



Australian Government
Australian Sports Commission

Annual Report
2013-14



The Australian Sports Commission is the Australian Government agency that develops, supports and invests in sport at all levels. It was established in 1985 and operates under the *Australian Sports Commission Act 1989*. The Commission's national leadership role is achieved through three operational divisions: the Australian Institute of Sport, Participation and Sustainable Sports, and Corporate Operations. The Australian Sports Commission forms part of the Health portfolio.

This report

This report has been prepared in accordance with parliamentary reporting and legislative requirements and provides details of the Australian Sports Commission's performance and operations for the financial year ending 30 June 2014. This report details how effective we have been at achieving our outcomes for the year as outlined in the 2013-14 Portfolio Budget Statements.

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Australian Government
Australian Sports Commission

The Hon Peter Dutton MP
Minister for Sport
Minister for Health
Parliament House
CANBERRA ACT 2600

Dear Minister

On behalf of the Board of the Australian Sports Commission, I am pleased to submit our thirtieth Annual Report for the financial year ended 30 June 2014. The report has been prepared to meet the requirements of the *Commonwealth Authorities and Companies Act 1997* as called for under Section 48 of the *Australian Sports Commission Act 1989*.

The Australian Sports Commission is established in accordance with the *Australian Sports Commission Act 1989*. The Commissioners of the Board are responsible, under Section 9 of the *Commonwealth Authorities and Companies Act 1997*, for the preparation and content of the Report of Operations in accordance with the Finance Minister's Orders 2013-14. This report provides a comprehensive review of the Australian Sports Commission's performance against the accountability framework agreed with the Australian Government, and highlights the success of its programs.

The Australian Sports Commission has also fulfilled its requirements in relation to fraud control. In accordance with the *Commonwealth Fraud Control Guidelines 2011*, the Commission has prepared fraud risk assessments and fraud control plans, and has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes to meet the specific needs of the organisation. The Australian Sports Commission has also taken all reasonable measures to minimise the incidence of fraud and to investigate and recover the proceeds of fraud against the Commission.

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

Yours sincerely

John Wylie AM
Chair
Australian Sports Commission

1 October 2014

Australian Sports Commission

The Australian Sports Commission (ASC) is a statutory authority within the Australian Government's Health portfolio. It was established in 1985 and operates under the *Australian Sports Commission Act 1989*.

The ASC is governed by a Board of Commissioners appointed by the Australian Government. The Board determines the ASC's strategic direction and decides on allocation of resources and policy for delegated decisions. The ASC is accountable to the Minister for Sport and to Parliament for two outcomes in the government's Portfolio Budget Statements (PBS):

- > **Outcome 1** – improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sport activity.
- > **Outcome 2** – excellence in sport performance and continued international sporting success by talented athletes and coaches, including through leadership in high performance athlete development and targeted science and research.

Our role in the sport sector

The ASC plays a central role in building and supporting the sustained success of the Australian sports sector. Knowing full well how much sport means to Australians, we are setting the bar high in terms of international sporting success, sports governance, accountability for government funding, and sport participation.

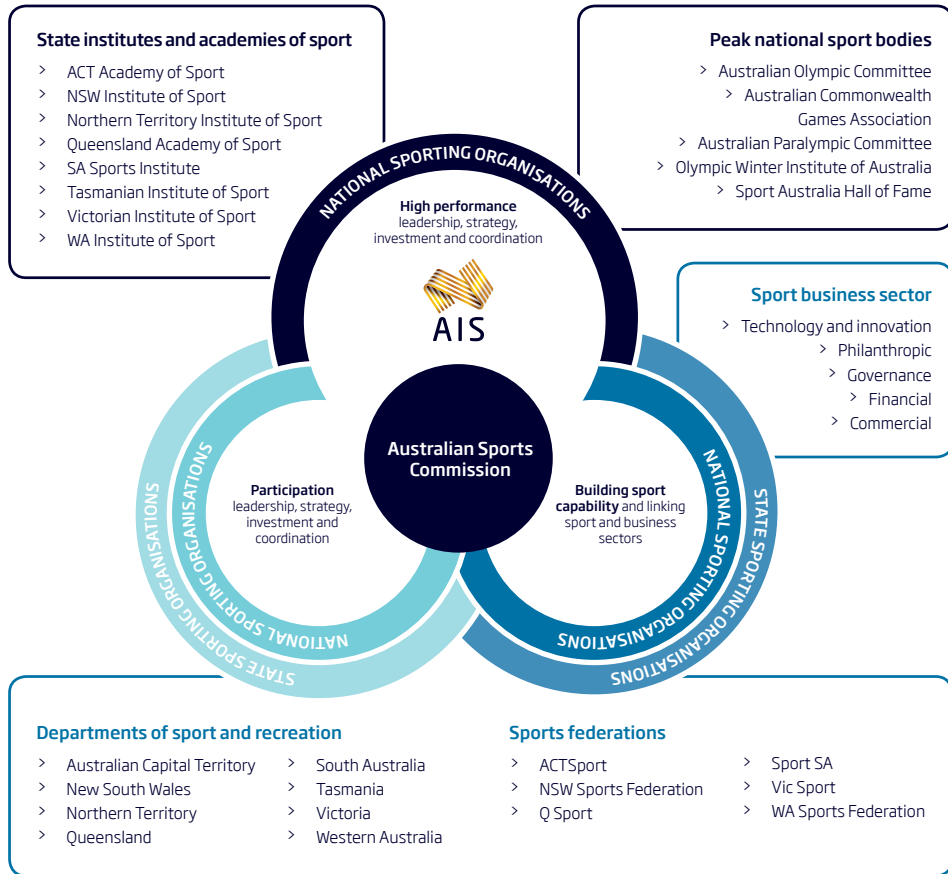
Working with our partners, the ASC is leading the sector to ensure that it is accessing innovation, is attuned to global trends, and is at the forefront of best practice so that all dimensions of Australian sport are absolutely cutting-edge.

The ASC provides this leadership to the sports sector in three core areas:

- > **High performance sport** – leading the delivery of Australia's international success through the AIS, our high performance sport agency. The AIS also offers the Australian sporting community access to world-class sporting facilities.
- > **Increasing sports participation** – providing advice and support to national sporting organisations (NSOs) to assist them in encouraging more Australians to participate in sport.
- > **Building sport capability** – providing specialist business leadership support and advice to NSOs to assist them in building sustainable businesses through commercial expertise.

The ASC works directly with sports, peak bodies, state and territory departments, institutes and academies of sports, and the business sector. The ASC's central role in this network uniquely positions the Commission to strengthen Australia's sport sector – now and into the future.

ASC role in the sport sector





sandilini

SANDILINI
LTD

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The introductory section of this annual report sets the scene with a review of the financial year from the perspective of the Chair and the Chief Executive Officer. It also provides an overview of major announcements and achievements and a snapshot of key highlights that are detailed in the performance reports.

18 Chapter 1 – Our performance

The first chapter of this report focuses on the ASC's performance in relation to key performance indicators and major deliverables for 2013-14.

Outcome 1 – reports on performance against Outcome 1 of the PBS: to improve participation in structured physical activity, particularly organised sport, at community level, including through leadership and targeted community-based sports activity.

Outcome 2 – reports on performance against Outcome 2 of the PBS: providing excellence in sports performance and continued international sporting success, by talented athletes and coaches, including through leadership in high performance athlete development, and targeted science and research.

42 Chapter 2 – Our organisation

This section outlines the ASC's organisation structure, human resource management, training, employment conditions and initiatives, site services and locations.

54 Chapter 3 – Accountability

This section outlines all of the ASC's objectives and functions, and its mandatory reporting including planning and accountability, disclosure and legal compliance, risk management, fraud control, corporate governance and Board activities.

74 Chapter 4 – Financial performance

The financial performance section of the report contains an overview of the ASC's economic background and financial performance, then leads into the audited financial statements for 2013-14.

130 Chapter 5 – Australian Sports Foundation

This section details the activities, governance and financial statements of the Australian Sports Foundation.

172 Appendixes and references

This final section contains additional information including funding to sports, contact officers, a summary of compliance, shortened forms, and the index.

Timeline of key events



- **1 October 2013**
National Summit on Medications and Supplements in Sport
- **23 October 2013**
Campaign Rio launched

OCT
2013



- **12 November 2013**
World Class to World Best conference

NOV
2013

FEB
2014



- **3 February 2014**
New AIS brand launch
- **7-23 February 2014**
Sochi Olympic Winter Games
- **26 February 2014**
New synthetic pitch



- **7-16 March 2014**
Sochi Paralympic Winter Games



- **2 April 2014**
Sports Tally

**APR
2014**

**MAR
2014**

**MAY
2014**



- **3 May 2014**
Beginning Coaching General Principles changeover to Community Coach
- **10 May 2014**
New Direct Athlete Support funding
- **10 May 2014**
Australian Olympic Committee award
- **14 May 2014**
Sporting Schools initiative announced



John Wylie AM

CHAIR
AUSTRALIAN SPORTS COMMISSION

In 2012, the Australian Sports Commission (ASC) laid down an ambitious blueprint to improve Australian sport called *Australia's Winning Edge*. It's early days in a long term program, but we believe that Australian sport is already the better for it. Our national sporting organisations (NSOs) have improved their governance and taken ownership of the delivery of their high performance programs, and the ASC itself has become sharper, more nimble and more effective.

Australia's Winning Edge changed the game in our high performance sports programs by:

- > setting, for the first time, simple and ambitious national goals for Australia's international sporting achievement
- > linking high performance funding from the ASC to sports' ability to contribute to those goals and to the quality of their governance
- > handing full control of high performance programs back to NSOs which are best placed, under good leadership and governance, to make the right calls
- > challenging all sports to improve their governance structures - a challenge which most have responded to incredibly well. Pleasingly, the reform effort has cascaded down beyond the seven largest ASC-funded sports and is now underway across virtually every sport.

While we've asked our sports, athletes and coaches to embrace change, the ASC has also practiced what we preach by changing ourselves - profoundly so. In recent years, we have had to deal with significant funding reductions in real terms given the pressures on the national budget. All of these reductions have been found from the ASC's operational cost base. ASC staffing will have reduced by nearly 40 per cent over the past three years once changes presently underway are completed in 2014-15. This means that funding for sports and athletes has been able to be preserved and in some cases increased, and Direct Athlete Support funding has also increased by 43 per cent from \$8.4 million to \$12 million per year. I believe the ASC can be proud of this achievement and of its total priority on maintaining funding support for our sports and athletes.

Sochi Winter Olympics, Paralympics and Glasgow Commonwealth Games

The past 12 months have seen three highly significant international Games events – the Sochi 2014 Winter Olympic and Paralympic Games and the Glasgow 2014 Commonwealth Games. Our Australian teams performed well and generally gave a great account of themselves and their country.

However these events showed how hard success has become in the modern era in elite international sport. Our goals are to be top 15 in the Winter Olympics and Paralympics and the number one nation in the Commonwealth Games. These goals were not achieved in 2014. We finished 24th in the Sochi Games, but there were many positive signs for the future from our young team, including three medals and a noticeable increase in the depth of our talent pool (15 top 10s, 27 in the top 16). At the Paralympic Games, Australia finished in 19th position. We finished second in the Commonwealth Games medal tally behind England, not a place we wish to be in the future, but many sports – particularly swimming, cycling, hockey and shooting – performed well and showed good promise for the future.

The ASC Board remains committed to the goals set out in *Australia's Winning Edge* in 2012. We recognise that some of them, such as a top five placing at the Olympic Games, are going to be extraordinarily hard to achieve in the near term, but we believe that success has to start with high aspirations. We believe in our sportsmen and women and their dreams – it's our job to get the funding and support systems right to give them the best chance of realising them.

Community participation in sport

The ASC is equally committed to increasing community participation in sport as it is to high performance success.

Central to this goal is increasing interest and participation in sport and physical activity in our children and youth. The most natural hub for this is our school system. We believe physical activity and sport in schools foster lifelong healthy habits, important skills, improved educational outcomes, and the positive values and social cohesion that are intrinsic in so many ways to sport.

To this end, we warmly welcomed the Australian Government's *Sporting Schools* initiative announced in the 2014-15 Budget. *Sporting Schools* replaces and will substantially improve upon the *Active After-school Communities* (AASC) programme providing more young Australians than ever before with the opportunity to participate in sport while at school. *Sporting Schools* will roll out on 1 January 2015 with more than 5,000 primary schools delivering sporting programmes to more than 850,000 children in the school yard before, during and after school with the support of NSOs. This is more than double the number of schools and children that were reached under the AASC program, and is one of our most important participation initiatives.

Increasing revenue for Australian sport

At a time when the ASC faces significant and ongoing budget pressures, it is incumbent on us to help Australian sports increase and diversify their revenue bases. We have sought to do this in a variety of ways including:

- investing significantly more in the Australian Sports Foundation so it can help Australian sports raise more philanthropic and community funding
- launching new initiatives such as our *Women Achievers in Sport* programme which has brought together senior executives from corporate Australia with our leading female athletes to raise awareness of the outstanding unrealised opportunity that exists for corporate Australia in women's sport.

