

2023 **FINANCIAL REPORT**





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Club Financial Performance

For the year ended 31 October 2023, the Western Bulldogs reported a total net profit of \$26,275,951 (2022: \$5,188,421).

This includes a loss from operations (before Redevelopment Activities) of \$6,051,332 (2022: \$1,363,857 profit). Included in the loss from operations are legal damages and costs arising from the jury judgement delivered in the recent Supreme Court case involving the Club totalling \$7,430,490. The Club intends to appeal this judgement, with any financial adjustment to the judgement arising from a successful appeal to be recognised as a change in estimate in subsequent years.

The Club's underlying operating profit for the year ended 31 October 2023 was \$1,379,158 (2022: \$1,363,857).

Also included in total net profit is a surplus from redevelopment activities of \$32,327,283 (2022: \$3,824,563). The Club's redevelopment activities, which began in 2018, have been separately identified in the financial report. This accounts for the significant grants the Club has secured in support of our ongoing redevelopment efforts. All qualifying redevelopment expenditure has been capitalised to the Club's balance sheet as work in progress.

Reconciliation of Operating Result	2023	2022
Total Comprehensive Income (net profit)	26,275,951	5,188,421
Less Surplus from Redevelopment Activities	(32,327,283)	(3,824,564)
Operating (Loss)/Profit	(6,051,332)	1,363,857
Add back Legal damages and costs	7,430,490	-
Underlying profit before legal damages and costs	1,379,158	1,363,857

The Club had an operating cash flow of \$2,861,531 for the year ended 31 October 2023, and reported net assets of \$88,507,090 and a net current asset deficit of \$718,741 at balance date (a decrease of \$11,900,620 from \$11,181,879 at 31 October 2022 which is largely due to the provision for legal judgement and costs included in current liabilities).

Noteworthy contributions to this surplus include substantial support from State and Federal Government grants, amounting to \$38,228,008. Non-capitalised costs accounted for \$646,989, while assets written off during the year totalled \$5,253,736 as the redevelopment design and construction plans were finalised.





Consumer, Marketing and Communications

The Club achieved a second consecutive membership record, finishing the 2023 season with 56,317 members, representing 11% growth on our 2022 record total. The Club was one of only five AFL Clubs to achieve double-digit growth year on year.

This result is inclusive of the 3,220 Season 8 AFLW Members, with home games returning to Whitten Oval. With a heavily reduced capacity due to the ongoing redevelopment, an average crowd of 2,600 attended the venue.

Members and fans helped ensure a strong result for total AFL attendances at both Marvel Stadium and Mars Stadium in Ballarat in 2023. A total of 294,313 fans attended the Club's nine home games at Marvel Stadium for an average home crowd result of 32,701, an increase of 15% on 2022 attendances.

The Club's highest attended game was against the eventual 2023 premier, Collingwood in Round 17 with a total crowd of 43,482. Games against Adelaide and GWS at Mars Stadium attracted crowds of 10,114 and 9,080 respectively, 16% growth on 2022 Ballarat crowds.

Off the field, the Club continued its focus in further embedding the Bulldog brand throughout the local community, with a focus on schools' engagement and community partnerships.

The Club supported up to 200 local activations throughout 2023 and delivered several football-led programs involving both AFL and AFLW players, including through its Community Camp in Ballarat & Ararat.

Football

From an on-field perspective, the 2023 season for our men's and women's football programs were characterised by inconsistency which ultimately fell below the Club's high expectations.

For our AFL team, we narrowly missed playing in our fifth straight finals series, despite showing glimpses of strong form including beating three of the four eventual preliminary finalists. Ultimately, our inconsistency and failure to win a number of close games proved costly.

This led to a period of closer assessment of our football program, with the aim of identifying areas where improvement could be found, and to achieve a regeneration of a number of areas within our football program.

Despite this, the AFL team was able to celebrate the outstanding seasons of many individual players.

Marcus Bontempelli produced another outstanding season in the red, white and blue, finishing runner-up in the Brownlow Medal, winning a fifth Charles Sutton Medal, winning his second AFLPA Most Valuable Player award and being named vice-captain of the All-Australian team, his fifth All-Australian selection.

Congratulations also to Tom Liberatore and Ed Richards for finishing second and third respectively in the 2023 Charles Sutton Medal.

Tim English capped off a brilliant year by being named as the ruckman in the All-Australian team for the first time.

The Club completed a successful AFL Trade Period, acquiring the services of Nick Coffield (St Kilda) and James Harmes (Melbourne), and it secured two first round selections in the National Draft in Ryley Sanders at pick 6 and father-son prospect Jordan Croft at pick 15.

The AFLW season did not meet expectations, with just one win from 10 matches. In a challenging season the team continued to strive for improvement with extensive injuries resulting in VFLW top-up players being required to play in the final rounds.

The Club parted ways with Senior Coach Nathan Burke after five seasons and now will undertake a thorough review with the intent of re-establishing the AFLW program as one of the competition's best.

Pleasingly, the Club was able to return to play games at Whitten Oval in the back half of the season, and it was fantastic to have fans back to watch the players at our spiritual home as the redevelopment came to life.

Congratulations to Ellie Blackburn, who led the team brilliantly under difficult circumstances, earning her eighth appearance in the AFLW All-Australian squad.

The Club's VFL team started its campaign slowly but stormed into the finals on the back of 10-straight wins.

While their run was ultimately halted in the second week of finals in the Semi Final against Box Hill, the team can be proud of its strong performance in the second half of the season.

Lachie Sullivan was crowned Footscray's Best and Fairest for a second consecutive year, finished runner-up in the VFL's JJ Liston Trophy and was named vice-captain in the VFL's Team of the Year.

The Bulldogs' VFLW team showed significant improvement from the previous season. Despite winning three games for the 2023 campaign, the young and exciting squad was unfortunate to be on the wrong side of several close games.

The clear focus for 2024 is to continue to improve and invest in both the men's and women's football programs, and take advantage of the amazing new facility at Whitten Oval, and to ultimately give the players the best opportunity to succeed.





Commercial & Strategy

2023 saw the renewal of several key Club partnerships with Mission Foods, CoinSpot, Victoria University, People's Choice and McDonalds all recommitting to the Club on long term agreements. This includes a 5-year extension that will see Mission Foods achieve 20-years of Major Partnership with the Western Bulldogs in 2028.

Partners of the Club continued to receive high levels of exposure with total Club media value growing to \$64.8m across the home and away season representing a 2% increase on the prior year. The Club continues to receive strong support from AFLW partners with CoinSpot, Pancake Parlour and Victoria University all committing to future year extensions.

Commercial highlights for the year include significant new partnerships revenue, the execution of two Performance Leadership short courses, the launch of a joint venture education program with Victoria University (graduate certificate in strength and conditioning), another successful Retro Round merchandise campaign, and growth in the coterie supporter base.

The Club would also like to thank the following groups for their unwavering support:

- All AFL and AFLW program key partners including Mission Foods, CoinSpot, Pedigree, ASICS, Victoria University, Victorian State Government, City of Ballarat, Priceline Pharmacy, The Pancake Parlour, People's Choice, Airport Toyota, McDonalds and Mars Wrigley.
- Key supporter groups in the Coaches Club and Locker Group.
- Key coterie groups in Westerners, AFL and AFLW Player Sponsors.

