WESTERN BULLDOGS

2014 FINANCIAL REPORT

Footscray Football Club Ltd trading as Western Bulldogs

ABN 68 005 226 595

Financial report
For the year ended 31 October 2014

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

DIRECTORS' REPORT

The directors present their report together with the financial report of Footscray Football Club Ltd trading as Western Bulldogs for the year ended 31 October 2014 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

Barry Hall (Resigned 25 March 2014)

Gaye Hamilton

Gary Kent

George Pappas (Resigned 19 December 2013)

Geoffrey Walsh AO (Resigned 27 May 2014)

Kylie Watson-Wheeler (Appointed 19 December 2013)

Chris Nolan (Appointed 3 March 2014)

Levent Shevki (Appointed 3 March 2014)

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 company for the year ended 31 October 2014 was a profit of $329,945 (2013: loss of $143,090).

In the current financial year, the company received distributions from the AFL Club Future Fund of $3,468,000 (2013: $2,995,000).

Review of operations

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

FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS
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DIRECTORS' REPORT

Significant changes in state of affairs

There were no significant changes in the company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this 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 2014 has seen the Western Bulldogs produce an operating profit of $329,945 compared to an operating loss of $143,090 in 2013.

Football

While the conclusion of the 2014 season will record the Western Bulldogs had one less win than in 2013(seven wins vs eight in 2013), the team achieved greater on-field consistency in 2014. The Club won more quarters of football and more games were decided by smaller margins, including 5 games lost by less than 10 points. The 2014 season was also noticeable in that a number of our high talent early round draft picks from the last few years benefited from increased game time and showed some exciting signs of their potential.

2014 saw the introduction of our stand alone VFL Side, the Footscray Bulldogs. Headed by Senior Coach, Chris Maple, the Footscray Bulldogs, showed consistency throughout the season, ultimately winning the 2014 VFL Grand Final in their inaugural year. While the introduction of a standalone Footscray VFL side has had many benefits for our overall football program, it has also provided an exciting opportunity to return community football to Whitten Oval, with six games being played at home including a final versus Williamstown. Whitten Oval is currently undergoing a further $1.5m re-development in the off season, which will include new coaches boxes, change rooms, lights and other amenities. This will ensure that Whitten Oval meets VFL and AFL minimum standards allowing us to host NAB Challenge matches in the pre-season, as well as more VFL home games in 2015. It will also provide infrastructure and amenities for more community events at Whitten Oval.

At the conclusion of the season, there was higher than usual change among our playing and staff group. This included the departure of our Captain Ryan Griffen and Senior Coach Brendan McCartney. While the departure of these key personnel resulted in a brief period of instability, the players and staff have regrouped well under new head coach Luke Beveridge and Captain Robert Murphy. Aided by a successful draft and trade period which saw the Club secure the services of 2013 number one draft pick and key power forward Tom Boyd on a long term contract along with father-son recruit Zaine Cordy, the Club has been able to address a number of positional needs in its list management and recruitment strategy. For the fourth consecutive season we have increased our football department spend in-line with our strategic objectives, this year increasing by $1.7m.

Company Performance (Continued)

Membership

In 2014, the Western Bulldogs increased its membership base by 5% finishing the season with a total of 31,725 members. This represents the highest member tally since 2011 and the third highest in the Club's history.

Positive sentiment at the completion of the 2013 season assisted to reduce member attrition on the previous year from 19% to 12%. Reduction in churn, together with increased uptake of the Club's payment plan contributed to growth in most membership categories. Targeted marketing aimed at higher yielding products, contributed to an increase in average yield per member. As a result, the departmental revenue targets were exceeded. The Club successfully utilised several of its corporate partnerships and community initiatives in 2014 acquiring new members through its:

- Sons of the West program;
- Corporate partnerships eg. Mission, Slater & Gordon, Western Health;
- WRFL Juniors & Auskick programs; and
- Extension of its partnership with Victoria University.

