



2015

ANNUAL REPORT

2016



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The Australian Sports Foundation's mission is to raise money for Australian sport.

Our vision is to build a healthier, stronger, more active Australia by funding increased grassroots participation in sport, and enhancing elite sporting performance.





The Hon Sussan Ley MP
Minister for Health and Aged Care
Minister for Sport
Parliament House
CANBERRA ACT 2600

Dear Minister,

On behalf of the Board of the Australian Sports Foundation, I am pleased to submit our Annual Report, for the financial year ended 30 June 2016. The report has been prepared to meet Government legislative requirements, including paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

This report provides a review of the Australian Sports Foundation's performance. It has been prepared based on properly maintained records that accordingly reflect the performance of the Foundation, and comply with subsection 39(2) of the *PGPA Act*.

The report has been approved for presentation to you in accordance with a resolution of the Australian Sports Foundation Board. I hereby submit this report to you as a true and accurate record of our compliance and achievements.

Yours sincerely

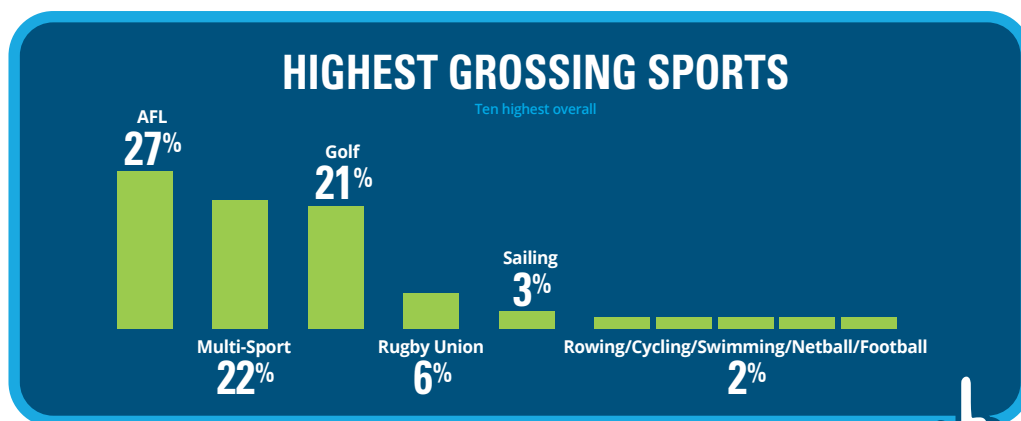
A handwritten signature in black ink, appearing to read "Mark Stockwell".

Mark Stockwell
Chair
Australian Sports Foundation

5 October 2016

2015 — 2016

The 15/16 Financial Year saw just under \$32 million in tax-deductible donations made to sport, up from \$24 million the previous year. That's a 31% increase in donations to projects to ensure Aussies can participate and enjoy the sports we love!



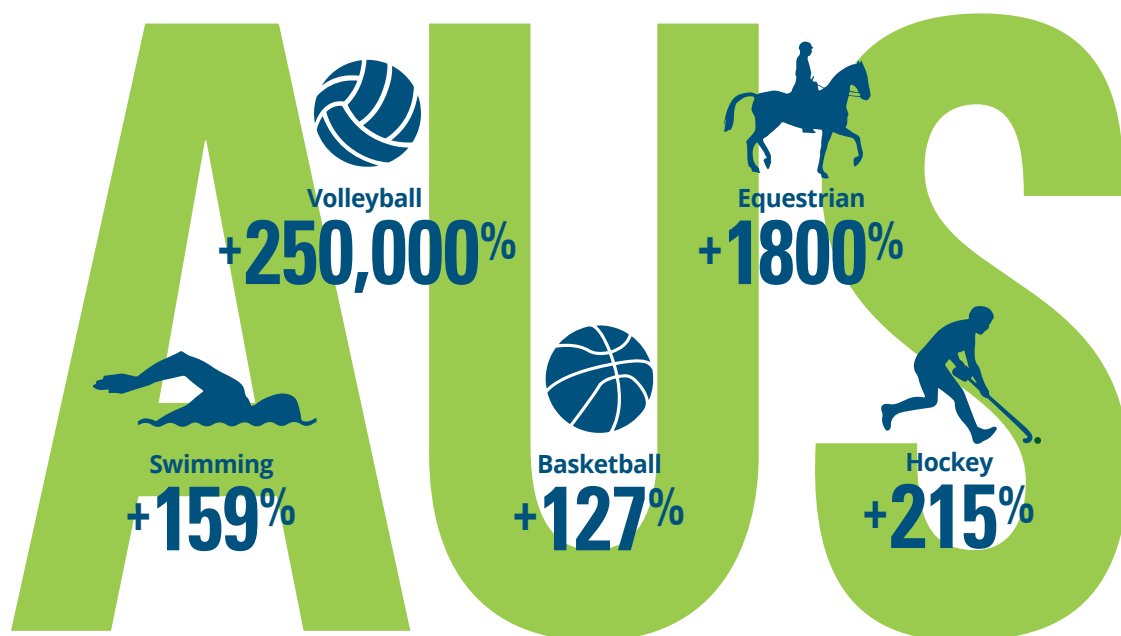
HIGHLIGHTS

THE IMPACT OF THE OLYMPICS ON FUNDRAISING FOR SPORT

Funds raised for Olympic Councils and Olympic sports totalled \$7.9m.

State Olympic Councils fundraised over \$4.1m and a further \$3.8m was raised for Olympic sports in partnership with us. 22 Rio-bound athletes fundraised much-needed funds to support their road to Rio, with our highest individual raising over \$13,000.

Our new Athlete Fundraising program made this possible.



Many of our Olympic sports saw a significant increase in funds raised this year.

MESSAGE FROM THE CHAIR



Welcome to the first independent Annual Report the Australian Sports Foundation has produced since its inception in 1986.

When I was appointed by Minister Dutton as Chair in 2014, our objective was to dramatically increase funds raised for sport at every level. This objective was driven by the health and economic benefits of a more active Australia, as well as the need to strengthen our communities by engaging marginalised and disadvantaged Australians and provide them with access to participate in grassroots sport. In the last two years, the Australian Sports Foundation has undergone a wholesale transformation to achieve this.

A new board and new management were appointed, providing access to additional resources and knowledge sources, with a brief to modernise the organisation and instigate change in order to help get more money into sport.

Since 2014 the Foundation has separated itself operationally and administratively from the Australian Sports Commission. This was a strategic move in order for both organisations to move forward and focus more effectively on our respective core purpose.

The Foundation has also transformed its processes, with all key functions made available and administered online. It now provides not only a unique tax deduction for donations to sport, but also a genuine value-add to the sporting community: a digital hub of advice, support, guidance and tools to help sport raise much-needed funds.

These changes have driven significant growth, with donations increasing from \$17 million to \$32 million in just two short years. The number of clubs and organisations that are registered with us has doubled and the Foundation is now raising funds for over 1,500 sporting projects from all over Australia.

Despite this rapid growth, sport still receives only around 1% of the nearly \$3 billion in tax-deductible donations made by Australians each year. So, while we're proud of our progress to date, there is an enormous opportunity to achieve much more in the years ahead.

The Board has approved the 2016-2020 five-year plan, targeting \$100 million in donations per annum. This amount of new funding will make a considerable difference within Australian communities and have a profound impact on the Australian sporting landscape as a whole.

A handwritten signature in dark ink, appearing to read 'Mark Stockwell'.

Mark Stockwell
Chair

CEO'S REPORT



The Australia Sports Foundation was formed in 1986 with a simple Mission: to raise money for sport.

To help achieve this aim, we were given a special listing in the Income Tax Assessment Act 1997, that enables us to provide a tax deduction for donations to sport.

2016 was a “year of 30’s”. We celebrated our 30th birthday and broke the \$30 million donations barrier for the first time. We also achieved over 30% growth on prior year donations, which took cumulative donations past the \$300 million mark.

2016 also marked our move to become self-funding – ensuring that government funds are not spent on our operating costs, but can be allocated directly to sports in need. In order to cover our running costs, we now retain between 5% and 6% of donations received, meaning on average 94.5% of money donated goes to the donor’s preferred project.

This puts the Foundation in the top echelons of Australian charities and social causes in terms of proportion of donations reaching the project, rather than being consumed by overheads and administration.

2016 saw funds donated across the entire spectrum of Australian sport. We raised around \$12 million for grassroots clubs at the base of the pyramid, and helped contribute nearly \$8 million to our Olympic effort in partnership with Olympic Fundraising Councils and Olympic National Sporting Organisations.

The need to increase funding of Olympic sports to compete with the likes of the UK, Germany and France, became evident in the news following Rio 2016. We believe the Foundation will play a vital role in levelling the playing field with our international competitors in the years ahead, and with a home Commonwealth Games less than 18 months away, we look forward to working with the Australian Commonwealth Games Association and participating sports to ensure that Gold Coast 2018 is a success.

We will also maintain our focus on grassroots development, building our Giving4Grassroots™ program and broadening the number of community clubs fundraising with us.

The Foundation has seen the successful close of the 2016 financial year, with our key objectives met or exceeded. Our new five-year strategic plan has been finalised and we are excited about the opportunity to achieve further dramatic growth in funding for sport. While 2016 was the “Year of 30”, the “Road to 100” has just begun, as we set our sights on raising \$100m a year for sport within 5 years.

The team and I would like to thank the following members of the Foundation Board for their passion, support and commitment to changing the funding landscape of sport in Australia:

Mark Stockwell – Chair
Tim Sheridan – BA (C&J)
John Pearce

Sally Carbon OAM, FAICD BA Ed – Deputy Chair
Josh Liberman – LLB, BComm

A handwritten signature in dark ink, appearing to read 'P Walker', written in a cursive style.

