



2023 ANNUAL REPORT

CARLTON FOOTBALL CLUB
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
31 OCTOBER 2023.



Carlton Football Club and Hyundai
Celebrating a 26 year partnership.



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2023 MEMBERSHIP

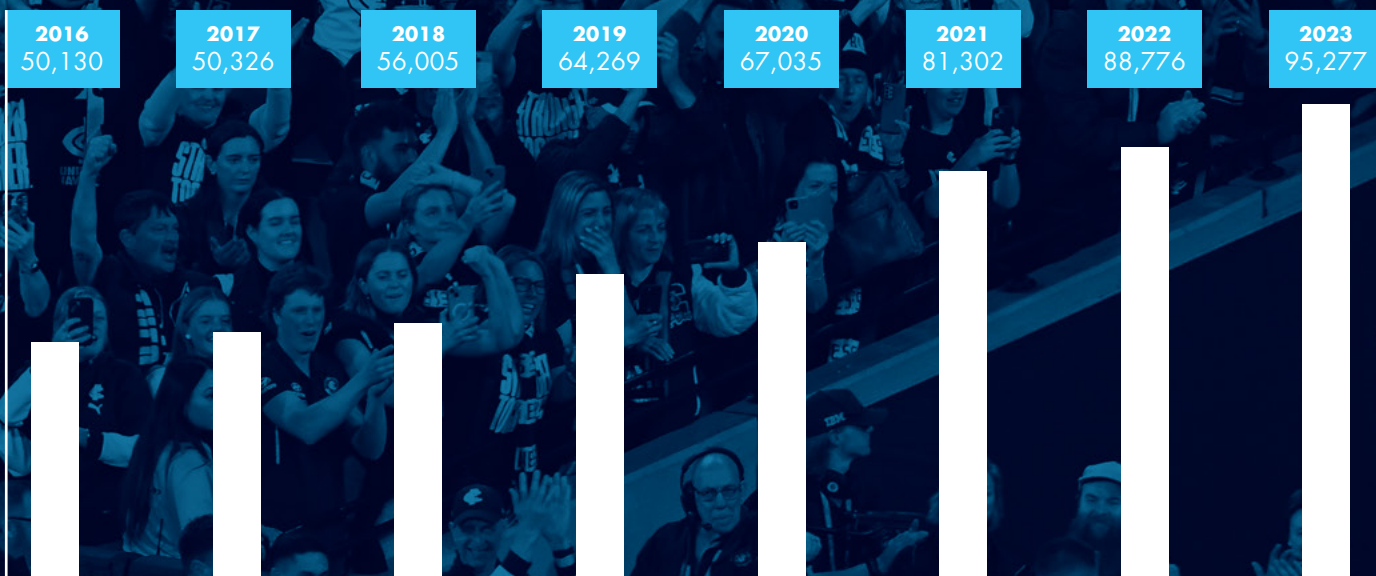
95,277

Carlton broke its membership record by over 6,000 in 2023. This marks the eighth-consecutive year the Club has smashed its membership total, proving passion, loyalty and heart from our supporters.

100k

50k

0



**STRONGER
TOGETHER.**

2023 AFL FINALS SERIES

Carlton's AFL finals series broke a decade-long drought which exceeded expectations. Living up to Michael Voss' mantra that the team didn't want to just feature – but rather, impact – in September, the incredible run had fans on the edge of their seats. Over 90,000 people saw Carlton produce emotional wins against Sydney and Melbourne, making a preliminary final for the first time since 2000.

The team's connection and 'never-say-die' attitude was there for all to see, and despite a loss to Brisbane, it will only serve to make the team hungrier, stronger and more united in 2024.

Elimination final v Sydney | MCG

92,026

Semi final v Melbourne | MCG

96,412

Preliminary final v Brisbane | THE GABBA

36,012

MATCH ATTENDANCE



2023 COMMUNITY



2023 JIM STYNES COMMUNITY LEADERSHIP AWARD

Sam Docherty was recognised for his work as an Observer to the Board of the Peter MacCallum Cancer Foundation, for his active awareness raising and fundraising efforts, as an ambassador for the Peter Mac Cup and for MacKillop Family Services' Paws4Kids program. As well as an ambassador for the Good Friday SuperClash supporting the campaign to raise over \$200,000 for the Royal Children's Hospital this year.



RECONCILIATION ACTION PLAN MAR 2023 – MAR 2025

The Carlton Football Club proudly launched its Innovate Reconciliation Action Plan on Tuesday 28 March 2023.

45%

of completion to date in line with commitments.



2023 CARLTON RESPECTS

The Club's flagship community program delivered highly engaging awareness raising campaigns for AFL and AFLW, a purpose-driven Workplace Charter seminar and continues to engage in schools to implement the 'Road to Respect' digital learning platform to educate children for a respectful future.



We loved the program and would continue using it through other wellbeing issues.

Teacher



ADAM SAAD PATHWAYS PROGRAM

Cultivating pathways for multicultural youth, creating football excellence through on and off-field development.



GIRLS AND BOYS ACADEMY



25

participants in each of the academies.

13

cultural backgrounds represented at the Girls Academy.

9

cultural backgrounds represented at the Boys Academy.

100%

of participants gave the program 4 or 5 out of 5.

“

I had a lot of fun and made a lot of friends as well, I have learnt a great deal from this awesome experience.

SCHOOLS CUP

Connect and create access for multicultural youth to participate in grassroots sport and recreation.

7

schools

180

participants



DIRECTORS' REPORT



LUKE SAYERS AM

President

B Bus (Accounting)

B Computing (Info Systems)

Luke Sayers is the Founder and Executive Chairman of Sayers Group. This private equity-backed organisation is focused on building and growing "scale up" businesses which use technology to innovate traditional advisory and service business models. He has created his own Private Equity fund to start Sayers Group, of which he is the major shareholder. Sayers has a long-term commitment to community organisations and external Boards. He is currently the President of the Carlton Football Club and the Board member of the for-purpose-charity Inclusion Foundation. He is also a Director of Sentient Impact Group, and a member of the Victorian Branch of the Male Champions of Change. In 2019 Sayers was made a Member of the Order of Australia for his significant service to business, to people with a disability and the community.

TENURE

Carlton Football Club Director 11 years,
President 2 years

OTHER RESPONSIBILITIES

Member of the Finance and
Audit Sub-Committee.



PATRICIA KINNERSLY

Vice President

Master of Management, Graduate of A.I.C.D, B Education,
Grad. Cert. Management (Educational Leadership)

Reflecting Carlton's significant investment in women's football, Patty Kinnersly made history by becoming the Blues' first designated Board member to oversee the AFLW /VFLW programs. Her appointment reflected the Club's continued commitment to good governance and to building a skills-based Board aligned to the needs of the Club. Kinnersly is the Chief Executive Officer of Our Watch – a national organisation driving change in cultures, attitudes and behaviours underpinning violence against women. With her insight and guidance, Kinnersly enhances the work of the Club's flagship community program in Carlton Respects, as well as community and diversity programs more broadly. Alongside an extensive corporate career, Kinnersly has 14 years of playing experience in the VWFL for the Ballarat Lions, Fairfield Falcons and Parkside Magpies, playing in five premierships and representing Victoria on 10 occasions, twice as captain.