Western Bulldogs Forever Foundation

The Club successfully established the Western Bulldogs Forever Foundation in the prior year. The Western Bulldogs Forever Foundation is the Club's philanthropic and fundraising arm, supporting Club initiatives in football, community, and heritage.

The Western Bulldogs Forever Foundation commenced a major capital fundraising appeal – Forever a Bulldog...Our Club, Our Legacy, Forever in the 2023 year to raise funds for the Club's redevelopment of Whitten Oval.

In the 2023 financial year, over \$5.5 million of funds were pledged through the Western Bulldogs Forever Foundation, with over \$2 million received before 31 October 2023.

The Club would like to acknowledge and thank our current donors for their support.

Redevelopment

The Whitten Oval Redevelopment has seen significant progress achieved in 2023.

The new oval, landscaped surrounds, light towers, Match Day Pavilion and Indoor Training Field were all completed during the year, with the triumphant return of AFLW Matches to the venue. Works on the player facilities in the VU High Performance Centre, including the new gym, aquatic facilities, changerooms and treatment areas are progressing well. The Club is excited for the Whitten Stand works and establishment of the Women's Health and Leadership Hub to reach completion in 2024.



Western Bulldogs Community Foundation

2023 was another impactful year for the Western Bulldogs Community Foundation, building on success from previous years while expanding the scope and size of our operations. 3,585 individuals participated in our targeted, evidence-based community programs across Health and Wellbeing, Youth Leadership, and Diversity. While over 17,000 people from a wide variety of backgrounds, cultures, and genders engaged with Foundation activities across the western corridor of Melbourne and Victoria.

The Foundation successfully delivered four key events: an International Women's Day event, a Cultural Diversity Week panel, Youth Fest in the West, and a community-focused Mental Health Week event, with a total attendance of around 700 people. We also supported a range of community events and festivals in-person and digitally throughout the year.

The programs benefitted from 15 AFL and AFLW players who joined us throughout the year across a variety of workshops, events, and special occasions. Their contribution to programs is a drawcard for many participants, helping to build awareness of the Foundation within the community.

Our longstanding partnership with Victoria University expanded, with the introduction of the WBCF School Workshops. The initiative will equip at least 600 secondary school students a year with tools to succeed and thrive. The Foundation has also strengthened our financial stability through key partnerships.

The Victorian State Government committed to a \$3.2 million investment over four years to support program delivery, and WorkSafe Victoria has extended its support as Major Partner. Through partnerships with over 100 commercial, government and community organisations, the Foundation continues to bring impact that inspires, for our communities, across our heartland.



DIGITAL & MEMBERS

56,317 MEMBERS

SEASON 8
AFLW MEMBERS

3,220

HIGHEST
ATTENDED
GAME

43,482

V COLLINGWOOD R17

32,701

avg. home crowd result of (+15% YoY)

294,313

Fans attended the Club's nine home games
at Marvel Stadium (+39,830 YoY)

+26%

Tik Tok Follower
growth

3 games with crowds over

40,000

 PEOPLE

Featured in

4

of the

attended games at Marvel Stadium

TOP

10

SPONSORSHIP

5 YEAR EXTENSION

that will see Mission Foods achieve 20-years of Major Partnership with the Western Bulldogs by 2028.

Club media value growing to

\$64.8m

across the home and away season
representing a 2% increase YoY

FOUNDATION

3,585

individuals participated in our
community programs

VICTORIAN STATE GOVERNMENT COMMITMENT

\$3.2 MILLION

investment over four years

OVER 100

community partners

OVER 17,000

people engaged with Foundation activities



Board of Directors



Kylie Watson-Wheeler

President

Appointed Director December 2013
Appointed President December 2020.

Qualifications

- Graduate Diploma Communications, Marketing and PR (University of Canberra);
- Bachelor of Arts (B.A.), Politics and English Literature (Monash University).

Experience

- The Walt Disney Company Australia & New Zealand - Managing Director
- The Walt Disney Company (Australia) Pty Ltd - Company Director
- Mentone Grammar – Director
- Twentieth Century Fox Film Corporation (Australia) Pty Ltd – Director
- The Motion Pictures Distribution Association of Australia (MPDAA) – Director
- The Australian Ballet – Director
- Western Bulldogs - Member of Finance, Audit & Risk Management Committee



Ameet Bains

CEO and Director

Appointed January 2018

Qualifications

- Bachelor of Laws (Hons) (Monash University);
- Bachelor of Business, Banking and Finance (Monash University).

Experience

- SpiritWest Foundation Ltd trading as Western Bulldogs Community Foundation - Executive Director;
- Western Bulldogs Forever Foundation Pty Ltd - Executive Director;
- West of Melbourne Economic Development Alliance - Non-Executive Board Member
- Champions of Change Coalition – CEO Member



Chris Nolan

Vice-President

Appointed Director March 2014.
Appointed Vice President April 2021.

Qualifications

Bachelor of Science, GAICD.

Experience

- Director of Principle Media Group Pty Ltd
- Board Member - The Alfred Hospital Foundation
- Director, Chair - The AMAA (Audited Media Association of Australia)
- Director, Chair – OSQO Capital Australia Pty Ltd
- Director of WTFN Pty Ltd
- Director of Bondi Vet Global Pty Ltd
- Western Bulldogs – Member of Ethics & Integrity Committee.

Board of Directors

Sue Clark

Company Secretary and
Chief Operating Officer

—

Appointed May 2018

Qualifications

- Bachelor of Commerce (Deakin University);
- Graduate Diploma of Chartered Accounting (CA) (Institute of Chartered Accountants).

Experience

- Western Bulldogs - Chief Operating Officer & Company Secretary;
- SpiritWest Foundation Ltd trading as Western Bulldogs Community Foundation – Company Secretary
- Western Bulldogs Forever Foundation – Company Secretary
- Geelong Arts Centre - Director and Chair of Finance and IT Committee

Luke Darcy

Director

—

Appointed April 2020

Experience

- Western Bulldogs 226 games (1994-2007)
- Club Captain, All Australian, Best & Fairest
- Media & Broadcasting including Network 10, Seven Network, Southern Cross Austereo, Triple M as host & commentator
- Pool Saddler Swim Land – Director;
- Sukhavati Bali Health Retreat – Director
- Lead Learn – Director
- Griffith Consulting - Director.

Belinda Duarte

Director

—

Appointed December 2019

Qualifications

- Bachelor of Social Science, Psychology, Swinburne University of Technology
- Certificate in Counselling, Acorn Counselling, TAFE Division, University of Ballarat
- Bachelor of Education, Physical Education, Federation University.

Experience

- Culture is Life CEO
- MAPCo - Board Member
- Djaara Dja Dja Wurrun Clans Aboriginal Corporation - Board Member
- AnnaMilla First Nations Foundation Trustee
- Co-Chair Atlantic Fellowship for Social Equity Program Board

Mark Evans

Director

—

Appointed January 2016.

