

2019-20 ANNUAL REPORT



A man with a prosthetic arm is running on a blue track. He is wearing a black and white athletic shirt and black shorts. The background shows a blurred track and some trees.

**COMMITTED TO
AN INCLUSIVE
AUSTRALIA
WHERE
EVERYONE
CAN PLAY**

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LETTER TO THE MINISTER

Senator The Hon. Richard Colbeck
Minister for Aged Care and Senior Australians
Minister for Youth and Sport
Parliament House
Canberra, ACT 2600

Dear Minister,

On behalf of the Board of the Australian Sports Foundation, I am delighted to submit our Annual Report for the financial year ended 30 June 2020. 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 during the course of the year, and has been prepared based on properly maintained records that 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, and I hereby submit this report to you as a true and accurate record of our achievements on behalf of Australian sport.

Yours sincerely



Mark Stockwell OLY, DUniv
Chair Australian Sports Foundation Ltd

October 2020



MESSAGE FROM THE CHAIR

It is with enormous pride that I present this report on behalf of the Board and Management of the Australian Sports Foundation.

Like all Australians, the Sports Foundation was faced with unexpected external challenges and an increasingly volatile economy in 2019-20. The dreadful summer of bushfires and floods affected huge swathes of the country and devastated communities and community sport in many States and Territories. And no sooner had the worst of the natural disasters passed, an even greater crisis then arose in the shape of the Covid-19 pandemic. This caused an immediate shutdown of sport at all levels, and its ongoing impact threatens the survival of thousands of sporting organisations, small and large.

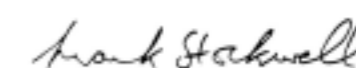
Despite these challenges, the Sports Foundation once again grew philanthropic contributions to sport by over 4% to \$43.7m, bringing total funds raised for Australian sport in the last four years to over \$175m.

But the funds raised are only a means to an end. As Australia's leading sports fundraising

organisation and charity, we understand the important role that community sport plays in improving the physical and mental health of our nation. And we know that sport is uniquely powerful in the way it brings communities together, building social cohesion, providing meaning for millions of volunteers and teaching important life skills – such as teamwork, leadership and discipline – to our kids.

As Covid-19 continues to disrupt everyday life, community sport will play a huge role in our country's recovery by helping us maintain our physical and mental health and build our resilience to deal with the challenges that lie ahead.

My thanks go to my fellow Directors of the Sports Foundation for their strategic input and practical support, and to the volunteer members of our Finance Audit & Risk Committee, Rod Balding, Jason Agnoletto and Bob Sellwood, for their important contribution. Sincere thanks go also to our passionate and dedicated team at the Sports Foundation. Together, we are making a huge contribution to sport nationally and to the health and wellbeing of Australia.



MARK STOCKWELL
CHAIR

CEO REPORT



2019-20 brought with it unprecedented challenges and changed the day to day lives of millions of Australians.

The havoc wrought by the summer of bushfires hit community sports clubs hard, damaging facilities and equipment, and causing financial hardship for affected members.

Thanks to our generous donors who contributed their support, we were delighted to be able to help some of those affected communities, and through our Sports Recovery Grants program we were able to provide funds to help clubs replace lost or damaged equipment. However, the natural disasters were not the end of the challenges, with the global Covid-19 pandemic hitting immediately afterwards - representing an even greater threat to the millions of Australians who are engaged in community sport.

In May and June we ran a nationwide survey to assess the impact of Covid-19 on community sports clubs. We received responses from over 4,000 community clubs all over Australia, representing nearly 100 different sports, and the picture they painted was shocking - around one in four clubs (an estimated 16,000 clubs across Australia) fear insolvency. And while this is a financial issue, the real impact if we lose these clubs is on the health of our communities, with millions of Australians likely to be affected, either as participants or volunteers.

Having shone a spotlight on the crisis affecting thousands of community clubs across Australia, our objective as we move into the new financial year is to engage with all stakeholders who value the role that sport plays at the heart of community life, and who care about sustaining the physical and mental health of Australians of all ages. Those stakeholders include the philanthropic community, trusts and foundations, corporate Australia and all levels of

government. Our immediate priority is to generate the necessary financial support to help these clubs survive, and we are already working directly with hundreds of affected clubs to help them raise vital funds locally to keep their community club alive.

My thanks go to our Chair, Mark Stockwell, and fellow Board members Josh Liberman, Samantha Pearce, Kim Brennan, Andrew Baildon and Gail Miller. I've greatly appreciated your input and support. My thanks and sincere appreciation also to our small and dedicated team at the Sports Foundation, each of whom believes passionately in our mission to create an Australia where everyone can play.

PATRICK WALKER
CHIEF EXECUTIVE OFFICER



STRATEGIC DIRECTION

The Covid-19 pandemic that commenced in early 2020 has had a dramatic impact on sport at all levels, including the professional codes and our national Olympic and Paralympic teams. At community level, the impact has been no less marked – with thousands of community clubs facing a serious threat to their survival due to a combination of reduced income and increased costs.

Covid-19 has also caused a sharp decline in economic activity, and the impact of this in the months and years ahead is uncertain. What is clear is that broader economic conditions, and those of the market in which the Sports Foundation operates, will be volatile for the foreseeable future.

Whilst a major economic downturn generally causes a reduction in philanthropic giving (typically of between 7% and 11%), the crisis has created an urgent need for funding support across all levels of the sporting community, and consequently does present opportunities to grow philanthropic giving to sport.

OUR STRATEGY WILL BE FOCUSED AROUND THE FOLLOWING AREAS:

01 INCREASE THE PROFILE OF SPORT AS A PHILANTHROPIC CAUSE

through a concerted advocacy campaign targeted at philanthropic organisations, backed by aligned media and PR strategies;

02 DELIVER FUNDRAISING SUPPORT DIGITALLY

to enable us to help more community clubs raise more money more effectively;

03 CONTINUED FOCUS ON COMMUNITY SPORTS

using digital marketing strategies and collaboration with the relevant National and State Sporting Organisations to increase engagement and funding support for grassroots clubs;

04 EXPLORE PARTNERSHIPS TO INCREASE REACH AND PROFILE

and to provide funding or value in kind that benefits community sports clubs.



WE WILL ALSO FOCUS OUR GRANT PROGRAMS – DISTRIBUTING FUNDS RAISED – TO SUPPORT THE FOLLOWING KEY PILLARS:

01 ACTIVE KIDS

helping combat obesity and isolation by engaging more young Australians in sport

02 INCLUSION

funding programs to help disadvantaged Australians have increased access to sport

03 WOMEN & GIRLS

funding programs that increase female sports participation

04 DISASTER RECOVERY

helping community sports clubs recover from disasters, including both natural disasters and the Covid-19 pandemic.

ABOUT THE SPORTS FOUNDATION

Australia's leading nonprofit sports charity and fundraising body: for an active nation

The Australian Sports Foundation was established by the Australian Government in the 1980's, and today is Australia's leading sports fundraiser and charity.

Sport is at the heart of every community which is why we have helped countless sporting clubs, organisations, schools and athletes across Australia with funding. Over the decades we have distributed hundreds of millions of dollars to Aussie sports clubs and athletes to help develop an inclusive and active sporting nation.

OUR PASSION FOR SPORT

We know that sport has the power to enhance lives. It improves an individual's physical and mental health and brings people and communities together. It is fundamental to the Australian way of life.

OUR MISSION

That everyone in Australia, regardless of background, ability or culture, has access to the health and social benefits of sport.

WE MAKE FUNDRAISING EASY

Partner with the Australian Sports Foundation to help reach your fundraising goal.



**\$450
MILLION**

We have helped raise more than \$450m for grassroots sporting organisations, schools, athletes and national sports since 1986



**30
YEARS**

We draw on more than 30 years of experience in raising funds for sports



**5000+
HELPED**

We have helped more than 5,000 clubs and organisations from almost every type of sport reach their funding goals



YOU PLAY A SPORT BECAUSE YOU LOVE IT BUT THE COMMUNITY ASPECT TO IT IS A BIG THING, BECAUSE IT'S THE PEOPLE YOU MEET WITHIN IT THAT ACTUALLY MAKE YOU TRULY LOVE IT.