Patrick Walker
CEO

OVERVIEW OF THE FOUNDATION

The Foundation is a public company limited by guarantee in accordance with the *Corporations Act 2001(Cth)*. It is a wholly owned Commonwealth company, established in 1986, and its enabling legislation is the *Australian Sports Commission Act 1989*. The purpose of the Company is to raise money for the development of sport in Australia.

The Foundation is a Deductible Gift Recipient (DGR) listed by name in Subdivision 30-B of the *Income Tax Assessment Act 1997*. It has a unique role as the DGR for sport in Australia; as sport is not a charitable purpose, it is generally not possible for donors to receive a tax deduction when donating to sport, unless that donation is made to the Foundation. Accordingly, the focus of the Foundation is to raise tax-deductible philanthropic donations from private and corporate donors, as well as Public and Private Ancillary Funds (PAFs), to invest in the development of sport in Australia. Donations received are granted to sports clubs and community organisations throughout Australia to support approved sporting projects and initiatives.

STRATEGIC DIRECTION

The Foundation aims to deliver two key objectives:

- To increase donations to sport
- To increase the number of registered fundraising projects

In addition, the Foundation aims to ensure an appropriate balance between raising funds for grassroots and community sport, and for the elite level – including State and National Sports and athletes.

Given the need for increased funding for sport at all levels, the Foundation has developed a plan to increase donations to sport to \$100m by the end of 2020. Key objectives to achieve this include:

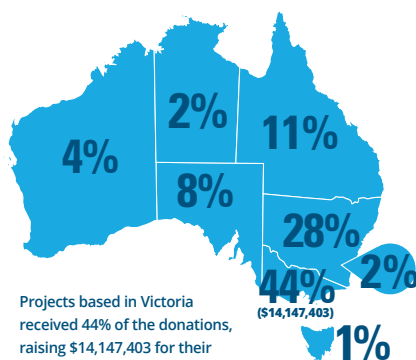
- Establish a Charitable Fund and obtain a separate DGR listing to enable the Foundation to better access the increasing amount of philanthropic giving that is channelled through Ancillary Funds
- Increase donations to mass participation sports by leveraging the new Community Giving capability
- Roll out Athlete Fundraising to a broader range of athletes, leveraging the 2018 Commonwealth Games and the Tokyo 2020 Olympics
- Streamline processes and promote the opportunity to donate goods and property to enable sport to better access this type of philanthropic giving
- Increase the number of sports clubs and organisations using workplace giving to generate additional pre-tax donations

2016 RESULTS

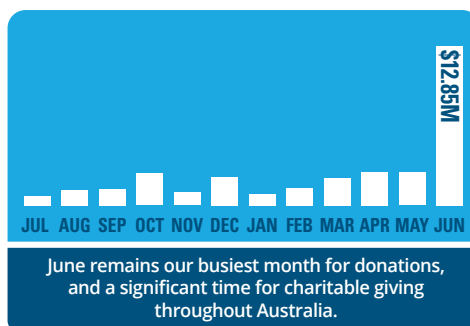
The 2015-2016 financial year increase in donations to \$32 million represented 31% growth over the previous year, making 2016 a record year for sports fundraising. Regional fundraising targets were exceeded in almost every State and Territory, with the ACT showing the fastest growth at 182%.

2016 DONATIONS BY STATE OR TERRITORY

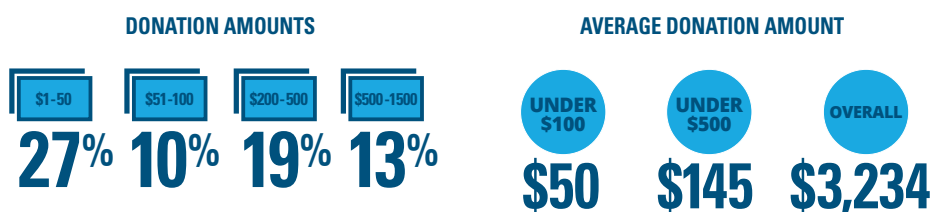
FUNDS RECEIVED BY STATE



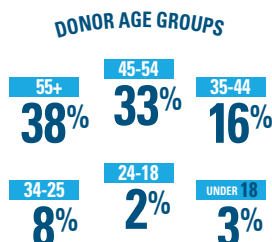
WHEN PEOPLE ARE DONATING



State	2015 \$	2016 \$	Target growth %	Actual \$	Growth achieved %
ACT	\$240,000	\$285,000	19%	678,088	182%
NSW	\$7,200,000	9,000,000	25%	9,091,184	26%
WA	\$960,000	\$1,500,000	56%	1,309,634	36%
REGION TOTAL	\$8,400,000	\$10,785,000	28%	11,078,906	32%
NT	\$240,000	\$250,000	4%	525,000	118%
QLD	\$2,160,000	\$3,400,000	57%	3,393,204	57%
REGION TOTAL	\$2,400,000	\$3,650,000	52%	3,918,204	63%
VIC	\$11,520,000	\$13,750,000	19%	14,147,403	23%
TAS	\$240,000	\$500,000	108%	195,171	(18%)
SA	\$1,440,000	\$1,800,000	25%	2,689,131	86%
REGION TOTAL	\$13,200,000	\$16,050,000	21%	17,031,705	29%
GRAND TOTAL	\$24,000,000	\$30,485,000	25%	31,950,702	31%



THE MOST GENEROUS OCCUPATIONS



FUNDRAISING4SPORT

The Fundraising4Sport (F4S) program enables sporting clubs or individuals to register with the Foundation to fundraise for projects that develop sport. F4S supports sporting clubs, regional, state and national sporting organisations, schools, councils and community groups, as well as other Australian non-profit organisations.

Projects registered by organisations and athletes generally raise funds for:

- New facilities
- Purchase of sports equipment
- Participation and community engagement initiatives
- Enhanced performance
- Team or athlete travel

Once registered with the Foundation, donations are made to the Foundation, with donors nominating the relevant project as their preferred beneficiary. Monies raised are then granted to that project.

By donating to their selected project through the Foundation, the donor can take advantage of the Foundation's tax deductible status to claim a tax deduction for any donation of \$2 or more.

2016 highlights included:

- Over \$300 million in total funds raised since 1986
- 1494 active projects
- 1191 grants to organisations for sports projects in 2016

The Key Performance Indicators for the number of F4S projects were significantly exceeded in each State and Territory in the 2015-2016 financial year and represented a national increase of 117%.

2016 F4S PROJECTS BY STATE OR TERRITORY

State	2015 \$	2016 \$	Target growth %	Actual \$	Growth achieved %
ACT	34	50	47%	79	132%
NSW	172	200	16%	354	105%
WA	66	80	21%	114	72%
REGION TOTAL	272	330	21%	547	101%
NT	2	5	150%	6	300%
QLD	94	150	60%	231	145%
REGION TOTAL	96	155	61%	238	148%
VIC	238	300	26%	502	110%
TAS	16	40	150%	43	168%
SA	64	75	14%	139	117%
REGION TOTAL	318	415	30%	683	114%
GRAND TOTAL	686	900	31%	1494	117%

The Impact of F4S

Funds raised through our F4S program supported a wide range of sports and had a profound impact on the clubs and communities involved, as the examples below illustrate:

Glen Iris Junior Football Club

Papunya Community Fund – Connecting Communities Through Football

The Glen Iris Junior Football Club campaigned to raise funds in order to provide opportunities for junior teams to play against teams from the remote Papunya Aboriginal Community. Previously, this assistance came in the form of sending a delegation to the Northern Territory, however this year the club wanted to raise funds to bring the Papunya players to Melbourne in order to experience football in Victoria. Nine children and four adults were brought to Melbourne and for many, this was their first time away from home. Over six days, the Papunya team itinerary included playing several games against the Glen Iris Junior Football Club, visiting Richmond Football Club, and participating in the 'Long Walk' before attending the AFL Dreamtime game.

Fundraising target: \$50,000

Total donations received: \$60,000



Cricket Tasmania

High-Performance Youth Tour

Cricket Tasmania campaigned to raise funds in order to provide talented young players with the opportunity to participate in overseas tours. This year the team travelled to England for a two-week tour that consisted of playing matches against some of England's most talented players. Overall there were positive personal and team outcomes resulting from the games, with the team recording two wins, a draw and just one loss.

Fundraising target: \$50,000

Total donations received: \$55,000



Athlete Fundraising

The Athlete Fundraising program is a new sub-set of the F4S program and an Australian Sports Foundation initiative that allows all Australians, both individuals and organisations, to donate to support individual athletes. The program launched on 26 May 2016, prior to the Olympic and Paralympic Games in Rio de Janeiro, in an effort to assist the Australian team, as not all athletes receive Government funding, scholarships or sponsorships, and many hold down full or part-time jobs to fund their Olympic or Paralympic participation.

Athletes can register online and, once assessed for eligibility, a fundraising page is set up for individuals or organisations to donate to.

In 2016 the Foundation granted \$45,000 to 22 athletes



"I want to say a huge thank you for the fundraising help... The support from your fundraising help is greatly appreciated and will go to great use... I have called all of the donors and thanked them all personally for their donation... Thanks again for your help, I am extremely grateful."

Melissa Duncan
Athletics – 1500m

Giving4Grassroots™

Giving4Grassroots™ (G4G™) is the Foundation's national small grants program that funds initiatives and programs aimed at increasing participation in grassroots and community sport throughout Australia. G4G™ provides grants for grassroots sports clubs and community-based organisations to enable them to provide activities and programs focused on increasing the participation in sport at grassroots and local community level.