Outlook

A priority this year will be to work with NSOs, the Australian Olympic and Paralympic Committees and all state institutes and academies of sport to ensure that all four peak elements of our high performance sporting system – the AIS, SIS/SAS, the AOC/APC and NSOs – are aligned and working together as effectively as possible towards national goals. In a large and diverse country like Australia this is a complex task, but that complexity cannot disguise the simple truth that it is crucial to our national success in sport.

We will continue to work with our NSOs to improve their governance and the sense of common purpose in their sports. There is always room for improvement in this critical area. Many of our NSOs need to continue to evolve to become truly what their name suggests – genuine national sporting organisations, not federations of state bodies focused first and foremost on doing their own thing at state level.

We will help NSOs maximise their commercial possibilities through a new *Australian Sport 2.0* program designed to ensure that Australian sport and its business models are at the cutting edge of the digital revolution.

In the participation area we will roll out the new *Sporting Schools* programme. We will also launch, following sector consultation, a new national survey to collect robust sports participation data. While this is not the most exciting initiative to discuss, it is one of the most important. There is a lack of reliable and comparable participation data across sports today, in part due to changing community lifestyles and less structured forms of sport and physical activity. This presents real challenges for sound decision making in this vital area for community wellbeing. We are tackling this challenge in 2015.

Acknowledgments

I would like to thank the Minister for Health and Sport, the Honourable Peter Dutton ^{MP} for his commitment to the goals of the ASC and Australian sport more generally. Managing the large combined portfolios of Health and Sport is not an easy task, but the Minister has found the time and energy to support Australian sport, evidenced by his attendance at the Sochi and Glasgow Games.

I acknowledge and thank the president of the Australian Olympic Committee, John Coates ^{AC}, President of the Australian Paralympic Committee, Glenn Tasker, the President of the Australian Commonwealth Games Association, Sam Coffa, and their respective boards and staff for their strong support for the ASC's agenda and programmes. A very positive sense of teamwork has been established between our organisations in recent years for the good of Australian sport.

On behalf of the Board I extend my thanks to CEO Simon Hollingsworth, AIS Director Matt Favier and all ASC people for their enthusiasm and continued dedication in striving for excellence both on and off the field. I commend the ASC leadership team for their thoughtful and sensitive handling of the difficult process of headcount reductions at the Commission, and am filled with admiration for the way the whole ASC team has maintained its professionalism and the service to our stakeholders throughout this process.

Finally, but not least, the ASC is fortunate to be served by a talented and committed Board. I thank them for their wise advice, good humour and passion for Australian sport. I include in this group Board members who retired this year Professor Jane Halton ^{PSM} and Glenys Beauchamp ^{PSM}, who made insightful and memorable contributions. I know all Board members share my view that it is an honour for all of us to serve Australian sport and athletes, and to do everything we can to ensure that more Australians participate in sport and that this proud sporting nation achieves the success of which it is capable on the international sporting stage.

John Wylie ^{AM}

Chair



Simon Hollingsworth

CHIEF EXECUTIVE OFFICER
AUSTRALIAN SPORTS COMMISSION

The 2013-14 year was one of consolidation for the Australian Sports Commission (ASC). After introducing *Australia's Winning Edge* in late 2012, the ASC worked hard to build on the initiatives stemming from the strategy. There has been a particular focus on improving the financial performance and position of national sporting organisations (NSOs), improving governance structures and changing the role and work of the AIS. We have also worked closely with our partners to identify ways to enhance the commercialisation opportunities, increase broadcast exposure and reduce associated costs, and supported the Australian Sports Foundation as a vehicle for greater philanthropic investment into sport. Through the provision of support and advice, we are helping sports build their capacity to deliver world class high performance programs and encourage more community participation. By making sports safer, more inviting and better managed, all Australians have increased opportunities to be involved.

Internally, the ASC embarked on a review of its operations to ensure that it is lean and agile. While this has resulted in some changes at the ASC, it provided an opportunity to review our own performance across a number of areas and identify organisational resources to be reinvested in initiatives that further support athletes and sport.

The year in review – highlights

Campaign Rio

The AIS, the Australian Olympic Committee and the Australian Paralympic Committee launched Campaign Rio, a collaborative partnership aimed at ensuring Australian athletes have the best possible planning and preparation ahead of the Rio 2016 Games.

Continued governance reform

Throughout the year the ASC continued to work closely with sports to improve their governance structures and standards. We've seen progress across a number of sports including swimming, cycling, rowing and basketball as well as sports that were not subject to the mandatory governance principles.

National Coaching Accreditation Scheme and National Officiating Accreditation Scheme

The ASC launched a series of workshops to highlight changes to its national coaching and officiating schemes – a move that will assist the sports sector to improve the sporting experience of all Australians.

AIS Centre for Performance Coaching and Leadership

As a key element of *Australia's Winning Edge*, the AIS Centre for Performance Coaching and Leadership was established to deliver the world's best approaches to learning and development, formalise pathways for professional development for coaches and performance leaders, drive research, and encourage innovation.

In 2013, the Centre welcomed its first intake of participants in the Performance Coach programme and the Performance Leaders programme. While in 2014, the Podium Coach programme welcomed its first intake of participants. The Centre offers a range of open learning opportunities throughout the year and has been developed in partnership with Melbourne Business School.

Pacific Sports Partnership grants

In July 2013 the Government announced that 11 Australian NSOs had been selected to receive funding through the second phase of the Pacific Sports Partnerships programme. The Government committed \$14 million through Australia's aid programme, which is administered by the ASC. The grants help the NSOs work with their regional partners in the Pacific to deliver sport-based programmes that achieve key social development objectives.

Winter Olympic and Paralympic Games

The 2014 Australian Olympic team was Australia's largest Winter Olympic team with 60 athletes representing 10 of the 15 sports on the Sochi programme. Of significant note was that 31 of the Australian competitors were women, making it also the first Australian Olympic team – Summer or Winter – with more female than male athletes. At the Games, Australia equalled its best ever total medal haul of three medals – two silvers and a bronze – and achieved 15 top-10 finishes. Australia's increasing depth in winter sports is highlighted at each and every Games – a promising sign for PyeongChang in 2018.

At the Paralympics in Sochi, Australia sent a team of nine athletes, including three para-snowboarders for the first time, and two sighted guides. Despite facing some challenging weather conditions, Australian athletes claimed two bronze medals and in doing displayed the skills and attributes that enable athletes to reach their goals – determination and resilience. Bronze medallist Toby Kane was also awarded the International Paralympic Committee's Whang Youn Dai Achievement Award for exemplifying the Paralympic spirit during the Games. While we celebrated the achievements of our athletes during the Games period, it was with some sadness following the passing of Matthew Robinson. Matthew's absence is felt right across the Australian sporting community and our thoughts remain with his family and friends.

Outlook

The health benefits of physical activity are well understood and the Government's announcement to support the *Sporting Schools* initiative from 1 January 2015 was a major boost for grassroots sport participation. This programme will see national sports and schools work closely together to deliver quality sport-based activity. It will double the number of primary schools currently being serviced by the Active After-school Community (AASC) programme, which means more children will be able to improve their physical literacy and enjoy sport in the familiar school setting. The programme will play a central role in the ASC's participation work, which will continue to be refined.

The ASC will also launch the Market Segmentation for Volunteers study – the most comprehensive analysis and profiling of sport volunteers to date. The study identifies segments in the Australian community with the greatest potential for recruitment of new sport volunteers, as well as practices and strategies for the retention of current volunteers. It also provides insights for the sport sector to better understand their volunteer workforce and how they might need to manage them into the future. The study reaffirms our commitment to develop initiatives and share an evidence base with the sports sector to help plan for, and shape, the delivery of sport for future generations.

We will also progress the AIS Personal Excellence strategy, implementing a number of initiatives to support athletes in making informed decisions both on and off the field. In other high performance related areas, we will continue to evolve the *Australia's Winning Edge* high performance investment model to ensure resources are targeted and prioritised to deliver performance outcomes aligned with *Australia's Winning Edge*. We will also review the performance management framework to ensure NSOs can achieve agreed outcomes and to hold them accountable for their performance.

Acknowledgments

I would like to thank the Honourable Peter Dutton MP, Minister for Health and Sport, for his continued support of Australian sport and its athletes. I thank the ASC Board for its leadership and guidance. I also extend my appreciation to all of the dedicated people working across the ASC. Their commitment to sport is much-admired, and I thank them for their hard work, commitment and professionalism throughout the year. Finally, I would like to pay tribute to the many people, past and present, that have been involved in the AASC programme over the past 10 years. The programme has played an important role in promoting sport and encouraging children to become physically active. While we move on to an exciting new program in *Sporting Schools*, your contribution to the past success of the AASC programme is recognised and leaves a great legacy for thousands of Australian children.

Simon Hollingsworth

Chief Executive Officer

Key achievements

New
AIS BRAND
launched

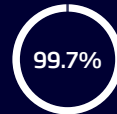


1/2 MILLION
visitors to the
AIS campus



1 MILLION+

information transactions through the
CLEARINGHOUSE FOR SPORT



**Active After-school
Communities**

Helping kids and communities get active

sites agree the programme provided a fun,
safe and positive introduction to sport



11,495

enrolments in the new **Community
Coaching General Principles** course
since its launch in May 2014

1.6 MILLION

INCREASE IN DAS FUNDING



**National sporting
organisations**

50

funded to achieve
PARTICIPATION OUTCOMES



7,346

junior athletes supported through the
Local Sporting Champions grants programme

31

funded to implement
HIGH PERFORMANCE PLANS



Combat Centre
ESTABLISHED

5

have established **CENTRES OF
EXCELLENCE** onsite at the AIS as
their daily training environment



Chapter 1

Our performance

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Outcome 1

Improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sports activity.

Total expenses: \$107,562,000

Total appropriation: \$89,366,000

The focus of Outcome 1 is developing the Australian sport sector to increase participation in sport. To achieve this, the ASC:

- > provides children with a positive introduction to sport that encourages their ongoing participation
- > supports NSOs to build the sustainability of their sport
- > works with sporting organisations and state and territory departments of sport and recreation to develop a more cohesive and effective sport sector that provides opportunities for all Australians to participate and excel in sport.

Our approach

During the reporting period the ASC continued the delivery of the Active After-school Communities (AASC) programme, providing children with a positive introduction to sport that encourages ongoing participation; and continued to invest in and provide specialist support and advice to NSOs to assist them in delivering and monitoring their sport participation plans.

Planning also commenced for the new *Sporting Schools* initiative, building on the legacy of the AASC programme. *Sporting Schools* will commence 1 January 2015.

The ASC also worked with NSOs and state and territory departments of sport and recreation to build the capability of the sport sector by facilitating research and developing strategies, resources and tools to support inclusive participation; and providing professional development and networking opportunities to enable the sharing of good practice and expertise.

Outcome 1 highlights

| | |
|---|--|
| Sporting Schools programme | <p>The new <i>Sporting Schools</i> initiative announced in the 2014-15 Budget builds on the legacy of the AASC programme and makes funding available to a larger number of schools and clubs across Australia.</p> <p>Planning for the programme commenced in 2013-14, ahead of a commencement date of 1 January 2015. <i>Sporting Schools</i> has been granted \$100 million over 2.5 years to bring local sporting communities, schools and government agencies together to encourage children across Australia to gain a lifelong interest in sport.</p> |
| Multi-sport digital platform feasibility study | <p>In 2014, the ASC undertook a feasibility study into a multi-sport digital platform, to determine the viability of assisting NSOs to capitalise on changes to broadcasting dynamics. The study considered whether a multi-sport digital platform could provide a more accessible entry level to broadcasting for NSOs that do not have a broadcast rights deal; and could provide a basis for enhanced servicing that supports on-demand content, potentially opening up greater commercialisation opportunities.</p> <p>Based on the positive findings from the study, the ASC will be progressing to the next phase of development in 2014-15.</p> |
| Mandatory sports governance principles | <p>The ASC released mandatory sports governance principles in 2013, providing greater accountability for public money invested in NSOs by focusing them on improving structures, board composition and accountability.</p> <p>Across 2013-14 the ASC successfully worked with the top-seven funded NSOs to establish suitable programmes for implementation of the mandatory governance reforms. With this work proceeding, the ASC has advanced its focus on improving the governance of the next wave of sports in 2014-15.</p> |



| | |
|--|---|
| <p>Community Coaching General Principles online course</p> | <p>A major milestone was reached in May 2014 with the release of the Community Coaching General Principles online course. A record 11,000 people enrolled in the course between its launch and 30 June 2014, a substantial increase in uptake compared to the Beginning Coaching General Principles course which it replaced.</p> <p>The new course assists coaches at the grassroots level to provide a positive experience for all participants, and is the culmination of efforts to update and align coaching standards at the community level.</p> |
| <p>Committee of Australian Sport and Recreation Officials (CASRO) Participation Planning and Monitoring Working Group</p> | <p>In 2013, the ASC worked with officials from state and territory departments of sport and recreation on a working group to develop a consistent approach to participation planning and monitoring of data, as well as implementation of the ASC's mandatory sports governance principles throughout state and community levels of sport.</p> <p>Improved alignment and collaboration through the national sport and active recreation sector is an important factor to growing participation across the country.</p> |
| <p>Disability segmentation research</p> | <p>The ASC commissioned research to explore the needs of people with disability and apply these insights to the Market Segmentation for Sport Participation model, which was developed in 2012.</p> <p>The disability segmentation report articulates the core motivations and barriers of Australians with a disability, with findings that will help sporting organisations to better understand the needs of people with disability and how current sport products and delivery options can be better adapted.</p> |
| <p>Clearinghouse for Sport</p> | <p>In 2013-14 the ASC completed the three-year implementation work programme for its key knowledge sharing initiative, the Clearinghouse for Sport.</p> <p>The Clearinghouse connects over 5,000 of Australia's leading sports practitioners to a secure online technology platform. During 2013-14, the platform enabled approximately one million information transactions (i.e. web page views, and electronic document and video downloads).</p> |