WAMBUI TAYLOR, TENNIS PLAYER



A YEAR IN AUSTRALIAN SPORT

Australia has a reputation as a sporting nation, but the truth is that grassroots sport is severely underfunded.

Clubs and athletes have struggled to fund the equipment, travel, coaching and facility upgrades needed to play sport. Sports participation has significantly declined over the past decade and Australia is now one of the least active nations in the world. There are many barriers that can stop people from actively engaging in sport, including a person's social, cultural, gender and economic backgrounds.

THINGS ARE MORE CHALLENGING THAN EVER

In an environment that was already struggling, Australian sport has seen unprecedented devastation. First, the summer brought the worst bushfire season in history, closely followed by the Covid-19 pandemic which shut down or interrupted community sport throughout Australia. This is a crisis that will continue to threaten the existence of thousands of community sport clubs across Australia, and the millions of members, volunteers, coaches, and families that are involved with them.

OUR RESPONSE

At the Australian Sports Foundation, we know that sport has the power to transform lives and is at the heart of every community. The disasters we have experienced in the past year have impacted every single Australian. Research shows that communities who come together after disasters recover faster, and sport can play a huge role in restoring a sense of normality and rebuilding personal and community resilience. At the Sports Foundation, our role is to help community sport survive and recover, so that we can meet this vital need in communities all over Australia.



SPORT CAN PLAY A HUGE ROLE IN RESTORING A SENSE OF NORMALITY AND REBUILDING PERSONAL AND COMMUNITY RESILIENCE

COVID-19

In May and June 2020, the Sports Foundation carried out a survey to assess the impact of COVID-19 on community sport.

Over 4,000 sports clubs, covering almost 100 different sports from communities large and small all over Australia, completed our survey and responses showed that one in four community sports clubs (an estimated 16,000 clubs nationwide) are at risk of closure due to financial losses and new costs associated with COVID-19.

CLUB SPORT IS IN CRISIS

COVID-19 has created a crisis that threatens the existence of thousands of community sport clubs across Australia, but it's not just about losing the clubs. The millions of members, volunteers, coaches, and families that support them are all affected as well.

And even though community sport has restarted in most parts of the country, the crisis is not over, as clubs face a prolonged period of reduced income and increased costs. Without financial support, thousands of community sports clubs risk closure. This would have a devastating impact on physical and mental health for millions of Australia's sports participants and volunteers.

While we cannot solve the problem alone, we passionately believe in the value of community sport and we will lead the charge to fight for its survival. Together with the support of various stakeholders, we can solve the community sports crisis. The Australian Sports Foundation would like to work with all stakeholders who can contribute in some way to support community sports.

KEY SURVEY FINDINGS

\$1.6BIL COVID-19 has cost community sports clubs an estimated \$1.6bn to-date

\$1.2BIL \$1.2bn is needed to help clubs survive

80% Up to 80% of clubs forecast ongoing reductions in core revenue streams (such as memberships, local sponsorships and community fundraising), while 97% of all clubs surveyed face additional COVID-19 related costs

1 IN 4 1 in 4 (approximately 16,000) community sports clubs are at risk of closure if financial support is not provided


3MIL 3 million sporting volunteers have been impacted, with up to 43% of sports clubs projecting a decline in volunteering

93% 93% of all clubs surveyed have lost money since the onset of COVID-19

BUSHFIRES

While Covid-19 has dominated our national dialogue in recent months, we cannot forget that many Australians around the country are still dealing with the devastating impacts of one of the worst bushfire seasons ever. For these people, every aspect of life has been affected by the fires, with the rebuilding process expected to take many years. Countless sporting clubs and athletes are still faced with the task of replacing vital sporting facilities and equipment. In response to this, the Sports Foundation partnered with the Australian Olympic Committee, Paralympics Australia, and Commonwealth Games Australia to form an alliance to support our communities in need. Our aim was to raise and distribute funds to help affected clubs and communities, and for our Alliance Partners to arrange athlete visits to help affected communities in their recovery.

Thanks to the support of generous donors to our Sports Recovery program, we were able to allocate grants to clubs in 14 communities that were affected in these devastating bushfires to help them replace lost and damaged equipment.



RUSTY WAS THE PERFECT PONY, A TREASURED MEMBER OF THE FAMILY AND IT BROKE LARA'S HEART WHEN HE DIED. IT'S GOING TO TAKE US A WHILE TO FIND ANOTHER PONY THAT CAN TAKE HIS PLACE, BUT WE WOULD LIKE TO THANK THE DONOR FROM THE BOTTOM OF OUR HEARTS FOR DOING THIS FOR OUR FAMILY

GRANT RECIPIENT

SUPPORTING GRASSROOTS SPORTS

We are grateful to the support of a generous benefactor, who wishes to remain anonymous but who, like us, passionately believes that sport is one of the best ways to keep young kids out of trouble.

Thanks to his generous support, the Sports Foundation was able to grant out almost \$300,000 through our Active Kids grant program to clubs who applied to cover new uniforms, kit and equipment to increase junior sports participation. Thanks to this generosity, we were able to fund 60 clubs across the country to help young Australians under 20 get active and play the sport that they love.

THE DIFFERENCE A GRANT CAN MAKE

MENTONE CRICKET CLUB

Mentone Cricket Club in Victoria runs an entry level cricket program for first time players between the ages of 4-10. They applied for new balls, markers, batting tees, stumps, bats, and bags to upgrade the equipment available for the program with the intention of attracting new players and encourage the 8 kids who were already playing in the program but not yet ready to progress.

The grant achieved an incredible impact, with 17 new players signing up and the club was thrilled to announce they are now almost at capacity for this program.

The equipment made a difference to how the program was run as there were now enough balls for each kid to have one of their own to play with, which reduced the time spent sitting and waiting for their turn. The club were able to implement new and different drills, keeping the kids more engaged and giving them more opportunities to increase their skills with each session. Overall, the funding has enabled the club to introduce more kids to the joys of cricket.



THE EQUIPMENT WAS FANTASTIC. WE WERE ABLE TO RUN NEW DRILLS WITH THE EQUIPMENT THAT WE DIDN'T HAVE ENOUGH TO RUN BEFORE.

LACHLAN QUINN, SECRETARY OF MENTON CRICKET CLUB

SPORTS FUNDRAISING

Through our tax-deductible fundraising platform, we have again been able to help raise funds for sport at all levels right across Australia.

From equipment replacement, development programs, and bushfire appeals to “keeping the lights on” fundraisers during COVID-19, the Sports Foundation has been able to assist thousands of clubs, organisations and athletes in raising funds for their sport.

DONATIONS

30,400
\$43.7MIL

A total of \$43.7 million was raised from a record 30,400 individual donations to support clubs and athletes throughout Australia

BUSHFIRE

\$1.4MIL

\$1.4 million was raised to support bushfire affected clubs

COVID-19

\$2.6MIL

\$2.6 million was raised to support clubs affected by COVID-19

FUNDRAISERS

4,414

4,414 individual fundraisers were completed by clubs, schools, athletes and organisations at all levels

HOW FUNDRAISING CAN MAKE A DIFFERENCE

KIRA-LEA DARGIN - GRIDIRON

At just 30 years of age, Wiradjuri woman and mother-of-three Kira-Lea Dargin has experienced more than many would in a lifetime

Kira-Lea's remarkable journey with sport begun in her childhood in South Australia. As the only girl amongst her siblings until she was 14 years old, growing up with her football-playing brothers meant she dabbled in different codes without hesitation.

"I was led to gridiron because I had some friends that played in the U.S. college football league... I didn't know about it prior - it was a small, women's modified version - so I went down to my local club at UNSW and said I wanted to have a run and get involved. They were really responsive, took me straight on board and it was all go from there! I found my feet here and fell in love with it," she says with a smile.

As with many professional women's sports, financial sponsorship in the Women's Football Alliance is still in its early stages - but growing. It was for this reason that Kira-Lea engaged with the Australian Sports Foundation to help with raising funds for her pursuits in the U.S.

Tax deductibility was a key driver in locking in funds from donors in order to cover travel, accommodation, fees and equipment costs to get her to the United States and, ultimately, make history.