Each year, an independent survey report is commissioned for each AFL Club by the AFL. In 2014, the survey showed an overall decrease in member satisfaction for the Western Bulldogs, much of which can be attributed to on-field performance and some changes in key personnel at the end of the season. Although overall member satisfaction decreased, the areas of Membership Service and Member Communications showed strong improvement. This was reinforced by the Western Bulldogs' Membership Team receiving an award from the AFL as the best membership team among AFL Clubs ranked across several customer service, engagement and match day presentation metrics.

Fan Development

A strategic focus for the Club is to continue to grow and engage our overall supporter base, with the western region of Melbourne remaining a geographical priority. With the support of key stakeholders including the AFL and the five local government authorities in the west, the Club undertook a combination of online and offline activities in 2014 including:

- The continuation of the successful Bulldogs Friendly Schools program, engaging with over 15,000 primary school children through player appearances, a structured 6 week football program, curriculum driven lessons on nutrition, Western Bulldogs giveaways, tickets to Western Bulldogs home games and tours of Victoria University Whitten Oval.
- A significant grassroots football partnership with the Western Region Football League, supporting the next generation of players, members and fans.
- An increased focus on supporting female football through the continuation of the AFL Women's Exhibition match – hosted for the first time at Etihad Stadium, supporting the Victorian Women's Football League Academy at Whitten Oval during the pre-season and the development of two All Girls Auskick centres – a first for an AFL club.
- Community programs delivered through the Spiritwest Foundation including FRESH, Disability Training services, Multicultural & Settlement Programs, our local Koori youth initiative, Nallei Jerring and the Youth leadership focussed Whitten Project
- The establishment of the Sons of the West program, a community health initiative that is about supporting

Company Performance (Continued)

men living and working in Melbourne's West to lead healthier lives.

• Increasing the amount of activity and colour on match day through club specific big screen content, a club specific match day MC and support of AFL themed rounds including Indigenous Round and Multicultural Round.

• Player and mascot appearances across key community events.

• Match day activities and theming at Victoria University Whitten Oval VFL matches.

• The introduction of Bulldogs Pack Rewards – a website rewarding your support and attendance at Western Bulldogs events.

• A dedicated fanzone in the Victory Room on match days at Etihad Stadium along with the Footscray End at gate 7.

Events

Throughout 2014 the Western Bulldogs delivered a range of successful events that were well supported by members, fans and corporate guests.

The Club started the year with the annual Western Bulldogs Family Day held at Victoria University Whitten Oval. Although there were extreme weather conditions on the day, the event attracted a crowd of over 6,000 members and fans. This year the event incorporated an open training session and player jumper presentation, which was well received by Club supporters.

At the beginning of the season, the Club hosted the 2014 Season Launch at Crown Palladium. Over 800 guests attended to witness Brad Johnson and other Club greats inducted into the Western Bulldogs Hall of Fame. To celebrate his appointment as an official Club Ambassador, guests enjoyed a delicious three course menu prepared by Shane Delia.

Following its success in previous years, the Club once again hosted two luncheons for the Central Bulldogs District (CBD) in 2014. The first was held at the Mercedes Benz Showroom Melbourne, which attracted an intimate crowd of 70 guests. Guests were able to enjoy an impressive four course lunch prepared by Shane Delia, while hearing from Western Bulldogs staff and players. The second CBD Luncheon was held at the RACV Club Melbourne. This attracted over 350 guests, who heard from Chief Executive Officers from a number of AFL Clubs along with a star studded footy panel.

To celebrate women in football, the Club hosted an event in Round 15 in conjunction with the AFL Women's Exhibition Match. Hosted by Emily Angwin, guests were able to hear from prominent females within the AFL industry while witnessing the two women's AFL teams battle it out.

In 2014 the Club hosted five home games and a VFL final at Victoria University Whiten Oval. Thousands of supporters flocked to the Victoria University Whitten Oval to support the Footscray Bulldogs throughout the season, including a crowd of over 7,000 for the semi-final match against Williamstown.

The pinnacle of the Western Bulldogs events calendar was held in September, when the Club hosted the 2014 Charles Sutton Medal (Best & Fairest). Attracting a crowd of over 900 guests, tribute was paid to Club great Daniel Giansiracusa and Tom Liberatore was anointed the 2014 Charles Sutton Medallist.