Qualifications

- Bachelor of Business, Accounting (Swinburne Institute of Technology)
- Bachelor of Business, Marketing (Swinburne Institute of Technology)
- Graduate Diploma, Applied Finance (Securities Institute).

Experience

- Tattoo Removal Partners Pty Ltd – Chairman
- Normanby Capital Pty Ltd – Chairman
- Edge Early Learning Holdings Ltd – Chairman
- HEAL Partners Pty Ltd – Director
- Higher Ground Ltd – Director
- The Fertility Partners Ltd – Director
- Evadon Pty Ltd – Director
- Western Bulldogs – Chairman of Finance, Audit and Risk Management Committee

Lisa Fitzpatrick

Director

—

Appointed August 2018

Qualifications

- Registered General Nurse training – Prince Henry's Hospital;
- Graduate Diploma Health Education (La Trobe University);
- Graduate Diploma Advanced Nursing (La Trobe University);
- Australian Institute of Superannuation Trustees Graduate. Centenary Medal for outstanding contribution to the Victorian union movement (2001)

Experience

- State Secretary – ANMF (Vic Branch);
- NSE RTO – Director;
- NSE Property – Director;
- NSE Accommodation Director.

Fiona McGauchie

Director

—

Appointed April 2015

Qualifications

- Bachelor of Laws (Hons) (Melbourne University);
- Bachelor of Commerce (Melbourne University);
- Master of Business Administration (Melbourne Business School);
- Admitted as a barrister and solicitor of the Supreme Court of Victoria the High Court of Australia.

Experience

- Egon Zehnder International Pty Ltd - Director;
- Playbox Theatre Company Ltd trading as Malthouse Theatre – Director;
- Tennis Australia - Nominations Committee Member;
- Western Bulldogs Forever Foundation – Director.
- Director, McGauchie Penlidis Family Trustee Co
- Director, Chesbow Pty Ltd

Jerril Rechter AM

Director

—

Appointed January 2018

Qualifications

- Fellow, Australian Institute of Company Director;
- Master of Business Leadership (RMIT University);
- Graduate Diploma of Business Leadership (RMIT University);
- Strategic Perspectives Non-Profit Management Course (Harvard University);
- Bachelor of Education, Dance and Theatre (Deakin University);
- Fellow, Leadership Victoria.

Experience

- The Walt Disney Company - Head of Business Development;
- Stephanie Lake Company - Chair of Board;
- SpiritWest Foundation Ltd trading as Western Bulldogs Community Foundation Director.
- Director, Netball Australia Team Corporation

Levent Shevki

Director

—

Appointed March 2014

Qualifications

- Bachelor of Commerce;
- Bachelor of Laws (Hons)

Experience

- Cornwalls Group of Companies (Australia and Singapore) - Director & CEO
- Twenty3 Group Pty Ltd – Director
- Acceler8 Capital Pty Ltd – Director
- OneLenz Pty Ltd – Director; Blok Capital Pty Ltd, Blok Corporation Pty Ltd – Director
- CS Group Holdings Pty Ltd – Director; Opal Ventures Pty Ltd – Director & Secretary
- Sherpa Engine Pty Ltd, Sherpa Studio Pty Ltd – Director & Secretary
- Western Bulldogs – Member of Finance, Audit & Risk Management Committee

Meeting of Directors (November 2022 – October 2023)

Directors	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
	Board	Board	F.A.R.M Committee	F.A.R.M Committee
Kylie Watson-Wheeler	11	11	5	3
Chris Nolan	11	10	-	-
Luke Darcy	11	9	-	-
Belinda Duarte	11	8	-	-
Mark Evans	11	6	5	5
Lisa Fitzpatrick	11	9	-	-
Fiona McGauchie	11	8	-	-
Jerril Rechter AM	11	11	-	-
Levent Shevki	11	8	5	4
Ameet Bains ¹	11	11	5	3

¹ Ameet Bains is not a member of the FARM but is an invitee to meetings where relevant.

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 outstanding and obligations of the group.

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

To the extent permitted by law, Footscray Football Club Limited has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the end of the financial year.

DIRECTORS' REPORT

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

Signed on behalf of the board of directors



Director: Kylie Watson-Wheeler



Director: Mark Evans

Dated this 27th day of November 2023



Building a better
working world

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

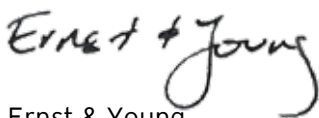
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Auditor's independence declaration to the directors of Footscray Football Club Limited

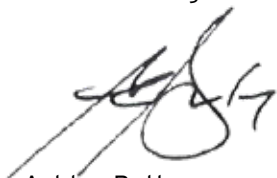
As lead auditor for the audit of the financial report of Footscray Football Club Limited for the financial year ended 31 October 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Footscray Football Club Limited and the entities it controlled during the financial year.



Ernst & Young



Ashley Butler
Partner

Melbourne
27 November 2023

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2023**

	Note	2023 \$	2022 \$
Revenue from contracts with customers	5	46,438,142	44,708,736
Other operating income	5	5,984,771	2,708,823
		52,422,913	47,417,559
Administration expenses		(6,805,089)	(6,051,205)
Commercial partnerships expenses		(3,258,499)	(2,857,633)
Membership expenses		(5,672,870)	(4,606,114)
Hospitality expenses		(110,854)	(522,852)
Event expenses		(1,467,269)	(1,004,955)
Consumer products expenses		(1,293,303)	(1,116,695)
Community expenses		(1,933,858)	(1,646,532)
Communication expenses		(1,132,875)	(782,167)
Football department expenses		(29,344,460)	(27,369,407)
Finance costs		(24,678)	(96,142)
Legal judgement and associated costs		(7,430,490)	-
Profit/(Loss) before Redevelopment Activities		(6,051,332)	1,363,857
Redevelopment grant income – Whitten Oval	3	38,228,008	5,875,229
Redevelopment grant income – Skinner Reserve	3	-	1,687,972
Redevelopment expenses – Whitten Oval	3	(5,858,226)	(632,980)
Redevelopment expenses – Skinner Reserve	3	(42,499)	(3,105,657)
Total Redevelopment Activities		32,327,283	3,824,564
Profit for the year		26,275,951	5,188,421
Total comprehensive income		26,275,951	5,188,421

The above Statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION **AS AT 31 OCTOBER 2023**

	Note	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	8	8,306,348	29,292,366
Receivables	9	16,738,009	4,326,368
Other financial assets	10	1,909,162	1,301,673
Inventories	11	417,103	166,556
Other assets	12	149,139	129,773
Total current assets		27,519,761	35,216,736
Non-current assets			
Receivables	9	89,943	103,443
Property, plant and equipment	13	90,405,710	52,205,242
Right of use assets	18	432,101	489,641
Total non-current assets		90,927,754	52,798,326
Total assets		118,447,515	88,015,062
Current liabilities			
Payables	14	4,239,770	3,061,597
Provisions	16	8,280,362	1,082,918
Contract liabilities	17	15,640,680	19,814,914
Lease liabilities	18	77,690	75,427
Total current liabilities		28,238,502	24,034,856
Non-current liabilities			
Lease liabilities	18	700,658	784,036
Provisions	16	1,001,265	965,031
Total non-current liabilities		1,701,923	1,749,067
Total liabilities		29,940,425	25,783,923
Net assets		88,507,090	62,231,139
Equity			
Retained Earnings		88,507,090	62,231,139
Total equity		88,507,090	62,231,139