"That opened up a lot of doors for me and really helped to build a personal brand, to get myself out there and get extra donors on board," she says. "So that was really important. I approached businesses, organisations and individuals with a support document and said 'This is what I'm doing, this is the current situation with women's elite sport not being completely financed, these are my out of pocket expenses.'"

The move meant she became the first female Indigenous Australian in history to play gridiron at a professional level in the country.





OUR PARTNERS



PLAY FOR PURPOSE

Play for Purpose, Sport Australia and the Sports Foundation have teamed up to give grassroots Aussie Clubs a simple way to raise much needed funds towards their charitable sporting initiatives – through selling online raffle tickets!

Funds raised through Play For Purpose must be used for a charitable sporting projects.

Sports Foundation members sign up with Play for Purpose, receive their own website and can start selling online raffle tickets to their community with 50% of the ticket price going to the club fundraising program. Anyone who buys tickets goes in the draw to win prizes worth up to \$250,000.



FAN+

FAN+ is a global sporting and entertainment marketplace that offers access to experiences across Australia, NZ, USA, UK, and Europe.

FAN+ is the first marketplace of its kind in Australia that offers fans access to the most extraordinary and exclusive experiences. FAN+ connects fans with their sporting clubs, athletes, and personalities via live experiences. We give fans access to the most unique experiences in Australia and across the globe. We do it by giving back to community and charity organisations such as The Australian Sports Foundation. From a swimming lesson with an Olympian to hitting the court with a Grand Slam Champion, FAN+ gives everyday people access to “money can buy” experiences.



WOTIF

Wotif is a proud partner of the Australian Sports Foundation. Book your next trip through Wotif.com/sport, and take advantage of our special offer with Wotif and earn money back to your sports club or athlete. We know Aussie’s love sport and often this means traveling across the country or overseas to compete and watch. Our collaboration with Wotif means that every time you travel, your club or athlete campaign gets money!

How does it work? Use your unique club code (which can be found by logging in to your user portal) to book your next trip whether it’s for work, fun or sport through Wotif.com/sport and follow the Booking Guidelines. From there we’ll pass back a portion of your total spend to your Sports Foundation fundraising campaign.

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

ABN 27 008 613 858

ACN 008 613 858

The Directors present their report together with the consolidated financial report of the Australian Sports Foundation Limited (the Sports Foundation) and controlled entities (the "consolidated entities" or "Group") for the year ended 30 June 2020 and the auditors' report thereon. The names and details of Directors who held office during the year and up to the date of this report is set out below.

DIRECTORS' REPORT

MR MARK STOCKWELL

OLY, DUniv (Chair)

EXPERIENCE AND SPECIAL RESPONSIBILITIES:

Mr Stockwell is an Olympian and a businessman, being the owner of Stockwell, a Property Business in Queensland. The business is an investor, developer, builder, project manager, property manager and funds manager of industrial, retail, commercial, residential, retirement and leisure developments.

Mr Stockwell commenced his career as an elite swimmer representing Australia in the 1984 Los Angeles Olympics and 1986 Edinburgh Commonwealth Games. After his retirement from swimming, 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. He was also Mayor of the Athletes Village during the Games also serving as Deputy Chair of the Australian Sports Commission.

Mr Stockwell is a past President of the Property Council of Australia, Queensland division and served on the National Board, and was the inaugural Chair of Trade & Investment Queensland. Mr Stockwell is a Trustee of the Stockwell Foundation, founded with his wife Tracy to benefit children in need. In 2018, Mr Stockwell was appointed an Honorary Doctorate of Griffith University. Mr Stockwell was appointed to the Board as Chair and Director of the Sports Foundation on 1 July 2014.

MR JOSH LIBERMAN

LLB, BComm

EXPERIENCE AND SPECIAL RESPONSIBILITIES:

Mr Liberman is Chair of the Josh Liberman Group (JLG), one of Australia's largest private investments groups, with interest in industries such as property, banking and finance and early stage venture capital. Mr Liberman has over the past decade, been active in funding and investing in numerous fund strategies in areas such as private equity and takeovers, aviation aircraft ownership, hedge fund management and equipment finance and leasing. JLG is currently also a partner in CVS Lane Capital Partners, focusing on structuring and advice in the property industry in Australia. Early stage investments have focused on internet companies which have had a potential for a global business and included companies such as Seek, Looksmart (for which he won the Venture prize in Australia) and Hitwise. JLG has been a large donor to a multitude of Australian and Global charities over the years. Mr Liberman holds a Bachelor of Law and Commerce from Monash University, and was appointed to the Board as Director of the Sports Foundation on 28 January 2015.



MS SAMANTHA PEARCE

BCI

EXPERIENCE AND SPECIAL RESPONSIBILITIES:

Ms Pearce epitomises a new breed of digital leaders and innovators. For over 14 years she has guided, transformed and cajoled businesses towards effective marketing and behaviour change strategies that bridge the digital divide. Rising through the ranks of one of Australia's leading digital agencies and working with accounts locally, nationally and globally, she has helped countless organisations grapple with the disruption of digital technologies and simultaneously built the capabilities and reputation of the agency she represents.

As Marketing Director and lead digital strategist of Liquid Interactive, she leads a world-class team at one of Australia's most successful independent digital creative groups, the Liquid Group of companies. Her industry achievements and recent accolades include Australian and International awards for digital strategy, purchase behaviour and mobile experience design.

In 2015 she received recognition from Google for her remarkable work as lead strategist for the Isuzu UTE Australia digital strategy. Ms Pearce understands business; steeped in a family history of success and with the ability to combine new and traditional paradigms of thinking and acting, she brings a wealth of experience to the Sports Foundation Board. Ms Pearce was appointed to the Board as Director of the Sports Foundation on 13 December 2016.

MS KIM BRENNAN

AM, OLY, GAICD

EXPERIENCE AND SPECIAL RESPONSIBILITIES:

Ms Brennan is a technology transformation advisor to Government, with a background in commercial law. Ms Brennan has also been appointed to the role of Deputy Chef de Mission of the 2020 (now 2021) Olympic Games. She is an Olympic gold, silver and bronze medallist in rowing, and World Youth silver medallist in track and field. Ms Brennan has been awarded a Member of the Order of Australia for her contribution to sport and the community and named in the Australian Financial Review's Top 100 Women of Influence in 2018. She is a graduate of the Australian Institute of Company Directors Course. Ms Brennan was appointed to the Board as Director of the Sports Foundation on 23 October 2018.

MR ANDREW BAILDON

OLY

EXPERIENCE AND SPECIAL RESPONSIBILITIES:

Mr Baildon is founder and Managing Director of Baildon Group (encompassing Superfish Swim Schools, Goldfish Cafes and Jetts Fitness centres). He is a dual Olympian, and 5-time Commonwealth Games Gold Medallist, ranked in the top twenty swimmers in the world for over a decade. Mr Baildon is a respected swim industry expert, television and event presenter, MC, keynote speaker and international consultant. He is also an Australian Swimming board member and former ASCTA board member. Mr Baildon was the Australian Team Captain in 1993 and 1994 and was awarded the Australian Sports Medal for his service to sport. He was instrumental in the successful Commonwealth Games Bid in St Kitts & Nevis, bringing the 2018 Commonwealth Games to the Gold Coast and went on to be a member of the Sport & Technical Committee, Chairman of the Athletes Advisory Board and Member of the Queensland State Government's Legacy Committee. Mr Baildon was appointed to the Board as Director of the Sports Foundation on 23 October 2018.

MS GAIL MILLER

OAM, OLY

EXPERIENCE AND SPECIAL RESPONSIBILITIES:

Ms Miller is the founding director of Goldstone Property Sales which is a premium project marketing group that specialises in new build sales via direct and indirect markets as well as developing residential resales programs for master planned communities. Ms Miller holds a degree in Property Economics and has worked in the property industry for 18 years and has held various roles including; property analyst and national director of a project marketing group managing a team across multiple projects along the east coast of Australia. She commenced her sporting career as an elite water polo player where she was a member of the Australian Women's Water Polo Team and the Australian Women's Junior Team simultaneously. She was named in the World All Star Junior Team in 1995, the same year she debuted in the Australian open team. Ms Miller was a member of the Australian team that won Gold at the Sydney 2000 Olympics and has been awarded an Order of Australia Medal. Ms Miller is also a board member of the Queensland Olympic Council and a member of the Olympic Fundraising Committee. Ms Miller was appointed to the Board as a Director of the Sports Foundation on 23 October 2018.