TENURE

Carlton Football Club Director
4 years

OTHER RESPONSIBILITIES

Member of Heritage and Tradition Sub-Committee
and sits on Board of the Carlton Football Club Foundation.

The Directors present their report on the results of the Carlton Football Club Ltd (“the Club”) for the year ended 31 October 2023, and the state of affairs at that date.



ROBERT PRIESTLEY

Vice President
B Comm, MAICD

Robert Priestley is Chairman of J.P. Morgan Australia & New Zealand. Prior to his current role, Priestley was the Chief Executive Officer of J.P. Morgan Australia & New Zealand for 15 years and served as CEO for the ASEAN region. He has nearly 40 years of experience in the financial services industry, working in senior management roles across Europe, Africa and the Middle East, and Asia Pacific regions.

He is also a Council member of the Australian Business and Community Network, a not-for-profit organisation focussed on addressing educational disadvantage, and a member of the ABCN Foundation Council.

Previous roles have included serving as a director of the Board of Guardians of Australia’s Sovereign Wealth Fund, The Future Fund, and a director of ASX Ltd. He has also served as Chairman of the Australian Financial Markets Association, a member of the Business Council of Australia, and acted as a senior advisor to Allen & Overy Consulting.

TENURE

Carlton Football Club Director
2 years

OTHER RESPONSIBILITIES

Chair of the Finance and Audit Sub-Committee,
Member of the Remuneration, People and Culture
Sub-Committee.



DAVID CAMPBELL

Director
B Eng (Hons), B Science, MBA

David Campbell is a Partner of Egon Zehnder, one of the world’s most respected leadership and talent advisory firms, where he leads the firm’s Board, Consumer and Health Practices in Australia and New Zealand. He specialises in Board assessment and succession, CEO succession and senior leadership development. He also supports a range of not-for-profit organisations with a focus on health, child development and sport.

Prior to Egon Zehnder, Campbell led an apparel retail business and before that was Group General Manager of Australia’s leading fruit juice business.

Campbell is a Director of Egon Zehnder International and also serves on the Board of Kilfinan Australia, a not-for-profit organisation which provides probono leadership mentoring services to not-for-profit CEOs.

TENURE

Carlton Football Club Director
5 years

OTHER RESPONSIBILITIES

Chair of the Remuneration,
People and Culture Sub-Committee



GREG WILLIAMS

Director

A dual Brownlow Medallist and a hard, uncompromising footballer, Williams played 250 games, 109 of those in the Navy Blue guernsey including a Norm Smith Medal performance in the Club's 1995 Premiership victory. As well as earning a decorated career during arguably football's toughest era, Williams also spent time as part of the Club's coaching staff as a skills coach until early 2020. He has a firm belief of what is required to return the Blues to a successful football club once again and will help drive the standards required to get there.

TENURE

Carlton Football Club Director
2 years

OTHER RESPONSIBILITIES

Member of the Heritage and Tradition Sub-Committee



LAHRA CAREY

Director
B Arts (Hons), MA (Criminology),
Grad. Dip e-Commerce,
Graduate of A.I.C.D

Lahra Carey is an experienced communications strategist and crisis manager. She has provided Australia's blue-chip companies, best known brands, not-for-profit organisations and government departments with strategic corporate communications. She uses her experience and knowledge to leverage leadership positioning on behalf of the organisations she works with. She is the founder and co-principal of PR consultancy narrative, as well as NewsFlash Media, which develops and delivers purpose-built media and presentation training programs for senior executives and other key staff.

Carey is a Non-Executive Director of the Australian Dementia Network Ltd, Quipex Pty Ltd and Parachute For Kids.

TENURE

Carlton Football Club Director
2 years

OTHER RESPONSIBILITIES

Chair of the Carlton Football Club Foundation



TIM LINCOLN

Director

Dip Financial Markets, Dip Computer Studies,
AFS Licence 483167, Member of A.I.C.D and ASA

Tim Lincoln brings a wealth of data analytics experience and an innovative mindset to his directorship at the Carlton Football Club. Tim co-founded Lincoln Indicators 30 years ago, which has grown to become one of Australia's most respected fintech companies developing quantitative, cloud-based stock market investment platforms and solutions.

By joining the Carlton Board, it is Tim's goal to collaboratively guide the Club to create competitive advantages through the application of data analytics to significantly enhance decision making processes, increase the probability of successful outcomes, provide meaningful insights, and introduce strong accountability metrics.

Tim is a deeply passionate long-term member and sponsor of the Mighty Carlton Football Club.

TENURE

Carlton Football Club Director
2 years

OTHER RESPONSIBILITIES

Chair of the Heritage and Tradition
Sub-Committee

OUTGOING DIRECTOR

The Carlton Football Club would like to thank Craig Mathieson for his service as Director of the Club for over 10 years.



CRAIG MATHIESON

Director

B Bus (Banking and Finance)

Craig Mathieson is Managing Director of the Mathieson Group; a diverse family business. Prior to joining the family business, Mathieson spent 10 years in the Banking Industry. He was previously the CEO of DMS Glass and is currently Non-Executive Director of ASX listed company Shaver Shop Ltd.

TENURE

Carlton Football Club Director
10 years

OTHER RESPONSIBILITIES

Chair of the Finance and Audit Sub-Committee
– resigned May 2023

UNITED BY NAVY BLUE.

OUR PURPOSE

A UNITED, INCLUSIVE AND VALUES-LED CLUB THAT ACHIEVES ON AND OFF-FIELD SUCCESS AND IGNITES A SENSE OF PASSION, PRIDE AND BELONGING FOR OUR MEMBERS, SUPPORTERS AND STAKEHOLDERS.

OUR VALUES

RESPECT
for our Club, communities, supporters, partners, each other, opposition and our game.

HUMILITY
we are humble yet ambitious and inwardly confident.

INTEGRITY
in our behaviours and actions on and off the field.

UNITED
we are at our strongest and best when we're selfless and work together as a team.

EXCELLENCE
in everything we do.

RELENTLESS
in our pursuit of overall success.