The above Statement should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2023**

	Retained Earnings \$	Total Equity \$
Consolidated		
Balance as at 1 November 2021	57,042,718	57,042,718
Profit for the year	5,188,421	5,188,421
Total comprehensive income for the year	5,188,421	5,188,421
Balance as at 1 November 2022	<u>62,231,139</u>	<u>62,231,139</u>
Profit for the year	26,275,951	26,275,951
Total comprehensive income for the year	26,275,951	26,275,951
Balance as at 31 October 2023	<u>88,507,090</u>	<u>88,507,090</u>

The above Statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS **FOR THE YEAR ENDED 31 OCTOBER 2023**

	Note	2023 \$	2022 \$
Cash flow from operating activities			
Receipts from customers		51,674,453	43,944,750
Receipt of Government subsidy		-	380,175
Payments to suppliers and employees		(48,947,179)	(45,057,186)
Receipts for non-capital Redevelopment Activities		-	1,687,972
Payments for Redevelopment Activities, uncapitalised		(725,789)	(3,738,638)
Interest received		884,724	183,345
Interest paid		(24,678)	(96,142)
Net cash provided by / (used in) operating activities		2,861,531	(2,695,724)
Cash flow from investing activities			
Net payments made into short-term investments	10	(607,488)	(1,301,673)
Payments for property, plant and equipment	13	(44,634,268)	(9,099,109)
Net cash provided by / (used in) investing activities		(45,241,756)	(10,400,782)
Cash flow from financing activities			
Proceeds from capital redevelopment grant	3	21,500,000	18,054,600
Payments on principal portion of lease liabilities		(105,793)	(105,434)
Net cash provided by financing activities		21,394,207	17,949,166
Net increase/(decrease) in cash held		(20,986,018)	4,852,660
Cash at beginning of the financial year		29,292,366	24,439,706
Cash at end of financial year	8	8,306,348	29,292,366

The above Statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 1: CLUB INFORMATION

Footscray Football Club Limited trading as Western Bulldogs (the “Western Bulldogs” or the “Club”) is incorporated in Australia and is a company limited by guarantee. Statutory members of the Club guarantee its liabilities to the extent of \$2 each (refer Note 25).

The principal activities of the Western Bulldogs are the playing and promotion of Australian Rules Football and the operation of related facilities. The Western Bulldogs are a member of the Australian Football League (AFL), Victorian Football League (VFL), AFL Women’s (AFLW) and VFL Women’s (VFLW).

The consolidated financial report of the Western Bulldogs for the year ended 31 October 2023 was authorised for issue in accordance with a resolution of the Directors on 27 November 2023.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Simplified Disclosures and other authoritative pronouncements of the Australian Accounting Standards Board. The Club is a not-for-profit, private sector entity which is not publicly accountable. Therefore, the consolidated financial statements for the Club are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures.

The consolidated financial report has been prepared on a historical cost basis, unless otherwise stated.

Both the functional currency and presentation currency of the Club is Australian dollars (\$). All amounts are rounded to the nearest dollar.

The financial report of the Club has been prepared on a going concern basis.

Changes in Accounting Policies and Disclosures

There are new Australian Accounting Standards and Interpretations that have had a material impact for the Club. The Club has not made any voluntary changes to accounting policies during the year.

Other Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Club for the annual reporting period ended 31 October 2023.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Going concern

The Club had an operating cash flow of **\$2,861,531** for the year-ended 31 October 2023, and reported net assets of \$88,507,090 and a net current asset deficit of \$718,741 at balance date (a decrease of \$11,900,620 from \$11,181,879 at 31 October 2022 which is largely due to the provision for legal judgement and costs included in current liabilities).

The Directors have assessed the financial performance and financial position of the Club at 31 October 2023, together with the Club's ongoing operating activities and anticipated future cash flows from operations, committed and planned AFL distributions and financing arrangements. The Club has also had consideration for contractual commitments and the Club's required contributions to funding its Redevelopment Activities and Legal Costs.

A budget and cash flow forecast has been prepared for the 12-month period from the date of approving the financial report. The cash flow forecast has been prepared on reasonable economic and operating performance assumptions.

The Directors have concluded that the going concern basis of accounting continues to be appropriate and that cash flows and financing activities are expected to be available to the Club for the purposes of capital and operational investment in the next 12 months.

Operational considerations

The Directors have based their conclusion of the going concern basis of accounting being appropriate on the assumption of the continued financial support of the AFL and the assumption by Club directors that the Club would continue to be considered one of the Clubs in the AFL's strategy for both the AFL and AFLW competitions. These assumptions are true for every current AFL/AFLW Club, and the AFL itself is a large financial contributor to all 18 AFL/AFLW Clubs through the distribution of competition wide revenues (for example the television and other media rights receipts). All 18 Clubs operate on the assumption that they will continue to receive financial distributions and that they will continue to maintain their licence/s as one of the Clubs in the AFL's ongoing competition strategy.

Redevelopment and Legal considerations

As at 31 October 2023 the Club is required to contribute a further \$6.4 million of its own funds to the total remaining budgeted project costs through to expected completion by mid-2024.

The Club has recognised expenses amounting to \$7.43 million, as mandated by the jury judgement from the Victorian Supreme Court, to resolve a legal matter related to a historical abuse case. It's important to note that the Club intends to appeal the jury's decision. The financial statements incorporate these costs, encompassing both Court-awarded damages and an estimation of legal expenses for the plaintiff, along with the Club's costs associated with the appeal process. Any financial adjustment to the judgement arising from a successful appeal will be recognised as a change in estimate in subsequent years.

In considering whether sufficient cash is available to the Club to pay its debts as and when they fall due, management has had regard for both operational cash flows and contractual commitments associated with the redevelopment.

The Club renewed its unused debt facility of \$4.55m, which was extended to 31 December 2024 during the period. The Club has sufficient liquid assets and contractually available funding sources to meet its contractually committed cash outflows in the 12 months from the date of approving the financial report.

The Club has a number of opportunities to further support the total redevelopment funding and actions that could be undertaken, should they be considered necessary, including:

- The Club will continue its capital fundraising drive to support redevelopment cash flows to the end of the project

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Going concern (continued)

- The club also holds certain property assets including The Peninsula Club and Cross St (Footscray) freehold land which do not form part of the normal operations of the club.

(c) Economic Dependence

A significant portion of the income of the Club is derived from the holding of licences issued by the Australian Football League.

(d) Basis of consolidation

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the Club (the ultimate parent entity), SpiritWest Foundation Limited trading as Western Bulldogs Community Foundation (a subsidiary) and The Western Bulldogs Forever Foundation Pty Ltd (a subsidiary). The Club 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 the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

All inter-company balances and transactions, income and expenses and profits and losses, have been eliminated in full on consolidation. The subsidiaries are consolidated from the date on which control is transferred to the group and is de-recognised from the date that control ceases.