The number one objective of the program is to help provide Australians with more access to sport at the grassroots and community level, so that more Australians can benefit from the positive impacts of sport such as a healthier lifestyle, social inclusion and the development of teamwork and leadership skills.

In 2015 \$155,000 was granted to 24 projects

In 2016 \$143,562 was granted to 23 projects to benefit more than 5,000 participants

In total just under \$300,000 has been granted to 47 projects

G4G™ Case Studies

Carina Leagues Triathlon Club

The Carina Leagues Triathlon Club received a G4G™ grant in 2015 to fund the promotion and delivery of an Aquathon series which enabled the club to provide a new pathway for children and their families to easily participate in, and experience the benefits of, grassroots triathlon programs.

The club also used funds for shirts and training equipment for participants which helped to reduce entry costs into ongoing engagement with the sport, which supported significant uptake in weekly program attendance from participants in the Aquathon series.

"The delivery of the Aquathon series has had a significant impact on youth participation in the sport. Traditionally triathlon is viewed as a difficult and often expensive sport to engage with, resulting in low participation numbers at a junior level. By removing the most costly and challenging element of triathlon, coupled with the delivery of the program alongside family members in one central environment, many children who would not have otherwise tried the sport were able to engage,"

Kym Wood, Project Manager:

"This also resulted in a number of new members joining our club and nearby partner clubs and an overall increase in ongoing grassroots participation that would not have been possible without the delivery of this program. We wish to thank the ASF wholeheartedly for enabling us to develop and deliver a unique engagement program for youth in the local area".

Royals Rugby Union Football Club

Royals RUFC wanted to engage with local primary schools in order to assist the schools in developing an interest in playing rugby (whether contact rugby or the non-contact version Viva7s). Following the successful pilot of acquiring equipment, playing jerseys and offering coaching to the primary school, Royals expanded their exposure to three more schools, acquiring additional equipment and establishing inter/intra-school trophies.

"Between the 4 schools that Royals JRUFC has engaged, we have impacted approximately 1500 girls and boys. All four schools registered teams in the 'Matt Giteau Primary School Cup' on 23rd March. This was the 1st time that ALL four schools in our region have played in this Primary School Rugby tournament".

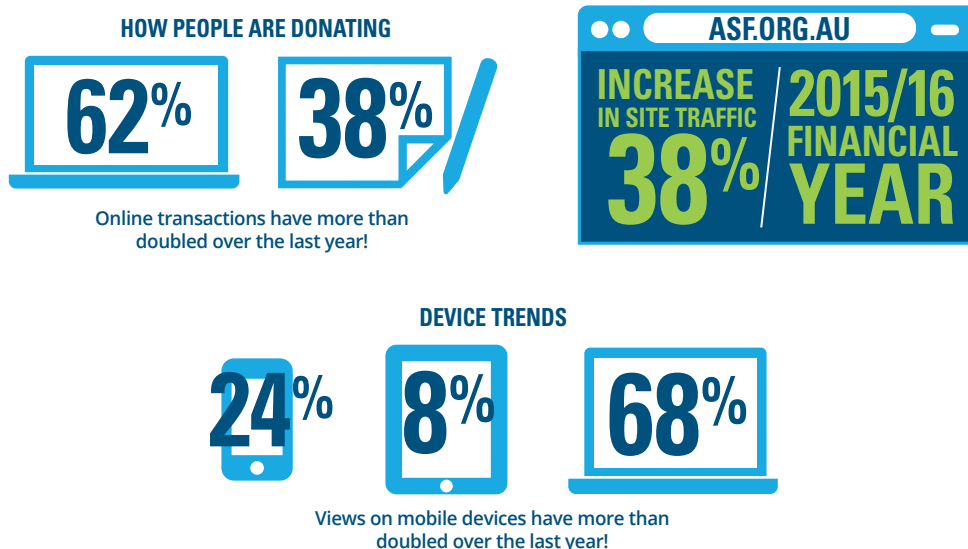
Trevor Hancock, Program Coordinator from Royals:

"Without this G4G Grant, Royals JRUFC would not have been able to undertake this school engagement, and I personally believe that our club may not have existed in a few years, due to dwindling player participation. Now that we have this engagement, we are very confident that our club will be able to grow participation and continue to offer rugby to the Weston Creek community of girls and boys".

REACHING SPORT AND DRIVING AWARENESS

The 2015-2016 financial year saw the Foundation focus on improving project and donor user-experience, delivering insights and additional resources to enable registered organisations and athletes to understand, reach and influence a broader audience. The Foundation's integrated online platform continued to develop, delivering a new and more sophisticated self-service portal for F4S partners which includes live reporting and easy to use grant and acquittal functionality. In addition, the Foundation launched a new Community Fundraising capability which will ensure that sport can leverage the power of crowdfunding with the added bonus of tax deductibility. Many smaller upgrades were implemented to streamline updating of project promotional pages and sharing of content.

Online donation and web traffic both saw significant increases and this supports the Foundation's ongoing focus on continuous digital development.



Key publications were also developed and delivered to the market, including the Grassroots Fundraising Toolkit and the insights-rich 2015 Sports Fundraising Snapshot. The development of the snapshot marked a step change for the Foundation, taking a leadership role in the sector and using data collected by the online platform to develop the insights. This data was further broken down later in the year when the Foundation delivered its second insights publication, the 2016 Grassroots Sports Fundraising Snapshot.

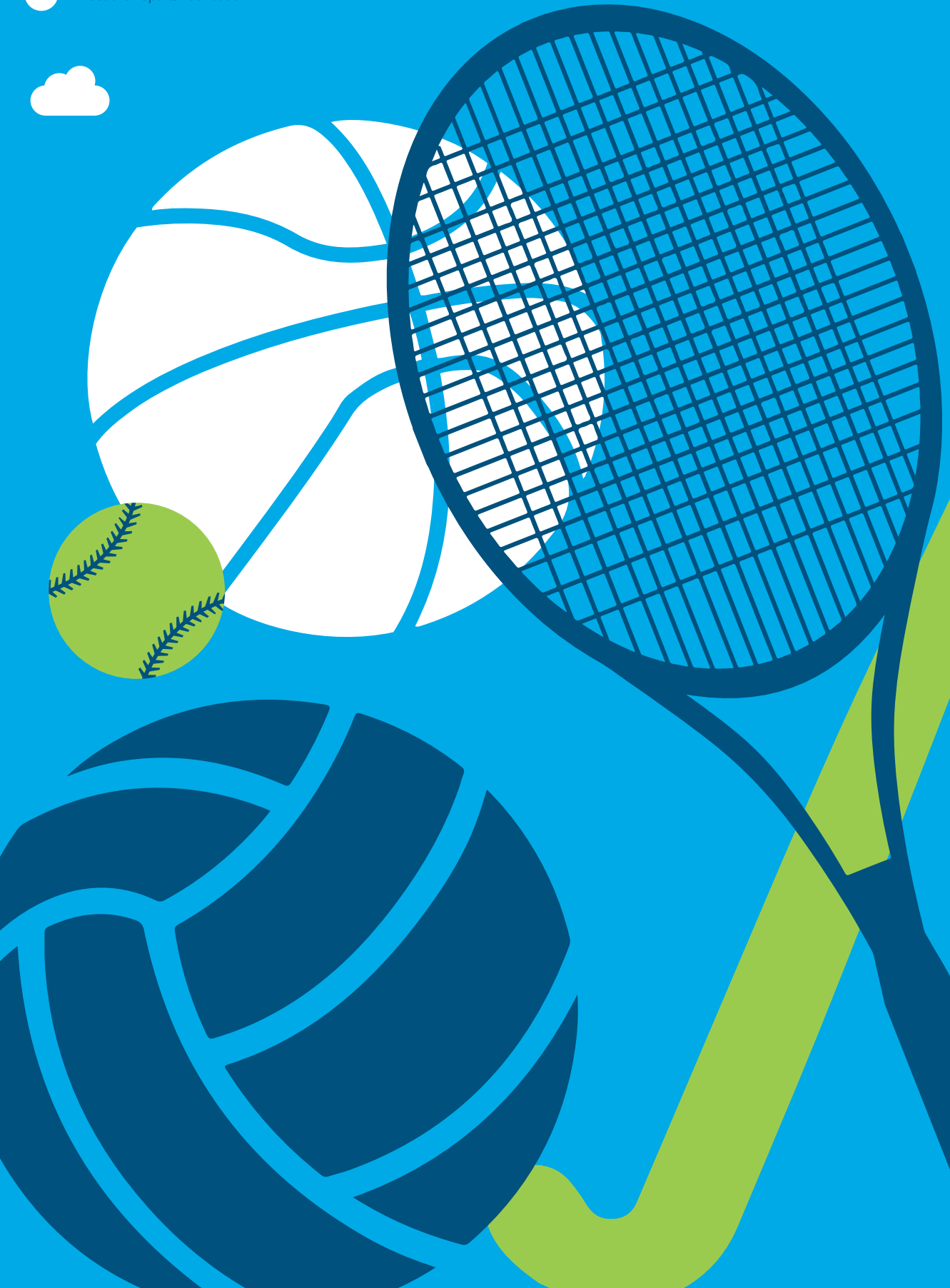
The Foundation will continue to develop its capabilities and strive to deliver market leading capability and value in the sports fundraising landscape in Australia.