Company Performance (Continued)
SpiritWest Services

SpiritWest Services was faced with a number of challenges in 2014 as a result of government policy changes across its three key areas of Community Training, Community Education and Community Engagement. Unfortunately a number of these policy changes have forced the Club to make the difficult decision to close one of our core community programs, Fresh, with the final classes graduating in November 2014.

The Fresh program has been run by the Western Bulldogs for 10 years, providing opportunities to over 600 young people from Melbourne's west with a fresh start. With more disengaged young people achieving higher outcomes throughout the years, Fresh has literally changed the lives of hundreds of young people in the west. We are extremely proud of the work Fresh has been able to achieve and are grateful for the opportunity to work with the most challenging young people from Melbourne's west. We would like to thank the numerous organisations and individuals who have contributed to the Fresh program over 10 years.

In 2014, the Community Training team supported 100 people with a disability from service providers Mambourin, Annecto and Distinctive Options through Work Education and General Education certificates as well as through social participation opportunities.

The Club's community RecLink team gained significant momentum this year with a formal partnership established between Latitude: Directions for Young People, an Altona-based organisation providing transitional housing and community support for at-risk young people and the Western Bulldogs resulting in the WynBay team adopting the Bulldogs moniker. WynBay Bulldogs consists of men and women who are affected by homelessness and disadvantage. In 2014, the team underwent training in conflict resolution, communication, leadership, relationships, alcohol and domestic violence on its way to a record breaking season in the Reclink league.

The Club continued to lead the way in multicultural and settlement services, engaging with over 3,000 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, computer training for refugees, CALDplay sports programs and humanitarian youth activities.

Commercial Partnerships

In 2014 the Club achieved its highest commercial partnerships revenue on record and renewed its major partner sponsorship with Mission Foods for a further 3 years, which will make Mission the longest serving major partner of the Western Bulldogs. A number of new partners came on board for the 2014 season including White King (Ball partner) and Vic Health (Platinum Men's Health Partner). The first year of the Sons of the West Men's Health program was a significant success for the Club both in terms of the men it connected with in the west but also the level of corporate and community support for the program. Corporate hospitality across the industry was down in 2014 and the Western Bulldogs followed this trend. A number of new inner sanctum events were tested in 2014, providing innovative offerings. The success of these events will see us focus in the future on delivering higher end offerings to increase revenue and profitability.

Coterie groups were not immune to the downturn in corporate hospitality with numbers declining slightly on prior year and attendees to match day functions down on prior year. This can partly be attributed to on

Company Performance (Continued)

field performance and the number of Sunday games in the 2014 fixture.

With a number of branded sponsorship assets excluded from the renewed Mission major partnership agreement, a lot of work has been undertaken to secure new Premier Partners for the 2015 season.

Consumer Products

A focus for consumer products in 2014 was to reduce stock and position for the launch of the Club's new logo. This was done successfully and feedback on the new logo merchandise has been extremely positive. The mid-season mega sale was again the biggest sales event for the year with the one day only clearance style sale in the Mission Elite Learning Centre producing a strong result and providing an opportunity to clear a significant amount of old stock.

A significant change was made to the online merchandise business with the Club transitioning away from the long term IMG model to the Infinite Retail model under which most costs and fulfilment obligations are outsourced to a third party provider who provides the Club with a straight percentage of revenue for all sales. This will result in significant cost savings, including staffing changes, and improve the profitability of our online merchandise business. Approximately seven AFL teams have now transitioned to the Infinite Retail model.

The Club sold merchandise at AFL & VFL home and away games throughout the season at Whitten Oval, Etihad Stadium, Simonds Stadium, Cazaly Stadium in Cairns and many club events. The return of games to Whitten Oval provided additional sales opportunities, increasing sales and foot traffic.

For the first time in the history of the Club the Western Bulldogs wore an Indigenous Guernsey in Round 11 this year. It was the most popular merchandise item for the year and saw strong sales of the Guernseys leading up to and during Round 11. Working with current and past Indigenous players at the Club a collaborative design was produced and commercialised.

The newly created logo (launched in October 2014) is expected to create significant sales opportunities and will see a range of great new products available for fans to purchase in 2015.