(e) Revenue and income

Revenue from contracts with customers, including the Australian Football League, members, sponsors and other parties

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to members and customers. For each contract with a customer, the Company: identifies the contract with a member/customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the member/customer of the goods or services promised.

Sale of goods

Revenue from the sale of goods is recognised at a point in time when control of the goods is transferred to the customer.

Donations

Revenue from donations is recognised when received.

Grants and contributions

Certain grants received by the Club from government and non-government organisations are reciprocal transactions whereby there are certain conditions attached to the grant which must be satisfied. These grants generally comprise a single performance obligation that is satisfied over time by conducting specified activities (a 'program') as set out in an enforceable agreement. These activities are conducted in accordance with an agreed budget upon which the Club must provide an acquittal.

In relation to community support programs, the Club has determined that an output method of income recognition (represented by the satisfactory completion of the program by conducting the agreed activities) best reflects the satisfaction of the performance obligation and therefore revenue is recognised at that point in time.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Revenue and income (continued)

In relation to Skinner Reserve Redevelopment Activities in the prior year, the Club has determined that an input method of income recognition with reference to costs incurred best reflects the satisfaction of the performance obligation and therefore revenue is recognised at that point in time.

As Skinner Reserve is not controlled by the Club, this funding was not recognised on the same basis as where funding is received to enable the construction of a recognisable non-financial asset that is to be controlled by the Club. Refer to 'Grants - Whitten Oval Redevelopment Activities' below for the applicable accounting policies in these circumstances and to Note 3 for further detail as to the nature of this grant funding.

Unexpended grants are recognised as liabilities to the extent that conditions remain unsatisfied and to reflect the obligation to repay any unspent portion at the completion of the related program.

Grants – Whitten Oval Redevelopment Activities

Grants received by the Club to enable the construction of a recognisable non-financial asset to be controlled by the Club, in accordance with AASB 1058 are recognised as a contract liability on receipt and are recognised as the Club satisfies its obligation to construct a recognisable non-financial asset. The Club assesses whether the obligation is satisfied over time or at a point-in-time with reference to the requirements of the related funding agreement.

Over time recognition

The Club may determine that the costs incurred to construct a recognisable non-financial asset reflect the extent to which the Club has satisfied its obligation in accordance with the related funding agreement. In these circumstances, the Club will adopt a percentage of completion method with reference to costs incurred to determine the timing and extent of grant income.

The Club calculates the percentage of expenditure incurred in relation to the construction project's total estimated and agreed budgeted cost. This percentage is then applied to the total value of the grant to determine the amount of grant income to be recognised. Any grant funding received or receivable in excess of the income recognised continues to be recognised as a contract liability.

This includes State Government funding in relation to the VU Whitten Oval Redevelopment Activities.

Point-in-time recognition

In certain circumstances, the Club may determine that the requirements of a funding agreement are so specific that grant income is recognised only at the particular point-in-time that it can be satisfactorily confirmed that its obligation under the related funding agreement has been met.

This includes AFL funding to be received in relation to the AFLW broadcast-quality lighting upgrade included as part of the VU Whitten Oval Redevelopment Activities.

Government subsidies

Government subsidy payments are recognised as a receivable and income when the Company obtains control over the funding and when the Company becomes eligible to receive the subsidy in accordance with AASB 1058.

(f) Contract assets and liabilities

Differences between the value of receipts from customers and the revenue or income recognised from contracts with customers are recognised as contract assets / liabilities at the end of each reporting period. Contract liabilities as at 31 October 2023 primarily consist of grant funds received for redevelopment purposes, membership fees received in advance, and income received for community services to be provided in the subsequent financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Income tax

No income tax is payable by the Club as the directors consider it an exempt sporting organisation in accordance with Section 50-45 of the Income Tax Assessment Act 1997.

(h) Inventories

Inventories 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.

(i) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Club becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, fair value through the profit & loss (FVTPL), or fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition unless the Club changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Club's cash and cash equivalents, trade and most other receivables fall into this category of financial instrument that were previously classified as loans and receivables under AASB 139.

On initial recognition of an equity investment that is not held for trading, the Club may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes the Club's investments through managed funds which are held-for-trading. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

On initial recognition, the Club may irrevocably designate a financial asset that otherwise meets the requirements to be at amortised cost or at FVOCI or FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (continued)

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Club designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance expenses or finance income.

Impairment of financial assets

The Club recognises loss allowances equal to the lifetime expected credit loss (ECL) on financial assets measured at amortised cost. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Club considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Club's historical experience and informed credit assessment and including forward-looking information.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and cash flows that the Club expects to receive).

ECLs are discounted at the effective interest rate of the financial asset. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Club has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

(j) Property, plant and equipment

Cost

Each class of property, plant and equipment is carried at historical cost less accumulated depreciation and any accumulated impairment losses. All acquisitions of property, plant and equipment are recorded at cost.

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.

Class of fixed asset	Depreciation rates	Deprecation basis
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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Property, plant and equipment (continued)

Impairment

The carrying amount of plant and equipment is reviewed at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

Capital Work-in-Progress

Capital Work-in-Progress balances relate to capitalised Whitten Oval redevelopment expenditure, measured at cost. The assets under construction are not yet installed and ready for use and as intended by management and as such do not accumulate depreciation.

(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

The Club assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

(i) Right-of-use assets

The Club recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) and (j).

(ii) Lease liabilities

At the commencement date of the lease, the Club recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Club and payments of penalties for terminating the lease, if the lease term reflects the Club exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs

In calculating the present value of lease payments, the Club uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Leases (continued)

(iii) Short-term leases and leases of low-value assets

The Club applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(iv) Lease receivables

The Club is an intermediate lessor of one sublease. The Club accounts for a head lease and sublease as two separate contracts, applying both lessee and lessor accounting requirements respectively. On the date of initial application, the Club reassessed its existing operating subleases to determine whether the sublease is classified as an operating or finance lease under AASB 16. The reassessment is based on the remaining contractual terms of the head lease and sublease with reference to the right-of-use assets associated with the head lease and not the underlying asset.

On identifying finance subleases that were previously classified as operating subleases, the Club derecognises the ROU asset relating to the head lease that is transferred to the sublessee and recognises the net investment in the sublease equal to the present value of lease receivables. Where the interest rate implicit in the sublease cannot be readily determined, the Club utilises the incremental borrowing rate from the head lease (adjusted for any initial direct costs associated with the sublease) to discount the lease receivable to its present value.

The Club is required to calculate an expected credit loss for the lease receivable in accordance with AASB 9 and elected to apply the simplified approach to recognise the lifetime expected credit losses of the lease receivable. The Club considered both historical information and a forward outlook in determining the lifetime expected credit loss on lease receivables.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other operating income in the statement of profit or loss due to its nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Employee benefits (continued)

(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 Statement of Financial Position 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 Australian 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

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where applicable.

(p) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand, short-term deposits, which are subject to an insignificant risk of changes in value and cash designated for a specific purpose.

Grant income and contributions received in cash and designated for a specific purpose are disclosed in Note 8.