KEY PERFORMANCE AREAS

<div>1</div> <div></div> <div>WIN PREMIERSHIPS.</div>	<div>5</div> <div></div> <div>FINANCIAL SUSTAINABILITY, QUALITY INFRASTRUCTURE, EFFECTIVE GOVERNANCE AND ENVIRONMENTAL SUSTAINABILITY.</div>
<div>2</div> <div></div> <div>GREAT PEOPLE AND CULTURE INCORPORATING DIVERSITY, INCLUSIVITY AND EQUALITY. STRONG LEADERSHIP.</div>	<div>6</div> <div></div> <div>EFFECTIVE CLUB COMMUNICATIONS WITH ITS PEOPLE, COMMUNITIES AND STAKEHOLDERS.</div>
<div>3</div> <div></div> <div>MEMBERSHIP, ATTENDANCE GROWTH AND CUSTOMER CENTRICITY.</div>	<div>7</div> <div></div> <div>DEVELOP AND DELIVER AUTHENTIC AND ALIGNED COMMUNITY PROGRAMS.</div>
<div>4</div> <div></div> <div>SUSTAINABLE COMMERCIAL GROWTH AND PHILANTHROPIC AMBITION.</div>	



1. DIRECTORS

The Directors in office during the year were:

L Sayers AM
P Kinnersly
R Priestley
C Mathieson (Resigned May 2023)
D Campbell
G Williams
L Carey
T Lincoln

Seven of the eight Directors were in office from the beginning of the year until the date of this report with Craig Mathieson resigning from the board in May 2023. The Club would like to thank Craig for his service to the Club for over 10 years as a director. Directors' details can be seen in pages 8 to 11 of this report.

2. COMPANY SECRETARY

The Company Secretary at the date of this report is Mr. Thomas Crookes.

3. PRINCIPAL ACTIVITIES

The principal activities of the Club during the year were to promote and play Australian Rules Football in the Australian Football League ("AFL"), in which Carlton holds one of the 18 licenses.

4. OPERATING RESULTS AND REVIEW OF OPERATIONS

The Carlton Football Club's consolidated net profit for the year was \$3,302,904 (2022: \$17,020,366). The Club's net profit before depreciation and amortisation for the year ended 31 October 2023 was \$12,179,097 (2022: \$24,430,328).

The 2023 year has been one of the most successful and exciting years for the Club and our members for some time, not only making AFL finals but reaching the preliminary final against Brisbane at the Gabba (the first appearance since 2000). Three incredibly exciting finals games left the Club and fans alike feeling proud of the efforts of the Men's program for 2023. The AFLW also had positive outcomes for their eighth season, re-shaping the program and operations as well as welcoming Mathew Buck as head coach for his first season, finishing in 12th place with positive signs for future seasons.

The Club's membership base grew to 95,277 in 2023, an uplift of 7 per cent on 2022 numbers, further breaking the Club's membership record for a record 8th year straight. The men's home and away season had record home crowd attendances; a total of 565,630 attendees showing their incredible passion and support. Our loyal members and supportive crowds contributed to net revenues from membership, gate receipts and consumer operations of \$23,055,550; a 15 per cent increase on the 2022 financial year (\$20,069,003). The Club would like to thank its generous and passionate members for their support throughout what was a very exciting 2023 season.

On top of a successful year on field and support from our members, the Club's commercial partnership revenues grew to \$20,407,358, a 23 per cent increase from 2022 (\$16,565,251). The highlight for the year being the extension of our Hyundai partnership by a further five years bringing this co-major partnership to a 26-year relationship. The Club would like to thank Hyundai and all the Club's commercial partners for their incredible continued support across the 2023 season.

The Club launched its new philanthropic program in May 2023, The First 18. This program has been launched in conjunction with the Carlton Football Club Foundation and exists to support Carlton's commitment to being a sustainable leader in the sporting landscape into the future via four key pillars including Football Excellence, Facilities Leadership, Social Impact and Heritage Celebration.

The Club's football department costs and continued investment in high performance increased by 12% on 2022 costs. This is in line with increases to the soft-cap limits across both the Men's & Women's programs, along with the 2023-2027 combined player CBA being approved late in the 2023 financial year.

The Carlton IN Business Network had another successful year with 163 members being part of the network with a high level of engagement and attendance at key networking and business events across the year. Carlton IN Business proudly continues to be Australia's largest sporting commercial network and plays host to some of the most unique events and experiences available. The Carlton College of Sport welcomed 112 LaTrobe University students to the College at IKON Park across the placement and football development programs during 2023, representing another year of learning and development for the college's students.

The Club's community programs had further success during 2023 with the Club continuing to raise awareness for the prevention of violence against women through Carlton Respects and the digital learning platform, Road to Respect completing its second year via schools across Victoria. Adam Saad Pathways held its girls and boy's academies with strong participation across both programs continuing to create football pathways for multicultural youth across Melbourne.

The Club launched its Innovate Reconciliation Action Plan in March 2023 with 45% of the plan completed to date in line with commitments, along with considerable progress leading into the next year of commitments.

The Club enjoyed the first full year since completion of the facility redevelopment at IKON Park, hosting AFLW home games for Carlton and neutral clubs along with AFLW finals for Season 7 and Season 8 leading into FY24. The Club welcomed large numbers of supporters across the year to IKON Park for AFLW games, open trainings, AFL finals series and welcomed external stakeholders for numerous events with IKON Park's new catering and hospitality facility – 1864 Events & Hospitality – experiencing its first full year of operations.

The Club recently completed the 2023 staff and player engagement survey with a pleasing average score of 85% engagement across Administration staff, and the AFL and AFLW programs.

The Club completed its first full year of the United By Navy Blue strategic plan with a focus on the key performance areas outlined on page 12 of this report. The Club has seen strong progress in the first year of the plan underpinned by the successes and achievements outlined in this Directors' report.

Dividends

No dividends were paid or declared during the financial year. The Football Club is precluded from paying dividends by its Constitution.

Our purpose and objectives of the organisation:

Our purpose is to be a united, inclusive and values-led Club that achieves on and off-field success and ignites a sense of passion, pride and belonging for our members, supporters and stakeholders.

Our core focus areas are:

- Win premierships.
- Great people and culture incorporating diversity, inclusivity and equality. Strong leadership.
- Membership, attendance growth and customer centricity.
- Sustainable commercial growth and philanthropic ambition.
- Financial sustainability, quality infrastructure, effective governance and environmental sustainability.
- Effective Club communications with its people, communities and stakeholders.
- Develop and deliver authentic and aligned community programs.

5. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the financial year, there was no significant change in the state of affairs of the Club other than that referred to in the financial statements or notes thereto.

6. SUBSEQUENT EVENTS

In the period between the end of the financial year and the date of this report, no matter or circumstance has arisen that has significantly or may significantly affect the operations of the Club, the results of those operations or the state of affairs in subsequent financial years.

7. ENVIRONMENTAL REGULATION

The Directors believe that the operations of the economic entity are not subject to any particular or significant environmental regulation.

Environmentally Sustainable Design (ESD) initiatives have been incorporated into the facilities at IKON Park and formed part of the design principles of the Redevelopment completed last financial year.

8. DIRECTORS MEETINGS

Directors' attendances at Board meetings during the year:

Name	Attendance	Available (Total 8)
L Sayers AM	8	8
P Kinnersly	8	8
R Priestley	8	8
C Mathieson	4	4
D Campbell	8	8
G Williams	7	8
L Carey	8	8
T Lincoln	8	8

9. AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The Directors have received an Independence Declaration from the auditor of the Club as set out on page 16 and it forms part of the Director's Report for the year ended 31 October 2023.