DIRECTORS' MEETING

Six (6) Directors' meetings and six (6) Finance, Audit and Risk Committee meetings were held during the financial year. The number of meetings attended by each Director during the financial year is:

DIRECTORS	BOARD MEETINGS		FINANCE, AUDIT & RISK COMMITTEE MEETINGS	
	A	B	A	B
Mark Stockwell	6	6		
Josh Liberman	4	6		
Samantha Pearce	6	6		
Kim Brennan	6	6	5	6
Andrew Baildon	5	6		
Gail Miller	6	6		

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 Sports Foundation during the financial year was to raise money for the development of sport in Australia.

PERFORMANCE MEASURES

The Sports Foundation's Mission is that everyone in Australia, regardless of background, ability or culture, has access to the health and social benefits of sport. Accordingly, objectives and associated performance measures include:

- driving a substantial growth in the amount of philanthropic contributions to sport;
- expanding the number of community sports clubs and aspiring athletes receiving our support; and
- raising funds to promote Australian Government policy of getting more Australians, more active, more often. These funds are distributed through grant programs around four key pillars:
 - Active Kids
 - Women & Girls
 - Inclusion
 - Disaster Recovery

The Sports Foundation also recognises its responsibilities as the peak body for philanthropy in sport. Specifically, its objective is to build awareness among the philanthropic and sporting communities of the health, social and community benefits of sport, and to advocate for increased philanthropic support for sport from individuals and businesses.

Key performance indicators include the number of organisations and athletes that receive funding from the Sports Foundation and the amount of money raised. In addition, funds raised and distributed through its Grant Programs, and the impact of those programs, are monitored to assess the effectiveness of these initiatives.

ORGANISATIONAL STRUCTURE

The Australian Sports Foundation is a public company limited by guarantee in accordance with the Corporations Act 2001 and is a 'controlled' Commonwealth Company under the Public Governance Performance and Accountability Act 2013. The purpose of the company is to raise money for the development of sport in Australia. The Sports Foundation is the sole shareholder and member of ASF Community Sports Fund Pty Ltd, which was incorporated on 20 June 2017. The purpose of the ASF Community Sports Fund is to act as Trustee for the Australian Sports Foundation Charitable Fund which was established on 4 July 2017. As at 30 June 2020, ASF Community Sports Fund Pty Ltd has no assets or liabilities. The ASF Charitable Fund commenced operations on 1 July 2018.

The Australian Sports Foundation employs 18 staff (16.5 full time equivalents). As at 30 June 2020 neither ASF Community Sports Fund Pty Ltd nor ASF Charitable Fund has any employees.

LOCATION OF MAJOR ACTIVITIES AND FACILITIES

As at 30 June 2020, the Sports Foundation operates from an office based at the Australian Institute of Sport campus in Canberra, and an office at Sport House in Brisbane.

STATE OF AFFAIRS, FACTORS INFLUENCING PERFORMANCE, RISKS AND OPPORTUNITIES

The Covid-19 pandemic that commenced in early 2020 has had a dramatic impact on sport at all levels, including the professional codes and our national Olympic and Paralympic teams. At community level, the impact has been no less marked – with thousands of community clubs facing a serious threat to their survival due to a combination of reduced income and increased costs.

Covid-19 has also caused a sharp decline in overall economic activity, and the impact of this in the months and years ahead is uncertain. What is clear is that broader economic

conditions, and those of the market in which the Sports Foundation operates, will be volatile for the foreseeable future.

The Board and Management of the Sports Foundation consider the impact of Covid-19 and the uncertain economic conditions present both opportunities and risks for the Sports Foundation in fulfilling its purpose of raising money for Australian sport.

Opportunities for growth include:

- greater need for fundraising, and the support offered by the Sports Foundation, among community sports clubs;
- greater awareness among the philanthropic and broader community of the important role of community sport in promoting physical and mental health, and helping our communities survive the challenges of a post-Covid society;
- greater need for revenue diversification among national and elite sports, given pressures on traditional income streams such as sponsorship etc;

However, philanthropic giving is discretionary spending and previous recessions and economic downturns have led to a marked decline in philanthropic giving. A recent report by JB Were (Where to from here: The outlook for philanthropy during Covid-19) indicates that the philanthropic market is expected to decline by 7.1% in 2020 and a further 11.9% in 2021.

Taking all of these factors into account, the Sports Foundation is targeting modest growth in donations to sport in FY21.

REVIEW AND RESULTS OF OPERATIONS

The operating loss for the year ended 30 June 2020 was \$2,605,060 (2019 operating profit of \$1,621,882).

SIGNIFICANT DEVELOPMENT SINCE THE END OF FINANCIAL YEAR

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

ENVIRONMENTAL REGULATIONS

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

DIRECTORS, AND THE FINANCE AUDIT AND RISK COMMITTEE

The Federal Minister for Sport is responsible for appointing the Board of Directors. The number of Board members remained consistent with the prior year; being 6 members.

Pursuant to the Public Governance Performance and Accountability Act 2013, independent Members of the Finance, Audit and Risk Committee are appointed following a competitive process and offered positions on the Committee based on the individual experience and skill sets they each bring.

Ms Brennan Chaired the Sports Foundations Finance, Audit and Risk Committee throughout the 2020 financial year.

The independent members of the Finance, Audit and Risk Committee during the year were Mr Rodney Balding, Mr Jason Agnoletto and Mr Bob Sellwood, whose appointment commenced in October 2019.

INDEMNITIES AND INSURANCE PREMIUMS FOR OFFICERS

During the financial year, the Sports Foundation paid a premium in respect of a contract insuring the Directors and Officers against liability incurred as such a Director or Officer, other than conduct involving wilful breach of duty in relation to the Sports 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 Sports Foundation, or to intervene in any proceedings to which the Sports Foundation is a party for

the purpose of taking responsibility on behalf of the Sports Foundation for all or any part of those proceedings.

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

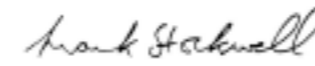
AUDITOR'S INDEPENDENCE DECLARATION

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

DIRECTORS' BENEFIT

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 Sports 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.

Dated on 16 of September 2020



MARK STOCKWELL
BOARD CHAIR



KIM BRENNAN
DIRECTOR

Director Signed in accordance with the resolution of the Directors

DIRECTORS' DECLARATION

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:

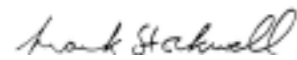
(i) Giving a true and fair view of the financial position of the Australian Sports Foundation Limited Consolidated Group as at 30 June 2020 and its performance, as represented by the results of its operations and cash flows for the year ended on that date, and

(ii) Complying with Australian Accounting Standards, and Corporations Regulations 2001; and

b) the Company and Group 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 on 16 of September 2020



MARK STOCKWELL
BOARD CHAIR



KIM BRENNAN
DIRECTOR

Director Signed in accordance with the resolution of the Directors.



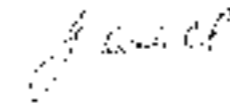
Mark Stockwell
Chairman, Board of Directors
PO Box 176
BELCONNEN ACT 2616

AUSTRALIAN SPORTS FOUNDATION LIMITED AND CONSOLIDATED ENTITIES FINANCIAL REPORT 2019-20 AUDITOR'S INDEPENDENCE DECLARATION

In relation to my audit of the financial report of the Australian Sports Foundation Limited and Consolidated Entities for the year ended 30 June 2020, 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



Josephine Bushell
Senior Director

Delegate of the Auditor-General

Canberra

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



INDEPENDENT AUDITOR'S REPORT

To the members of Australian Sports Foundation Limited

Report on the Financial Report

Opinion

In my opinion, the financial report of Australian Sports Foundation Limited ('the Company') and its subsidiaries (together 'the Group') for the year ended 30 June 2020 is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

The financial report of the Group, which I have audited, comprises the following statements as at 30 June 2020 and for the year then ended:

- Directors' Declaration;
- Consolidated Statement of Comprehensive Income;
- Consolidated Statement of Financial Position;
- Consolidated Statement of Changes in Equity;
- Consolidated Cash Flow Statement; and
- Notes to and forming part of the consolidated financial report, comprising a Summary of Significant Accounting Policies and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Australian Sports Foundation Limited in accordance with the *Corporations Act 2001* and the relevant ethical requirements for financial report audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company would be in the same terms if given to the directors as at the time of this auditor's report.

