



INDEPENDENT AUDIT REPORT

To the members of the Australian Sports Foundation Limited

Scope

The financial report and Directors' responsibility

The financial report comprises:

- Directors' Declaration;
- Statements of Financial Performance, Financial Position and Cash Flows; and
- Notes to and forming part of the Financial Report

of the Australian Sports Foundation for the year ended 30 June 2005.

The Australian Sports Foundation Limited's Directors are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company, and that complies with accounting standards and other mandatory financial reporting requirements in Australia, in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

I have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. My audit has been conducted in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing and Assurance Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive, rather than conclusive, evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

While the effectiveness of management's internal controls over financial reporting was considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.

I have performed procedures to assess whether, in all material respects, the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with accounting standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the

GPO Box 707 CANBERRA ACT 2601
Centenary House 19 National Circuit
BARTON ACT
Phone (02) 6203 7300 Fax (02) 6203 7777

Australian Sports Foundation Limited's financial position, and of its performance as represented by the statements of financial performance and cash flows.

The audit opinion is formed on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by management.

Independence

Independence requirements of the Australian professional ethical pronouncements and the *Corporations Act 2001* have been met. I have given to the Directors of the company a written Auditor's Independence Declaration (a copy of which is included in the Directors' Report).

Audit Opinion

In my opinion, the financial report of Australian Sports Foundation Limited is in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Australian Sports Foundation Limited's financial position as at 30 June 2005 and of its performance for the year ended on that date; and
 - (ii) complying with accounting standards in Australia and the *Corporations Regulations 2001*; and
- (b) other mandatory financial reporting requirements in Australia.

Australian National Audit Office



Rebecca Reilly
Executive Director

For the Auditor-General

Canberra
15 September 2005