Ernst & Young, did not receive and are not due to receive any fees for the provision of non-audit services.

10. INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year the Club paid premiums to insure each of the Club's Directors and Officers against liabilities for costs that may arise out of their conduct while acting in the capacity of Director or Officer of the Club.

The Directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the Directors and Officers Liability insurance contract, as such disclosure is prohibited under the terms of the contract.

11. INDEMNIFICATION OF AUDITORS

To the extent permitted by law, Carlton Football Club Limited has agreed to indemnify the auditors, Ernst & Young, as part of the terms of the 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.

12. 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 a maximum of \$50 each towards meeting any outstanding liabilities and obligations of the Club.

Signed in accordance with a resolution of the Directors at Carlton on this 29th day of November 2023.



Luke Sayers
President

29 November 2023

AUDITOR'S INDEPENDENCE DECLARATION



Ernst & Young
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Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Auditor's Independence Declaration to the Directors of Carlton Football Club Limited

As lead auditor for the audit of Carlton 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 Carlton Football Club Limited and the entities it controlled during the financial year.

Ernst & Young

Kylie Bodenham
Partner
29 November 2023

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

Charlie Curnow

2022 and 2023 Coleman Medallist



AFLW SEASON 8

A NEW ERA DRIVING
HIGH-PERFORMANCE,
CONNECTION AND
PROFESSIONALISM.



Mathew Buck

Appointed
AFLW Senior Coach,
2023.

Mathew Buck



STATEMENT OF CONSOLIDATED PROFIT AND LOSS

YEAR ENDED 31 OCTOBER 2023

	NOTES	2023 (\$)	2022 (\$)
REVENUES			
Revenue from operating activities	1(A)	89,631,942	77,745,972
Revenue and income from other activities	1(B)	3,650,401	15,028,045
TOTAL REVENUE AND INCOME		93,282,343	92,774,017
EXPENSES			
Club hospitality venue costs		(13,745,508)	(13,370,599)
Commercial activities		(18,965,295)	(14,673,942)
Facility costs		(3,877,293)	(2,093,676)
Football department costs		(31,773,270)	(28,377,940)
Other operating expenses		(8,519,375)	(6,917,695)
Marketing and media		(2,932,178)	(2,282,613)
Finance costs	2(A)	(1,290,327)	(627,224)
Depreciation and amortisation	2(B)	(8,876,193)	(7,409,962)
TOTAL EXPENSES FROM ORDINARY ACTIVITIES		(89,979,439)	(75,753,651)
TOTAL CONSOLIDATED PROFIT		3,302,904	17,020,366

The above Statement of Consolidated Profit and Loss should be read in conjunction with the accompanying notes.

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

AS AT 31 OCTOBER 2023

	NOTES	2023 (\$)	2022 (\$)
CURRENT ASSETS			
Cash and cash equivalents	3	18,223,245	9,540,224
Trade and other receivables	4	5,629,844	4,524,414
Inventories	5	581,667	626,497
Other assets	6	860,534	384,488
TOTAL CURRENT ASSETS		25,295,290	15,075,623
NON CURRENT ASSETS			
Property, plant and equipment	7	53,731,096	57,346,520
Intangible assets	8	7,061,873	7,865,121
Other financial assets	9	-	269,621
Right of use asset	10	24,520,701	22,638,565
TOTAL NON CURRENT ASSETS		85,313,670	88,119,827
TOTAL ASSETS		110,608,960	103,195,450
CURRENT LIABILITIES			
Trade and other payables	11	10,670,760	8,853,993
Income received in advance	1(D)	6,828,871	5,960,344
Interest bearing liabilities	12	60,875	131,428
Provisions	13	1,272,059	1,126,568
Lease liabilities		2,482,159	3,447,722
TOTAL CURRENT LIABILITIES		21,314,724	19,520,055
NON CURRENT LIABILITIES			
Trade and other payables	11	5,451,106	6,540,722
Interest bearing liabilities	12	-	60,875
Provisions	13	306,298	192,416
Lease liabilities		23,347,046	19,994,500
TOTAL NON CURRENT LIABILITIES		29,104,450	26,788,513
TOTAL LIABILITIES		50,419,174	46,308,568
NET ASSETS		60,189,786	56,886,882
Retained profits		60,189,786	56,886,882
TOTAL EQUITY		60,189,786	56,886,882

The above Statement of Consolidated Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 OCTOBER 2023

	NOTES	2023 (\$)	2022 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		99,182,969	80,143,027
Payments to suppliers and employees		(86,828,459)	(70,968,634)
Other income		2,347,470	14,979,275
Interest received		409,732	48,769
Interest component of lease payments		(1,171,162)	(620,832)
Borrowing costs paid		(2,417)	(6,392)
NET CASH PROVIDED BY OPERATING ACTIVITIES		13,938,133	23,575,213
CASH FLOWS FROM INVESTING ACTIVITIES			
Income for property, plant, and equipment		-	-
Payment for property, plant, and equipment		(1,569,348)	(23,597,738)
Payment for gaming entitlements		(1,090,166)	-
NET CASH (USED IN) INVESTING ACTIVITIES		(2,659,514)	(23,597,738)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from interest-bearing liabilities		-	-
Repayment of interest-bearing liabilities		-	-
Repayment of finance lease principal		(131,428)	(282,429)
Payment of principal component of lease payments		(2,464,170)	(3,301,839)
NET CASH (USED IN) FINANCING ACTIVITIES		(2,595,598)	(3,584,268)
Net increase/(decrease) in cash and cash equivalents held		8,683,021	(3,606,793)
Cash and cash equivalents at the beginning of the year		9,540,224	13,147,017
Cash and cash equivalents at the end of the year	3	18,223,245	9,540,224

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 OCTOBER 2023

	Retained Profits (\$)	Foreign Currency Translation Reserve (\$)	Total Equity (\$)
BALANCE AS AT 31 OCTOBER 2021	39,866,956	(440)	39,866,516
Consolidation of Controlling Interest	-	-	-
Profit for the year	17,020,366	-	17,020,366
Other Comprehensive Income	-	-	-
BALANCE AS AT 31 OCTOBER 2022	56,887,322	(440)	56,886,882
Profit for the year	3,302,904	-	3,302,904
Other Comprehensive Income	-	-	-
BALANCE AS AT 31 OCTOBER 2023	60,190,226	(440)	60,189,786

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2023

NOTE 1 REVENUES

	2023 (\$)	2022 (\$)
(A) REVENUE FROM OPERATING ACTIVITIES		
AFL income	16,741,063	14,538,509
Club hospitality venues	20,174,166	20,185,589
Membership, gate receipts and consumer	23,055,550	20,069,003
Merchandise	4,387,211	3,382,722
Partnerships, events and commercial	20,407,358	16,565,251
Non-traditional	3,359,397	2,758,883
Other operational income	1,507,197	246,015
TOTAL REVENUE FROM OPERATING ACTIVITIES	89,631,942	77,745,972
(B) REVENUE AND INCOME FROM OTHER ACTIVITIES		
Interest income	409,732	48,769
Profit on sale of other financial asset	-	242,254
Philanthropic contributions	2,540,669	2,646,522
Grant revenue	700,000	12,090,500
TOTAL REVENUE AND INCOME FROM OTHER ACTIVITIES	3,650,401	15,028,045

NOTE 1 REVENUES (CONT.)

