entity, which comprises the consolidated statement of financial position as at 31 October 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entity it controlled at the year's end or from time to time during the financial year.

*Directors' Responsibility 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.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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*.

**FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS AND CONTROLLED ENTITY  
ABN 68 005 226 595**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS**

*Opinion*

In our opinion, the financial report of Footscray Football Club Ltd trading as Western Bulldogs and controlled entity is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 October 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.



P A JOSE

Partner

10 December 2015



PITCHER PARTNERS

Melbourne





**TEAM OF THE  
MIGHTY WEST**