**Social media referrals to our website increased by 40%.
This accounted for 16% of all web traffic.**

Other methods include:

Referral **30%** | Direct **26%** | Organic **19%** | Email **8%**



FINANCIAL REPORT

As required by legislation, the annual financial statements and related audit opinion of the Australian Sports Foundation for 2015-16 are outlined in the following.



AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

The Directors present their report together with the financial report of the Australian Sports Foundation Limited (the Foundation) for the year ended 30 June 2016 and the Auditor's report thereon.

Directors

The Directors of the Foundation at any time during the financial year are:

Name	Experience and special responsibilities
Mr Mark Stockwell (Chair)	<p>Mr Stockwell is an Olympian and a businessman, being the owner of Stockwell, a development, construction, property management and fund management group.</p> <p>Mr Stockwell commenced his career as an elite swimmer representing Australia in the 1984 Olympics and 1986 Commonwealth Games. After his retirement from swimming, Mr Stockwell joined the family business, and as Managing Director of Stockwell has seen the company diversify as an investor, developer, builder, project manager, property manager and fund manager of industrial, retail, commercial, residential and leisure developments.</p> <p>Mr Stockwell has maintained his participation in sport over the years and in 2011 chaired the successful bid by the Gold Coast to host the 2018 Commonwealth Games. In addition to being the Chair of the Australian Sports Foundation, he is Deputy Chair of the Australian Sports Commission.</p> <p>Mr Stockwell is a past President of the Property Council of Australia, Queensland Division and served on the National Board for two years. He is currently Chair of Trade & Investment Queensland. Mr Stockwell is a Trustee of the St Laurence's Old Boys' Foundation which funds educational scholarships for boys at St Laurence's College and is also a Trustee of the Stockwell Foundation, founded by Mark and his wife Tracy to benefit children in need.</p> <p>Mr Stockwell was appointed as a director and Chair of the Australian Sports Foundation on 1 July 2014 and attended all six board meetings he was eligible to attend.</p>



AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

Name

Ms Sally Carbon OAM

Experience and special responsibilities

Ms Carbon, an Olympic and World Cup gold medallist represented Australia in hockey at two Olympic Games and two World Cups.

Ms Carbon owns and is the Director of Green Eleven Pty Ltd, holds a Bachelor of Arts with majors in physical education and mathematics, is a qualified strategic marketer, a company director and is a Fellow of the Australian Institute of Company Directors. She has published six books and three interactive educational resources and has had 26 years' experience in the Australian media.

Ms Carbon has served on the Board of the Western Australian Sports Council and the Strategic Directions Board for the WA Education Department and is an active member of many foundation, sport, health and education boards in Western Australia.

Ms Carbon was appointed as a Director of the Australian Sports Foundation on 7 May 2008 and is Chair of its Finance Audit and Risk Committee.

Ms Carbon attended all six Board meetings she was eligible to attend.

Ms Carbon's appointment was extended for a further 3 year term on 30 April 2015.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

Name

Mr Joshua Liberman

Experience and special responsibilities

Mr Liberman is the Chairman of LJCB Investment Group (LJCB). LJCB is one of Australia's largest private groups, with interests in industries such as petroleum and energy production, property, banking and finance, equities, funds and venture capital.

In Israel, LJCB controls with its partner, the largest energy and petroleum company (Paz) and the fifth largest bank (the First International Bank).

LJCB is a founding shareholder of CVS Lane Capital Partners, an Australian property business specialising in innovative structuring and finance solutions. In finance, LJCB has over the past decade been active in creating and investing in funds management businesses, private equity transactions, capital raisings and high profile takeovers.

Early stage investments have focused on technology and businesses which have had the potential to change the market and to become global leaders including SEEK, Looksmart, Hitwise and Ducere. LJCB is also a financing partner of Square Peg Capital, a leading Asia Pacific investor group in venture and growth stage online and technology companies.

In philanthropy, Mr Liberman currently sits on the board of the Australian Sports Foundation and is a founding director of the Ducere Foundation, which is active in 12 African countries.

Mr Liberman holds a Bachelor of Law and Commerce from Monash University.

Mr Liberman was appointed to the Board on 28 January 2015, and he attended all six Board meetings he was eligible to attend during the year.



AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

Name

Mr John Pearce

Experience and special responsibilities

Mr Pearce was involved in the receivables management industry for the last 47 years prior to retirement in 2013. He was joint founder of listed company, Collection House Limited. During the listed period of Collection House he held the positions of CEO, Managing Director, Deputy Chair and Chairman of the company between 2000 and 2013 at various times.

Mr Pearce has spent his life with a keen interest in sport, including having a significant involvement in establishing The Peter Burge 11 in partnership with Queensland Cricket, The Lethal Lions Coterie Group at The Brisbane Lions Football Club and the Bulls Masters in Queensland. Previously, Mr Pearce was Number 1 Ticket Holder of The Brisbane Lions from 2002 until 2008 and was appointed Patron of the Club in 2015. He is also The Patron of The Brisbane Lions Foundation. He was appointed a Life Member of The Brisbane Lions in 2008.

Over the years Mr Pearce has founded The Brisbane Lions Foundation, The Financial Basics Foundation and The Rutherglen Cemetery Foundation, and is keenly interested in the Philanthropic areas of sport, including financial support of The Queensland Sports Federation.

Mr Pearce was appointed to the Board on 30 April 2015 and attended all the Board meetings he was eligible to attend.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

Name

Mr Timothy Sheridan

Experience and special responsibilities

Mr Sheridan is a distinguished sports journalist, and well known within the Australian sports community.

After completing a Bachelor of Arts degree in journalism at Charles Sturt University, Mr Sheridan joined Australian Consolidated Press in 1981. He was a reporter, feature writer and sub-editor for ACP sporting publications which included Rugby League Week, Australian Cricket Magazine and Australian Golf.

During this time Mr Sheridan played rugby union for Sydney club Manly and toured New Zealand with the New South Wales Waratahs in 1982.

After three years with ACP Mr Sheridan continued to thrive in his career of sports journalism and worked for 30 years with both Nine and Fox Sports. Mr Sheridan has covered 17 Wimbledon Championships and in 2015 celebrated the 20 year anniversary of his first trip to the US Masters by being at Augusta for Jordan Spieth's historic win; he has spanned the globe revealing the stories and characters that have shaped Australian sport.

Outside of his own work, Mr Sheridan has written and taught a Sports Journalism course at The University of Sydney, mentors young journalists and is deeply involved in sport on a day to day basis. A former Board member of Sydney's Roseville Tennis Club, Mr Sheridan is now on the Board of Mosman Rowing Club, one of Australia most successful nurseries for elite talent.

Mr Sheridan was appointed as Director of the Australian Sports Foundation on the 1st September 2015 and has attended all the Board meetings he has been eligible to attend.



AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

Directors' meetings

Six Directors' meetings and seven Finance and Audit and Risk Committee meetings were held during the financial year. The number of meetings attended by each Director of the Foundation during the financial year is:

Director	Board Meetings		Finance and Audit and Risk Committee Meetings	
	A	B	A	B
Mark Stockwell	6	6	-	-
Sally Carbon OAM	6	6	7	7
Josh Liberman	6	6	-	-
John Pearce	6	6	-	-
Timothy Sheridan	4	4	-	-

A – Number of meetings attended

B – Number of meetings held during the time the Director held office during the year

Principal activities

The principal activity of the Foundation during the course of the financial year was to raise money for the development of sport in Australia. To achieve this, the Foundation receives philanthropic donations from individuals and businesses and distributions from ancillary funds and makes discretionary grants to eligible organisations in respect of sporting projects.

In previous years, the administration of the Foundation has been supported by the Australian Sports Commission (the Commission). In 2015/16, the Foundation commenced operating independently with a commercial and service orientated focus aimed at substantially increasing the amount of money donated to Australian sport.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

Performance Measures

The role of the Foundation is to raise money for the development of sport in Australia, and its key objective is to achieve substantial growth in the amount of money donated. Achieving this growth requires an increase in the number of organisations that register to fundraise with the Foundation, and an increase in the effectiveness of fundraising campaigns. It also depends upon increased awareness of its role and capabilities within the sport and community sector, and increased awareness among the philanthropic community of the benefits of donating to sport. Accordingly, key performance indicators include the number of organisations that register with the Foundation and the amount of donations received in support of those projects. The Foundation also monitors the effectiveness of its market reach among key sporting and philanthropic stakeholder groups.

Enabling legislation, objectives and functions inherent in that legislation

The Foundation's enabling legislation is the *Australian Sports Commission Act 1989*. The objectives and functions of the Foundation inherent in the Act are that:

- The purpose of the company is to raise money for the development of sport in Australia.
- Except to the extent necessary for the performance of its functions in relation to the Commission, the company is not empowered to do anything that the Commission is not empowered to do.

Organisational structure

The Foundation is a public company limited by guarantee in accordance with the *Corporations Act 2001* and is a wholly-owned Commonwealth Company under the *Public Governance Performance and Accountability Act 2013*.

The Foundation employs twelve staff (11 full time equivalents).

Location of major activities and facilities

The Foundation operates from an office based at the Australian Institute of Sport campus in Canberra and another office located in Brisbane.

Factors, events or trends influencing performance

In the first year of operational separation from the Commission there has been an increased focus on service delivery and engagement with the Foundation's major stakeholders and sporting organisations at all levels across Australia, as well as changes to its business model. The Foundation has achieved a significant increase in both the number of registered projects and the value of donations received during the year.



AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

Risks and opportunities in future years

Business activity is expected to continue trending upwards. The Foundation's fundraising capabilities will continue to be strengthened, with continued focus on enhancing its customer relationship management system using digital strategy and marketing and thought leadership programs to provide ongoing opportunities to increase the amount of money donated to sport.