(C) REVENUE RECOGNITION

Revenue is recognised when an entity transfers the control of the goods or services to a customer at an amount that reflects the consideration the entity expects to be entitled to in exchange for those goods or services.

Sales revenue comprises revenue earned from partnerships, events and commercial, AFL distributions, membership and reserved seating, hospitality, gate receipts, merchandise and fundraising. Revenues are recognised at the fair value of the consideration received, net of the amount of goods and services tax (GST). The following specific recognition criteria must also be met before revenue is recognised:

i) Partnerships, events and commercial

Revenue is recognised when the performance obligations of the customer contract are achieved, and the Club expects to be entitled to appropriate consideration in accordance with the terms and conditions of the contract. Monies received in advance that relate to future years performance obligations are included as a liability in income received in advance and will be recognised as revenue in the years to which they relate. Sponsorship involving contra arrangements are recognised as revenue equivalent to the fair value of services provided by the sponsor.

ii) Membership revenue

Membership revenue is recognised throughout the duration of the AFL home and away season to which it relates. Membership subscriptions received in advance from members that relate to future years are included as a liability in income received in advance and will be recognised as revenue in the years to which they relate.

iii) Interest income

Control of a right to receive consideration for the provision of, or investment in, assets has been attained.

iv) Hospitality revenue

Gaming, bar, bistro and function revenue is recognised as it is earned. Gaming revenue is recognised net of gaming wins and losses.

v) Grant revenue

Grant revenue, operational and capital including contributions of assets, is recognised when it is controlled, or the Club has the right to receive the contribution. When there are conditions attached to the grant relating to the use of grant funds for specific purposes this is disclosed in the relevant note to the financial statements, refer to Note 3(B).

(D) INCOME RECEIVED IN ADVANCE

Income received in advance is recognised in line with the terms of specific contracts. Commercial and Membership subscription income received in advance is recognised in line with the commercial contract or membership subscription period and the respective service obligations of the Club. Income received in advance for 2023 totalled \$6,828,871 (2022: \$5,960,344).

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 2 EXPENSES

	2023 (\$)	2022 (\$)
(A) FINANCE COSTS		
INTEREST COSTS ON INTEREST BEARING LIABILITIES		
- Finance lease	50	425
- Commercial bill and other loans	-	5,967
TOTAL INTEREST COSTS ON INTEREST BEARING LIABILITIES	50	6,392
Interests costs on EGM entitlements	119,116	-
Interest costs on lease liabilities	1,171,161	620,832
TOTAL FINANCE COSTS	1,290,327	627,224
(B) DEPRECIATION AND AMORTISATION		
Amortisation of intangible assets	803,248	289,020
Depreciation of plant and equipment	5,185,797	3,553,676
Depreciation of right of use assets	2,887,148	3,567,266
TOTAL DEPRECIATION AND AMORTISATION EXPENSES	8,876,193	7,409,962
(C) EMPLOYEE EXPENSES	42,588,275	36,614,031
(D) IMPAIRMENT OF RECEIVABLES	78,374	106,823

NOTE 3 CASH AND CASH EQUIVALENTS

(A) RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial year as shown in the Consolidated Cash Flow Statement is reconciled to the related items in the Statement of Consolidated Financial Position as follows:

	2023 (\$)	2022 (\$)
Cash on hand	709,587	587,898
Cash at bank	17,513,658	8,952,326
CASH AND CASH EQUIVALENTS	18,223,245	9,540,224

(B) CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Statement of Consolidated Financial Position comprise cash on hand and cash at bank. With the completion of the IKON Park redevelopment, no cash is held for a specific purpose.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 4 TRADE AND OTHER RECEIVABLES

	2023 (\$)	2022 (\$)
Trade receivables	3,728,684	3,242,705
Allowance for expected credit losses	(78,374)	(106,823)
TRADE RECEIVABLES	3,650,310	3,135,882
Other receivables	1,979,524	1,388,522
Related party loans	10	10
TOTAL TRADE AND OTHER RECEIVABLES	5,629,844	4,524,414

(A) TRADE AND OTHER RECEIVABLES

Trade receivables are generally non-interest bearing and have 30–60-day payment terms from the date of the invoice. Amounts are initially recognised at fair value and then subsequently measured at fair value less an allowance for impairment.

Receivables from related parties are initially recognised at fair value and carried at amortised cost. Interest is taken up as income on an accrual basis.

(B) TRADE RECEIVABLES AND ALLOWANCE FOR EXPECTED CREDIT LOSSES

The Club applies a forward-looking expected credit loss (ECL) approach, in accordance with AASB 9, and calculates the ECLs based on the Club's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

NOTE 4 TRADE AND OTHER RECEIVABLES (CONT.)

TRADE RECEIVABLES AND CONTRACT ASSETS

	2023 (\$)	2022 (\$)
Receivables from third-party customers	3,530,496	3,212,516
Receivables from other related parties	198,188	30,189
	3,728,684	3,242,705
Allowance for expected credit losses	(78,374)	(106,823)
	3,650,310	3,135,882

NOTE 5 INVENTORIES

	2023 (\$)	2022 (\$)
STOCK ON HAND		
At lower of cost and net realisable value	470,550	511,144
Other inventory	111,117	115,353
TOTAL INVENTORIES AT LOWER OF COST AND NET REALISABLE VALUE	581,667	626,497

(A) INVENTORIES

Inventories are valued in the accounts at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(B) INVENTORY EXPENSE

Inventories recognised as cost of goods sold for the year ended 31 October 2023 totalled \$2,585,557 (2022: \$1,671,742).

(C) INVENTORY IMPAIRMENT

An impairment loss is recognised when there is objective evidence that inventories are being carried at an amount higher than net realisable value. There was no merchandise written down in the current financial year (2022: nil).