Entertainment Venues

The Club's entertainment venues, Club Leeds in Footscray and the Peninsula Club in Dromana, continued to provide members with access to a range of social and entertainment facilities. In 2014, the Government's Community Benefits Statement issued by the Club, confirmed that we funded almost $2.5 million of community benefits from these venues, far in excess of the minimum statutory requirements.
The Club owns the freehold land and buildings at the Peninsula Club which continues to grow its food and beverage offering to a wider group of members and fans. Planning is well progressed for a number of improvements to the facilities which should increase attendance, including a large semi-enclosed decked area at the front of the Club and the installation of an additional 15 gaming machines.

Construction of the Club's Edgewater Development is well underway and the Club expects the facility will open in the second half of 2015. This important venture, which is in close proximity to Whitten Oval, will provide members with a contemporary and vibrant social venue with a range of entertainment, food and beverage and accommodation options.

Company Performance (Continued)

Communications

In 2014, the Communications department continued to positively promote the Club while protecting the Western Bulldogs brand though best practice risk and crisis management – generating its highest annual media exposure value since records were taken in 2004. (Repucom, end of season report, 2014)
For the second year running the team scored its highest total of 8.2 (out of ten) in the annual comprehensive member satisfaction benchmarking survey - conducted by an external agency appointed by the AFL, reflecting the departments' focus on creating high quality editorial, digital and design content for all Western Bulldogs communication platforms.

Sons of the West emerged as the Club's most media friendly community program due to its uniqueness, and along with other key community brands provided significant opportunities for additional media coverage and highlighted the Western Bulldogs' standing as the community Club of the AFL.

The Club's digital platforms continue to grow, achieving record traffic levels for both web and content consumption. All time monthly highs were set for unique browsers (176,548), page impressions (1,267,182) and video views (164,093) across the Club's digital channels in 2014. Average monthly website audience (unique browsers) and video streams increased by 40% and 48% year-on-year respectively, to record year-end monthly averages of 114,274 unique browsers per month, and 112,321 video streams.

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 company, the results of those operations, or the state of affairs of the company in future financial years.

Likely developments

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

Environmental regulation

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

FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS
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DIRECTORS' REPORT

Information on directors

Peter Gordon	President and Chairman
Qualifications	Bachelor of Laws, Melbourne University Admitted as a barrister and solicitor of the Supreme Court of Victoria, New South Wales and Western Australia Admitted as a barrister and solicitor to the High Court of Australia and previously admitted in various jurisdictions in the United States.
Experience	Chairman and Senior Partner, Slater & Gordon (1980-2009) Director, Gordon Legal (2009 to date) 2010 to date – Director of Comprehensive Legal Funding LLC; Board member of VicHealth (since 2006-2011) Deputy Chair of VicHealth 2008-2011; and from 2012 to date President of Footscray (Western Bulldogs) Football Club 1989-1996 Directors, Australian Football League1989-1993 Chair of Victoria Walks 2009-2011 Founding Co-Chair of the McCabe centre for Law and Cancer
Dr Susan Alberti AO HonLLD	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

DIRECTORS' REPORT

Information on directors (Continued)

Chris Grant	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)
Barry Hall (Resigned 25 March 2014)	Whitten Oval Redevelopment
Experience	Director, W.J Drever Pty Ltd Director, Hall Management Services Pty Ltd Director, Hanleigh Pines Pty Ltd Director Proclam Pty Ltd Director, Sundance Land Holdings Pty Ltd Director, River Gum on the Murray Pty Ltd Director, BRH Nominees Pty Ltd Director, AMT Resort Pty Ltd Director, Langford Property Group Pty Ltd
Gaye Hamilton	SpiritWest Services
Qualifications	Bachelor of Science Education (Melbourne)
Experience	Director, Queen Victoria Women's Trust Centre Director, State Sports Centre Trust Director, People & Parks Foundation Director, Western Chances Council Member, Victoria University
Gary Kent	Finance
Qualifications	Bachelor of Economics Harvard Business School Advanced Management Program Graduate of the Institute of Company Directors Associate of the Institute of Charted Accountants
Experience	Chief Financial Officer Skilled Group (May 2012 to current) 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)

DIRECTORS' REPORT

Information on directors (Continued)