(q) Legal judgement and associated costs

The Club has accounted for costs determined by jury judgement of the Victorian Supreme Court for obligations relating to a legal case concerning historical abuse in the 1980s that was ruled upon after the reporting date on 9 November 2023. These costs, inclusive of associated legal advisor and barrister costs, have been recognised as current provisions in Note 16 as an adjusting subsequent event in accordance with AASB 137 and AASB 110, and are based on Court awarded damages plus an estimate of legal costs of the plaintiff, and costs of the Club to appeal.

Whilst the Club will appeal the jury verdict as expeditiously as possible, at the date of issuing the financial statements the Club does not have sufficient information to determine an amount other than what has been recently determined by the jury. As a result, the awarded damages of \$5.94 million have been reflected within the total provision.

The Club has also been informed by independent legal advice in estimating legal costs associated with the case both in relation to those of the plaintiff as awarded by the jury and in relation to the Club's current costs and costs to appeal.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 3: REDEVELOPMENT ACTIVITIES

Whitten Oval redevelopment

During the 2023 financial year, the Federal Government funding of \$15,000,000 that was committed in the previous financial year was contracted and confirmed whilst and the \$2,000,000 funding commitment from the AFL was also contracted which was specifically for the AFLW Broadcast Quality Lighting.

The total project budget is \$77,780,785 with \$63,854,600 of this being funded by grantors.

The Club has committed to providing a further \$6,444,009 of funding for the redevelopment via its own fundraising initiatives including the sale of its gaming operations which occurred in the 2021 financial year and a major fundraising capital appeal, "Forever a Bulldog... our club, our legacy, forever", currently underway.

As at 31 October 2023, total Project Funding received or receivable was \$47,254,600 (2022: \$24,254,600) of which \$13,208,681 (2022: \$7,245,974) remained unexpended and is recognised as a contract liability (unearned income). A further \$11,046,272 has been recognised as accrued income that is subject to meeting future billing milestones. Project Funding may be repayable prior to the end of the grant period if Club fails to maintain the requirements of the respective agreements.

During the year \$43,918,397 (2022: \$9,069,072) was spent in relation to capital and directly attributable operational expenditure. Furthermore, the Club incurred a write-down of assets impacted by the redevelopment that had a net book value of \$5,253,736 (2022: \$576,562). Refer to note 4(d) for further detail.

In accordance with AASB 1058, the Club recognises income as it satisfies its obligation to construct a recognisable non-financial asset and has therefore used a percentage of completion method to determine the timing and extent of grant income. The Club has recognised grant income of \$36,228,008 (2022: \$5,875,229) during the year on this basis. The Club has also recognised the AFL-funded grant income of \$2,000,000 in the current year on satisfactorily meeting the performance obligation associated with this funding.

As at 31 October 2023, the Club had capitalised \$54,718,248 (2022: \$9,008,626) of expenditure in relation to Whitten Oval Stage 2 Redevelopment Activities. Directly attributable non-capital expenditure and asset write-downs of \$5,858,226 (2022: \$45,496) (including amounts accrued) has been recognised within the Consolidated Statement of Comprehensive Income for the year.

Whitten Oval land contribution

In 2018, the Club signed an agreement with the State of Victoria for the transfer of land at the Whitten Oval and immediate surrounds. The transfer was completed in October 2018. Part of the Whitten Oval Property remains leased from the State Government of Victoria.

The Club measures the land at cost, being the fair value adopted upon initial recognition of \$16.085 million. The Club continues to recognise non-current provisions related to the probable environmental remediation and demolition costs required to utilise the land for its intended purposes (redevelopment).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 3: REDEVELOPMENT ACTIVITIES (CONTINUED)

Skinner Reserve redevelopment (prior year)

In the 2022 financial year, the Club reached agreement with the Maribyrnong City Council (the Council) to co-fund a project to redevelop Skinner Reserve in Braybrook. The Club and the Council were each to contribute \$1,500,000 to the approximately \$3,000,000 project to upgrade the oval and surrounding facilities.

In 2022, the redevelopment of Skinner Reserve was completed. Upon completion of the works, all facilities and other improvements became property of the Council. As a result, the amount expended of \$42,499 (2022: \$3,105,657) towards the project was not capital in nature to the Club.

For the purposes of this financial report, the Whitten Oval precinct redevelopment (including the contribution of land and related masterplan) as well as the Skinner Reserve redevelopment are referred to as "Redevelopment Activities".

NOTE 4: 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) Environmental remediation and demolition costs

The Club has accounted for probable environmental remediation and demolition costs required to utilise the transferred land in Note 3 for its intended purposes (redevelopment). These costs have been recognised as non-current provisions in Note 16 based on estimates provided by external service providers.

(b) Leases

(i) Determining the lease term of contracts with renewal and termination options

The Club determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Club has several lease contracts that include extension and termination options. The Club applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Club reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

(ii) Estimating the incremental borrowing rate

The Club cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Club would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Club 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Club estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating). The Club has applied an incremental borrowing rate of 3.00%.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 4: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) Grant income – Redevelopment Activities

Judgement is required in assessing whether an obligation is satisfied over time or at a point-in-time with reference to the requirements of the related funding agreement.

The Club may determine that the costs incurred to construct a recognisable non-financial asset reflect the extent to which the Club has satisfied its obligation in accordance with the related funding agreement. In these circumstances, the Club will adopt a percentage of completion method with reference to costs incurred to determine the timing and extent of grant income.

The determination of that method requires judgement in considering whether the cost input is commensurate with the percentage of completion and the satisfaction of the Club's obligations in accordance with the related funding agreement. Adjustments may be necessary as a result of conditions affecting other stipulated undertakings of the project funding, as well as any project delays, variations, or scope changes (if applicable).

(d) Disposal and write-down of Property, Plant and Equipment impacted by Redevelopment Activities

The Club has continued to assess the ongoing utility of existing assets retained as part of the redevelopment and refined previous estimates of the value of those assets where changes to project plans have arisen. Such changes are inherent to the nature of the design and construct contract entered into by the Club for the purposes of the Redevelopment Activities.

In the current year, the Club has recognised changes in accounting estimates relating to the Whitten Oval grandstand and administrative buildings, as well the VU High Performance Centre. As a result the values attributed to the related assets have been written-down on a proportionate basis to their expected future economic benefit.

(e) Legal judgement and associated costs

Refer to note 2 (q).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

NOTE 5: REVENUE AND OTHER INCOME

	Note	2023 \$	2022 \$
REVENUE FROM CONTRACTS WITH CUSTOMERS:			
AFL sourced revenue		20,516,887	17,529,245
Gate receipts/match returns		3,919,225	3,172,401
Commercial Partnerships		9,302,764	10,936,461
Membership		9,395,127	9,181,389
Hospitality		103,048	332,542
Events and fundraising		479,656	698,248
Consumer products		1,496,248	1,328,015
Community services		1,225,187	1,530,435
		46,438,142	44,708,736
OTHER OPERATING INCOME:			
Grants	5 (a)	1,078,645	238,829
Donations		2,227,217	759,285
Rental income		1,150,304	1,146,885
Finance income		884,724	183,345
Government subsidy		-	380,175
Other		643,881	304
		5,984,771	2,708,823

(a) Grants

Grant income received in connection with the redevelopment activities of Whitten Oval has been separately disclosed within Note 3.