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 6 OTHER ASSETS

	2023 (\$)	2022 (\$)
CURRENT		
Prepayments	860,534	384,488
TOTAL PREPAYMENTS	860,534	384,488

NOTE 7 PROPERTY, PLANT AND EQUIPMENT

	2023 (\$)	2022 (\$)
PLANT AND EQUIPMENT		
At cost	17,804,018	16,519,134
Accumulated depreciation	(12,037,265)	(11,039,097)
NET CARRYING AMOUNT	5,766,753	5,480,037
FURNITURE AND FITTINGS		
At cost	2,102,641	2,052,199
Accumulated depreciation	(1,104,777)	(918,272)
NET CARRYING AMOUNT	997,864	1,133,927
LEASEHOLD IMPROVEMENTS AND BUILDINGS		
At cost	62,619,562	62,385,605
Accumulated depreciation	(15,653,083)	(11,653,049)
NET CARRYING AMOUNT	46,966,479	50,732,556
TOTAL PROPERTY, PLANT AND EQUIPMENT	53,731,096	57,346,520

Movements in the carrying amount of each class of property, plant and equipment between the beginning and the end of the current financial year are set out on the following page.

NOTE 7 PROPERTY, PLANT AND EQUIPMENT (CONT.)

(A) RECONCILIATION OF CARRYING AMOUNTS (NET OF ACCUMULATED AMORTISATION AND IMPAIRMENT) AT THE BEGINNING AND END OF PERIOD

	Plant and Equipment (\$)	Furniture and Fittings (\$)	Leasehold Improvements and Buildings (\$)	Total (\$)
OPENING BALANCE	5,480,037	1,133,927	50,732,556	57,346,520
Additions	1,285,974	50,442	233,957	1,570,373
Disposals/transfers	-	-	-	-
Depreciation expense	(999,258)	(186,505)	(4,000,034)	(5,185,797)
CARRYING AMOUNT AT YEAR END	5,766,753	997,864	46,966,479	53,731,096

Plant and equipment pledged as security for liabilities; a motor vehicle and Electronic Gaming Machines (EGMs) are pledged as security for the related finance leases.

(B) ESTIMATION OF USEFUL LIVES OF ASSETS

The estimation of the useful lives of assets has been based on historical experience and manufacturers warranties (for plant and equipment). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful life are made when considered necessary.

(C) IMPAIRMENT

The carrying values of the Club's assets are reviewed for impairment at each reporting date, to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset is compared to the assets carrying value.

The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

Where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Club would, if deprived of the asset, replace the asset, value in use is determined as the depreciated replacement cost of the asset.

An 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, with an impairment loss recognised in the Consolidated Statement of Profit and Loss and Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 7 PROPERTY, PLANT AND EQUIPMENT (CONT.)

(D) PLANT AND EQUIPMENT

i) Cost

Items of plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. All acquisitions of property, plant and equipment are recorded at cost.

ii) 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. Refer to Note 10 for details on operating leases.

iii) Depreciation

All fixed assets are depreciated on a straight-line basis over their 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 venue lease or the estimated useful lives of the improvements. The following depreciation useful life ranges have been used:

2023	
Plant and equipment	3–10 years
Furniture and fittings	5–10 years
Leasehold improvements and buildings	5–40 years

iv) Finance Leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased asset to the Club are capitalised at the present value of the minimum lease payments and disclosed as property, plant and equipment. A lease liability of equal value is also recognised.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the assets and the lease term.

Lease payments are apportioned between finance charges and reduction of the lease liability so that a constant rate of interest is recognised on the remaining balance of the liability.

NOTE 8 INTANGIBLE ASSETS

	2023 (\$)	2022 (\$)
RECONCILIATION OF CARRYING AMOUNT AT THE BEGINNING AND END OF THE PERIOD		
Licences at cost	9,569,433	9,569,433
Accumulated amortisation	(2,507,560)	(1,704,312)
NET CARRYING AMOUNT	7,061,873	7,865,121
LICENCES		
Carrying amount at the beginning of the year	7,865,121	121,678
Additions	-	8,032,464
Amortisation	(803,248)	(289,021)
CARRYING AMOUNT AT THE END OF THE YEAR	7,061,873	7,865,121

(A) LICENCES

The Club acquired 260 Gaming Machine Entitlements (GMEs) at auction in May 2010 and a further 30 GMEs via the gaming machine transfer market in July 2012. These GMEs came into effect on 16 August 2012 and expired in August 2022. The Club re-acquired the 290 GME's through a process undertaken in 2018. The GME's will expire in August 2032. The present value of the new GMEs purchase price has been recorded as an intangible asset and a liability recorded for payment for the entitlements. The useful life of the intangible asset will expire in August 2032 (10 years) and is being amortised on a straight-line basis over this period.

(B) IMPAIRMENT OF INTANGIBLE ASSETS

The Club assesses impairment of intangible assets at each reporting date by evaluating conditions specific to the Club and to the particular asset that may lead to impairment. In reviewing potential impairment of intangible assets reference is made to factors including forecast future cash flows and discount rates. To the extent that intangible assets are determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 9 OTHER FINANCIAL ASSETS

	2023 (\$)	2022 (\$)
NON-CURRENT		
Sapphire Holdings Group Pty Ltd	-	269,621
	-	269,621

(A) FINANCIAL ASSETS

The Club assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss has been incurred on a financial asset, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. After initial measurement, they are subsequently carried at fair value. Changes to fair value are recognised through profit and loss.

NOTE 10 LEASES

The following are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Property (\$)	Equipment and Other (\$)	Total (\$)
RIGHT OF USE ASSETS			
2023 OPENING BALANCE	22,558,124	80,441	22,638,565
Lease remeasurements	4,769,284	-	4,769,284
Depreciation expense	(2,862,809)	(24,339)	(2,887,148)
CARRYING AMOUNT AT END OF YEAR	24,464,599	56,102	24,520,701

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 10 LEASES (CONT.)

Presented below is a maturity analysis of future lease payments:

	Property (\$)	Equipment and Other (\$)	Total (\$)
No later than one year	3,554,000	25,918	3,579,918
Later than one year and not later than five years	13,650,122	33,827	13,683,949
Later than five years	14,220,902	-	14,220,902

The following are the amounts recognised in the profit or loss:

	2023 (\$)	2022 (\$)
Depreciation expense of right-of-use-assets	2,887,148	3,567,266
Interest expense on lease liabilities	1,171,161	620,832
COVID-19 related rent concessions	-	(68,399)
Adjustments for lease extensions	(80,347)	
Expense relating to short term leases	-	
Expenses relating to leases of low-value assets	-	
TOTAL AMOUNT RECOGNISED IN PROFIT OR LOSS	3,977,962	4,119,699

Practical Expedients applied by the Club:

- A single discount rate for 1–4-year lease term agreements has been adopted.
- The Club has elected to exclude any initial direct costs such as legal fees incurred when entering a new lease contract.
- The Club has exercised significant judgement in determining the lease term where contracts contain options to extend or terminate the lease.
- The Club has extended leases with the ALH venues during 2023 out to 2032 from 2027, in line with gaming entitlements.

NOTE 11 TRADE AND OTHER PAYABLES

	2023 (\$)	2022 (\$)
CURRENT		
Trade creditors	1,102,159	1,780,393
Other creditors	9,568,601	7,073,600
	10,670,760	8,853,993
NON-CURRENT		
Other creditors	5,451,106	6,540,722
	5,451,106	6,540,722

(A) RECOGNITION

Trade and other payables are carried at amortised cost and are recognised for amounts to be paid in the future for goods or services received, whether or not they have been billed to the Club.