George Pappas	
(Resigned 19 December 2013)	Planning and Strategy
Qualifications	Bachelor of Economics (Monash University) MBA (Harvard Business School)
Experience	Senior Advisor, The Boston Consulting Group Chairman, Committee for Melbourne Chairman, Energy Matters Pty Ltd Chancellor, Victoria University
Geoffrey Walsh AO	
(Resigned 27 May 2014)	Government Relations
Qualifications	Bachelor of Arts (La Trobe University)
Experience	Special Advisor, BHP Billiton National Secretary, Australian Labour Party 2000-2003 Former Chief of Staff to Premier Steve Bracks & Prime Minister Paul Keating Australian Consul-General, Hong Kong 1995-1998 Board Member, Andrology Australia Board Member, Obesity Australia Officer of the Order of Australia (2005)
Kylie Watson-Wheeler	
(Appointed 19 December 2013)	
Experience	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 Chairperson of Walt Disney International's cross-business Marketing Taskforce for the Australia and New Zealand team Director of Advertising and Brand Management, Hallmark Cards Inc., based in Kansas City, USA Various Marketing positions at Coca-Cola Amatil and Penguin Books

Information on directors (Continued)

Chris Nolan
(Appointed 3 March 2014)

Qualifications	Bachelor of Science
Experience	Chief Executive Officer and Director, Starcom MediaVest Group Executive Committee Member, Media Federation of Australia Director, Melbourne Food and Wine Festival Board Member, The Alfred Hospital Foundation

Levent Shevki
(Appointed 3 March 2014)

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)

Meetings of directors

Directors	Directors' meetings	
	Number eligible to attend	Number attended
Peter Gordon	9	8
Dr Susan Alberti AO HonLLD	9	8
Chris Grant	9	7
Barry Hall (Resigned 25 March 2014)	3	3
Gaye Hamilton	9	9
Gary Kent	9	8
George Pappas (Resigned 19 December 2013)	1	1
Geoffrey Walsh AO (Resigned 27 May 2014)	6	6
Kylie Watson-Wheeler (Appointed 19 December 2013)	7	7
Chris Nolan (Appointed 3 March 2014)	4	4
Levent Shevki (Appointed 3 March 2014)	6	4

Members guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company 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 company.

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DIRECTORS' REPORT

Indemnification of officers

During or since the end of the year, the company 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 company 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 company.

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 company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company 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 2014

PITCHER PARTNERS

FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS
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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 2014, 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.

P A JOSE

Partner

PITCHER PARTNERS

Melbourne

10 December 2014

FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2014

	Note	2014 $	2013 $
Revenue and other income			
Revenue from Operating Activities	3	37,538,814	34,052,817
		37,538,814	34,052,817
Less: expenses			
Administration expenses		(4,381,829)	(4,232,205)
Borrowing costs	4	(550,391)	(533,389)
Business Development Expense		(2,292,334)	(2,134,741)
Membership Expense		(2,673,636)	(2,917,131)
Hospitality Expense		(4,542,642)	(4,207,453)
Event Expenses		(731,452)	(664,764)
Consumer Products Expense		(999,785)	(1,057,946)
SpiritWest Expense		(934,804)	(822,995)
Communication Expense		(1,329,630)	(658,796)
Football Department Expense		(18,748,660)	(16,966,102)
Other expenses		(23,706)	(385)
		(37,208,869)	(34,195,907)
Profit / (loss) for the year		329,945	(143,090)
Total comprehensive income / (loss)		329,945	(143,090)

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STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2014

	Note	2014 $	2013 $
Current assets			
Cash and cash equivalents	6	2,983,904	2,995,962
Receivables	7	955,742	1,054,013
Inventories	8	96,526	351,861
Other assets	9	45,368	234,336
Total current assets		4,081,540	4,636,172
Non-current assets			
Intangible assets	10	5,068,514	5,303,851
Property, plant and equipment	11	30,670,467	31,618,569
Total non-current assets		35,738,981	36,922,420
Total assets		39,820,521	41,558,592
Current liabilities			
Payables	12	7,297,054	7,179,653
Borrowings	13	3,419,116	4,198,669
Provisions	14	513,518	366,628
Other liabilities	15	1,135,509	994,770
Total current liabilities		12,365,197	12,739,720
Non-current liabilities			
Payables	12	2,112,978	3,234,589
Borrowings	13	1,902,821	2,351,319
Provisions	14	25,156	148,540
Total non-current liabilities		4,040,955	5,734,448
Total liabilities		16,406,152	18,474,168
Net assets		23,414,369	23,084,424
Equity			
Retained earnings	16	23,414,369	23,084,424
Total equity		23,414,369	23,084,424