| | |
|---|---|
| <p>Australian Sports Outreach programme evaluation</p> | <p>The findings of the first wave of research-based evaluation of the Australian Sports Outreach Pacific (ASOP) Country Programmes conducted in three Pacific island countries (Tonga, Nauru and Vanuatu) were released in 2013-14.</p> <p>The evaluation found that the ASOP Pacific Country Programmes are making a significant contribution to improving the long-term health and wellbeing in the region by making people aware of the risks of physical inactivity and providing them with opportunities to be more physically active. It also shows the programme is addressing barriers to inclusion, building relationships within and between communities, and helping to shift attitudes and change behaviour, particularly towards people with disability and females.</p> |
| <p>Women in sport research</p> | <p>Two key women in sport research projects, <i>Analysis of the coverage of women's sport in the Australian media</i> and <i>Analysis of the economic value of investing in women's sport</i>, completed in 2013-14 showed that women's sport is largely undervalued.</p> <p>The research has enabled the ASC to dispel a number of myths concerning corporate and public perceptions of women's sport and has identified ways in which the ASC can assist with the promotion and commercialisation of women's sport.</p> <p>Plans to publish and share the research findings with the wider sporting community in 2014-15 are currently underway.</p> |
| <p>AASC Ambassadors Campaign</p> | <p>The ASC successfully launched its AASC Ambassador Campaign, with nine high-profile athletes chosen to represent the programme.</p> <p>Ambassadors attended AASC sites and participated in media opportunities, including recording personalised video footage of their experiences. The Ambassadors Campaign allows participating children to connect with high-profile sports stars, who promote the programme, and share their personal stories of involvement in community sport.</p> <p>A highlight for this campaign was the use of social media in promoting the AASC programme to the Australian community.</p> |
| <p>Volunteers research</p> | <p>A study of the market segmentation for volunteers was undertaken to identify the core set of attitudes, motivators, needs and barriers that underpin Australians' decisions to volunteer in sport (including at club level and other types of sports-related volunteering) as compared to other voluntary activities; and to use this information to develop a needs-based market segmentation model of Australian sports volunteers.</p> <p>The findings from this study will be used to assist sport to better manage and retain their current volunteer workforce, and provide clear direction on strategies to acquire and retain new sports volunteers.</p> |

Outcome 1 deliverables and indicators

The following tables provide a summary of the ASC's performance against the deliverables and key performance indicators as set out for Outcome 1 in the PBS.

Table 1: ASC performance against Outcome 1 deliverables

| Deliverable | Achieved | Comment |
|--|---|--|
| <p>Deliver the following grant programmes to grow participation and involvement of under-represented groups: Local Sporting Champions; Elite Indigenous Travel and Accommodation Assistance programme; Sport Leadership Grants and Scholarships for Women; and Multicultural Youth Sports Partnership programme.</p> |  | <p>The Local Sporting Champions programme provided grants to 7,346 sportspersons to assist with travel to state, national or international championships.</p> <p>The Elite Indigenous Travel and Accommodation Assistance programme awarded 760 grants that directly benefitted Indigenous sportspersons.</p> <p>The Sport Leadership Grants and Scholarships for Women provided \$400,000 across 82 projects.</p> <p>The Multicultural Youth Sports Partnership programme provided \$300,000 across 16 organisations to create sustainable opportunities for youth from new and emerging communities.</p> |
| <p>Work with sector partners to improve the range, quality and timeliness of sport participation data.</p> |  | <p>The ASC along with its CASRO partners continued to work in partnership with the Australian Bureau of Statistics to co-fund the biennial adult participation survey, which captures data on sport, exercise and physical recreation.</p> <p>In addition, the ASC investigated options to improve the scope and quality of participation data for both adults and children through a new data capture model. This work will be continued into the 2014-15 financial year.</p> |

| Deliverable | Achieved | Comment |
|--|--|--|
| Evidence-based pilot projects with NSOs targeting specific market opportunities and barriers to participation in sport. |  | <p>Pilot projects were undertaken with 11 NSOs to put the ASC's market segmentation research into practice. The lessons learnt from these projects will be used to assist other sports to develop their own strategies.</p> <p>Pilot projects were also undertaken with 17 sports to develop new products to target specific consumers.</p> |
| A suite of resources, tools and good practice guidelines for NSOs on governance and compliance matters, such as work health and safety (WHS) guidelines for organisations. |  | <p>The ASC delivered the following resources, tools and guidelines in 2013-14: redevelopment of the community coaching resources; implementation of an ongoing research piece covering consumer insights into sport participation; further development of the organisational development toolkit; athlete contracting resources; and development of an integrity assessment framework.</p> |
| Pilot with NSOs to better understand and build the current ability of their workforce (paid and volunteer) to deliver their sport in the community. |  | <p>Projects have been undertaken with nine NSOs to investigate various aspects of their workforce, and to implement changes to how they manage key staff to deliver on their strategic plans.</p> |
| 3,270 schools and out-of-school-hours care services delivering the AASC programme. |  <p>3,270</p> | <p>3,672 individual schools or out-of-school-hours care services delivered the AASC programme in 2013-14.</p> |
| 33 NSOs funded to implement plans to increase community participation. |  <p>33</p> | <p>50 NSOs received participation funding in 2013-14. Of these, 36 NSOs were required to implement specific participation plans to directly increase community participation. The remaining 14 NSOs receiving participation funding were required to implement strategic plans for whole-of-sport outcomes.</p> |







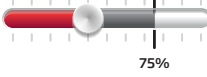
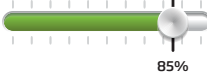
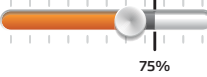
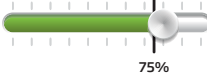
| Deliverable | Achieved | Comment |
|---|---|---|
| 24 priority participation NSOs which implement specific strategies, programmes or approaches to increase participation by under-represented groups. |  | The ASC supported 24 priority participation NSOs to develop and implement programmes or initiatives to increase participation by people from culturally and linguistically diverse populations, women, Indigenous communities and people with disability. |

Table 2: ASC performance against Outcome 1 key performance indicators

| Key performance indicators | Achieved | Comment |
|---|---|---|
| Information concerning the financial position of NSOs, including their reliance on ASC funding, is reported as part of the State of Sport Report. |  | Information concerning the financial position of NSOs and reliance on ASC funding was reported as part of the 2014 Sports Tally. ¹ The ASC is continuing to work with NSOs on reducing their reliance on ASC funding over time. |
| 90% of AASC sites agree that the programme provides a fun, safe and positive introduction to sport for children. |  | 99.7% of AASC sites agree that the programme provides a fun, safe and positive introduction to sport for children. |
| 75% of AASC programme coaches believe the programme leads to greater opportunities for primary school children to join local sporting clubs. |  | 93% of AASC programme coaches reported that they believe the programme leads to greater opportunities for primary school children to join local sporting clubs. |
| 85% of priority participation NSOs achieve growth in engagement and/or exposure programmes. |  | 25 out of the 29 priority participation NSOs (86%) have achieved measurable growth in engagement and/or exposure programmes. |

1 The State of Sport Report was the preliminary working title for the report. When released, it was titled the Sports Tally.

| Key performance indicators | Achieved | Comment |
|---|---|---|
| Seven sports ² have a satisfactory programme for implementation of required governance reforms. |  | Seven sports have programmes in place for the implementation of required governance principles. Progress against implementation was monitored throughout the year. Six sports have made satisfactory progress towards implementation. |
| 75% of priority participation NSOs agree that the specialist inclusion, integrity and workforce development services they received from the ASC had an outstanding or high impact on their capability to deliver their participation plans. |  | 40% of the NSOs indicated that the services had an outstanding or high impact, with a further 33% rating the impact of the services as moderate. The ASC is continuing to work with NSOs to improve the value and impact of its services. |
| 85% of NSOs whose financial position does not represent a risk to ASC investment. |  | 85% of funded NSOs are not considered to represent a financial risk to ASC investment. The ASC monitors the financial position of NSOs as part of its investment decision-making. Based on this monitoring, a number of NSOs are subject to additional financial reporting and increased scrutiny through the ASC's internal NSO Financial Risk and Compliance Committee. |
| 75% of governance and management interventions and commercialisation strategies completed and ranked by the NSOs as having either outstanding or high impact. |  | 63% of the NSOs indicated that the interventions and strategies had a high or outstanding impact, with a further 33% rating the impact of these activities as moderate. The ASC is continuing to work with NSOs to improve the value and impact of its services. |
| 75% of sector partners agree that alignment and collaboration within the sector has resulted in improved outcomes. |  | 80% of partners indicated that alignment and collaboration within the sector has resulted in improved outcomes in the last 12 months. |

2 The seven sports subject to the mandatory governance principles in 2013-14 were: athletics, basketball, cycling, hockey, rowing, sailing and swimming.



Outcome 2

Excellence in sports performance and continued international sporting success by talented athletes and coaches, including through leadership in high performance athlete development, and targeted science and research.

Total expenses: \$199,538,000

Total appropriation: \$176,548,000

The focus of Outcome 2 is delivering sustained international sporting success. This is delivered by the AIS, a division of the ASC.

To achieve this, the AIS links sports investment to performance targets and provides world-class expertise and services – ensuring Australia's current and emerging high performance athletes have access to the right support at the right time in their pursuit of excellence.

Our approach

The AIS works in partnership with NSOs, state institutes and academies of sport and peak bodies (Australian Olympic Committee, Australian Paralympic Committee and the Australian Commonwealth Games Association) to deliver international sporting success.

Key priorities for the AIS during 2013-14 were to:

- > transition into the new AIS operating model under *Australia's Winning Edge*
- > implement our revised innovative performance support approach
- > collaborate with key sector partners to align and establish the world's best high performance system.

Outcome 2 highlights

| | |
|---|---|
| Additional Direct Athlete Support Funding | <p>In May 2014 the ASC announced increased investment in a re-designed Direct Athlete Support (DAS) scheme for athletes in Olympic, Paralympic and Commonwealth Games sports.</p> <p>The ASC will invest an additional \$1.6 million from existing resources in the scheme in 2014-15, which brings total DAS funding to \$12 million per annum. Over the last two years, the ASC's funding of the scheme has increased by 43 percent.</p> <p>DAS provides support to Australia's best performed athletes and introduces support for high potential emerging athletes. It is expected to support more than 900 athletes in 2014-15.</p> |
| Sports Draft | <p>In 2013-14 the AIS delivered its inaugural AIS Sports Draft programme. The Sports Draft is a talent transfer programme providing fast-track development opportunities in Olympic sports to outstanding athletes interested in transferring from other sports.</p> <p>During the reporting period the Sports Draft focused on the combat sports of boxing and judo, with a number of athletes identified through this initiative to be fast-tracked into a 12-month development programme involving expert coaching and training designed to accelerate their transition.</p> |
| Campaign Rio | <p>The AIS hosted the launch of Campaign Rio in October 2013, a partnership between the AIS, Australian Olympic Committee and Australian Paralympic Committee. The Campaign Rio initiative was established to provide a platform for sharing knowledge and experience across Olympic and Paralympic sports to assist with the planning and preparation of Australian athletes and teams in the lead-up to the 2016 Rio Olympics and Paralympics.</p> <p>The launch was followed by the first of two Campaign Rio forums involving over 80 representatives. The second forum, held in April 2014, included contributions from His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd). The Governor General addressed the forum on the principles of leadership, including vision, ethos, integrity and communication.</p> |
| 2014 Winter Olympics and Paralympics – Sochi | <p>Australia sent a team of 60 athletes to the 2014 Winter Olympic Games in Sochi, winning three medals and placing 24th overall on the Olympic medal table. Medals were won by Torah Bright in the women's halfpipe, David Morris in the men's aerials and Lydia Lassila in the women's aerials.</p> <p>At the 2014 Winter Paralympic Games, also in Sochi, Australia sent a team of nine athletes, claiming two bronze medals and placing 19th overall on the medal table. Australia's medals were won by Toby Kane in the men's super-combined standing event and Jessica Gallagher (and Christian Geiger – guide) in the women's giant slalom visually impaired event.</p> |