Payables to related parties are initially recognised at fair value and carried at amortised cost. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 12 INTEREST BEARING LIABILITIES

	2023 (\$)	2022 (\$)
Current		
Lease liability (i)	60,875	131,428
	60,875	131,428
Non Current		
Commercial bill	-	-
Lease liability (i)	-	60,875
	-	60,875

(A) INTEREST BEARING LOANS AND BORROWINGS

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised. Borrowing costs are recognised as an expense when incurred.

Borrowings are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(i) Lease liability

The current liability totalling \$60,875 (2022: \$192,303) represents finance leases maturing between 2023 and 2024 with fixed interest rates between 2.12% and 3.75%.

NOTE 13 EMPLOYEE PROVISIONS

	2023 (\$)	2022 (\$)
EMPLOYEE BENEFITS		
CURRENT		
Annual leave	826,646	718,868
Long service leave	445,413	407,700
	1,272,059	1,126,568
NON-CURRENT		
Long service leave	306,298	192,416

(A) EMPLOYEE PROVISIONS

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 are not expected to settle 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 Consolidated Financial Position if the Club 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.

(B) LONG SERVICE LEAVE PROVISION

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at balance date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 14 REMUNERATION OF KEY MANAGEMENT PERSONNEL

(A) COMPENSATION FOR KEY MANAGEMENT PERSONNEL

During the year, \$3,437,835, (2022: \$2,878,098) total remuneration was paid or was payable to key management personnel for services to the Club.

(B) DEFINITION OF KEY MANAGEMENT PERSONNEL

Key management personnel have been determined by the Club to be as follows:

i) Board of Directors (Non-executive Directors) for all or part of the financial year:

Luke Sayers AM
Patricia Kinnersly
Robert Priestley
Craig Mathieson (Resigned May 2023)
David Campbell
Greg Williams
Lahra Carey
Tim Lincoln

Non-executive Directors do not receive Directors' fees, but the Football Club has paid premiums in respect of indemnification and insurance of Directors.

ii) Other Key Management Personnel (KMP) for all or part of the financial year:

Key Management personnel as at 31 October 2023 are as follows:

- Chief Executive Officer – Brian Cook
- Chief Operating Officer – Thomas Crookes
- General Manager of Football – Brad Lloyd
- General Manager Consumer Business – Daniel Giese
- General Manager Media, Communications and Marketing – Gavin Juchnevicius
- General Manager People, Culture and Community – Donna Price
- General Manager Strategy and Growth – Vanessa Gigliotti
- General Manager Commercial Operations – Morten Webb

During the financial year the following Key Management Personnel changes occurred:

- Thomas Crookes promoted from Chief Financial Officer to Chief Operating Officer – 4 August 2023
- Gavin Juchnevicius promoted from Head of Marketing and Digital to General Manager Media, Communications and Marketing – 4 August 2023
- Vanessa Gigliotti promoted from General Manager Media, Communications and Marketing to General Manager Strategy and Growth – 4 August 2023

(C) OTHER SHORT-TERM BENEFITS

Other short-term benefits consist of Directors' and Officers' Liability insurance taken out by the Club on behalf of Directors. Disclosure of the liabilities covered, and the amount of the premiums paid in respect of the Directors and Officers Liability insurance contract is prohibited under the terms of the contract.

NOTE 15 RELATED PARTY DETAILS

(A) KEY MANAGEMENT PERSONNEL TOTAL

Details relating to key management personnel, including total remuneration paid are included in Note 14.

(B) OTHER RELATED PARTIES

Carlton Respects

Carlton Respects is a charitable trust governed by the terms of a Trust Deed. Carlton Respects Pty Ltd is the non-operating trustee of the entity of which Carlton Football Club Limited is the sole shareholder. Carlton Respects is the flagship community program of the Carlton Football Club that aims to educate the community about gender equality to prevent violence against women.

The results of Carlton Respects are included in the consolidated results of the Club. The Club loaned \$10 to Carlton Respects in the prior year which remained owing to the Club at 31 October 2023.

Blues Foundation

The Blues Foundation, previously known as the Carlton Football Club Foundation, was established as a Prescribed Private Fund governed by a Trust Deed. The results of the Blues Foundation are included in the consolidated results of the Club.

Carlton Blues Community Fund

The Carlton Blues Community Fund is a charitable trust governed by the terms of a Trust Deed. The Carlton Blues Community Fund promotes multi-cultural programs to benefit those in the community.

As of 23 March 2021, the Carlton Blues Community Fund became a controlled entity of Carlton Football Club Limited via way of Carlton Respects Pty Ltd becoming the trustee. The Carlton Blues Community fund has been consolidated in the results of the Club from 30 June 2021.

NOTE 15 RELATED PARTY DETAILS (CONT.)

(C) TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

During the year a number of key management personnel and their related entities purchased club membership packages, match day tickets, attended club functions, made donations and contributed towards fundraising activities. The terms and conditions of the transactions with key management personnel were no more favourable than those available, or which might be reasonably expected to be available on similar transactions to non-key management personnel related entities on an arm's length basis.

2023	Sales to KMP (\$)	Purchases from related entities (\$)	Other revenues from KMP (\$)	Total (\$)
Corporate Sales (Revenue)	402,810	-	-	402,810
Donations (Revenue)	-	-	41,500	41,500
Other Sales (Revenue)	6,380	-	-	6,380
Purchases (Expense)	-	(203,776)	-	(203,776)
TRANSACTION TOTAL	409,190	(203,776)	41,500	246,913

2022	Sales to KMP (\$)	Purchases from related entities (\$)	Other revenues from KMP (\$)	Total (\$)
Corporate Sales (Revenue)	276,296	-	-	276,296
Donations (Revenue)	-	-	519,500	519,500
Other Sales (Revenue)	20,477	-	-	20,477
Purchases (Expense)	-	(198,619)	-	(198,619)
TRANSACTION TOTAL	296,773	(198,619)	519,500	617,654

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 16 COMMITMENTS FOR EXPENDITURE

Player commitments

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

Finance lease commitments

The Club has finance lease contracts for a motor vehicle and EGMs with a carrying amount of \$60,875 (2022: \$192,303). These lease contracts expire within one to two years.

	2023 (\$)	2022 (\$)
FINANCE LEASE COMMITMENTS		
Within one year	60,875	131,428
After one year but not more than five years	-	60,875
Carrying amount of finance lease liabilities	60,875	192,303

Management fee

The Club has entered into lease agreements and management agreements payable to ALH and O'Brien Group pertaining to the Club's member venues which are effective through to 2032. The Club's management fee commitments under these agreements are as below. Refer to Note 10 for Leases.