NOTE 6: EXPENSES

The Consolidated Statement of Comprehensive Income includes specific expenses of the following nature:

	2023 \$	2022 \$
Redevelopment Activities: accelerated depreciation & asset write-offs	5,253,736	587,484
Depreciation on property, plant and equipment	1,166,634	1,239,411
Depreciation on right of use assets	57,540	56,627
Employee benefits	34,422,164	31,705,856
Finance costs	24,678	96,142
Rental expense on short term and low value leases	124,940	101,750

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 7: KEY MANAGEMENT PERSONNEL COMPENSATION

	2023 \$	2022 \$
Compensation received by key management personnel of the Club	2,583,914	1,838,613

Individuals assessed as key management personnel have increased by three in the current year from thirteen to sixteen.

Whilst defined as key management personnel, the Directors volunteer their time and services to the Club and are not remunerated.

NOTE 8: CASH AND CASH EQUIVALENTS

		2023 \$	2022 \$
Cash on hand		644	719
Cash at bank	2(q), 8(a)	4,803,137	17,535,486
Cash on deposit		3,502,567	11,756,161
		8,306,348	29,292,366

(a) Cash designated for a specific purpose

Cash at bank and on deposit includes \$3,178,959 (2022: \$6,094,097) of cash designated for a specific purpose. This includes grants received in relation to Redevelopment Activities, as well as unexpended grant income received in relation to community support programs conducted by the Western Bulldogs Community Foundation.

NOTE 9: RECEIVABLES

CURRENT		2023 \$	2022 \$
Trade debtors		3,077,884	2,180,332
Other receivables and accrued income		13,646,625	2,132,929
Finance lease receivable	2m(iv)	13,500	13,107
		16,738,009	4,326,368
NON CURRENT		2023 \$	2022 \$
Finance lease receivable	2m(iv)	89,943	103,443
		89,943	103,443

Impairment of trade receivables

Trade receivables are non-interest bearing with 30-day terms. No impairment loss has been recognised in the current period (2022: nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

NOTE 10: OTHER FINANCIAL ASSETS

	2023	2022
CURRENT	\$	\$
Investments - measured at fair value through profit or loss	1,909,162	1,301,673
	1,909,162	1,301,673

Investments include listed shares, interest rate securities and other securities and assets.

NOTE 11: INVENTORIES

	2023	2022
CURRENT	\$	\$
Bulldogs Shop merchandise	415,715	164,539
Food and liquor	1,388	2,017
	417,403	166,556

Write downs of inventories to net realisable value recognised as an expense during the year

-	8,037
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NOTE 12: OTHER ASSETS

	2023	2022
CURRENT	\$	\$
Prepayments	149,139	113,956
Accrued Income	-	15,817
	149,139	129,773

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

	2023 \$	2022 \$
<i>Land</i>		
At cost	16,085,000	16,085,000
	16,085,000	16,085,000
<i>Buildings</i>		
At cost	542,695	542,695
Accumulated depreciation	(174,703)	(161,136)
	367,992	381,559
<i>Whitten Oval Precinct Leasehold Improvements</i>		
At cost	45,574,272	34,917,934
Accumulated depreciation	(8,871,731)	(10,707,340)
	36,702,541	24,210,594
<i>Plant and equipment</i>		
At cost	4,257,871	4,124,497
Accumulated depreciation	(3,075,942)	(3,396,259)
	1,181,929	728,238
<i>Work in Progress</i>		
At cost	36,068,248	10,799,851
	36,068,248	10,799,851
Total property, plant and equipment	90,405,710	52,205,242

(a) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year:

	2023 \$	2022 \$
<i>Land</i>		
Opening carrying amount	16,085,000	16,085,000
Closing carrying amount	16,085,000	16,085,000
<i>Buildings</i>		
Opening carrying amount	381,559	395,126
Additions	-	-
Disposals	-	-
Depreciation expense	(13,567)	(13,567)
Closing carrying amount	367,992	381,559
<i>Whitten Oval Precinct Leasehold Improvements</i>		
Opening carrying amount	24,210,593	25,529,071
Transfers from capital work in progress	18,650,000	-
Disposals	(5,210,789)	(451,639)
Depreciation expense	(947,264)	(866,838)
Closing carrying amount	36,702,540	24,210,594

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

NOTE 13: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Reconciliations (continued)

	2023	2022
	\$	\$
<i>Plant and equipment</i>		
Opening carrying amount	728,238	1,121,685
Additions	715,871	90,483
Disposals	(56,378)	(124,924)
Depreciation expense	(205,803)	(359,006)
Closing carrying amount	1,181,928	728,238
<i>Work in progress</i>		
Opening carrying amount	10,799,851	1,791,225
Additions	43,918,397	9,008,626
Transfers to leasehold improvements	(18,650,000)	-
Closing carrying amount	36,068,248	10,799,851
<i>Total property, plant and equipment</i>		
Carrying amount at 1 November	52,205,242	44,922,107
Additions	44,634,268	9,099,109
Disposals	(5,267,167)	(576,563)
Depreciation expense	(1,166,634)	(1,239,411)
Carrying amount at 31 October	90,405,710	52,205,242

NOTE 14: PAYABLES

	2023	2022
	\$	\$
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	1,987,600	1,478,144
Other payables	143,965	251,092
Sundry creditors and accrued expenses	2,108,205	1,332,360
	4,239,770	3,061,597

NOTE 15: BORROWINGS

The Club has an unused Multi-Option Credit Line facility of \$4,550,000 with Westpac Banking Corporation that is due to expire on 31 December 2024 and includes an overdraft facility, which is repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 16: PROVISIONS

	2023 \$	2022 \$
CURRENT		
Employee benefits	1,188,445	1,082,918
Provision for legal judgement and costs	7,091,917	-
	8,280,362	1,082,918
NON CURRENT		
Employee benefits	295,995	259,761
Demolition and remediation	705,270	705,270
	1,001,265	965,031
	9,281,627	2,047,949

NOTE 17: CONTRACT LIABILITIES

	2023 \$	2022 \$
CURRENT		
Deferred redevelopment grant income	13,208,681	17,390,417
Club sponsorship revenue received in advance	6,436	-
Club membership received in advance	2,367,290	2,317,867
Other	58,273	106,630
	15,640,680	19,814,914

Deferred redevelopment grant income is cash received during the period that is yet to meet revenue recognition criteria per AASB 1058. Redevelopment grant funding received is recognised as a contract liability on receipt and recognised as revenue as the Club satisfies its obligation to construct a recognisable non-financial asset.

Other contract liabilities relate to cash received for revenue where performance obligations are yet to be satisfied according to AASB 15.