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2014

	Retained earnings $	Total equity $
Balance as at 1 November 2012	23,227,514	23,227,514
Loss for the year	(143,090)	(143,090)
Total comprehensive income for the year	(143,090)	(143,090)
Balance as at 1 November 2013	23,084,424	23,084,424
Profit for the year	329,945	329,945
Total comprehensive income for the year	329,945	329,945
Balance as at 31 October 2014	23,414,369	23,414,369

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2014

	Note	2014 $	2013 $
Cash flow from operating activities			
Receipts from customers		41,465,883	37,846,949
Payments to suppliers and employees		(38,513,949)	(35,684,230)
Interest received		65,822	48,078
Interest paid		(387,487)	(332,067)
Net cash provided by operating activities		2,630,269	1,878,730
Cash flow from investing activities			
Payment for gaming entitlements		(786,715)	(968,267)
Payment for property, plant and equipment		(280,998)	(585,998)
Net cash used in investing activities		(1,067,713)	(1,554,265)
Cash flow from financing activities			
Repayment of other loan		(474,614)	(360,361)
(Repayment) / proceeds of commerical bill		(800,000)	426,000
(Repayment) / proceeds of related party loan		(300,000)	1,000,000
Net cash (used in) / provided by financing activities		(1,574,614)	1,065,639
Reconciliation of cash			
Cash at beginning of the financial year		2,995,962	1,605,858
Net (decrease) / increase in cash held		(12,058)	1,390,104
Cash at end of financial year	6	2,983,904	2,995,962

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2014

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 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. Footscray Football Club Ltd trading as Western Bulldogs is a company limited by guarantee, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the company 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 2014, the Western Bulldogs has a current asset deficiency of $8,283,657 (2013: $8,103,548). 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 $3.65 million from the Club Future Fund which is predominately tagged to specific initiatives. This is to be paid during the 2015 financial year subject to certain criteria being met.

- The AFL have provided a bank guarantee totalling $4.55 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.

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 funds it 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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) 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).

(d) Income tax

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) 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.

(f) Financial instruments

Classification

The company 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 and 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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) 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 fixed assets is depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

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

Class of fixed asset	Depreciation rates	Depreciation basis
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

(h) 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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) 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.

(i) Impairment of non-financial assets

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may 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.

(j) Provisions

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

(k) 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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) 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.

(l) 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.

(m) Goods and services tax (GST)

Revenues, expenses and 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 statement of financial position are shown inclusive of GST.

Cash flows are presented in the 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.

(n) Comparatives

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Club Future Fund Distributions

The AFL has committed to supporting the company in the 2015 financial year with a payment of $3.65 million from the Club Future Fund (2014: $3.47 million).

NOTE 2: CRITICAL 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:	13% - 15.5%
iii)	Net Machine Revenue (NMR):	$192 - $343

NOTE 3: REVENUE AND OTHER INCOME

(a) Revenue from operating activities		
AFL sourced income	9,372,004	8,410,371
AFL - Club Future Fund	2,810,000	2,995,000
Gate receipts/match returns	1,543,716	1,240,180
Communications	1,157,184	273,969
Business Development	7,519,934	7,183,310
Membership	4,791,973	4,527,374
Hospitality	5,376,725	5,153,153
Events and fundraising	931,942	937,184
Consumer products	856,147	884,451
SpiritWest services	756,842	822,721
Other income	2,250,508	1,425,104
Other revenue	171,839	200,000
	37,538,814	34,052,817