	2023 (\$)	2022 (\$)
Within one year	1,865,085	1,816,082
After one year but not more than five years	10,199,051	9,931,083
After five years	6,603,064	793,140
TOTAL MANAGEMENT FEE PAYMENTS	18,667,200	12,540,305

NOTE 17 CLUB INFORMATION

The Carlton Football Club was formed in 1864 and incorporated in Melbourne, Australia, on 20 June 1978.

The registered office of the Club is located at IKON Park, Royal Parade, Carlton North, 3054.

The principal activities of the Club during the year were to promote and play Australian Rules Football in the Australian Football League ("AFL"), in which Carlton holds one of the 18 licenses. The financial report of the Club for the year ended 31 October 2023 was authorised for issue in accordance

with a resolution of the Directors on 29 November 2023. Carlton Football Club is a Company Limited by Guarantee and is a not-for-profit entity. Statutory members of the Club guarantee its liabilities to the extent of \$50 each.

NOTE 18 PARENT ENTITY

The following information relates to the Carlton Football Club (the Parent Entity).

	2023 (\$)	2022 (\$)
Current assets	24,371,746	14,585,433
Non-current assets	85,313,671	88,119,826
Current liabilities	(26,747,810)	(19,475,631)
Non-current liabilities	(23,653,848)	(26,788,513)
NET ASSETS	59,283,759	56,441,115
ACCUMULATED SURPLUS	59,283,759	56,441,115
Profit of the Parent Entity	2,842,644	17,267,073
TOTAL PROFIT OF THE PARENT ENTITY	2,842,644	17,267,073

NOTE 19 CONTINGENCIES

There are no material contingent liabilities or contingent assets as at 31 October 2023.

NOTE 20 SUBSEQUENT EVENTS

In the period between the end of the financial year and the date of this report, no matter or circumstance has arisen that has significantly or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in subsequent financial years.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 21 COMPLIANCE AND RISK

(A) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Club's accounting policies management continually evaluates judgments, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Club. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgments, estimates and assumptions.

(B) BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Carlton Football Club Limited and its controlled entities as at 31 October 2023. Control is achieved when the Club is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Club controls an investee if and only if the Club has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Club has less than a majority of the voting or similar rights of an investee, the Club considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Club re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Club obtains control over the subsidiary and ceases when the Club loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Club gains control until the date the Club ceases to control the subsidiary.

(C) GOING CONCERN

As at 31 October 2023 the Carlton Football Club Limited has a net current asset surplus of \$3,980,566 compared to 2022 net current asset deficiency of \$4,444,432.

The Club's accounts have been prepared on the basis that the Carlton Football Club Limited is a going concern.

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 18 Clubs in the AFL's competition strategy. These assumptions are true for every current AFL Club, and the AFL itself is a large financial contributor to all 18 AFL 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 license as one of the clubs in the AFL's ongoing competition strategy.

Should the Club not continue as a going concern it may be required to realise assets other than in the ordinary course of operations and at amounts other than those recorded in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

NOTE 21 COMPLIANCE AND RISK (CONT.)

(D) COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

(E) COMPLIANCE WITH AUSTRALIAN ACCOUNTING STANDARDS AND STATUTORY BODIES

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. The material accounting policies adopted by the Club in the preparation of the financial report are set out in the report. The accounting policies have been consistently applied unless otherwise stated.

i) Basis of accounting

This general purpose financial report has been prepared on a going concern basis and in accordance with Australian Accounting Standards and the Corporations Act 2001, Australian Accounting Standards – *Simplified Disclosures* and other authoritative pronouncements of the Australian Accounting Standards Board. The Group is a not-for-profit entity for the purposes of preparing these consolidated financial statements.

ii) Historical cost

The financial report has been prepared in accordance with the historical cost convention.

iii) Currency

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar.

iv) Statement of compliance

The Club has adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

The consolidated financial statements of the Club are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures (AASB-SDS) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

v) New and amended standards and interpretations

The Club reviewed all new and amended accounting standards issued by the Australian Accounting Standards Board relevant for the period beginning on or after 1 July 2022 and determined there are no new or amended accounting standards that are applicable to the preparation of the financial statements for the period ending 31 October 2023.

vi) Income tax status

The Club is exempt from income tax as an exempt sporting organisation in accordance with Section 50-45 of the Income Tax Assessment Act 1997.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

YEAR ENDED 31 OCTOBER 2023

NOTE 21 COMPLIANCE AND RISK (CONT.)

(F) GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST). The amounts reported for receivables and payables are inclusive of GST. The net amount of GST receivable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

(G) FINANCIAL RISK MANAGEMENT

The Club's principal financial instruments comprise receivables, payables, finance leases and cash.

The main purpose of these financial instruments is to raise finance for the Club's operations. It is, and has been throughout the period under review, the Club's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Club's financial instruments are interest rate risk, credit risk and liquidity risk. The Club uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate risk and assessments of prevailing market interest rates, analysing and monitoring of customers for credit risk, and assessing liquidity risk by producing future rolling cash flow forecasts, which are performed on a monthly basis.

Primary responsibility for identification and control of financial risks rests with the Finance and Audit Sub-Committee under the authority of the Board. The Board reviews and agrees policies for managing each of the risks identified, including interest rate risk, credit terms and future cash flow forecast projections.

Fair Values

The fair values of the Club's financial instruments are materially consistent with the carrying amounts recognised in the financial statements.

Risk Exposures and Responses

Capital Management

In managing capital, the Club aims to maintain a stable capital base, capable of withstanding cash flow fluctuations, but flexible enough to accommodate the Club's plans for growth. The Club aims to maintain an optimal capital structure to reduce the cost of capital and maximise benefits to members.

The capital structure of the Club consists of finance lease liability as disclosed in Note 12 and cash and cash equivalents as disclosed in Note 3.

DIRECTORS' DECLARATION

AS AT 31 OCTOBER 2023

In accordance with a resolution of the Directors of Carlton Football Club Limited, I state that:

In the opinion of the Directors:

(a) the consolidated financial statements and notes of Carlton Football Club Ltd and its controlled entities are in accordance with the Corporations Act 2001, including;

(i) giving a true and fair view of the company's financial position as at 31 October 2023 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards – Simplified Disclosure requirements (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable as noted in Note 21(C).

On behalf of the Board



Luke Sayers
President

29 November 2023

AUDITOR'S REPORT



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Independent Auditor's Report to the Members of Carlton Football Club Limited

Opinion

We have audited the financial report of Carlton Football Club Limited (the Club), 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 Club is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the consolidated financial position of the Club as at 31 October 2023 and of its consolidated financial performance for the year ended on that date; and
- 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 Club 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.

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AUDITOR'S REPORT



Responsibilities of the directors for the financial report

The directors of the Club 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 Club'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 Club 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 Club'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 Club'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 Club 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.

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AUDITOR'S REPORT



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Club to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Club 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.

A handwritten signature in grey ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in grey ink that reads 'K Bodenham'.

Kylie Bodenham
Partner
Melbourne
29 November 2023

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159TH ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023