| | |
|--|---|
| <p>Podium Coach programme</p> | <p>The new AIS Podium Coach programme was launched as part of the Centre for Performance Coaching and Leadership in April 2014.</p> <p>The Podium Coach programme is tailored to coaches in priority sports and the National Institute Network who have the capacity and capability to deliver outstanding results for Australia over the next decade. The programme improves and formalises pathways for the professional development of coaches and drives research and innovation relative to their development.</p> |
| <p>XII International Symposium on Biomechanics and Medicine in Swimming</p> | <p>In May 2014 the AIS, together with Swimming Australia and the John Curtin School of Medical Research, hosted the XII International Symposium on Biomechanics and Medicine in Swimming, the first time the symposium has been held in the southern hemisphere.</p> <p>Attended by over 200 delegates, the symposium featured speakers and demonstrations from the Australian and international sports science and coaching community across the key themes of biomechanics, physiology, medicine, nutrition, coaching, strength and conditioning, technology, social sciences, humanities and pedagogics.</p> |
| <p>Medications and Supplement Summit</p> | <p>The AIS held the inaugural National Summit on Medications and Supplements in Sport in Canberra during October 2013. The summit brought together NSOs and state institutes and academies of sport to provide information on the AIS Sports Science and Sports Medicine Best Practice Principles. The summit also provided the opportunity to work with sports to develop a policy framework to ensure athlete safety and the preservation of integrity in sport.</p> |
| <p>Sports Tally</p> | <p>In April 2014 the AIS released its inaugural Sports Tally. Sports Tally reviews the significant achievements across Australia's high performance landscape for 2013 as part of the <i>Australia's Winning Edge</i> high performance strategy.</p> <p>Sports Tally marks the progress of funded high performance NSOs across the interrelated areas of high performance, participation and governance.</p> |
| <p>2014 Bone Health in Sport Symposium</p> | <p>The AIS hosted the 2014 Bone Health in Sport Symposium in February 2014, exploring current practice and cutting-edge research into all aspects of bone health and closely examining bone stress injuries.</p> <p>The conference was jointly presented by the ACT Branch of Sports Medicine Australia and the AIS in partnership with the Australasian College of Sports Physicians and the Australian Physiotherapy Association/Sports Physiotherapy Australia. Representatives from 20 NSOs attended the symposium.</p> |

| | |
|--|---|
| <p>New AIS brand launched</p> | <p>In February 2014 the AIS launched its new brand to align with a new strategic direction focused on innovation and bold performance targets.</p> <p>The decision to adopt a new brand followed extensive research, which indicated that while the AIS name was well known, the former brand was outdated and did not adequately communicate the nature of the AIS to its key stakeholders, commercial partners and the Australian public. The new brand reinforces the new positioning of the AIS as Australia's lead high performance agency.</p> |
| <p>World Class to World Best conference</p> | <p>The second World Class to World Best conference, held in November 2013, attracted more than 300 representatives from Australia's high performance community, including coaches, directors and high performance managers.</p> <p>The conference provided an opportunity for information and knowledge sharing across sports and relevant industries. Keynote presentations were delivered on topical issues for high performance sport, as well as innovative approaches to sport science.</p> <p>Keynote speakers included Olympic great Michael Johnson, renowned rugby league coach Wayne Bennett, author and journalist David Epstein, Commandant of the Royal Military College of Australia Brigadier Dianne Gallasch, and CEO of Leo Burnett Advertising and host of the ABC's <i>Redesign My Brain</i> programme Todd Sampson.</p> |






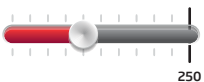
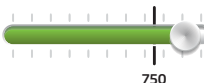
Outcome 2 deliverables and key performance indicators

The following tables provide a summary of the ASC's performance against the deliverables and key performance indicators as set out for Outcome 2 in the PBS.

Table 1: ASC performance against Outcome 2 deliverables

| Deliverable | Achieved | Comment |
|---|---|--|
| <p>Effectively manage the transition out of existing AIS programmes to NSO-driven programmes to minimise disruption to sports and athletes.</p> |  | <p>All AIS scholarship programmes have successfully transitioned to the respective NSO within agreed timelines.</p> |
| <p>Implement new high performance investment approach and associated accountability and monitoring processes to ensure that resources are targeted and prioritised to deliver performance outcomes.</p> |  | <p>The <i>Australia's Winning Edge</i> performance investment model was implemented from 1 July 2013 and a performance management framework is now in place to provide accountability and monitoring of investments.</p> |

| Deliverable | Achieved | Comment |
|---|---|--|
| Conduct initiatives and interventions addressing high performance capability and the promotion of best practice in high performance. |  | Key initiatives delivered in 2013-14 included <i>Australia's Winning Edge</i> Psychology Forum, Medications and Supplements Summit, Bone Symposium, and the Applied Psychology Forum. |
| Conduct national programmes in identified themes, including quality assurance and athlete career and education support. |  | The National Athlete Career and Education programme continued to be delivered through the National Institute Network and the ASC continued to deliver the National Sport Science Quality Assurance programme. |
| Support the National Elite Sports Council (NESC) as a focal point for communication, issues management and national programme coordination across the high performance network. |  | Biannual NESC meetings considered issues of common interest. Regular informal communication and engagement has also occurred throughout 2013-14. |
| Conduct Sports Draft and Second Chance programmes for Olympic, Paralympic and Commonwealth Games sports. |  | The inaugural Sports Draft was conducted in late 2013 focusing on the combat sports of boxing and judo, with both sports the beneficiaries of athletes identified through the draft. |
| Develop benchmark measures for athlete progression and attrition. |  | A national athlete categorisation framework was implemented in 2013-14 to enable the benchmarking of athlete progression and attrition. NSOs have mapped athletes against the framework categories to monitor and measure athlete progression or attrition. |
| Deliver AIS scholarship programmes until 31 December 2013. |  | All AIS athlete scholarship programmes were delivered until 31 December 2013. |

| Deliverable | Achieved | Comment |
|--|---|--|
| Provide, through the AIS European Training Centre in Varese, Italy, quality accommodation, training and recovery facilities with sports science and medicine and athlete support provisions. |  | The AIS European Training Centre continued to provide support and servicing for a range of Australian athletes and teams in 2013-14. |
| Develop and maintain a national high performance research agenda in collaboration with internal and external partners including leading research and technology institutions. |  | A number of research projects were progressed throughout 2013-14 in the key research themes identified as critical to contributing to Australian international sporting success. |
| 31 NSOs funded to implement high performance plans. |  | 31 NSOs were funded to implement high performance plans in 2013-14. |
| 15 coaches supported through the AIS Centre for Performance Coaching and Leadership's Performance Coach programme. |  | 15 coaches were supported through the AIS Centre for Performance Coaching and Leadership's Performance Coach programme. |
| 15 high performance leaders supported through AIS Centre for Performance Coaching and Leadership's Performance Leader programme. |  | 15 high performance leaders were supported through the AIS Centre for Performance Coaching and Leadership's Performance Leader programme. |
| 250 high performance leaders and coaches attending AIS Centre for Performance Coaching and Leadership's open learning sessions. |  | 80 high performance leaders and coaches attended AIS Centre for Performance Coaching and Leadership's open learning sessions in 2013-14. A delay in the start of this initiative (July 2013 to January 2014) led to the lower than expected number of attendees during the reporting period. |
| 750 athletes supported through the Direct Athlete Support scheme. |  | 907 athletes were supported through the Direct Athlete Support scheme in 2013-14. |

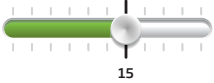



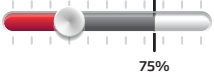
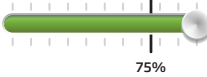
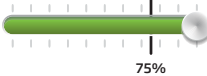


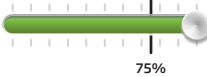
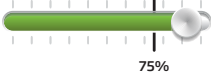



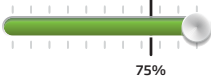
| Deliverable | Achieved | Comment |
|---|---|---|
| 15 sports completing thorough reviews of their talent health/pathways. |  | 15 sports have completed thorough reviews of their talent pathways |
| 25 applied research projects completed and delivered to athletes and coaches. |  | <p>22 applied research projects have been completed and delivered to athletes and coaches.</p> <p>A number of planned projects were unable to be progressed due to delays resulting from changes to the government requirements for the release of grant funding.</p> |

Table 2: ASC performance against Outcome 2 key performance indicators

| Key performance indicators | Achieved | Comment |
|---|---|--|
| Australian athletes and sports achieve the benchmark event result targets as reported in the State of Sport report. |  | 33 <i>Australia's Winning Edge</i> high performance-funded sports achieved their benchmark event result targets for 2013, as reported in the 2014 Sports Tally. |
| 80% of priority NSOs achieved the key performance indicators listed in their high performance plans. |  | 33 of the 38 priority NSOs (86%) achieved the key performance indicators listed in their high performance plans. |
| 75% of national sporting organisations agree the specialist services they received from the AIS had an outstanding or high impact on their capability to deliver their high performance plan. |  | <p>29% of the NSOs that participated in any of the AIS' specialist services felt that the cumulative impact of the opportunities provided on their capability to deliver their high performance plans was high or outstanding. However, 87% rated the impact as at least moderate.</p> <p>The AIS is continuing to work with NSOs to improve the value and impact of its services.</p> |

| Key performance indicators | Achieved | Comment |
|--|--|--|
| 75% of high performance sector partners with participants in the AIS Centre for Performance Excellence programmes are satisfied or highly satisfied with the professional development and networking opportunities provided by the programmes. |  <p>A horizontal progress bar with a green fill and a white slider. The bar is marked with 75%.</p> | 100% of high performance sector partners with participants in the AIS Centre for Performance Excellence indicated they were satisfied or highly satisfied with professional development and networking opportunities provided by the programmes. |
| 75% of high performance coaches and leaders participating in AIS Centre for Performance Coaching and Leadership agree that the programme made a significant contribution to their development. |  <p>A horizontal progress bar with a green fill and a white slider. The bar is marked with 75%.</p> | 100% of high performance coaches and leaders participating in the AIS Centre for Performance Coaching and Leadership programmes agreed that the programme made a significant contribution to their development. |
| 75% of NSOs funded for high performance are satisfied with the servicing provided by a nationally-aligned high performance network. |  <p>A horizontal progress bar with an orange fill and a white slider. The bar is marked with 75%.</p> | <p>57% of the NSOs were satisfied with the servicing provided by a nationally aligned high performance network. A further 32% of the NSOs were neither satisfied nor dissatisfied with the servicing.</p> <p>The AIS is continuing to work with NSOs and other sector partners to monitor and improve the services provided.</p> |
| 90% of Direct Athlete Support (DAS) recipients are satisfied that DAS has enhanced their ability to prepare for competition. |  <p>A horizontal progress bar with an orange fill and a white slider. The bar is marked with 90%.</p> | <p>87% of DAS recipients reported they are satisfied the scheme had enhanced their ability to prepare for competition.</p> <p>The ASC has reviewed the current provision and a new DAS scheme is set to commence in 2014-15.</p> |
| 75% of NSOs agree that nationally coordinated talent identification, development and pathway enhancement projects, such as Sports Draft and Second Chance, have assisted in growing their talent pipeline. |  <p>A horizontal progress bar with a green fill and a white slider. The bar is marked with 75%.</p> | 100% of sports that participated in Sports Draft agreed that the programme has assisted in growing their talent pipeline. |

| Key performance indicators | Achieved | Comment |
|---|---|---|
| 75% of users (NSOs and sector partners) agree that the servicing they received through the AIS made a significant contribution to the daily training environment they provide for their athletes. |  | 83% of users agreed that the servicing their AIS scholarship athletes received made a significant contribution to the daily training environment they provide for their athletes. |
| 75% of users of the AIS European Training Centre are satisfied with the facilities and services provided. |  | 95% of users of the AIS European Training Centre provided feedback confirming their satisfaction with the quality of facilities and services provided. |
| 75% of users of the AIS European Training Centre agree that the centre enhanced their capability to prepare for international competition. |  | 95% of users of the AIS European Training Centre indicated that the centre had enhanced their competition preparation. |
| 80% of applied research and development projects completed and ranked by the primary beneficiary as having either outstanding or high impact. |  | 19 of the 22 applied research projects completed during the financial year (86%) achieved a rating of outstanding on their impact tracking reports. The remaining three applied research projects were rated as achieving moderate impact ratings. |
| 75% of projects funded through the competitive innovation fund have commenced and are assessed as effectively meeting project deliverables and outcomes. |  | All 18 competitive innovation fund projects have commenced, are on budget, and are effectively meeting the project deliverables outlined within their submission. |

Sport performance highlights

Australia's performance at key international events, such as the Olympic Games, Paralympic Games, Commonwealth Games and world championships, is ultimately the true long-term benchmark of our success in high performance sport.

Through *Australia's Winning Edge*, the ASC has unapologetically set high targets for Australia to be a top-five nation at the Summer Olympic and Paralympic games, top 15 at the Winter Olympic and Paralympic Games, number one at the Commonwealth Games, and to have more than 20 world champions annually.