From 1 July 2015 the Foundation no longer receives funding monies from the Commission to pay for its overheads. Following the operational separation from the Commission, the Foundation retains a percentage of monies donated – ranging from 5% to 6% depending on the method of donation – in order to cover its operating costs.

State of affairs

There were no other significant changes in the state of affairs of the Foundation during the financial year. The Foundation continued improving its customer relationship management system and conducted a range of business development activities to sustain and increase its fundraising activities.

Review and results of operations

The Foundation changed its accounting policy with effect from 1 July 2015 to recognise grants payable at the end of the financial year that were previously paid in the subsequent financial year. Full details of the change of accounting policy including its impact on the prior year's performance of the Foundation has been disclosed in Note 18 of the financial statements.

The operating profit for the year ended 30 June 2016 was \$239,575 (2015: loss of \$552,590).

Dividends

No dividends have been paid or declared during the year and no dividends are proposed. The Foundation is prohibited by its Memorandum and Articles of Association from making any distributions to its members.

Members' funds

In the event of winding up every member of the Foundation undertakes to contribute to the property of the Foundation up to an amount not exceeding \$100. At 30 June 2016, the total amount that members are liable to contribute if the Foundation is wound up is \$500 (2015: \$400).

Significant developments since the end of the financial year

There have been no significant developments since the end of the financial year.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

Future likely developments

The Foundation is continually improving its processes and refining its strategy in order to drive an ongoing increase in the amount of money donated to sport. During the course of 2017, it is intending to recruit further people with fundraising, marketing and relationship management skills, and establish a satellite operation in one of the major State capitals following the success of its move into Queensland in 2015.

Further developments to the Foundation's website and crowdfunding platform are envisaged in order to make it easier and simpler for donors to provide financial support for sporting organisations and causes.

As the Foundation's footprint grows, it is proposing to develop relationships with potential sponsors who may wish to support our work. Any financial contributions that may arise from sponsors would be intended to assist in covering the Foundation's operating costs,

Environmental regulations

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

Appointment of Directors

The Federal Minister for Sport is responsible for appointing the Board of Directors. There were no resignations of Directors this year. During the year Mr Tim Sheridan was appointed to the Board on 1 September 2015 for a term of three years, increasing the number of Directors to five.

Finance Audit & Risk and Remuneration Committees

Ms Carbon continues to Chair the Foundations Finance, Audit and Risk Committee and has operated in that capacity throughout 2015/16 year.

Pursuant to the Public Governance Performance and Accountability Act 2013, Members of the Finance and Audit and Risk Committee were independently appointed from July 2015 for an initial period of two years from a competitive process and offered positions on the Committee based on their independence, individual experience and skill sets they can each bring to the Foundation.

The other members of the Finance, Audit and Risk Committee who are independently appointed are Mr Rodney Balding who has been appointed the Deputy Chair, Ms Annabelle Williams OAM, and Mr Jason Agnoletto.

The Foundation does not have a Remuneration Committee.



AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2016

Indemnities and insurance premiums for officers

During the financial year, the Foundation paid a premium in respect of a contract insuring the Directors and Officers of the Foundation against liability incurred as such a Director or Officer, other than conduct involving wilful breach of duty in relation to the Foundation, to the extent permitted by the Corporations Act 2001.

The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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

The Foundation was not a party to any such proceedings during the year.

Auditor's independence declaration

A copy of the Auditor's independence declaration in relation to the audit for the financial year is provided with this report.

Directors' benefits

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors) by reason of the contract made by the Foundation or a related corporation with the Director or with a firm of which he or she is a member, or with a company in which he or she has a substantial financial interest.

During the year the Foundation opted to pay Directors Fees to one Director.

Dated at Canberra (city) this 24 day of August 2016

Mark Stockwell
Board Chair

Sally Carbon OAM
Director

Signed in accordance with the resolution of the Directors



INDEPENDENT AUDITOR'S REPORT

To the members of the Australian Sports Foundation Limited

I have audited the accompanying financial report of the Australian Sports Foundation Limited, which comprises the Statement of Financial Position as at 30 June 2016, the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year then ended, Notes to and forming part of the financial report comprising a Summary of Significant Accounting Policies and other explanatory information, and the Directors' Declaration.

Opinion

In my opinion, the financial report of the Australian Sports Foundation Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Australian Sports Foundation Limited's financial position as at 30 June 2016 and of its performance for the year ended on that date;
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (c) the financial report also complies with the *Australian Equivalents to International Financial Reporting Standards* as disclosed in Note 1.2.

Directors' Responsibility for the Financial Report

The directors of the Australian Sports Foundation Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control 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 Note 1.2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report complies with the *Australian Equivalents to International Financial Reporting Standards*.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*.

Australian National Audit Office



Peter Kerr

Executive Director

Delegate of the Auditor-General

Canberra

24 August 2016



Mr Mark Stockwell
Chairman, Board of Directors
Australian Sports Foundation Limited
PO Box 176
BELCONNEN ACT 2616

**AUSTRALIAN SPORTS FOUNDATION LIMITED
FINANCIAL REPORT 2015–16
AUDITOR'S INDEPENDENCE DECLARATION**

In relation to my audit of the financial report of the Australian Sports Foundation Limited for the year ended 30 June 2016, to the best of my knowledge and belief, there have been:

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

Australian National Audit Office

Peter Kerr
Executive Director
Delegate of the Auditor-General
Canberra
24 August 2016





AUSTRALIAN SPORTS FOUNDATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
NET COST OF SERVICES EXPENSES			
Employee benefits	3A	1,243,151	991,184
Suppliers	3B	614,288	826,474
Grants	3C	29,827,307	23,452,170
Depreciation and amortisation	3D	99,631	53,020
Total expenses		31,784,377	25,322,848
LESS:			
OWN-SOURCE INCOME			
Own-source revenue			
Donations	4A	30,410,056	24,317,189
Grants	4A	41,854	200,000
Interest	4B	31,396	146,538
Project administration fees	4A	1,540,646	106,531
Total own-source revenue		32,023,952	24,770,258
Net (cost) of contribution by services		239,575	(552,590)
Surplus (Deficit) on continuing operations		239,575	(552,590)
Total comprehensive income (loss) attributable to the Australian Government		239,575	(552,590)

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

AUSTRALIAN SPORTS FOUNDATION LIMITED

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2016

	Notes	2016 \$	2015 Restated* \$	1 July 2014 Restated* \$
ASSETS				
Financial assets				
Cash and cash equivalents	5A	16,604,925	15,649,576	10,515,419
Trade and other receivables	5B	1,969,481	1,749,498	2,572,743
Total financial assets		18,574,406	17,399,074	13,088,162
Non-financial assets				
Property, plant and equipment	6A	20,211	11,582	0
Computer hardware	6B	23,846	26,702	0
Intangible assets	6C	127,010	133,615	0
Prepayments		3,503	0	0
Total non-financial assets		174,570	171,899	0
Total assets		18,748,976	17,570,973	13,088,162
LIABILITIES				
Payables				
Suppliers	7A	60,417	112,879	460,301
Other payables	7B	4,632	30,109	15,000
Grants payable	7C	14,468,304	13,457,899	8,114,253
Total payables		14,533,353	13,600,887	8,589,554
Provisions				
Employee Provisions	7D	30,030	24,068	0
Total provisions		30,030	24,068	0
Total liabilities		14,563,383	13,624,955	8,589,554
Net assets		4,185,593	3,946,018	4,498,608
EQUITY				
Reserves	8	4,185,593	3,946,018	4,498,608
Retained surplus (accumulated deficit)		0	0	0
Total equity		4,185,593	3,946,018	4,498,608

* See note 18 for details regarding the restatement as a result of a change in accounting policy
The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN SPORTS FOUNDATION LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2016

	Retained surplus/ (accumulated deficit)		Reserves		Total equity	
	2016	2015	2016	2015	2016	2015
	\$	Restated*	\$	Restated*	\$	Restated*
Opening balance						
Balance carried forward from previous period			3,946,018	4,498,608	3,946,018	4,498,608
Adjusted opening balance			3,946,018	4,498,608	3,946,018	4,498,608
Comprehensive income						
Other comprehensive income						
Surplus (Deficit) for the period	239,575	(552,590)	-	-	239,575	(552,590)
Total comprehensive income	239,575	(552,590)	-	-	239,575	(552,590)
Transactions with owners						
Distributions to owners	-	-	-	-	-	-
Contributions by owners	-	-	-	-	-	-
Sub-total transactions with owners	-	-	-	-	-	-
Transfers between equity components	(239,575)	552,590	239,575	(552,590)	-	-
Closing balance as at 30 June	-	-	4,185,593	3,946,018	4,185,593	3,946,018

* See note 18 for details regarding the restatement as a result of a change in accounting policy. The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN SPORTS FOUNDATION LIMITED

CASH FLOW STATEMENT

For the year ended 30 June 2016

		2016	2015
	Notes	\$	\$
OPERATING ACTIVITIES			
Cash received			
Donations		31,825,719	24,111,403
Grants		41,854	1,700,000
Interest		30,801	146,962
Net GST received		2,669,518	1,847,366
Other		0	105,056
Total cash received		34,567,892	27,910,787
Cash used			
Grants		(31,519,396)	(20,427,558)
Suppliers and employees		(1,994,348)	(2,124,153)
Total cash used		(33,513,744)	(22,551,711)
Net cash from (used by) operating activities	9	1,054,148	5,359,076
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment		(98,799)	(224,919)
Total cash used		(98,799)	(224,919)
Net cash from investing activities		(98,799)	(224,919)
Net increase (decrease) in cash held		955,349	5,134,157
Cash and cash equivalents at the beginning of the reporting period		15,649,576	10,515,419
Cash and cash equivalents at the end of the reporting period	5A	16,604,925	15,649,576

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

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

Note 1 :	Summary of Significant Accounting Policies
Note 2 :	Events After the Reporting Period
Note 3 :	Expenses
Note 4 :	Income
Note 5 :	Financial Assets
Note 6 :	Non-financial assets
Note 7 :	Liabilities
Note 8 :	Reserves
Note 9 :	Cash Flow Reconciliation
Note 10 :	Directors' Remuneration
Note 11 :	Related Party Disclosures
Note 12 :	Key Management Personnel
Note 13 :	Members' Funds
Note 14 :	Remuneration of Auditors
Note 15 :	Commitments
Note 16 :	Financial Instruments
Note 17 :	Contingent Liabilities and Contingent Assets
Note 18 :	Change in Accounting Policy
Note 19 :	Additional Company Information

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

Note 1: Summary of Significant Accounting Policies

1.1 Objective of the Australian Sports Foundation

The Australian Sports Foundation Limited (the Foundation) is a public company limited by guarantee.