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

GPO Box 707 CANBERRA ACT 2601
38 Sydney Ave Forrest ACT 2603
Phone (02) 6203 7300 Fax (02) 6203 7777

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Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is the director's report for the year ended 30 June 2020 but does not include the financial report and my auditor's report thereon.

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

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

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

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing matters, as applicable, related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

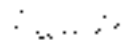
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material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

OFFICIAL: Sensitive

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

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

Australian National Audit Office



Josephine Bushell
Senior Director

Delegate of the Auditor-General

Canberra

21 September 2020

NET COST OF SERVICES EXPENSES

	NOTES	2020 \$	2019 \$
Employee benefits	2A	1,913,896	1,499,631
Suppliers	2B	1,082,330	710,270
Grants		43,362,350	39,882,682
Depreciation and amortisation	2C	116,404	100,433
Total expenses		46,474,980	42,193,016

LESS: OWN-SOURCE INCOME

	NOTES	2020 \$	2019 \$
Own-source revenue			
Gross donations	3A	43,754,456	42,050,381
Sponsorships	3A	5,260	212,823
Grants	3A	-	1,486,000
Interest	3B	43,646	65,694
Other Revenue	3C	66,558	-
Total own-source revenue		43,869,920	43,814,898
Net contribution by services		(2,605,060)	1,621,882
Surplus/(loss) on continuing operations		(2,605,060)	1,621,882
Total comprehensive income/(loss) attributable to the Australian Government		(2,605,060)	1,621,882

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

ASSETS

	NOTES	2020 \$	2019 \$
Financial Assets			
Cash and cash equivalents	4A	11,938,752	18,203,392
Trade and other receivables	4B	774,731	675,879
Total financial assets		12,713,482	18,879,271
Non-financial assets			
Property, plant and equipment	5A	7,368	10,609
Computer hardware	5B	19,113	10,335
Intangible assets	5C	363,960	179,824
Right of Use Assets	5E	19,835	-
Prepayments		46,284	41,844
Total non-financial assets		456,560	242,612
Total Assets		13,170,042	19,121,883

LIABILITIES

	NOTES	2020 \$	2019 \$
Payables			
Suppliers	6A	145,997	73,509
Other payables	6B	43,852	29,247
Lease Liabilities	5E	9,796	-
Grants payable	6C	9,193,457	12,669,711
Total payables		9,393,102	12,772,467
Provisions			
Employee Provisions	6D	134,804	102,220
Total Provisions		134,804	102,220
Total liabilities		9,527,906	12,874,687
Net assets		3,642,136	6,247,196

EQUITY

	NOTES	2020 \$	2019 \$
Reserves	7	3,642,136	6,247,196
Total equity		3,642,136	6,247,196

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

TOTAL EQUITY

	NOTES	2020 \$	2019 \$
Opening balance			
Balance carried forward from previous year		6,247,196	4,625,314
Adjusted opening balance		6,247,196	4,625,314
Comprehensive income			
Other comprehensive income		-	-
Surplus/(loss) for the year		(2,605,060)	1,621,882
Total comprehensive income		(2,605,060)	1,621,882
Transactions with owners			
Distributions to owners		-	-
Contributions by owners		-	-
Sub-total transactions with owners		-	-
Closing balance as at 30 June	7	3,642,136	6,247,196

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

OPERATING ACTIVITIES

	NOTES	2020 \$	2019 \$
Cash received			
Donations		43,655,604	42,216,391
Grants		-	1,486,000
Interest		51,955	58,840
Net GST received		4,058,491	3,261,824
Other revenue		50,000	-
Sponsorship		5,260	212,823
Total cash received from operating activities		47,821,310	47,235,878
Cash used			
Grants		(46,838,604)	(46,493,290)
Suppliers and employees		(6,941,755)	(5,472,882)
Total cash used from operating activities		(53,780,359)	(51,966,172)
Net cash from operating activities	8	(5,959,049)	(4,730,293)

INVESTING ACTIVITIES

	NOTES	2020 \$	2019 \$
Cash used			
Purchase of property, plant and equipment and intangibles		(305,592)	(130,928)
Total cash used		(305,592)	(130,928)
Net cash from investing activities		(305,592)	(130,928)
Net (decrease) / increase in cash held		(6,264,641)	(4,861,221)
Cash and cash equivalents at the beginning of the reporting period		18,203,393	23,064,614
Cash and cash equivalents at the end of the reporting period	4A	11,938,752	18,203,393

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

NOTES TO AND FORMING
PART OF THE CONSOLIDATED
FINANCIAL REPORT

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NOTE 2. EXPENSES

NOTE 3. INCOME

NOTE 4. FINANCIAL ASSETS

NOTE 5. NON-FINANCIAL ASSETS

NOTE 6. LIABILITIES

NOTE 7. RESERVES

NOTE 8. CASH FLOW RECONCILIATION

NOTE 9. DIRECTORS' REMUNERATION

NOTE 10. RELATED PARTY DISCLOSURES

NOTE 11. KEY MANAGEMENT PERSONNEL

NOTE 12. MEMBERS' FUNDS

NOTE 13. REMUNERATION OF AUDITORS

NOTE 14. COMMITMENTS

NOTE 15. FINANCIAL INSTRUMENTS

NOTE 16. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

NOTE 17. AGGREGATE ASSETS AND LIABILITIES

NOTE 18. PARENT ENTITY INFORMATION

NOTE 19. ADDITIONAL COMPANY INFORMATION

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 OBJECTIVE OF THE SPORTS FOUNDATION

The objective of the Sports Foundation is to raise money for the development of sport in Australia.

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

1.2 BASIS OF PREPARATION OF THE FINANCIAL REPORT

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

The consolidated financial report represents those of the Sports Foundation and controlled entities (the "consolidated entities" or "Group").

This consolidated 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 Sports Foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of this consolidated financial report are presented below and have been consistently applied unless stated otherwise.

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

Unless alternative treatment is specifically required by an accounting standard, assets and liabilities are recognised in the Consolidated

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 Consolidated Statement of Comprehensive Income when, and only when, the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

The consolidated financial report was authorised by the Directors of the Sports Foundation on 16 September 2020.

Basis of consolidation

The consolidated financial report incorporates the assets, liabilities and results of all entities controlled by the Sports Foundation as at 30 June 2020.

Controlled entities are all entities (including structured entities) over which the parent entity has control. Control is established when the parent entity is exposed to or has rights to variable returns from its involvement with the Group and has the ability to affect those returns through its power to direct the relevant activities of the Group. Controlled entities are fully consolidated from the date on which control is transferred to the parent entity. They are deconsolidated from the date that control ceases.

Inter-entity transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

The Australian Sports Foundation Limited is the parent entity of ASF Community Sports Fund Pty Ltd and the ultimate controlling entity of Australian Sports Foundation Charitable Trust Fund. The purpose of incorporation of ASF Community Sports Fund Pty Ltd was to act as the Corporate Trustee for the Australian Sports Foundation Charitable Trust Fund

(ASF Charitable Fund). The Australian Sports Foundation Limited being the sole shareholder of ASF Community Sports Fund Pty Ltd appoints the directors of the Corporate Trustee.

1.3 NEW ACCOUNTING STANDARDS

The Group has adopted all new or amended Accounting standards and interpretations issued by the Australian Accounting Standard Board (AASB) that are mandatory for the current reporting period.

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

From 1 July 2019 the Group adopted the following new Accounting Standards (and their relevant amending standards issued by the AASB):

- AASB 15 Revenue from Contracts with Customers
- AASB 1058 Income of Not-for-Profit Entities
- AASB 16 Leases

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would

be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Group has assessed that there has been no material impact from the adoption the standard.