Table 3: Australian medallists at the Sochi 2014 Olympic Winter Games (AIS athletes³ indicated by  AIS logo)






























| Sport | Discipline | Athlete/s | Result |
|------------------|------------------|--|--------|
| Freestyle skiing | Men's aerials | David Morris  | Silver |
| Snowboarding | Women's halfpipe | Torah Bright | Silver |
| Freestyle skiing | Women's aerials | Lydia Lassila  | Bronze |

Table 4: Australian medallists at the Sochi 2014 Paralympic Winter Games (AIS athletes indicated by  AIS logo)

| Sport | Discipline | Athlete/s | Result |
|---------------|--|---|--------|
| Alpine skiing | Men's super-combined | Toby Kane  | Bronze |
| Alpine skiing | Women's giant slalom – visually impaired | Jessica Gallagher  Christian Geiger (guide)  | Bronze |

3 AIS scholarships ceased on 31 December 2013.

Table 5: Australian world champions at benchmark events (AIS athletes indicated by  AIS logo)

| Sport | Event | Athlete/s | |
|---------|---|---|--|
| Cricket | International Cricket Council Women's World Cup | Alex Blackwell Nicole Bolton Jess Cameron Sarah Coyte Rene Farrell Holly Ferling Alyssa Healy Julie Hunter | Jess Jonassen Delissa Kimmice Meg Lanning Beth Mooney Erin Osborne Ellyse Perry Elyse Villani |
| Cricket | Australia v England Ashes series | Ashton Agar Jackson Bird Michael Clarke Ed Cowan James Faulkner Brad Haddin Ryan Harris Phil Hughes Usman Khawaja | Nathan Lyon James Pattinson Chris Rogers Peter Siddle Steve Smith Mitchell Starc Matthew Wade David Warner Shane Watson |
| Cycling | UCI ⁴ World Track Cycling Championships – men's team pursuit | Luke Davidson  Alex Edmondson  | Mitchel Mulhern  Glen O'Shea  |
| Cycling | UCI BMX World Championships | Caroline Buchanan  | |
| Cycling | UCI Mountain Bike World Championships | Caroline Buchanan  | |
| Hockey | Men's Hockey World Cup | Andrew Charter  Chris Ciriello  Liam De Young  Jamie Dwyer  Russell Ford  Kieran Govers  Rob Hammond  Jeremy Hayward  Fergus Kavanagh  | Mark Knowles  Tyler Lovell  Eddie Ockenden  Simon Orchard  Glenn Simpson  Matthew Swann  Glenn Turner  Jake Whetton  Aran Zalewski  |
| Ironman | Ironman Hawaii World Championships | Mirinda Carfrae | |

4 Union Cycliste Internationale.

| Sport | Event | Athlete/s | |
|------------|--|---|--|
| Lawn bowls | Women's World Bowls Championships – Taylor Trophy | Lynsey Clarke Kelsey Cottrell Karen Murphy | Rebecca Quail Natasha Van Eldik |
| Lawn bowls | Men's World Bowls Championships – Leonard Trophy | Mark Casey Wayne Ruediger Leif Selby | Aron Sherriff Brett Wilkie |
| Rowing | World Rowing Championships – women's single skulls | Kim Crow 🇳🇿 | |
| Rugby | Rugby League World Cup | Greg Bird Darius Boyd Daly Cherry-Evans Boyd Cordner Cooper Cronk Robbie Farrah Andrew Fafita Paul Gallen Jarred Hayne Greg Inglis Michael Jennings Luke Lewis | Brett Morris Josh Morris Nate Myles Josh Papalii Corey Parker Matt Scott Billy Slater Cameron Smith James Tamou Brent Tate Sam Thiadary Jonathon Thurston |
| Sailing | 470 World Championships | Mathew Belcher 🇳🇿 Will Ryan 🇳🇿 | |
| Surfing | 2013 Association of Surfing Professionals World Tour | Mick Fanning | |
| Swimming | FINA World Swimming Championships – men's 100-metre breaststroke | Christian Sprenger | |
| Swimming | FINA World Swimming Championships – women's 100-metre freestyle | Cate Campbell | |
| Swimming | FINA World Swimming Championships – men's 100-metre freestyle | James Magnussen | |
| Taekwondo | World Taekwondo Championships | Carmen Marton | |

2013 AIS Awards

Athlete of the Year



Caroline Buchanan – Cycling (BMX)

Caroline won two world titles in 2013 – in BMX and four-cross (mountain bike). At just 23, Caroline became the first Australian to hold world titles in two different cycling disciplines and she has five career world championships to her name.



Kim Crow – Rowing

Kim made history in 2013 when she became the first Australian to win a world championship in the women's single scull. Kim also won the 2013 Holland Beker Regatta gold medal for the same event.

Junior Athlete of the Year



Dante Exum – Basketball

Dante is one of basketball's most promising young talents and has represented Australia in two world and three regional championships. Dante was the recipient of the Bob Staunton memorial award for most outstanding player at the National Under-20 Championships.

Team of the Year



Mathew Belcher and Will Ryan – Sailing

After major success at the London 2012 Olympic Games, Mathew Belcher and Will Ryan won the gold medal at the 2013 470 World Championships in France. The win extended their winning streak to nine regattas, including three world cup rounds and the European championships.

Coach of the Year



Simon Cusack – Swimming

Simon commenced coaching in 1999 and is currently the coach of Christian Sprenger and Cate and Bronte Campbell. At the 2013 FINA⁵ World Swimming Championships, he coached his athletes to two gold and six silver medals, as well as three Australian and two Commonwealth records. Simon has held positions as a national youth squad coach and has coached on senior national teams since 2007.

Performance of the Year



Alex Pullin – Snowboard cross

Alex won gold at the snowboard world championships, becoming the first snowboard cross athlete to successfully defend his title and the only Australian winter sport athlete to win back-to-back world titles. Alex has been the most successful snowboard athlete in Australia since the Vancouver Olympics in 2010.

Leadership Award



Geoff Lipshut – Olympic Winter Institute of Australia

As the CEO of the Olympic Winter Institute of Australia, Geoff led the institute's efforts to ensure Australia's winter athletes have access to state-of-the-art training facilities and support to maximise performance results on the international stage. Under Geoff's leadership, the Olympic Winter Institute's high performance programme produced impressive results throughout 2013, with Australian athletes winning four medals and achieving 11 top-eight places at world championship level.

5 Federation Internationale de Natation.



Chapter 2

Our organisation

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Who we are and how we work

The Australian Sports Commission

The ASC is the Australian Government body that supports, develops and invests in sport at all levels in Australia. On behalf of the Australian Government, the ASC plays a central leadership role in the development and operation of the Australian sports system, administering and funding innovative sport programmes and providing leadership, coordination and support for the sport sector.

In leading the sector, the ASC works together with our partners, recognising that a shared approach that brings together expertise from a range of organisations will deliver greater results than any single agency working alone. We work closely with NSOs, peak sporting bodies, state and territory governments, state and territory institutes and academies of sport, and schools and community organisations to support the development of the Australian sport sector from the grassroots community level to high performance sport.

Our values

The ASC values – Respect, Integrity, Teamwork and Excellence – establish the foundations for the way the ASC does business and supports the achievement of organisational goals and objectives. The values reinforce the expected behaviour of ASC staff in their daily operations within and outside of the organisation.

Key activities or changes

During 2013-14, the ASC continued to evolve to enhance our capability to deliver on *Australia's Winning Edge*. The transition process continued throughout the year, requiring alignment of enabling systems, work practices, people capabilities and behaviours to support the new direction.

An important piece of work was completing the transition out of direct sport programme delivery by the AIS and the associated transfer of coaching and sport administration personnel to employment by NSOs.

The ASC also undertook an Operational Effectiveness Review during the reporting period to identify operating efficiencies and savings. The delivery of identified initiatives is expected to commence from July 2014 to achieve savings across the full 2014-15 financial year.

Enterprise bargaining

The ASC Enterprise Agreement 2011-14 has a nominal expiry date of 30 June 2014. A bargaining process commenced in April 2014 to develop a new enterprise agreement for the ASC in line with the Australian Government's public sector bargaining policy.

Organisational structure (as at 30 June 2014)

The ASC's national leadership role is achieved through three divisions: the AIS, Participation and Sustainable Sports, and Corporate Operations.

The ASC workforce profile comprises a diverse range of occupations in an equally diverse range of business activities, with people working in every state and territory, including metropolitan, regional and remote locations.

Chart 1: ASC organisational chart (as at 30 June 2014)



People management

Our people

As at 30 June 2014, the ASC's full-time equivalent job establishment was 645.7, including 385.6 ongoing positions (full-time and part-time), and 312.2 non-ongoing employment (fixed term and casual). During the 12-month period to 30 June 2014, the ASC carried an average staffing level of 645.8 full-time equivalent (excluding casual employment).

During 2013-14:

- > the transfer in employment of 25 coaching, sport administration and technical support personnel from the ASC to NSOs was completed
- > the extensive 'Results through People' program was undertaken by 191 managers and supervisors
- > voluntary staff turnover rate was 11.2 per cent
- > unplanned absences averaged 8.9 days per person
- > ASC Service Awards recognised 11 ASC staff who had completed 10 years or more continuous employment, including two staff who had completed more than 20 years of service
- > a people engagement survey indicated a high level of staff engagement.

Gender profile

Table 6: ASC gender profile (as at 30 June 2014)

| Classification | Female | Male | Total |
|---|--------|------|-------|
| Executive | | 4 | 4 |
| ASC 8 (Deputy General Manager and equivalent) | 6 | 9 | 15 |
| ASC 7 (Director and equivalent) | 16 | 34 | 50 |
| ASC 6 (Assistant Director) | 42 | 75 | 117 |
| ASC 5 | 52 | 50 | 102 |
| ASC 4 | 102 | 127 | 229 |
| ASC 3 | 43 | 29 | 72 |
| ASC 2 | 28 | 17 | 45 |
| ASC 1 | 6 | | 6 |
| Grand Total | 295 | 345 | 640 |

Note: unless indicated, figures do not include casual employees or post-graduate scholars.

ASC staff and programme locations

312

ASC LOCATION

Canberra

230

AIS PROGRAMME LOCATIONS

ACT (191)

Canberra

NSW (4)

Penrith

VIC (2)

Melbourne

WA (6)

Perth

QLD (12)

Brisbane

Gold Coast

Runaway Bay

SA (12)

Adelaide

OVERSEAS (4)

Varese, Italy

141

AASC STAFF LOCATIONS

ACT (12)

Canberra

NSW (50)

Albion Park

Albury

Ballina

Broken Hill

Coffs Harbour

Deniliquin

Dubbo

Homebush

Merimbula

Mudgee

Orange

Port Macquarie

Raymond Terrace

Tamworth

Wagga Wagga

Warners Bay

Wyong

Penrith

VIC (37)

Bairnsdale

Ballarat

Bendigo

Bundora

Dandenong

Euroa

Geelong

Horsham

Inverloch

Melbourne

Mildura

Sale

Shepparton

Southbank

Trafalgar

Wangaratta

Warrnambool

WA (18)

Albany

Broome

Bunbury

Geraldton

Mandurah

Narrogin

Northam

Perth

South Hedland

Subiaco

QLD (17)

Brisbane

Bundaberg

Cairns

Gold Coast

Mackay

Maryborough

Mudjimba

Rockhampton

Runaway Bay

Salisbury

Toowoomba

Townsville

SA (15)

Adelaide

Kadina

Kidman Park

Mawson Lakes

Mt Barker

Mt Gambier

Noarlunga Centre

Port Lincoln

Port Pirie

NT (6)

Alice Springs

Darwin

Katherine

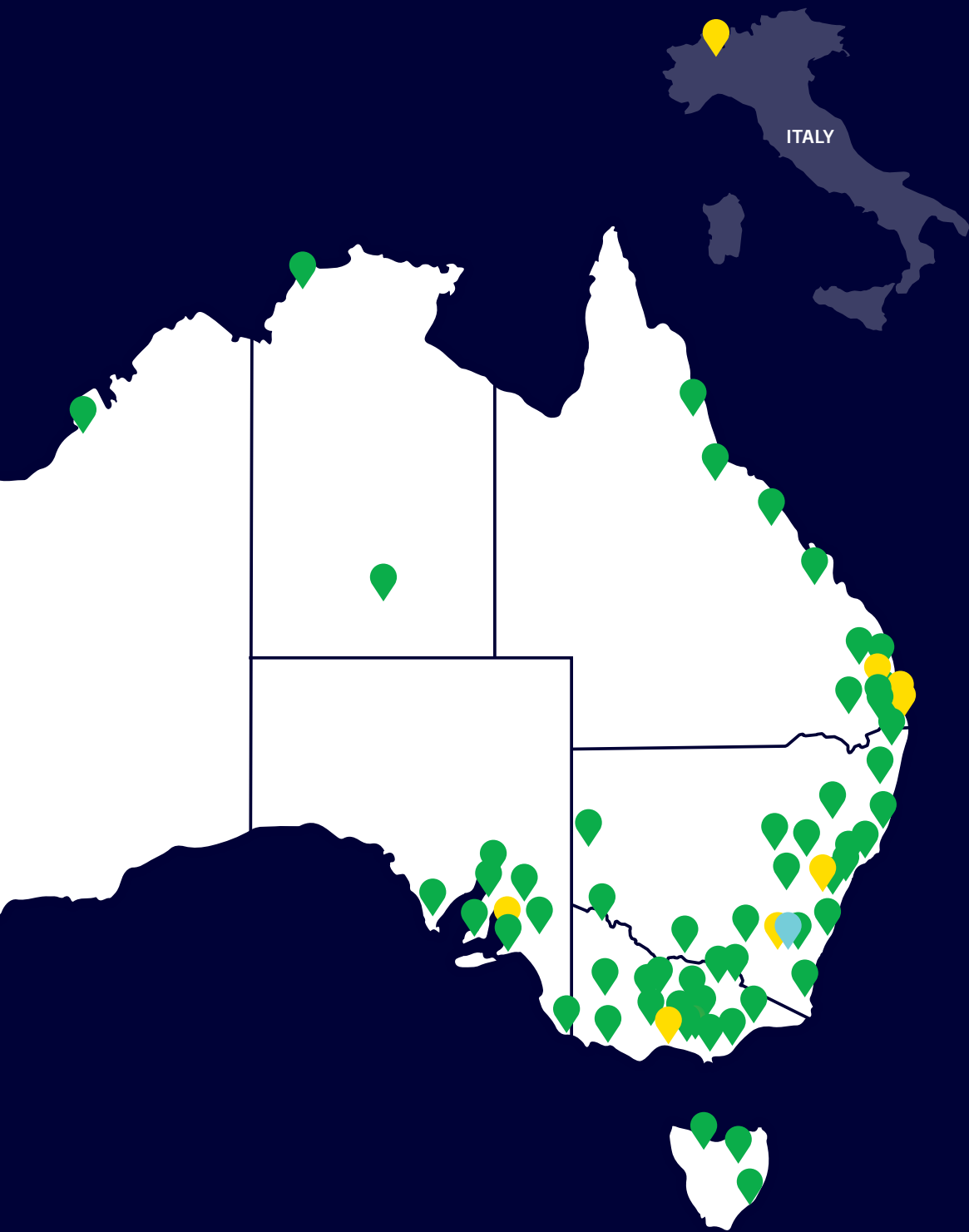
TAS (6)