The objective of the Foundation is to assist eligible sporting, community, educational and other government organisations to raise funds for the development of sport in Australia.

The Foundation was established by Section 10 of the Australian Sports Commission Act 1989.

1.2 Basis of Preparation of the Financial Report

The Foundation is a Commonwealth company as defined in the *Public Governance, Performance and Accountability Act 2013* and is subject to the *Corporations Act 2001*.

This financial report is a General Purpose Financial Report prepared in accordance with the *Corporations Act 2001* and the Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of this Financial Report are presented below and have been consistently applied unless stated otherwise.

This financial report also complies with the Australian Equivalents to International Financial Reporting Standards (AIFRS) as issued by the Australian Accounting Standards Board and Interpretations.

The Financial Report has been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. These accounting policies have been consistently applied and are consistent with those of the previous year. The Financial Report is presented in Australian dollars and values.

Unless alternative treatment is specifically required by an accounting standard, assets and liabilities are recognised in the Statement of Financial Position when, and only when, it is probable that future economic benefits will flow to the Foundation or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities that are unrecognised are reported in the Commitments or the Contingencies note.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the Statement of Comprehensive Income when, and only when, the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

The Financial Report was authorised by the Directors of the Foundation on 24 August 2016.

1.3 New accounting standards

No accounting standard has been adopted earlier than the application date as stated in the standard.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

1.3 New accounting standards (continued)

The following standard and amendment has been adopted in the 2016 financial year.

AASB 2015-6 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality

The amendment was applied from 1 July 2015. The application of this standard has not resulted in any material changes.

Future Australian Accounting Standard Requirements

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Australian Sports Foundation Ltd for the annual reporting period ending 30 June 2016 are as follows:

Applies Year Ending 30 June	Standard/ Interpretation	Main changes
2017	AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation	<p>This standard amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets to clarify that the basis for depreciation and amortisation is the expected pattern of use of the asset.</p> <p>The amendments also establish a presumption that revenue-based methods of calculating depreciation and amortisation are not consistent with the above principle and should not be used. The potential financial impact of this standard is still being assessed.</p>
2017	AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	<p>AASB 2015-2 makes amendments to AASB 101 Presentation of Financial Statements as a result of the IASB's project to improve disclosures.</p> <p>In particular, the amendments to AASB 101:</p> <ul style="list-style-type: none"> a) clarify that entities should not obscure material information with immaterial information or aggregate material items that have different natures and functions; b) clarify that entities are not required to provide specific disclosures, including 'minimum disclosures' if the information resulting from that disclosure is immaterial; c) clarify that entities need to provide additional disclosures when specific disclosure requirements are insufficient to enable users to understand the impact of transactions on the entity's financial position and financial performance; and d) require that notes be presented in a systematic manner with emphasis on understandability and comparability. <p>The potential financial impact of this standard is still being assessed.</p>

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

Future Australian Accounting Standard Requirements (continued)

Applies Year Ending 30 June	Standard/ Interpretation	Main changes
2017	AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for- Profit Public Sector Entities	AASB 2015-6 makes amendments to AASB 124 Related Party Disclosures to require not-for-profit public sector entities to apply AASB 124. The amendments add Implementation Guidance to assist these entities to apply AASB 124, including: identification of key management personnel; identification of related party transactions; and disclosure of key management personnel compensation. The amendments also include illustrative examples. The potential financial impact of this standard is still being assessed.
2017	AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for- Profit Public Sector Entities	AASB 2015-7 exempts not-for-profit public sector entities from certain disclosures required by AASB 13 Fair Value Measurement. The disclosure exemptions only apply to assets, within the scope of AASB 116 Property, Plant and Equipment that are primarily held for their current service potential rather than to generate future net cash inflows. Not-for-profit public sector entities with recurring and non-recurring level 3 fair value measurements will be exempt from disclosing: a) quantitative information about the significant unobservable inputs used in the fair value measurement; b) the amount of the total gains and losses for the period included in profit or loss that is attributable to the change in unrealised gains or losses relating to the assets held at the end of the reporting period, and the line item(s) in profit or loss in which those unrealised gains or losses are recognised; and c) a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs if a change in those inputs to a different amount might result in a significantly higher or lower fair value measurement. The potential financial impact of this standard is still being assessed.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

Future Australian Accounting Standard Requirements (continued)

Applies Year Ending 30 June	Standard/ Interpretation	Main changes
2018	AASB 15 Revenue from Contracts with Customers	<p>The Australian Accounting Standards Board has issued a new standard for the recognition of revenue. This standard will replace AASB 118 which covers contracts as for goods and services and AASB 111 which cover construction contracts.</p> <p>The new standard is based on the principle that revenue is recognised when control of a good or service transfers to the customer - so the notion of control replaces the existing notion of risks and rewards.</p> <p>The standard permits modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (eg 1 July 2017), ie without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.</p> <p>The potential financial impact of this standard is still being assessed.</p>
2019	AASB 9 Financial Instruments (December 2014)	<p>In December 2014, the Australian Accounting Standards Board issued the final version of AASB 9 Financial Instruments. This new standard supersedes AASB 9 as issued in December 2009 and again in December 2010. This standard incorporates the final requirements from all three phases of the financial instruments project: classification and measurement, impairment and hedge accounting.</p> <p>This Standard introduces a new impairment model based on expected credit losses. The new impairment model does not require a credit event to occur before credit losses are recognised. Furthermore, this Standard introduces a 'fair value through other comprehensive income' measurement category if both of the following conditions are met:</p> <ul style="list-style-type: none"> a) the financial asset is held for both collecting contractual cash flows and selling financial assets; and b) the contractual terms of the financial asset give rise to cash flows that are solely payments of principal. <p>The potential financial impact of this standard is still being assessed.</p>

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

1.4 Significant accounting and judgement estimates

In the process of applying the accounting policies listed in the note, no judgements have been made that have a significant impact on the amounts recorded in the Financial Report.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.5 Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

Revenue arising from the contribution of assets in the form of donations and grants to the Foundation is recognised when:

- the Foundation obtains control of the contribution or has the right to receive the contribution;
- it is probable that the economic benefits comprising the contribution will flow to the entity;
- the amount of the contribution can be reliably measured.

The Foundation receives donations from individual and corporate philanthropists and distributions from ancillary funds. These donations create the funding pool for the Foundation to make discretionary grants to eligible organisations in respect of sporting projects. Donation revenue is recognised when the Foundation receives the transfer of funds from the donor.

The Foundation retains a small percentage of donations to cover administrative overheads. The administration fees retained are recognised immediately on receipt of the donation.

1.6 Employee Benefits

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Foundation is estimated to be less than the annual entitlement for sick leave. The leave liabilities are calculated on the basis of employees remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Foundation's employer superannuation contribution rates to the extent that the leave is unlikely to be taken during service rather than paid out on termination. The liability for long service leave has been determined based on the present value of future payments discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

1.6 Employee Benefits (continued)

Separation and redundancy

A liability is recognised for separation or redundancy benefit payments. The entity recognises a liability for termination when it has developed a detailed formal plan for the terminations or when an offer is made to an employee and is accepted.

Superannuation

Staff of the Foundation are members of various accumulated superannuation schemes.

1.7 Grants

The Foundation makes grant payments to eligible sporting, community, educational and other Government organisations to facilitate the development of sport in Australia. Grants are made at the discretion of the Board of Directors and only after meeting criteria set out in the Foundation guidelines. Grants are recognised as a liability in the year that the payments relate to.

1.8 Cash

Cash and cash equivalents includes cash on hand and deposits held at call with a bank or financial institution that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

1.9 Financial Assets

The Foundation classifies its financial assets as receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Receivables

Trade receivables, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as receivables. Receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate. Receivables are primarily comprised of receivables for goods and services and accrued revenue.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

1.9 Financial Assets (continued)

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period. If there is objective evidence that an impairment loss has been incurred for receivables, 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 discounted at the asset's original effective interest rate. The carrying amount of the impaired asset is reduced and the difference recognised as an expense in the Statement of Comprehensive Income.

1.10 Financial Liabilities

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (irrespective of having been invoiced).

1.11 Acquisition of Assets

Assets are recorded at cost on acquisition. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate. Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition.