AASB 1058 Income of Not-for-Profit Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2019 and is applied to transactions that do not arise from enforceable contracts with customers involving performance obligations.

The significant accounting requirements of AASB 1058 are as follows:

Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.

Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

A not-for-profit entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004 Contributions. The Group has assessed that there has been no material impact from the adoption of the standard. The Group has described its new accounting policy below in Note 1.5.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced

with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The impact for the Group from adopting this standard is described in Note 5E. The Group has described its new accounting policy below in Note 1.16.

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 consolidated 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

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

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

The Group receives donations from individual and corporate philanthropists and distributions from ancillary funds. These donations create the funding pool for the Group to make discretionary grants to eligible organisations in

respect of sporting projects. Donation revenue is recognised when the Group receives the transfer of funds from the donor.

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

Interest revenue is recognised using the effective interest method as set out in *AASB 9 Financial Instruments: Recognition and Measurement*.

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 Group 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 Group'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.

Separation and redundancy

A liability is recognised for separation or redundancy benefit payments. The Group

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.

1.7 GRANTS

The Group makes grant payments to registered sporting, community, educational and other eligible organisations, and athletes to facilitate the development of sport in Australia. Grants are made at the discretion of the Group and only after meeting criteria set out in its guidelines. Unissued Grants related to the current financial year are recognised as a liability in Note 6C at 30 June 2020.

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 INSTRUMENTS

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. In most circumstances, trade receivables are initially measured at the transaction price.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or amortised cost using the effective interest rate method. The subsequent measurement depends on the classification of the financial instrument as described below.

Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

The effective interest method is used to allocate interest income or interest expense over the relevant period.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The Group recognises lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss

experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the future direction of conditions at the reporting date, including time value of money where appropriate.

1.10 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.

1.11 PROPERTY, PLANT AND EQUIPMENT

Asset recognition threshold

Purchases of property, plant and equipment are recognised at cost in the Consolidated 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.

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

- Computer Hardware 3 to 4 years
- Furniture Fittings and Plant and Equipment 4 to 10 years.

Impairment

All assets were assessed for impairment at 30 June 2020 and none were found to be impaired.

1.12 INTANGIBLES

The Group's intangibles comprise purchased software and internally generated software for internal use. Purchase of intangibles

are recognised at cost in the Consolidated 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 Group's intangibles are 2 to 4 years.

1.13 COMPARATIVE FIGURES

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

1.14 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities and contingent assets are not recognised in the Consolidated 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.

1.15 TAXATION

The Sports 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 Sports Foundation is not exempt from Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

1.16 LEASES

With the adoption of AASB 16 Leases, at the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the Group the right to control the use of an identified asset over a period in return for consideration.

Where a contract or arrangement contains a lease, the Group recognises a right-of-use asset and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred. Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the Group's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the Group is reasonably certain to exercise and incorporate the expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

Short term leases (lease term of 12 months or less) and leases of low value assets are recognised as incurred as an expense in the consolidated statement of comprehensive income. The Group has elected to recognise right of use assets in respect of concessional leases with below-market rentals at cost.

NOTE 2. EXPENSES

	2020 \$	2019 \$
NOTE 2A EMPLOYEE BENEFITS		
Salaries and related expenses	1,913,896	1,499,631
Total employee benefits	1,913,896	1,499,631
NOTE 2B SUPPLIERS		
Goods and services		
Provision of goods and services	1,002,538	630,597
Bank charges	79,792	79,673
Total supplier expenses	1,082,330	710,270
NOTE 2C DEPRECIATION AND AMORTISATION		
Depreciation		
Furniture and equipment	3,241	3,513
Computer hardware	8,742	6,944
Total depreciation	11,983	10,457
Amortisation		
Intangibles - Computer software	30,627	7,303
Intangibles - Website development	53,959	82,673
ROU Lease Asset	19,835	-
Total amortisation	104,421	89,976
Total depreciation and amortisation	116,404	100,433

NOTE 3. INCOME

	2020 \$	2019 \$
OWN-SOURCE REVENUE		
NOTE 3A DONATIONS AND RENDERING OF SERVICES		
Net donations	41,554,803	39,872,935
Retained donations	2,199,653	2,177,446
Gross donations	43,754,456	42,050,381
Sponsorship	5,260	212,823
Grants	-	1,486,000
Total Donations and rendering of services	43,759,716	43,749,204
NOTE 3B INTEREST		
Deposits	43,646	65,694
Total interest	43,646	65,694
NOTE 3C OTHER REVENUE		
Federal Government Cash Boost Incentive	50,000	-
Concession on Lease Liability	16,558	-
Total Other Revenue	66,558	-

NOTE 4. FINANCIAL ASSETS

	2020 \$	2019 \$
NOTE 4A CASH AND CASH EQUIVALENTS		
Cash on hand or on deposit	11,938,752	18,203,392
Total cash and cash equivalents	11,938,752	18,203,392
NOTE 4B TRADE AND OTHER RECEIVABLES		
Goods and services in connection with		
External parties	135,088	209,093
Total receivables for goods and services	135,088	209,093
Other receivables:		
GST receivable from the Australian Taxation Office	638,628	457,387
Interest	1,015	9,399
Total other receivables	639,643	466,786
Total trade and other receivables (gross)	774,731	675,879
Receivables are expected to be recovered in:		
No more than 12 months	774,731	675,879
More than 12 months	-	-
Total trade and other receivables (net)	774,731	675,879

NOTE 5. NON-FINANCIAL ASSETS

	2020 \$	2019 \$
NOTE 5A PROPERTY PLANT & EQUIPMENT		
Furniture, fittings, plant and equipment:		
At cost	23,766	23,766
Accumulated depreciation	(16,398)	(13,157)
Total furniture, fittings plant and equipment	7,368	10,609
NOTE 5B COMPUTER HARDWARE		
At cost	76,905	59,385
Accumulated depreciation	(57,792)	(49,050)
Total computer hardware	19,113	10,335
NOTE 5C INTANGIBLE ASSETS		
Software and website development:		
At cost	890,303	630,031
Accumulated amortisation	(534,793)	(450,207)
Total software and website development	355,510	179,824
Intellectual Property:		
At cost	8,450	-
Total Intellectual Property	8,450	-
Total Intangible Assets	363,960	-

NOTE 5D RECONCILIATION OF THE OPENING AND CLOSING BALANCE OF NON-FINANCIAL ASSETS (2019-20)

	FURNITURE, FITTINGS AND PLANT EQUIPMENT	COMPUTER HARDWARE	INTANGIBLE ASSETS	TOTAL
As at 1 July 2019	10,609	10,335	179,824	200,768
Additions	-	17,520	268,722	286,242
Depreciation/Amortisation	(3,241)	(8,742)	(84,586)	(96,569)
Closing balance 30 June 2020	7,368	19,113	363,960	390,441

	2020 \$	2019 \$
NOTE 5E LEASE ASSETS AND LIABILITIES		
Right-of-use asset		
Balance at 1 July 2019	39,670	-
Additions in the year	-	-
Balance as at 30 June 2020	39,670	-
Accumulated amortisation		
Balance at 1 July 2019	-	-
Amortisation for the year	19,835	-
Balance as at 30 June 2020	19,835	-
Net book value – right of use assets	19,835	-
Lease liability		
Balance at 1 July 2019	39,670	-
Lease payments	(13,671)	-
Lease concessions	(16,558)	-
Interest expense	355	-
Balance as at 30 June 2020	9,796	-

The Group's lease relates to an agreement with the ASC for accommodation till 30 June 2021. The ASC has provided the Group 'Covid-19 rental relief', whereby all repayments from 1 March to 31 December 2020 have been waived. The Group accounted for the full amount of rental relief in the 2019-20 financial statements. The ASC may terminate the lease at any stage by giving the Group written notice of 60 days. Interest expense on the lease is being calculated on an incremental borrowing rate of 0.95%.