Hobart

Invermay

Ulverstone





Employment conditions and initiatives

Work health and safety

Throughout the reporting period, the ASC undertook a number of key initiatives to ensure the safety and welfare of our people, including:

- establishment of an executive-level Work Health and Safety Governance Forum for the ASC to provide oversight of the overall system of work health and safety management
- development of work health and safety system performance indicators and adoption of an ongoing regime of quarterly reporting against these indicators to the Work Health and Safety Governance Forum; and six-monthly reporting to the Finance, Audit and Risk Committee
- commissioning of consultants to undertake a comprehensive and holistic review and update of work health and safety documentation
- reviewing and updating work health and safety work group structure, and undertaking an election process to renew health and safety representatives
- providing instructional workshops for ASC staff to increase awareness of mental health issues.

These initiatives have enhanced the work health and safety management system together with increased accountability and visibility through improved system performance monitoring and reporting.

A total of 192 incidents concerning employees and non-employees arising from the conduct of ASC business were reported during 2013-14.

Two incidents required investigation by Comcare under Part 10 of the *Work Health and Safety Act 2011*. Comcare provided positive feedback as to the strategies implemented by the ASC to prevent the likelihood of further incidents of the same nature.

Site management

The ASC operates facilities, residential services and other activities for high performance NSO programmes, other sporting groups and commercial visitors to the AIS Canberra campus. In addition, the ASC operates strategic sports training facilities at Pizzey Park on the Gold Coast, Penrith in NSW and at Varese in Italy.

During 2013-14, the ASC undertook a number of key facility refurbishment projects focused on maintaining and improving the high-quality training environment available at the AIS, implementing changes under *Australia's Winning Edge* and implementing the new AIS brand. These projects included:

- **AIS Athletic Track** – overlaying the running track and associated field elements with a new Mondo surface.
- **AIS Aquatic Centre** – installation of new energy efficient lighting throughout the 25 and 50-metre pools, and installation of a new score board and timing system.

- > **ASC Spine building** – internal refurbishment including new air-conditioning, ceiling tiles and lighting.
- > **Multi-sport Facility** – installation of new energy efficient lighting.
- > **Sports Training Facility indoor synthetic** – conversion to the Combat Centre.
- > **Former archery centre** – conversion to the Football Centre.
- > **Outdoor synthetic field** – replacement of the synthetic surface, upgraded to a FIFA⁶ two star, landscaping improvements, terrace seating, upgraded lighting and new scoreboard.
- > **AIS campus** – continuation of the site-wide security upgrade with installation of a new access control system (Gallagher – Cardex), improved LED lighting to external pathways and buildings and additional security cameras.
- > **AIS campus** – conversion of selected site signage to implement the new AIS brand.
- > **AIS National Training Centre, Pizzey Park** – internal transfer of management responsibility and replacement of the pontoon.

Corporate partners

To deliver on its business and marketing objectives, the ASC seeks to partner with organisations with similar beliefs and objectives – such as commitment to excellence, research, innovation, inclusion, performance and leadership – in order to care for the health and wellbeing of all Australians.

During 2013-14 the following organisations were ASC corporate partners:

- > 2XU Pty Ltd
- > Beiersdorf Australia Ltd
- > Club Warehouse
- > Dairy Australia
- > Gatorade
- > Nestlé Australia Ltd
- > Nike Australia
- > Pacific Brands Clothing Pty Ltd (Berlei)
- > United Pacific Industries Pty Ltd.

6 Federation Internationale de Football Association.

Operational highlights

| | |
|---|---|
| AIS campus – transition to Australia's Winning Edge | The AIS campus has transitioned to accommodate selected NSO programmes on a full-time basis and to accommodate high performance camp-based training. Facilities agreements have been signed by key sports that will have a significant presence at the AIS, including: Athletics Australia, Basketball Australia, Boxing Australia, Football Federation Australia, Netball Australia, Rowing Australia, Swimming Australia, Tennis Australia, Volleyball Australia and Water Polo Australia. |
| AIS Aquatic Centre – Gold Star Aquatic Facility Safety Award | The AIS Aquatic Centre was awarded the Gold Star Aquatic Facility Safety Award at the ACT Water Safety Awards for the second year in a row, demonstrating the highest standards in a recent audit conducted by the Royal Life Saving Society. Areas that were assessed included: general pool operations, emergency procedures, recordkeeping, first aid, plant room operations and chemicals, facility design, supervision and programming. |
| AIS Childcare Centre – exceeds national quality standards | <p>The AIS Childcare Centre has achieved one of the highest ratings under the new National Quality Framework for Early Childhood Education. The Centre was among 22 childcare services in the ACT to receive the top rating for 'exceeding national quality' standard in 2013.</p> <p>The Childcare Centre was rated on seven key criteria: educational programme and practice; children's health and safety; physical environment; staffing arrangements; relationships with children; collaborative partnerships with families and communities and leadership and service management.</p> |
| High performance sports network | Under <i>Australia's Winning Edge</i> the ASC needed to offer highly reliable, high-speed network connectivity for sports setting up their high performance programmes on ASC premises. To accommodate a short lead-in time, the ASC designed, procured and implemented an interim sports network infrastructure to provide crucial interim network and internet access for sports. As part of the full sports network, the ASC has now implemented full wireless coverage across the ACT campus and almost full coverage at all other campuses. The new sports network also supports high demand requirements of events and conferences. |
| Establishment of a dedicated procurement function | During 2013-14 the ASC established a new procurement function. It recognised that substantial savings could be achieved through enhanced procurement practices and these savings will contribute towards maintaining current levels of financial support for sport in Australia. The first significant savings initiative will be the implementation of the whole-of-Australian-Government travel arrangements from 1 July 2014. |

| | |
|---|--|
| <p>New work health and safety governance arrangements</p> | <p>The ASC has strengthened its Work Health and Safety Framework through the introduction of a new executive level governance forum and a range of performance measures. These changes are expected to build on the better practices already in place and further reduce our Comcare premium relative to the premium average.</p> |
| <p>Quarterly performance and risk reporting</p> | <p>During 2013-14 the ASC enhanced its quarterly performance and risk reporting processes, providing regular reports to the Executive, Board and relevant sub-committees on the ASC's progress in achieving our performance targets and managing the ASC's strategic risk profile. This new process will assist our transition to the <i>Public Governance Performance and Accountability Act</i>.</p> |
| <p>Trippas White Group – achieves HACCP certification at the AIS</p> | <p>The ASC's catering partner, Trippas White Group (TWG), has obtained Hazard Analysis and Critical Control Points (HACCP) certification for its food preparation and catering services at the AIS Canberra campus. HACCP is a risk management system that identifies, evaluates, and controls hazards related to food safety throughout the food supply chain. The certification demonstrates the commitment of the ASC and TWG to food safety.</p> |
| <p>Better practice governance</p> | <p>In 2013 the ASC released mandatory governance principles for NSOs. Consistent with this focus, the ASC has enhanced its governance arrangements during the year, such as maintaining an Audit and Risk Committee that includes an external chartered accountant, undertaking a formal evaluation of Board performance, and updating and maintaining a conflict of interest register.</p> |



Chapter 3

Accountability

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Authority and direction

Legislation and requirements

The ASC's enabling legislation is the *Australian Sports Commission Act 1989*, which defines the Commission's role, corporate governance and financial management framework. As a statutory authority of the Australian Government, the ASC is accountable to the Minister for Sport.

The ASC's delivery of its outcomes is guided by its governance framework. This framework includes the ASC's enabling legislation and other legislative instruments, managerial and organisational structures, corporate policies and strategies, and resource management practices.

The objects of the ASC are set out in section 6 of the *Australian Sports Commission Act*. They are:

- a. to provide leadership in the development of sport in Australia
- b. to encourage increased participation and improved performance by Australians in sport
- c. to provide resources, services and facilities to enable Australians to pursue and achieve excellence in sport while also furthering their educational and vocational skills and other aspects of their personal development
- d. to improve the sporting abilities of Australians generally through the improvement of the standards of sports coaches
- e. to foster cooperation in sport between Australia and other countries through the provision of access to resources, services and facilities related to sport
- f. to encourage the private sector to contribute to the funding of sport to supplement assistance by the Commonwealth.

The functions of the ASC are set out in section 7 of the *Australian Sports Commission Act*. They are:

- a. to advise the Minister in relation to the development of sport
- b. to coordinate activities in Australia for the development of sport
- c. to develop and implement programmes that promote equality of access to, and participation in, sport by all Australians
- d. to develop and implement programmes for the recognition and development of:
 - i. persons who excel, or who have the potential to excel, in sport
 - ii. persons who have achieved, or have the potential to achieve, standards of excellence as sports coaches, umpires, referees or officials essential to the conduct of sport
- e. to initiate, encourage and facilitate research and development in relation to sport
- f. to undertake research and development related to sport science and sports medicine

- g. to provide sports medicine services and sports science services to persons participating in programs of the Commission
- h. to establish, manage and maintain facilities for the purpose of the Commission
- j. to collect and distribute information, and provide advice, on matters related to the activities of the Commission
- k. for the purpose of fostering cooperation in sport between Australia and other countries, to provide access to persons from other countries to the resources, services and facilities of the Commission
- m. to raise money through the Australian Sports Foundation, or by other means, for the purpose of the Commission
- n. to administer and expend money appropriated by parliament, or raised in accordance with paragraph (m), for the purpose of the Commission
- p. to consult and cooperate with appropriate authorities of the Commonwealth, of the states and of the territories, and with other persons, associations and organisations in matters related to the activities of the Commission
- q. to provide advice on matters related to sport to the Australian Olympic Federation or other persons, bodies or associations
- r. to cooperate with national and international sporting organisations in aiming to foster a sporting environment that is free from the unsanctioned use of performance enhancing drugs and doping methods.

Planning and accountability

The ASC's planning and accountability approach supports the organisation in meeting its legislative responsibilities as set out in the *Commonwealth Authorities and Companies Act 1997* and effectively delivering its outcomes.

The ASC's strategic plan *Working Together for Australian Sport*, tabled in parliament in February 2012, sets the direction, strategies and broad approach that allows the Commission to meet its statutory objectives and achieve the outcomes the Australian Government required within the PBS.

Ministerial direction

For the 2013-14 reporting period, two ministers have been responsible for sport. Senator the Honourable Don Farrell was the Minister for Sport from 1 July 2013 to 18 September 2013 and the Honourable Peter Dutton MP commenced his responsibility for sport on 18 September 2013.

Neither Mr Farrell nor Mr Dutton made any directions to the ASC under subsection 11(1) of the *Australian Sports Commission Act 1989* during the reporting period.

Board and committees

Board appointments

The ASC is governed by a Board of Commissioners appointed by the Minister for Sport. Established under the *Australian Sports Commission Act 1989*, the Board consists of a Chair, Deputy Chair, the Secretary to the Department, and not fewer than five or more than 10 other members. All Commissioners are non-executive members of the Board.

During the 2013-14 financial year the Board welcomed Professor Jane Halton following machinery of government changes in September 2013. Professor Halton has previously served on the ASC Board and brings with her a wealth of public sector expertise.

As a result of the ASC's move to the Health portfolio, the Board farewelled Ms Glenys Beauchamp. Ms Beauchamp provided sound, strategic advice to Commissioners during her tenure and we thank her for her valuable contribution. In July 2013 Mr Kyle Vander-Kuyp also completed his term of appointment to the Board. Mr Vander-Kuyp offered unique insights as a former elite athlete and we thank him for his five years of service.