1.12 Property, plant and equipment

Asset recognition threshold

Purchases of property, plant and equipment are recognised at cost in the Statement of Financial Position, except for purchases costing less than \$1,000 which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total or are purchases of computer equipment). The initial cost of an asset includes an estimate of the discounted fair value of dismantling and removing the item and restoring the site on which it is located.

Revaluation

Following initial recognition at cost, property plant and equipment are carried at fair value. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values at reporting date. The regularity of independent valuations depends upon the volatility of movements in the market values for the relevant assets.

Depreciation

Depreciable property, plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the Foundation using, in all cases, the straight line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

1.12 Property, plant and equipment (continued)

Depreciation rates applying to each sub-class of depreciable asset are based on the following useful lives:

Computers 3 - 4 years

Furniture and Equipment 4 - 10 years

Impairment

All assets were assessed for impairment at 30 June 2016 and none were found to be impaired.

1.13 Intangibles

The Foundation's intangibles comprise purchased software and internally generated software for internal use. Purchase of intangibles are recognised at cost in the Statement of Financial Position, except for purchases costing less than \$1,000 which are expensed in the year of acquisition (other than when they form part of a group of similar items which are significant in total). These assets are carried at cost less accumulated amortisation and accumulated impairment losses. Intangibles are amortised on a straight-line basis over its anticipated useful life. The useful lives of the Foundation's intangibles are 2 to 4 years.

1.14 Comparative figures

Comparative figures have been adjusted to conform to changes in presentation in the financial report where required.

1.15 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the notes. They may arise from uncertainty as to the existence of an asset or liability or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

1.16 Taxation

The Foundation is a not-for-profit organisation and is exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997 and sub sections 51(1) of the Australian Sports Commission Act 1989. The Foundation is not exempt from Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

1.17 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 lease term.

Note 2: Events after the Reporting Period

There was no subsequent event since 30 June 2016 and up to the date of signing of the financial statements warranting disclosure that had the potential to significantly affect the ongoing structure and financial activities of the Foundation.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Note 3: Expenses			
Note 3A: Employee Benefits			
Salaries and related expenses paid by the Commission		0	365,856
Salaries and related expenses		1,243,151	625,328
Total employee benefits		1,243,151	991,184
Note 3B: Suppliers			
Goods and services			
Administration reimbursement to the Commission		0	11,213
Provision of goods and services		546,745	738,309
Sundry expense		13,165	15,594
Bank charges		54,378	61,358
Total goods and services		614,288	826,474
Goods and services are made up of:			
Rendering of services – related entities		0	11,213
Rendering of services – external parties		614,288	815,261
Total goods and services		614,288	826,474
Total supplier expenses		614,288	826,474
Note 3C: Grants			
Public sector:			
Local Governments		518,677	313,150
Private sector:			
Not for profit organisations		29,308,630	23,139,020
Total grants		29,827,307	23,452,170



Note 3D: Depreciation and amortisation

Depreciation

Furniture and equipment	2,272	455
Computer hardware	10,753	3,228
Total depreciation	13,025	3,683

Amortisation

Intangibles - Computer software	28,067	20,888
Intangibles - Website development	58,539	28,449
Total amortisation	86,606	49,337
Total depreciation and amortisation	99,631	53,020

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	2016 \$	2015 \$
Note 4: Income		
Own-Source Revenue		
Note 4A: Sale of Goods and Rendering of Services		
Donations	30,410,056	24,317,189
Grants	41,854	200,000
Project administration fees	1,540,646	106,531
Total sale of goods and rendering of services	31,992,556	24,623,720
Sale of goods and rendering of services are made up of:		
Rendering of services – related entities	41,854	200,000
Rendering of services – external parties	31,950,702	24,423,720
Total sale of goods and rendering of services	31,992,556	24,623,720
Note 4B: Interest		
Deposits	31,396	146,538
Total interest	31,396	146,538

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	2016 \$	2015 \$
Note 5: Financial Assets		
Note 5A: Cash and Cash Equivalents		
Cash on hand or on deposit	16,604,925	15,649,576
Total cash and cash equivalents	16,604,925	15,649,576

Note 5B: Trade and Other Receivables

Goods and services in connection with

Related parties	0	0
External parties	660,639	535,340
Total receivables for goods and services	660,639	535,340

Other receivables:

GST receivable from the Australian Taxation Office	1,308,002	1,213,913
Interest	840	245
Total other receivables	1,308,842	1,214,158
Total trade and other receivables (gross)	1,969,481	1,749,498

Receivables are expected to be recovered in:

No more than 12 months	1,969,481	1,749,498
More than 12 months	0	0
Total trade and other receivables (net)	1,969,481	1,749,498

All trade and other receivables are not impaired.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	2016 \$	2015 \$
Note 6: Non-Financial Assets		
Note 6A: Property Plant & Equipment		
Furniture, fittings, plant and equipment:		
At fair value	22,939	12,037
Accumulated depreciation	(2,728)	(455)
Total furniture, fittings plant and equipment	20,211	11,582
Note 6B: Computer hardware		
At fair value	37,827	29,930
Accumulated depreciation	(13,981)	(3,228)
Total computer hardware	23,846	26,702
Note 6C: Intangible assets		
Software and website development:		
At cost	262,952	182,952
Accumulated amortisation	(135,942)	(49,337)
Total software and website development	127,010	133,615

Over the next 12 months, property, plant and equipment that have come to the end of their useful life will be disposed of in line with the Foundations capital replacement plan.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

2016
\$

2015
\$

Note 6D: Reconciliation of the opening and closing balance of non-financial assets (2015/16)

	Furniture, Fittings and Plant equipment	Computer Hardware	Intangible assets	Total
	(\$)	(\$)	(\$)	(\$)
As at 1 July 2015	11,582	26,702	133,615	171,899
Additions	10,901	7,897	80,001	98,799
Depreciation/Amortisation	(2,272)	(10,753)	(86,606)	(99,631)
Closing balance 30 June 2016	20,211	23,846	127,010	171,067

Reconciliation of the opening and closing balance of non-financial assets (2014/15)

	Furniture, Fittings and Plant equipment	Computer Hardware	Intangible assets	Total
	(\$)	(\$)	(\$)	(\$)
As at 1 July 2014	-	-	-	-
Additions	12,037	29,930	182,952	224,919
Depreciation/Amortisation	(455)	(3,228)	(49,337)	(53,020)
Closing balance 30 June 2015	11,582	26,702	133,615	171,899

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	2016 \$	2015 \$
Note 7: Liabilities		
Note 7A: Supplier Payables		
Trade creditors and accruals	60,417	112,879
	60,417	112,879

Supplier payables expected to be settled within 12 months:

Related entities	0	34,716
External parties	60,417	78,163
Total supplier payables	60,417	112,879

Note 7B: Other Payables

Unearned application fees	0	13,250
Employee benefits payable	4,632	16,859
Total other payables	4,632	30,109

Total other payables are expected to be settled in:

No more than 12 months	4,632	30,109
More than 12 months	0	0
Total other payables	4,632	30,109

Note 7C: Grants payable

Grants payable	14,468,304	13,457,899
Total grant provision	14,468,304	13,457,899

All grants payable are expected to be settled within 1 month

Note 7D: Employee Provisions

Leave	30,030	24,068
Total employee provisions	30,030	24,068

All employee provisions are expected to be settled within 12 months

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	2016 \$	2015 \$
Note 8: Reserves		
Reserves:		
As at start of reporting period	3,946,018	4,498,608
Transfers (to)/from retained surplus/(accumulated deficit)	239,575	(552,590)
As at end of reporting period	4,185,593	3,946,018

Nature and purpose of reserves

The reserves represent monies available to fund the development of Sport in Australia after deducting administration costs.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	2016 \$	2015 \$
Note 9: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement		
Cash and cash equivalents as per:		
Cash Flow Statement	16,604,925	15,649,576
Statement of Financial Position	16,604,925	15,649,576
Difference	0	0
Reconciliation of net cost of services to net cash from operating activities:		
Net (cost) of contribution by services	239,575	(552,590)
	239,575	(552,590)
Adjustment for non cash items		
Depreciation/Amortisation	99,631	53,020
Movements in assets/liabilities		
(Increase) decrease in net receivables	(219,983)	823,245
(Increase) decrease in prepayments	(3,503)	0
Increase (decrease) in supplier payables	(52,462)	(347,422)
Increase (decrease) in other payables	(25,477)	15,109
Increase (decrease) in grants payable	1,010,405	5,343,646
Increase (decrease) in employee provision	5,962	24,068
Net cash from (used by) operating activities	1,054,148	5,359,076

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	2016	2015
	\$	\$

Note 10: Directors' Remuneration

The number of non-executive Directors of the Foundation included in these figures are shown below in the relevant remuneration bands:

\$0 to \$29,999	1	1
Total	1	1

	2016	2015
	\$	\$
Total remuneration paid to Directors of the Foundation	19,012	8,320

There are no Executive Directors of the Foundation.

The Directors of the Foundation during the financial year and up to the date of this report were:

Mr Mark William Stockwell	Appointed	1 Jul 2014
Ms Sally May Carbon OAM	Appointed	7 May 2008
Mr Joshua Maurice Liberman	Appointed	28 Jan 2015
Mr John Marshall Pearce	Appointed	30 Apr 2015
Mr Timothy Patrick Sheridan	Appointed	1 Sept 2015

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

Note 11: Related Party Disclosures

Details of Directors' remuneration are set out in Note 10. Apart from the details enclosed in this note, no Director has entered into a contract with the Foundation since the end of the previous financial year and there are no contracts involving Director's interest existing at year end.

Directors of the Foundation are required to register conflicts of interest and are not part of decisions of the Foundation where there is a real or perceived conflict of interest.