NOTE 6. LIABILITIES

	2020 \$	2019 \$
NOTE 6A SUPPLIER PAYABLES		
Trade creditors and accruals	145,997	73,509
	145,997	73,509
Supplier payables expected to be settled within 12 months:		
Related entities	-	-
External parties	145,997	73,509
Total supplier payables	145,997	73,509
NOTE 6B OTHER PAYABLES		
Employee benefits payable	43,852	29,247
Total other payables	43,852	29,247
All payables are expected to be settled in no more than 12 months.		
NOTE 6C GRANTS PAYABLE		
Grants payable	9,193,457	12,669,711
Total grant provision	9,193,457	12,669,711
All grants payable are expected to be settled within one month.		
NOTE 6D EMPLOYEE PROVISIONS		
Leave	134,804	102,220
Total employee provisions	134,804	102,220
Employee provisions are expected to be settled		
No more than 12 months	83,483	74,464
More than 12 months	51,321	27,756
Total employee provisions	134,804	102,220

NOTE 7. RESERVES

	2020 \$	2019 \$
Reserves: accumulated surplus		
As at start of reporting period	6,247,196	4,625,314
Surplus/(deficit) for the year	(2,605,060)	1,621,882
As at end of reporting period	3,642,136	6,247,196

Nature and purpose of reserves

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

NOTE 8. CASH FLOW RECONCILIATION

	2020 \$	2019 \$
Reconciliation of cash and cash equivalents as per Consolidated Statement of Financial Position to Consolidated Cash Flow Statement		
Cash and cash equivalents as per:		
Consolidated Cash Flow Statement	11,938,752	18,203,392
Consolidated Statement of Financial Position	11,938,752	18,203,392
Difference	-	-
Reconciliation of net cost of services to net cash from operating activities:		
Net (cost) of contribution by services	(2,605,060)	1,621,882
	(2,605,060)	1,621,882

Adjustment for non-cash items

Depreciation/Amortisation	116,404	100,433
Movements in assets/liabilities		
(Increase) Decrease in net receivables	(99,337)	159,156
(Increase) Decrease in prepayments	(4,440)	(25,539)
(Increase) Decrease in ROU asset	(19,835)	-
Increase (Decrease) in supplier payables	72,488	(3,898)
Increase (Decrease) in other payables	14,605	(7,727)
Increase (Decrease) in lease liability	9,796	-
Increase (Decrease) in grants payable	(3,476,254)	(6,610,608)
Increase in employee provision	32,584	36,007
Net cash from operating activities	(5,959,049)	(4,730,294)

NOTE 9. DIRECTORS REMUNERATION

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

	2020	2019
\$1 to \$29,999	2	3
Total	2	3
Total remuneration paid to Directors	26,102	29,962

There are no Executive Directors of the Sports 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
Mr Joshua Maurice Liberman	Appointed	28 Jan 2015
Ms Samantha Elizabeth Anne Pearce	Appointed	13 Dec 2016
Ms Kimberley Brennan	Appointed	23 Oct 2018
Mr Andrew James Baildon	Appointed	23 Oct 2018
Ms Gail Louise Miller	Appointed	23 Oct 2018

NOTE 10. RELATED PARTY DISCLOSURES

Details of Directors' remuneration are set out in Note 9 and Note 11. Apart from the details enclosed in this note, no Director has entered into a contract with the Group since the end of the previous financial year and there are no contracts involving Director's interest existing at year end.

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

The Group did not receive resources free of charge from the Australian Sports Commission in the 2019-20 or in the previous financial year.

The Sports Foundation had entered into a Facilities Agreement with the Australian Sports Commission (ASC) granting access for a fee to specified facilities and services including rent of premise. The Facilities Agreement was renewed in 2016-17 for 4 years and subject to early termination by the ASC with 60 days written notice as described in Note 5E.

NOTE 11. KEY MANAGEMENT PERSONNEL

	2020 \$	2019 \$
Key Management Personnel Remuneration Expense for the Reporting Period		
Short-term employee benefits:		
Salary	282,177	601,340
Leave accrued	1,550	14,187
Performance bonuses	-	-
Total short-term employee benefits	283,727	615,527
Post-employment benefits:		
Superannuation	26,387	54,448
Total post-employment benefits	26,387	54,448
Other long-term employee benefits:		
Long service leave	10,758	7,286
Total key management personnel remuneration expenses	320,872	677,261

For the year ended 30 June 2020, there were 7 people classified as key management personnel (2019:11). This includes; Chief Executive Officer and the 6 Directors that held office during 2019-20.

Note: The Group's policy has changed from the prior year, concluding that only the CEO and Directors meet the definition of key management personnel as defined in AASB 124 Related Party Disclosures.

Name	Position Title	SHORT TERM BENEFITS			POST-EMPLOYMENT BENEFITS	OTHER LONG-TERM BENEFITS		Termination benefits	Total Remuneration
		Base Salary ¹	Bonuses	Other benefits and allowances	Superannuation Contributions	Long service leave	Other long-term benefits		
Patrick Walker	CEO	259,890	-	-	24,122	10,758	-	-	294,770
Mark Stockwell	Director	-	-	-	-	-	-	-	-
Josh Liberman	Director	-	-	-	-	-	-	-	-
Samantha Pearce	Director	6,857	-	-	652	-	-	-	7,509
Kim Brennan	Director	16,980	-	-	1,613	-	-	-	18,593
Andrew Baildon	Director	-	-	-	-	-	-	-	-
Gail Miller	Director	-	-	-	-	-	-	-	-
Total		283,727	-	-	26,387	10,758	-	-	320,872

Notes: 1 -Base salary amounts are 'fixed' and include movements in the annual leave accrual for executive staff. No portion of a KMP's base salary is 'at risk'.

NOTE 12. MEMBERS' FUNDS

The Sports Foundation is incorporated under the Corporations Act 2001 and is a Public Company limited by guarantee. Every member undertakes to contribute to the property of the Sports 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 2020 the Sports Foundation has 6 members (30 June 2019: 6 members).

NOTE 13. REMUNERATION OF AUDITORS

	2020 \$	2019 \$
Financial statement audit services provided to the Sports Foundation	30,813	31,400

No other services were provided by the Auditors of the consolidated financial report. The 2020 remuneration amount reflects services provided to the Australian Sports Foundation and its controlled entities.

NOTE 14. COMMITMENTS

The Group had no commitments in place at 30 June 2020 (2019: nil).

NOTE 15. FINANCIAL INSTRUMENTS

2020 \$ 2019 \$

NOTE 15A CATEGORIES OF FINANCIAL INSTRUMENTS

Financial Assets

Cash and receivables

Cash and cash equivalents	11,938,752	18,203,392
Trade and other receivables	774,731	675,879
Total cash and receivables	12,713,482	18,879,271
Total financial assets	12,713,482	18,879,271

Financial Liabilities

Financial liabilities measured at amortised cost

Trade creditors	145,997	73,509
Other payables	53,648	29,247
Grants payables	9,193,457	12,669,711
Total financial liabilities measured at amortised cost	9,393,102	12,772,467
Total financial liabilities	9,393,102	12,772,467

NOTE 15B NET GAINS OR LOSSES ON FINANCIAL ASSETS

Bank deposits

Interest revenue	43,646	65,694
Net gains on bank deposits	43,646	65,694
Net gains on financial assets	43,646	65,694

NOTE 15C FAIR VALUE OF FINANCIAL INSTRUMENTS

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

NOTE 15D CREDIT RISK

The Group is exposed to minimal credit risk. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. The carrying amounts of financial assets represent the maximum credit exposure. The Group has assessed the risk of the default on payment and has allocated \$Nil in 2020 (2019: \$Nil) to an impairment loss. The Group has policies and procedures in place to manage its credit risk and holds no collateral to mitigate against credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full
- the financial asset is more than 90 days past due.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTE 15E LIQUIDITY RISK

The Group’s financial liabilities are payables. The exposure to liquidity risk is based on the notion that the Group will encounter difficulty in meeting its obligations associated with financial liabilities. The Group manages this risk through internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations. The table below reflects an undiscounted contractual maturity analysis for financial liabilities. The cash flows realised from the financial assets reflect management’s expectations as to the timing of realisation. Actual timing may therefore differ from that discloser. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Non-derivative financial liabilities and financial asset maturity analysis

	WITHIN 1 YEAR		TOTAL	
	2020 \$	2019 \$	2020 \$	2019 \$
Financial liabilities due for payments				
Trade and other payables (excl. estimated annual leave)	9,393,102	12,772,467	9,393,102	12,772,467
Total expected outflows	9,393,102	12,772,467	9,393,102	12,772,467
Financial assets - cash flows realisable				
Cash and cash equivalents	11,938,752	18,203,392	11,938,752	18,203,392
Trade and term receivables	136,103	218,492	136,103	218,492
Total anticipated inflows	12,074,855	18,421,884	12,074,855	18,421,884
Net (outflow)/inflow on financial instruments	2,681,753	5,649,417	2,681,753	5,649,417

The Group has no derivative financial instruments in 2020 (2019: \$Nil).