In June 2014 the Prime Minister announced the appointment of Professor Halton as Secretary of the Department of Finance for a period of five years. The ASC Board wishes Professor Halton well in her new role and thanks her for her contribution to the Board. Also in June, the Board welcomed Mr Mark Stockwell as a member of the ASC Board. Mr Stockwell brings with him a great deal of experience as both a former athlete and experienced businessman and we look forward to working closely with him.

Board members



John Wylie AM – Chair

John Wylie is Chief Executive Officer in Australia for the global financial advisory firm Lazard. He co-founded Carnegie, Wylie & Company, a corporate advisory and private equity investment firm acquired by Lazard, in 2007, and in the 1990s was Australian Chairman of investment bank Credit Suisse First Boston. In these roles Mr Wylie has advised companies and governments globally for over 25 years.

Mr Wylie is President of the Library Board of Victoria, a Trustee of the Global Rhodes Scholarship Trust and a Director of the Melbourne Stars Big Bash League cricket team. He was formerly Chairman of the Melbourne Cricket Ground Trust, a position he held for 14 years. In that role he chaired the MCG Redevelopment Steering Committee for the 2006 Commonwealth Games.

He is a former board member and Honorary Treasurer of the Howard Florey Institute for Neuroscience and a Director of CSR Limited. He is also an accredited junior cricket coach.

Mr Wylie holds a Master of Philosophy degree from Oxford University, where he was a Rhodes Scholar, and a Bachelor of Commerce with First Class Honours from the University of Queensland.

Mr Wylie was appointed to the ASC Board on 10 September 2012 and is Chair of the Governance and Executive Performance Committee.



David Gallop – Deputy Chair

David Gallop was appointed Chief Executive Officer of Football Federation Australia in November 2012.

A law graduate, Mr Gallop entered the world of football with a rich sporting background. He was Chief Executive of the National Rugby League for over a decade and guided the game through its most successful era in terms of crowds, television ratings and commercial success.

A winner of the Australian Sports Administrator of the Year Award (2006) and the NSW Sports Administrator of the Year (2002), Mr Gallop was also the Secretary of the Rugby League International Federation from 1998 to 2011. He was appointed to the ASC Board in 2008 and is currently the Deputy Chairman. Mr Gallop is also a member of the ASC Commercialisation, Innovation and Technology Committee.



Alisa Camplin-Warner OAM

Alisa Camplin-Warner worked globally with the IBM Corporation for 16 years, most recently holding the position of Strategy and Transformation Executive, Global Technology Services, UK & Ireland. She is currently a Director of the Collingwood Football Club, Royal Children's Hospital Foundation and Olympic Winter Institute of Australia and a Fellow of the Australian Institute of Company Directors. Ms Camplin-Warner holds a Bachelor of Information Technology and is a high performance consultant, regular keynote speaker, sports commentator and co-founder of the charity Finnan's Gift.

Ms Camplin-Warner represented Australia in freestyle aerial skiing at two consecutive Winter Olympic Games. She won gold in Salt Lake City in 2002 and bronze in Turin in 2006, and was Australia's flag bearer at the Opening Ceremony in 2006. She was also the Australian Olympic Committee Chef de Mission for the 2012 Winter Youth Olympic Games.

Ms Camplin-Warner was appointed to the ASC Board on 23 March 2007 and is currently a member of the ASC Commercialisation, Innovation and Technology Committee. She was appointed as a Director of the Australian Sports Foundation on 6 July 2007 and held the role of Chair from 5 April 2010 to 31 March 2014.



Sally Carbon OAM

Sally Carbon, an Olympic and world cup gold medallist, represented Australia in hockey at two Olympic Games and two world cups.

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

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

On 7 May 2008 Ms Carbon was appointed to the ASC and Australian Sports Foundation Boards. She is a member of the ASC Governance and Executive Performance Committee and is Chair of the Australian Sports Foundation Audit Committee.



Liz Ellis AM

Liz Ellis is a former captain of the Australian national netball team. A three-time world netball champion (1995, 1999 and 2007) and two-time Commonwealth Games gold medallist (1998 and 2002), Ms Ellis is the most capped Australian netballer of all time, with 122 test caps. In 2007, after leading Australia to win the Netball World Championship in Auckland, she retired from netball.

Holding a Bachelor of Arts/Law from Macquarie University, Ms Ellis was a practising solicitor for four years. In 2000, she left the legal profession to run the Liz Ellis Netball Clinics, which are now the largest in Australia.

Ms Ellis is a respected sports commentator and host, and is a popular keynote speaker as well as a regular guest on radio and television programmes.

Ms Ellis was appointed to the ASC Board on 7 May 2008 and is a member of the ASC Finance, Audit and Risk Committee.



Andrew Fraser

Andrew Fraser is Head of Strategy and Investment at the NRL.

He previously served as Minister for Local Government, Planning and Sport in Queensland before being appointed as Treasurer of Queensland in 2007. When his career in parliament ended in 2012, he was serving as Deputy Premier.

When he was appointed Queensland Sport Minister in 2006, Mr Fraser championed the introduction of the Young Athletes Assistance Programme aimed at encouraging

participation across Queensland's broad geography. As Treasurer he oversaw significant economic reforms, including leading the public float of QR National (Aurizon), the second largest initial public offering in Australian corporate history. Mr Fraser holds First Class Honours degrees in law and commerce from Griffith University and is a University Medal recipient.

Mr Fraser was appointed to the Board on 1 November 2012 and is a member of the ASC Finance, Audit and Risk Committee.



John Lee

John Lee is the Chief Executive of Casinos and Resorts Australasia. Prior to this, he was the Chief Executive Officer of the Tourism and Transport Forum (Australia) and has held senior positions in government, including Director General of the NSW Department of Premier and Cabinet, Department of Commerce, and Ministry for Transport. He was previously Chief Executive Officer of the NSW State Transit Authority and Managing Director of Westbus and National Bus Company.

His early career included teaching physical and health education in Western Sydney as well as being a high performance coach in the NRL and Secretary of the Metropolitan Catholic Schools Sports Association.

Mr Lee was appointed to the ASC Board on 1 October 2011 and is a member of the ASC Governance and Executive Performance Committee.



Margy Osmond

Margy Osmond is the Chief Executive Officer of the Australian National Retailer's Association, representing Australia's largest national retailers, and is a well-known advocate in media and political circles for the sector. As a leading figure in the sector, she also sits on the Australian Government's advisory body, the Australian Retail Council.

Ms Osmond is a Director on the Board of the Australian Sports Foundation and is the Chair of the NSW TAFE Commission Board. She also chairs the Retail Advisory Panel established by the City of Sydney.

Her previous board appointments include the Retail Employees Superannuation Trust, Tourism NSW, the NSW Major Events Board, the NSW Police Minister's Advisory Board, NSW State Transit Authority and Bell Shakespeare. Ms Osmond chaired the bid and official Organising Committee for the largest non-elite sporting event in the world, the International World Masters Games, held in Sydney in 2009.

Ms Osmond was appointed to the ASC Board on 6 November 2009, is the Chair of the Australian Sports Foundation and is Chair of the ASC Commercialisation, Innovation and Technology Committee.



Andrew Plympton

Andrew Plympton continues to undertake a wide range of business and sport administration activities. He is Chairman of three ASX listed companies, a Director of one, and Director of a NZX company.

Sport has been a lifelong passion for Mr Plympton, particularly sailing, where he competed at the highest level for over 45 years. He has won a world championship and numerous national and state titles in international classes and ocean racing yachts.

Mr Plympton has held a number of positions in sport administration, including Chairman/President for AFL club St Kilda for eight years, retiring in 2000. He was the President of Yachting Australia for over seven years.

In 2008 Mr Plympton was elected to the Australian Olympic Committee. He was made a Director of the Australian Olympic Foundation Limited and is a member of the Audit Committee.

Mr Plympton was appointed to the ASC Board in January 2011. Since May 2011, he has served as the Chair of the ASC Finance, Audit and Risk Committee and is a member of the ASC Governance and Executive Performance Committee.



Ken Ryan AM

Ken Ryan worked for Qantas for 18 years in a variety of senior management positions, including Regional General Manager, Victoria and Southern Australia; Group General Manager, Marketing; Head of Corporate Development; Regional General Manager, South East Asia, Qantas and British Airways; and Chief Executive, Jetstar Asia.

Mr Ryan holds a Bachelor of Commerce from Melbourne University and is a Board member of the Victorian Major Events Corporation, Ambulance Victoria and the Australian Grand Prix Corporation. He is also a former Board member of Skiing Australia.

Mr Ryan was made a Member of the Order of Australia in 2012 for services to children's and youth charitable organisations, tourism and sport.

He was appointed to the ASC Board on 1 October 2011 and is a member of the ASC Commercialisation, Innovation and Technology Committee and the Australian Sports Foundation.



Mark Stockwell

Mark Stockwell is an Olympic and Commonwealth Games medallist, representing Australia in swimming, and was on scholarship at the AIS from 1982–84 and again in 1987.

Mr Stockwell studied engineering and commerce at the University of Queensland, and economics at the Australian National University. After his retirement from swimming in 1992, Mr Stockwell joined the family business established by his parents and since that time has been the driving force behind the steady growth and commercial focus of Stockwell. As Managing Director, Mr Stockwell has seen the company diversify as an investor, developer, builder, project manager, and property manager of industrial, retail, commercial, residential, and leisure developments.

Mr Stockwell is a past President of the Property Council of Australia, Queensland Division, and served on the National Board for two years. His leadership of and input to the Property Council led to the review of a raft of planning legislation and government policies relating to the property industry and has enhanced the profile of the Property Council with government.

Mr Stockwell was previously the Chairman of the Gold Coast 2018 Commonwealth Games Organising Committee, having led the bid through 2010-11 to win the right to host the Games.

Mr Stockwell is currently Chairman of Trade and Investment Queensland, the Queensland Government's export and foreign investment agency which assists international companies to invest in Queensland and local businesses to expand into new markets. Mr Stockwell is also a Trustee of the Stockwell Foundation, which he founded with his wife Tracy to benefit children in need.

Mr Stockwell was appointed Chair of the Australian Sports Foundation and a Member of the Australian Sports Commission Board in June 2014.



Professor Jane Halton PSM, (*Ex-officio*) – Secretary of the Department of Health

Jane Halton was appointed Secretary of the Australian Department of Health and Ageing (now Department of Health), in January 2002. In this role she was responsible for all aspects of the operation of the Department including the provision of advice on, and administration of, such key initiatives as Medicare, the Pharmaceutical Benefits Scheme, Population Health, and regulation of therapeutic goods.

Prior to her appointment as Secretary, Professor Halton was Executive Coordinator, Department of the Prime Minister and Cabinet, and was responsible for advising on all aspects of Australian Government social policy, including the status of women.

In June 2014 Professor Halton was appointed Secretary of the Department of Finance for a period of five years.

She holds an honours degree in Psychology from the Australian National University, an Honorary Doctorate from the University of NSW, is a fellow of the Australian Institute of Management and an honorary fellow of the Australian College of Health Service Executives.

She holds the position of Adjunct Professor at the University of Sydney and Adjunct Professor at the University of Canberra. She was awarded the Public Service Medal in 2002, the Centenary Medal in 2003 and the Geneva Health Prize in 2013.



Glenys Beauchamp PSM

Glenys Beauchamp was appointed Secretary of the Department of Industry on 18 September 2013.

Ms Beauchamp has had an extensive career in the Australian Public Service at senior levels with responsibility for a number of significant government programmes. She has more than 25 years experience in the public sector and began her career as a graduate in the Industry Commission.

Prior to her current role, Ms Beauchamp was Secretary, Department of Regional Australia, Local Government, Arts and Sport. She has served as Deputy Secretary in the Department of the Prime Minister and Cabinet and the Department of Families, Housing, Community Services and Indigenous Affairs.

Ms Beauchamp has held a number of executive positions in the ACT Government, including Deputy Chief Executive, Department of Disability, Housing and Community Services and Deputy CEO, Department of Health.

In 2010 she was awarded a Public Service Medal for coordinating Australian Government support during the 2009 Victorian bushfires.

Ms Beauchamp has an economics degree from the Australian National University and an MBA from the University of Canberra.

Following the change of government, Ms Beauchamp ceased her ex-officio role on 18 September 2013.

Board activity

The ASC Board convened on seven occasions throughout 2013-14.

A key focus of the Board in 2013-14 was refining the ASC approach to participation to complement the ASC's high performance strategy, *Australia's Winning Edge*. The ASC's approach will be released in 2014, and will have a particular focus on increasing participation among children (5-12 years) and youth (13-17 years) and ensuring the sustainability of NSOs to enable them to grow the number of people participating in sport.

The Board also worked closely with ASC management to develop a new initiative, *Sporting Schools*, which will replace the AASC programme from 1 January 2015. *Sporting Schools* will provide more young Australians with the opportunity to participate in a range of sports while at school. Importantly, the initiative will be delivered to more than twice the number of primary schools around the country and nearly 60 per cent more students.