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2014

	2014 $	2013 $
NOTE 4: OPERATING PROFIT / (LOSS)		
Profit / (loss) for the year has been determined after:		
Depreciation	1,229,101	1,255,770
Amortisation	235,337	235,326
Bad debts	17,000	33,455
Impairment losses - trade and other receivables	(3,601)	-
Employee benefits	19,024,964	17,856,594
Interest expense	550,391	533,389
Rental expense on operating leases	275,656	376,305
NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION		
Compensation received by key management personnel of the company	1,307,285	1,150,299
NOTE 6: CASH AND CASH EQUIVALENTS		
Cash on hand	93,819	94,943
Cash at bank	2,890,085	2,901,019
	2,983,904	2,995,962
NOTE 7: RECEIVABLES		
CURRENT		
Trade debtors	951,132	1,038,688
Impairment loss	-	(3,601)
	951,132	1,035,087
Other receivables	4,610	18,926
	955,742	1,054,013

	2014 $	2013 $

NOTE 7: RECEIVABLES (CONTINUED)

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 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:

	2014 $	2013 $
Opening balance at 1 November	3,601	14,601
Amounts written off	(3,601)	(11,000)
Closing balance at 31 October	-	3,601

NOTE 8: INVENTORIES

CURRENT		
At net realisable value		
Bulldogs Shop Merchandise	71,187	329,466
Food and liquor	25,339	22,395
	96,526	351,861
Write downs of inventories to net realisable value recognised as an expense during the year	54,289	30,000

NOTE 9: OTHER ASSETS

CURRENT		
Prepayments	45,368	190,270
Unexpired Contra Services	-	44,066
	45,368	234,336

NOTE 10: INTANGIBLE ASSETS

Goodwill at cost	735,493	735,493
Provision for impairment loss	(20,571)	(20,571)
	714,922	714,922

	2014 $	2013 $
NOTE 10: INTANGIBLE ASSETS (CONTINUED)		
Gaming Entitlements	4,841,330	4,841,330
Accumulated amortisation	(512,972)	(280,905)
	4,328,358	4,560,425
Lease acquisition costs	80,000	80,000
Accumulated amortisation	(54,766)	(51,496)
	25,234	28,504
Total intangible assets	5,068,514	5,303,851
(a) Reconciliations		
Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year		
Goodwill at cost		
Opening balance	714,922	714,922
Closing balance	714,922	714,922
Gaming Entitlements		
Opening balance	4,560,425	4,792,481
Amortisation expense	(232,067)	(232,056)
Closing balance	4,328,358	4,560,425
Lease acquisition costs		
Opening balance	28,504	31,774
Amortisation expense	(3,270)	(3,270)
Closing balance	25,234	28,504
NOTE 11: PROPERTY, PLANT AND EQUIPMENT		
Land and buildings		
At cost	542,695	542,695
Accumulated depreciation	(52,597)	(39,029)
	490,098	503,666
Whitten Oval and Leasehold Improvements		
At cost	33,047,389	32,962,225
Accumulated depreciation	(4,712,514)	(3,785,247)
Whitten Oval and Leasehold Improvements	28,334,875	29,176,978

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2014

	2014 $	2013 $
NOTE 11: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
Plant and equipment		
Plant and equipment at cost	3,363,301	3,306,126
Accumulated depreciation	(2,157,432)	(1,869,168)
	1,205,869	1,436,958
Capitalised leasehold costs	646,492	507,834
Accumulated amortisation	(6,867)	(6,867)
	639,625	500,967
Total plant and equipment	1,845,494	1,937,925
Total property, plant and equipment	30,670,467	31,618,569
(a) Reconciliations		
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
Land and buildings		
Opening carrying amount	503,666	517,233
Depreciation expense	(13,568)	(13,567)
Closing carrying amount	490,098	503,666
Whitten Oval and leasehold improvements		
Opening carrying amount	29,176,978	30,017,610
Additions	85,164	85,677
Depreciation expense	(927,267)	(926,309)
Closing carrying amount	28,334,875	29,176,978
Plant and equipment		
Opening carrying amount	1,436,958	1,422,254
Additions	57,176	330,598
Depreciation expense	(288,265)	(315,894)
Closing carrying amount	1,205,869	1,436,958
Capitalised leasehold costs		
Opening carrying amount	500,967	331,244
Additions	138,658	169,723
Closing carrying amount	639,625	500,967