NOTE 18: LEASES

The Company has lease contracts for property used in its operations. Leases of property generally have lease terms between 2 and 30 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	2023 \$	2022 \$
As at 1 November 2022	489,641	546,268
Additions	-	-
Depreciation expense	(57,540)	(56,627)
Remeasurements	-	-
Balance as at 31 October 2023	432,101	489,641

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

NOTE 18: LEASES (CONTINUED)

Set out below are the carrying amounts of lease receivables recognised and the movements during the period:

	Note	2023 \$	2022 \$
As at 1 November 2022		116,550	129,275
Additions		-	-
Accretion of interest		3,293	3,675
Receipts		(16,400)	(16,400)
Balance as at 31 October 2023		103,443	116,550
Current	9	13,500	13,107
Non current	9	89,943	103,443

Set out below are the carrying amounts of lease liabilities recognised and the movements during the period:

	2023 \$	2022 \$
As at 1 November 2022	859,463	937,916
Additions	-	-
Accretion of interest	24,678	26,981
Payments	(105,793)	(105,434)
Balance as at 31 October 2023	778,348	859,463
Current	77,690	75,427
Non current	700,658	784,036

The following are the amounts recognised in profit or loss:

	2023 \$	2022 \$
Depreciation expense of right-of-use assets	(57,540)	(56,627)
Interest expense on lease liabilities	(24,678)	(26,981)
Interest income on lease receivables	3,293	3,675
Expenses related to short term or low value leases	(124,940)	(101,750)
Total recognised in profit or loss	(203,865)	(181,683)

Presented below is a maturity analysis of future lease payments:

	2023 \$	2022 \$
Not later than 1 year	100,483	105,281
Later than 1 year and not later than 5 years	400,000	400,000
Later than 5 years	425,000	500,000
	925,483	1,005,281

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 19: RELATED PARTY TRANSACTIONS

The Club has related party relationships with its key management personnel and their associated entities.

Each key management personnel is a fully paid up member of the Club and from time to time may purchase tickets to Club matches, events and functions at normal member rates.

Key management personnel may also provide commercial services, sponsorships, donations and other financial or in-kind assistance to the Club.

The terms and conditions of all related party transactions were at commercial market rates, no more favourable than those available, or which might reasonably be expected to be available on an arm's length basis.

There have been no other related party transactions with key management personnel.

NOTE 20: COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

a) Whitten Oval: Arrangement with Victoria University

In 2010, the Club entered into an agreement with Victoria University to occupy and use certain space at Whitten Oval on a long-term arrangement. In the event of termination, this agreement provided for a refund of the fit-out contribution provided as part of the arrangement, starting at \$7,671,450 which included the upfront premises contribution of \$5,921,450 and an amount representing Victoria University's fit out costs of \$1,750,000. The potential refund of 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 in the event of termination at 31 October 2023 are nil for the fit-out contribution and \$2,288,494 for the premises.

The directors consider possibility of termination to be remote at 31 October 2023, and at the date of this financial report. As such, no amount payable has been recognised in the financial report.

(b) Commitments related to Redevelopment Activities.

As at 31 October 2023, the Club has contractually committed costs of \$11,204,883 in relation to design, consulting, and construction for the Whitten Oval Redevelopment Activities out of the total remaining budgeted project costs of \$77,780,785.

(c) Player Payments

The Club contracts playing personnel on an individual basis in maintaining its playing list in accordance with AFL rules and regulations. Due to the contract terms varying considerably amongst players, it is not practicable to reliably measure the future commitments under player contracts.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

NOTE 20: COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

(d) Contingent Liabilities

From time to time, typical of most businesses, the Club may receive legal claims from third parties. When and if such claims are received, these are acted on by the Club in a diligent manner, involving legal investigatory and exploratory practices whilst considering relevant insurance policies. As at reporting date the Club has received a claim that has not been provided for as there is no certainty that the Club either holds any obligations in relation to the claim received and/or there is any likelihood of outflows (or inflows from insurance recoveries where applicable) of cash or other resources in respect of it, should the action ultimately be successful (at first instance or on appeal, as applicable).

Other than as described in Note 3 in relation to Project Funding for Redevelopment Activities, the Club has no other contingent liabilities to report as at 31 October 2023.

NOTE 21: PARENT ENTITY DETAILS

Summarised presentation of the parent entity, Footscray Football Club Limited trading as Western Bulldogs, financial statements:

(a) Summarised statement of financial position

	2023	2022
	\$	\$
Assets		
Current assets	23,451,732	31,959,768
Non-current assets	90,927,754	52,798,326
Total assets	114,379,486	84,758,094
Liabilities		
Current liabilities	27,935,962	23,842,587
Non-current liabilities	1,669,201	1,728,999
Total liabilities	29,605,163	25,571,586
Net assets	84,774,323	59,186,508
Equity		
Retained earnings	84,774,323	59,186,508
Total equity	84,774,323	59,186,508

(b) Summarised statement of comprehensive income

	2023	2022
	\$	\$
Profit for the year	25,587,747	4,154,953
Total comprehensive income for the year	25,587,747	4,154,953

The contingent liabilities and capital commitments of the Parent are consistent with those of the Group. Refer to notes 17 to 20.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

NOTE 23: AUDITOR'S REMUNERATION

The auditor of the Club is Ernst & Young (Australia).

	2023 \$	2022 \$
<i>Remuneration to Ernst & Young (Australia) for:</i>		
Audit of consolidated financial report of the Club	69,100	64,570
Audit of subsidiary financial reports	22,650	16,780
Other assurance and related services	37,470	29,210
Total auditor's remuneration	129,220	110,560

NOTE 24: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the reporting date, on 9 November 2023, a Victorian Supreme Court jury ruled against the Club on the grounds of negligence in a legal case concerning historical abuse in the 1980s. The Club was ordered to pay damages of \$5.94 million plus legal costs.

The ruling is considered to be an adjusting event after the reporting period reflective of conditions that existed at the end of the reporting period. Whilst the Club will appeal this jury verdict as expeditiously as possible, the Club has recognised a provision at the reporting date of \$7.1 million in relation to the awarded damages and estimated legal costs of the plaintiff and costs of the Club to appeal.

The Club is not aware of any other matter or circumstance that has occurred since the reporting date that has significantly affected or may significantly affect the Club's operations, the results of those operations or the Group's state of affairs in subsequent reporting periods. Any financial adjustment to the judgement arising from a successful appeal will be recognised as a change in estimate in subsequent years.

NOTE 25: MEMBERS' GUARANTEE

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

NOTE 26: ENTITY DETAILS

The registered office of the group is:

Footscray Football Club Limited trading as Western Bulldogs
417 Barkly St
Footscray VIC 3011

DIRECTORS' DECLARATION

The Directors of the Club declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001: and
 - (a) comply with Australian Accounting Standards - Simplified Disclosures 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 2023 and its performance for the year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Club 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.

A handwritten signature in black ink, appearing to read "Kylie Watson-Wheeler".

Director:

Kylie Watson-Wheeler

A handwritten signature in black ink, appearing to read "Mark Evans".

Director:

Mark Evans

Dated this 27th day of November 2023

Independent auditor's report to the members of Footscray Football Club Limited

Opinion

We have audited the financial report of Footscray Football Club Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 October 2023 the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 October 2023 of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors 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 – Simplified Disclosures 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.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

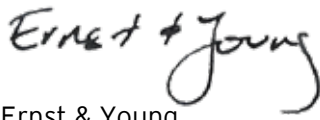
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young



Ashley Butler
Partner

Melbourne
27 November 2023



MAJOR PARTNER