NOTE 15F MARKET RISK

The Group holds basic financial instruments that do not expose the organisation to significant market risk, such as ‘currency risk’ or ‘other price risk’.

Interest Rate Risk

The interest-bearing item on the Group’s Statement of Financial Position is cash on deposits which is held in a bank account with a floating interest rate.

There are no interest-bearing liabilities on the Consolidated Statement of Financial Position.

NOTE 16. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no quantifiable, unquantifiable or remote contingencies identifiable for the 2020-21 financial year (2019-20; \$Nil).

NOTE 17. AGGREGATE ASSETS AND LIABILITIES

	2020 \$	2019 \$
Assets are expected to be recovered in:		
No more than 12 months	12,779,601	18,921,115
More than 12 months	390,441	200,768
Total assets	13,170,042	19,121,883

Liabilities are expected to be settled in:		
No more than 12 months	9,476,586	12,846,931
More than 12 months	51,321	27,756
Total Liabilities	9,527,907	12,874,687

NOTE 18. PARENT ENTITY INFORMATION

	2020 \$	2019 \$
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Set out below is the supplementary information about the parent entity.

Statement of comprehensive income

Net contribution by services	(2,412,761)	1,709,708
Surplus/(loss) on continuing operations	(2,412,761)	1,709,708
Total comprehensive income/(loss) attributable to the Australian Government	(2,412,761)	1,709,708

Statement of financial position

Current assets	12,478,498	19,089,213
Non-current assets	295,949	120,768
Total assets	12,774,447	19,209,981
Current liabilities	8,800,864	12,846,931
Non-current liabilities	51,321	28,027
Total liabilities	8,852,185	12,874,958
Net Assets	3,922,262	6,335,023
Total Equity	3,922,262	6,335,023

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity (Australian Sports Foundation Limited (ASF)) has resolved that monies lent to the subsidiary entity (Australian Sports Foundation Charitable Trust (ASFCF)) are not repayable until such time that the ASF Board deem ASFCF is in a sufficient financial position to make repayments and no earlier than 12 months from the date of signing in the above Director’s Report.

Additionally; ASF will provide ongoing financial support to ASFCF until such time as it is financially self-sustaining; will retain its discretion to forgive payable amounts from ASFCF at any point; and ASFCF’s inter-entity payable to ASF is a non-interest-bearing loan.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2020 and 30 June 2019.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2020.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in Note 1.

NOTE 19. ADDITIONAL COMPANY INFORMATION

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

Australian Sports Foundation Charitable Fund (ASFCF) is registered with the Australian Charities and Not-for-profits Commission (ACNC) and is a Deductible Gift Recipient.

REGISTERED NAME	AUSTRALIAN SPORTS FOUNDATION LIMITED
ACN	008 613 858
ABN	27 008 613 858
COMPANY SECRETARY	MR BRETT CARTWRIGHT (APPOINTED 24 JULY 2019)
REGISTERED OFFICE	LEVERRIER STREET BRUCE ACT 2617
PRINCIPAL PLACE OF BUSINESS	LEVERRIER STREET BRUCE ACT 2617

APPENDIX A: CORPORATE GOVERNANCE STATEMENT

CORPORATE STRUCTURE

The Australian Sports 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.

Article 6.1 provides the power of appointment of directors to the Minister administering the Australian Sports Commission Act 1989 (Cth). The Board currently comprises six non-executive members with terms of appointment not exceeding five years. The Board oversees and approves the operational and strategic activities of the Sports Foundation and meets four times a year.

The Sports Foundation has established a subsidiary company, ASF Community Sports Fund Pty Ltd, which is controlled by the Sports Foundation Company, as it shares common Directors. The purpose of this entity is to act as the Trustee Company for the Australian Sports Foundation Charitable Fund (ASFCF). ASFCF is registered with the Australian Charities and Not For Profits Commission, and is a Deductible Gift Recipient (DGR).

The Chief Executive Officer and management of the Sports Foundation oversee the operation of all entities within the group, reporting to the respective Boards.

FINANCE, AUDIT AND RISK COMMITTEES

Each entity has a Finance Audit and Risk Committee, comprising a Chair, who is also a Board member, and at least two independent members.

The Board Chair nominates members to these Committees in accordance with appropriate governance principles, including requirements of the PGPA Act. These Committees meet regularly with the Chief Executive Officer and Financial Controller and oversee the finance and risk activities and policy matters of the Sports Foundation Group.

The Committees do not have decision making authority, which is vested in the respective Boards.

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

Throughout the 2020 financial year, Sports Foundation Director, Ms Kim Brennan, Chaired the Finance, Audit and Risk Committee.

The independent members of the Finance, Audit and Risk Committee during the year were Mr Rodney Balding, Mr Jason Agnoletto and Mr Bob Sellwood:

- Mr Balding is a qualified accountant and a Partner of Financial Services Assurance at PwC;
- Mr Agnoletto is qualified accountant and a National Leader of Internal Audit Services at PwC; and
- Mr Sellwood is currently a Managing Director at BTG Group and has expertise in IT and BPO Sourcing. Mr Sellwood also has an MBA from Melbourne Business School.

EDUCATION AND PERFORMANCE REVIEW

The Sports Foundation Group maintains a high standard of corporate governance practices to ensure there are appropriate levels of disclosure and accountability. All Board and Finance Audit and Risk Committee members are appropriately qualified, and are subject to performance reviews by the Chair of the Board or Chair of the Committee annually.

ETHICS AND RISK MANAGEMENT POLICIES

Sports Foundation Group maintains appropriate ethics and risk management policies to assist in the administration of the activities and practices and these are subject to regular review.

PRIVACY AND DATA MANAGEMENT

The Sports Foundation Group Privacy Policy can be found on its website and complies with Privacy Breach Notification Law.

MINISTERIAL DIRECTION

For the 2019-20 reporting period, the Hon. Richard Colbeck was the Minister responsible for Sport. Senator the Hon. Richard Colbeck was appointed Minister for Sport with effect from 26 May 2019.

KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION

Remuneration levels of all ASF staff (including KMP) are based the following factors; market rate for the role; the employee’s skills, experience and qualifications; and the achievement of individual and organisational KPIs. In accordance with ASF’s policies and procedures, staff performance reviews are undertaken annually with consideration to any remuneration increase based on the abovementioned factors. The CEO’s remuneration is approved by the ASF Chairperson. ASF’s CEO determines and approves the remuneration of all other ASF staff in consultation with the appropriate line managers.

Name	Position Title	SHORT TERM BENEFITS			POST-EMPLOYMENT BENEFITS	OTHER LONG-TERM BENEFITS		Termination benefits	Total Remuneration
		Base Salary¹	Bonuses	Other benefits and allowances	Superannuation Contributions	Long service leave	Other long-term benefits		
Patrick Walker	CEO	259,890	-	-	24,122	10,758	-	-	294,770
Mark Stockwell	Director	-	-	-	-	-	-	-	-
Josh Liberman	Director	-	-	-	-	-	-	-	-
Samantha Pearce	Director	6,857	-	-	652	-	-	-	7,509
Kim Brennan	Director	16,980	-	-	1,613	-	-	-	18,593
Andrew Baildon	Director	-	-	-	-	-	-	-	-
Gail Miller	Director	-	-	-	-	-	-	-	-
Total		283,727	-	-	26,387	10,758	-	-	320,872

Notes: 1 -Base salary amounts are ‘fixed’ and include movements in the annual leave accrual for executive staff. No portion of a KMP’s base salary is ‘at risk’.

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.

REQUIREMENT

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

The Sports 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 2020, the Sports Foundation had no investigations or notifiable incidents recorded.

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