		2014 $	2013 $
NOTE 11: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)			
(a) Reconciliations (Continued)			
Total property, plant and equipment			
Carrying amount at 1 November		31,618,569	32,288,341
Additions		280,998	585,998
Depreciation expense		(1,229,100)	(1,255,770)
Carrying amount at 31 October		30,670,467	31,618,569
NOTE 12: PAYABLES			
CURRENT			
Unsecured liabilities			
Trade creditors		5,332,072	4,925,686
Sundry creditors and accrued expenses		1,141,956	1,285,700
Payable for gaming machine entitlements		823,026	968,267
		7,297,054	7,179,653
NON CURRENT			
Unsecured liabilities			
Other payables		479,030	813,926
Payable for gaming machine entitlements		1,633,948	2,420,663
		2,112,978	3,234,589
NOTE 13: BORROWINGS			
CURRENT			
Secured liabilities			
Commercial bill		3,282,000	4,082,000
Other loan		137,116	116,669
		3,419,116	4,198,669
NON CURRENT			
Unsecured liabilities			
Loan from related party	17	500,000	800,000
Secured liabilities			
Other loan		1,402,821	1,551,319
		1,902,821	2,351,319

		2014	2013
		$	$

NOTE 13: BORROWINGS (CONTINUED)

(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 $4,550,000 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.

NOTE 14: PROVISIONS

CURRENT			
Employee benefits	(a)	513,518	366,628
NON CURRENT			
Employee benefits	(a)	25,156	148,540
(a) Aggregate employee benefits liability		538,674	515,168

NOTE 15: OTHER LIABILITIES

CURRENT			
Income in Advance		1,135,509	994,770

NOTE 16: RETAINED EARNINGS

Retained earnings at beginning of year	23,084,424	23,227,514
Net profit / (loss)	329,945	(143,090)
	23,414,369	23,084,424

NOTE 17: 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 a loan from a director or his related entities. This loan totalled $1million of which $500,000 is outstanding at 31 October 2014. The loan is interest free and unsecured, and the director or his related entities have given undertakings this loan will not be called on for a period of 12 months from financial year end.

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.

	2014	2013
	$	$
Amounts due to related parties	500,000	800,000
Corporate Sponsorship	385,000	381,414

(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.

	2014	2013
	$	$

NOTE 18: 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 2014 in the event of termination are $4,605,574 for the premises contribution and $1,050,000 for the fit-out contribution.

In 2014, the Club has 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.

(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	39,116	291,675
Later than one year but not later than five years	156,464	417,403
Later than five years	547,623	586,739
	743,203	1,295,817

(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	717,024	696,140
Later than one year but not later than five years	7,896,040	7,666,058
Later than five years	8,396,067	10,458,444
	17,009,131	18,820,642

	2014	2013
	$	$

NOTE 18: COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

(d) Edgewater Development

The Club entered into a 10 year operating lease agreement with Edgewater developers. Edgewater is due to commence operations in July 2015 upon which date lease payments shall commence.

The Edgewater development has accomodation facilities. The Club have entered into a further sub lease with Quest for an equivalent 10 year operating lease for the accomodation facilities. Sub lease receipts shall commence in July 2015.

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	14,733,333	-
	26,000,000	-

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	3,655,000	-
	6,450,000	-

(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 19: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 31 October 2014 that has significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 31 October 2014, of the company, or
(b) the results of those operations, or
(c) the state of affairs, in financial years subsequent to 31 October 2014, of the company.

NOTE 20: MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company 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 company.

NOTE 21: COMPANY DETAILS

The registered office of the company is:

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

FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS
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 14 - 34, 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 as at 31 October 2014 and performance for the year ended on that date of the company.

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 2014

FOOTSCRAY FOOTBALL CLUB LTD TRADING AS WESTERN BULLDOGS
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, which comprises the statement of financial position as at 31 October 2014, the statement of comprehensive income, statement of changes in equity and 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.

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
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 is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the company's financial position as at 31 October 2014 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

PITCHER PARTNERS

Melbourne

10 December 2014

WESTERN BULLDOGS

MISSION

MAJOR PARTNER