The Foundation did not receive resources free of charge from the Australian Sports Commission in the 2015-16 or in the previous financial year.

The Foundation leases rental premises from the Australian Sports Commission as set out in Note 15.

As at 30 June 2016 the following Director of the Foundation was also a Board Member of the Australian Sports Commission:

Mr Mark William Stockwell



Note 12: Key Management Personnel

Key Management Personnel Remuneration Expense for the Reporting Period

	2016 \$	2015 \$
Short-term employee benefits:		
Salary	618,848	503,446
Annual leave accrued	11,665	18,606
Performance bonuses	0	0
Total short-term employee benefits	630,513	522,052
Post-employment benefits:		
Superannuation	76,595	46,630
Total post-employment benefits	76,595	46,630
Total key management personnel remuneration expenses	707,108	568,682

For the year ended 30 June 2016 there were 9 employees classified as key management personnel (2015:8)

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	2016	2015
	\$	\$

Note 13: Members' Funds

The Foundation is incorporated under the *Corporations Act 2001* and is a Public Company limited by guarantee. Every member of the Foundation undertakes to contribute to the property of the Foundation in the event of winding up to an amount not exceeding \$100.

The income and property of the company shall be applied solely towards the promotion of the objectives of the company and not for distribution in any way to the members of the company.

As at 30 June 2016 the Foundation has 5 members (30 June 2015: 4 members).

Note 14: Remuneration of Auditors

Financial statement audit services provided to the Foundation	9,950	9,500
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No other services were provided by the Auditors of the Financial Report.

Note 15: Commitments

Non-cancellable operating lease commitments

- Not later than 1 year	16,819	15,270
- Later than 1 year, not later than 5 years	7,127	23,947
Minimum lease payments payable	23,947	39,216

The Foundation has two operating leases being rent of premises and lease of photocopier. The current lease on the rent of premises expires 30 June 2017. Lease of the photocopier expires on the 10 March 2020.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

	2016 \$	2015 \$
Note 16: Financial Instruments		
Note 16A: Categories of Financial Instruments		
Financial Assets		
Loans and receivables		
Cash and cash equivalents	16,604,925	15,649,576
Trade and other receivables	661,479	535,585
Total loans and receivables	17,266,404	16,185,161
Total financial assets	17,266,404	16,185,161
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade creditors	60,417	112,879
Other payables	4,632	30,109
Total financial liabilities measured at amortised cost	65,049	142,988
Total financial liabilities	65,049	142,988

Note 16B: Net Gains or Losses on Financial Assets

Loans and receivables		
Interest revenue	31,396	146,538
Net gains on loans and receivables	31,396	146,538
Net gains on financial assets	31,396	146,538

Note 16C: Fair Value of Financial Instruments

The fair value of all financial assets and liabilities of the Foundation equals the carrying value. Financial assets and liabilities are disclosed in the Statement of Financial Position and related notes.

Note 16D: Credit risk

The Foundation is exposed to minimal credit risk.

The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2016 \$661,479). The Foundation has assessed the risk of the default on payment and has allocated \$Nil in 2016 (2015: \$ Nil) to an impairment loss.

The Foundation has policies and procedures in place to manage its credit risk.

The Foundation holds no collateral to mitigate against credit risk.

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

Note 16E: Liquidity risk

The Foundation's financial liabilities are payables. The exposure to liquidity risk is based on the notion that the Foundation will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to the internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations.

Note 16F: Market risk

The Foundation holds basic financial instruments that do not expose the Foundation to certain market risks, such as 'currency risk' or 'other price risk'.

Interest rate risk

The interest bearing item on the Foundation's Statement of Financial Position is cash on deposit which is held in a bank account with a floating interest rate.

There are no interest bearing liabilities on the Statement of Financial Position for the Foundation.

Note 17: Contingent Liabilities and Contingent Assets

There are no quantifiable, unquantifiable or remote contingencies identifiable for the 2015-16 financial year (2014-15; \$Nil).

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

Note 18: Change in Accounting Policy

During the year, the Foundation changed its accounting policy with respect to the treatment of the recognition of grants paid just after year end each year and its impact on the future grants reserve. The Foundation now recognises grants awaiting ratification from the Board of Directors in the year that the payments relate to. Prior to this change in policy, the Foundation recognised the grants (that were calculated at year-end) after the Board ratified these payments in the following financial year. The grants payable calculated for ratification by the Board of Directors was disclosed separately in the equity note.

The Foundation believes the new policy is preferable as it reflects the underlying substance of accounting for these transactions, aids comparability and forms a better basis for decision making.

The impact of this voluntary change in accounting policy on the financial statements primarily results in an increase in assets and liabilities and reduction in equity and related income statement amounts arising on such transactions. The impact on each line item of these financial statements is shown in the table below:

	As reported		Adjustments		Restated	
	2015 \$m	2014 \$m	2015 \$m	2014 \$m	2015 \$m	2014 \$m
Income statement						
Grants expense	18.6	19.8	4.9	(2.2)	23.5	17.6
Profit/(loss)	4.3	(1.3)	(4.9)	2.2	(0.6)	0.9
Balance sheet						
Total assets	16.4	12.4	1.2	0.7	17.6	13.1
Total liabilities	0.2	0.5	13.5	8.1	13.7	8.6
Total equity	16.2	11.9	(12.3)	(7.4)	3.9	4.5

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2016

Note 19: Additional Company Information

Australian Sports Foundation Limited is a public company limited by guarantee incorporated and operating in Australia.

Registered name:

Australian Sports Foundation Limited

ACN: 008 613 858

ABN: 27 008 613 858

Company Secretary:

Mr Steven McDonnell (appointed 30 June 2015)

Registered Office:

C/- Australian Sports Commission

Leverrier Street

Bruce ACT 2617

Principal place of business:

Australian Sports Commission

Leverrier Street

Bruce ACT 2617

AUSTRALIAN SPORTS FOUNDATION LIMITED DIRECTORS' DECLARATION

For the year ended 30 June 2016

The Directors of the Australian Sports Foundation Limited declare that:

- a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the financial position of the Australian Sports Foundation Limited as at 30 June 2016 and its performance, as represented by the results of its operations and cash flows for the year ended on that date, and
 - (ii) Complying with Australian Accounting Standards, and *Corporations Regulations 2001*, and
- b) There are reasonable grounds to believe that the Australian Sports Foundation Limited 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 directors.

Dated at Canberra. (city) this 24 day of August 2016



Mark Stockwell
Board Chair



Sally Carbon OAM
Director

APPENDICES

APPENDIX A: CORPORATE GOVERNANCE

Corporate Structure

The Foundation is governed by a Memorandum and Articles of Association, the current version of which was adopted by resolution of the members on 20 April 1998.

The Board

Article 6.1 provides the power of appointment of directors to the Minister administering the *Australian Sports Commission Act 1989 (Cth)*. The Board comprises five non-executive members with terms of appointment not exceeding five years. The Board oversees and approves the operational and strategic activities of the Foundation and meets four times a year. The Chief Executive Officer reports to the Board and is supported by executive staff members who have expertise in finance, fundraising and marketing.

Finance and Audit and Risk Committee

The Board is supported by the Finance and Audit and Risk Committee chaired by a director and three independent members with assurance, risk and legal expertise.

The Board chair nominates members to this committee based on the requirements of the *Public Governance, Performance and Accountability Act 2013 (Cth)*. This Committee meets regularly with the Chief Executive Officer and Chief Financial Officer and oversees the finance and risk activities and policy matters of the Foundation.

This Committee does not have decision-making authority as this rests with the Board pursuant to the Foundation's Articles of Association.

The Chair of the Finance and Audit and Risk Committee reports the activities of the Committee to the Board each time it meets.

Education and Performance Review

The Foundation maintains a high standard of corporate governance practices to ensure there are appropriate levels of disclosure and accountability. All members of the Board and the Finance and Audit & Risk Committee are appropriately qualified.

Each Director and member of the Finance and Audit and Risk Committee are subject to performance review by the Chair of the Board and Chair of the Finance and Audit and Risk Committee annually.

Ethics and Risk Management Policies

In addition, the Foundation maintains appropriate ethics and risk management policies to assist in the administration of the activities and practises and these are subject to regular review.

Ministerial Direction

For the 2015-2016 reporting period, the Honourable Sussan Ley MP was the Minister responsible for sport.

APPENDIX B: LIST OF REQUIREMENTS

This report complies with the mandatory requirements for the content of annual reports as prescribed by the *Public Governance, Performance and Accountability Rule 2014* in section 17BE in Subdivision B – Annual report for corporate Commonwealth entities.

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Ministerial directions and government policy orders	n/a
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Education and performance review processes	60
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Related entity transactions	52
Significant activities and changes affecting the Foundation	5, 8-10 & 57
Judicial decisions and reviews by outside bodies	n/a
Subsidiaries	n/a
Indemnities and insurance premiums for officers	25

Other statutory requirements include the *Work Health and Safety Act 2011* and *Environment Protection and Biodiversity Conservation Act 1999*.

The Foundation operates from premises at the Australian Institute of Sport that are leased from the Australian Sports Commission (ASC). As such, compliance with these regulations is a requirement of its tenancy agreement, and is monitored by the ASC. As at 30 June 2016, the Foundation had no investigations or notifiable incidents recorded.

Under the provisions of the *Commonwealth Electoral Act 1918*, external costs for advertising and market research are required to be disclosed. During the year ended 30 June 2016, these matters were handled by Foundation staff and no disclosable costs were incurred.

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Australian
Sports
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