The Board continued to oversee the evolution of the *Australia's Winning Edge* high performance investment model to ensure that government funding remained targeted and prioritised to deliver performance outcomes aligned with *Australia's Winning Edge*. The Board is also playing an important role in overseeing the ASC's commercialisation opportunities so that we can continue to invest in sport. Under the guidance of the Board, the ASC has also been working closely with NSOs in areas such as governance, commercialisation, technology, and women in sport. The Board also worked closely with the Australian Sports Foundation in support of its revitalisation strategy, and to assist the Foundation in building closer partnerships between philanthropic and sporting organisations while promoting the value of corporate and individual giving to sports programmes.

To ensure that the Board remains as effective as possible and in line with best practice, the Board undertook a performance evaluation and skills audit. The ASC Governance and Executive Performance Committee is overseeing the implementation of the recommendations arising from the review.

Other activities overseen by the Board included a range of ASC governance-related matters, such as the endorsement of the ASC's financial statements, the ASC Annual Report and Annual Operational Plan, and reporting on the compliance requirements in accordance with the *Commonwealth Authorities and Companies Act 1997*.

Table 7: ASC Board member meeting attendance

| Name | Position | Meetings eligible to attend | Meetings attended |
|--|--------------|-----------------------------|-------------------|
| John Wylie ^{AM} | Chair | 7 | 7 |
| David Gallop | Deputy Chair | 6 | 2 |
| Alisa Camplin-Warner ^{OAM} | Member | 4 ⁷ | 4 |
| Sally Carbon ^{OAM} | Member | 7 | 6 |
| Liz Ellis ^{AM} | Member | 7 | 7 |
| Andrew Fraser | Member | 7 | 7 |
| John Lee | Member | 7 | 7 |
| Margy Osmond | Member | 7 | 6 |
| Andrew Plympton | Member | 7 | 7 |
| Ken Ryan ^{AM} | Member | 7 | 7 |
| Mark Stockwell ⁸ | Member | 0 | 0 |
| Jane Halton ^{PSM} <i>Jane Halton appointed ex-officio, 18 September 2013</i> | Ex-officio | 6 | 2 |
| Glenys Beauchamp ^{PSM} <i>Glenys Beauchamp ceased her ex-officio role, 18 September 2013</i> | Ex-officio | 1 | 0 |

7 Alisa Camplin-Warner had an approved leave of absence period that extended across three of the seven meetings.

8 No meetings were conducted during Mark Stockwell's tenure as a member in 2013 -14

Board committees

ASC Finance, Audit and Risk Committee

The ASC Finance, Audit and Risk Committee advises the Board on matters relating to NSO finances, ASC financial management, efficiency, physical assets, risk management, internal and external audit, and compliance matters.

During the reporting period the Committee, chaired by Andrew Plympton, had a particular focus on reviewing and reporting on NSO finances, reviewing the ASC's financial statements, monitoring the ASC's *Commonwealth Authorities and Companies Act 1997* legislative compliance, considering new requirements for the ASC's *Public Governance Performance and Accountability Act 2013* legislative compliance, and overseeing the internal audit program.

The Finance, Audit and Risk Committee met on six occasions during 2013-14 and had one additional meeting via teleconference.

Table 8: ASC Finance, Audit and Risk Committee member meeting attendance

| Name | Position | Meetings eligible to attend | Meetings attended |
|--------------------------|----------|-----------------------------|-------------------|
| Andrew Plympton | Chair | 7 | 7 |
| John Wylie ^{AM} | Member | 7 | 6 |
| Liz Ellis ^{AM} | Member | 7 | 7 |
| Andrew Fraser | Member | 7 | 7 |
| Robert Dalton | Member | 7 | 7 |

Governance and Executive Performance Committee

The ASC Governance and Executive Performance Committee advises the Board on better practice corporate governance for the ASC and NSOs, and on executive performance and remuneration issues.

During the reporting period the Committee focused on monitoring NSO compliance with the ASC's mandatory sports governance principles, establishing and reviewing performance objectives for the ASC CEO and senior executives, monitoring and reviewing the committee structures and skill mix of the Board and committees, monitoring arrangements for succession planning and performance development, and monitoring Board member conflicts of interest.

The Governance and Executive Performance Committee met three times in 2013-14.

Table 9: ASC Governance and Executive Performance Committee member meeting attendance

| Name | Position | Meetings eligible to attend | Meetings attended |
|-----------------------------|----------|-----------------------------|-------------------|
| John Wylie ^{AM} | Chair | 3 | 3 |
| Sally Carbon ^{OAM} | Member | 3 | 3 |
| John Lee | Member | 3 | 3 |
| Andrew Plympton | Member | 3 | 3 |

ASC Commercialisation, Innovation and Technology Committee

The role of the ASC Commercialisation, Innovation and Technology Committee is to advise the Board and ASC management on opportunities in commercialisation, innovation and technology relating to Australian sport.

During the reporting period the Committee focused on capability building within NSOs and the ability to commercialise aspects of the sports, including digital platform feasibility. The Committee also oversaw a shared services project to investigate potential savings on common services across sport.

The Commercialisation, Innovation and Technology Committee met four times in 2013-14.

Table 10: ASC Commercialisation, Innovation and Technology Committee member meeting attendance

| Name | Position | Meetings eligible to attend | Meetings attended |
|-------------------------------------|----------|-----------------------------|-------------------|
| Margy Osmond | Chair | 4 | 4 |
| David Gallop | Member | 4 | 1 |
| Ken Ryan ^{AM} | Member | 4 | 4 |
| Alisa Camplin-Warner ^{OAM} | Member | 4 | 2 |

Risk, audit, fraud and insurance

Risk management

The ASC's risk management framework has been developed to assist the ASC to manage the risks involved in its activities to maximise opportunities and minimise adverse consequences. The ASC's strategic risk register highlights the key strategic risks and controls, while the business continuity plan and fraud control plan are important components of the risk management framework.

Key risk management activities undertaken during 2013-14 included:

- > quarterly review and reporting against the ASC's strategic risk assessment
- > embedding risk management processes into ASC business planning
- > achieving a rating of 7.2 in the Comcover risk management benchmarking survey (a significant increase from prior years)
- > conducting a new business impact analysis and updating the ASC's business continuity and emergency management plan
- > reviewing and updating the ASC's fraud risk assessment and fraud control plan and requiring staff to complete fraud awareness training.

Internal audit

The ASC's internal audit programme provides independent, management-oriented advice on the ASC's operations and performance. The objective of internal audit is to:

- > provide assurance to the ASC Executive and the Board's Finance, Audit and Risk Committee that the key risks to achieving the ASC's objectives are being appropriately mitigated
- > assist management to continuously improve business performance.

During 2013-14 the ASC continued its contractual relationship with PricewaterhouseCoopers for delivery of the internal audit programme. The annual internal audit plan focused on key areas of strategic and operational risk and the development of the plan was informed by discussions with management, business planning and the ASC's assurance map. Throughout the year, the Finance, Audit and Risk Committee maintained oversight of the internal audit program and implementation of open internal audit recommendations.

The following audits were completed during 2013-14 as part of the ASC's internal audit programme:

- > internal budgeting processes and workforce planning
- > review of procurement processes
- > impact of ASC capability support for NSOs.

The internal audit of information security commenced during quarter four of 2013-14 and will be completed during quarter one of 2014-15. In addition, the Committee had oversight of a number of management-initiated reviews during the reporting period.

Fraud

During 2013-14, the ASC reviewed and updated its Fraud Control Plan, Fraud Risk Assessment and Fraud Control Policy. As part of this review, the ASC also rolled out a revised online fraud training package to employees.

During the reporting period, the ASC investigated two allegations of fraud. Of these, one was found indeterminable and was actioned through implementing increased controls. The other was substantiated following investigation and resolved. No fraud matters were referred to the Commonwealth Director of Public Prosecutions.

Indemnities and insurance premiums for officers

The ASC is insured through the Australian Government's self-managed fund, Comcover. Such insurance includes directors' and officers' liability cover to the extent permitted by the *Commonwealth Authorities and Companies Act 1997*. The entire premium is paid by the ASC. In 2013-14 the ASC did not give any indemnity to a current or former officer of the ASC.

External scrutiny

Judicial decisions

There were no judicial decisions or decisions of administrative tribunals during 2013-14 that had or may have a significant impact on the operations of the ASC.

No reports were issued about the authority by the Auditor General, a parliamentary committee, Commonwealth Ombudsman or the Office of the Australian Information Commissioner.

Privacy

Over the reporting period the ASC has undertaken a range of measures to ensure compliance with the amended *Privacy Act 1988 (Cth)* and the Australian Privacy Principles, including creating and published a new Privacy Policy on its website (http://www.ausport.gov.au/legals/privacy_statement).

In 2013-14 the ASC received two complaints through the Office of the Australian Information Commissioner (OAIC) that it had breached the privacy of individuals: one complaint was closed by the OAIC with a finding that the ASC had no case to answer; and one complaint is ongoing.

Freedom of Information

The ASC received nine Freedom of Information requests in 2013-14. Five requests were granted, one was refused, one was transferred to another agency, one was withdrawn and one is ongoing.

Processing times were met in all completed requests.

As defined by section 8(2) of the *Freedom of Information Act 1982*, the ASC has continued to publish on its website the information required by the Information Publication Scheme.

Other statutory requirements

Environment and heritage

The ASC Environmental Management System is based on the International Standard for Environmental Management Systems (ISO 14001:2004) and includes policy objectives, targets and procedures for monitoring and review. A fundamental goal of the ASC's Environmental Policy is to comply with Australian Government environmental policies, initiatives and legislative requirements.

During 2013-14 the ASC continued to monitor its energy and water usage and implemented specific environmental initiatives. Key activities included:

- > electricity usage energy reductions of 10.5 per cent in 2013-14 (benchmarked against seven-year running average commencing 2006-07 when last major buildings came online)
- > gas usage energy reductions of 6 per cent in 2013-14 (benchmarked against seven-year running average commencing 2006-07 when last major buildings came online)
- > continuous monitoring of water usage for the site, including the training fields, has indicated an increase in consumption of approximately 7.8 per cent in 2013-14 (benchmarked against seven-year running average commencing 2006-07 when last major buildings came online) due primarily to the record hot weather and limited rainfall
- > continuation of a programme to change facility lighting to more energy efficient systems with improved lighting controls (reflected within reduced electricity consumption)
- > continuation of a programme to change gas hot water boilers to more energy efficient units (reflected within reduced gas consumption)
- > continuation of recycling initiatives, including incorporating requirements into the cleaning and catering contracts
- > recycling organic waste from the AIS dining hall, kitchen facilities and cafe
- > re-accreditation for recycling initiatives under the ACT Government's ACTSmart recycling programme for the AIS Arena and the AIS Visitor Centre and continued liaison with ACTSmart to achieve accreditation for the entire AIS Bruce campus.

The ASC has continued to enhance its capability to identify and manage its buildings and artefacts of heritage or cultural significance.

In the past year the ASC has:

- > obtained endorsement by the Australian Heritage Council of the ASC Heritage Strategy 2012-2015
- > continued operation of the ASC Heritage and Culture Committee to oversee the ASC's heritage commitments
- > created a Heritage Assets Register
- > managed the preservation of fragile moveable heritage items (including its historic sport uniform collection)
- > valued and maintained its significant statue collection
- > scheduled future cleaning and maintenance of all ASC statues at the Bruce campus in the Building Engineering Information Management System
- > provided ongoing maintenance of ASC properties.

No property with heritage values was acquired or disposed during 2013-14.



ΓΑΧΟΒΑΤΣ
| JOHN ROBINSON



A background image of a tennis court with a blue surface and white lines. A tennis racket and a yellow-green ball are visible on the left side. The top right corner features a dark blue diagonal stripe pattern.

Chapter 4 Financial performance

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- > Financial statements 77

Summary of financial outcomes

The ASC incurred an operating loss of \$9.27 million in 2013-14. This was lower than the approved expectations for the loss position of \$15.784 million, primarily due to changes in the timing of contributions revenue and an underspend in grant expenditure by 30 June 2014.

The key factors contributing to the 2013-14 loss were:

- > unfunded increases in depreciation expense as a result of revaluations to land, buildings, property, plants and equipment since 2010
- > timing differences between recognition of expenses incurred in 2013-14 and associated revenue for contributions revenue
- > non-cash accounting adjustments at year end (that is, foreign exchange loss on European Training Centre transactions, an increase in the write-down of assets, gain on sale of assets and movement in the provision of doubtful debt)
- > increased DAS grants being paid out in the year due to more agreements being received from nominated athletes and NSOs at 30 June 2014
- > lower grants being paid out in the year due to grant rounds not finalising in 2013-14, with these programs expected to be completed in 2014-15.

Table 11 compares the actual audited results for 2013-14 to actual audited results for 2012-13 and to budget estimates.

The decrease in revenue across years is primarily driven by lower revenue from the Australian aid programme, lower interest received on investments and one-off revenues in 2012-13 not replicated.

The overall ASC performance, with the exception of the contribution revenue and grant underspends, is in line with the estimated actual position in the 2013-14 PBS.

Table 11: Comparison of actual results for 2013-14 with the 2013-14 Budget (estimated actual) and actual results for 2012-13

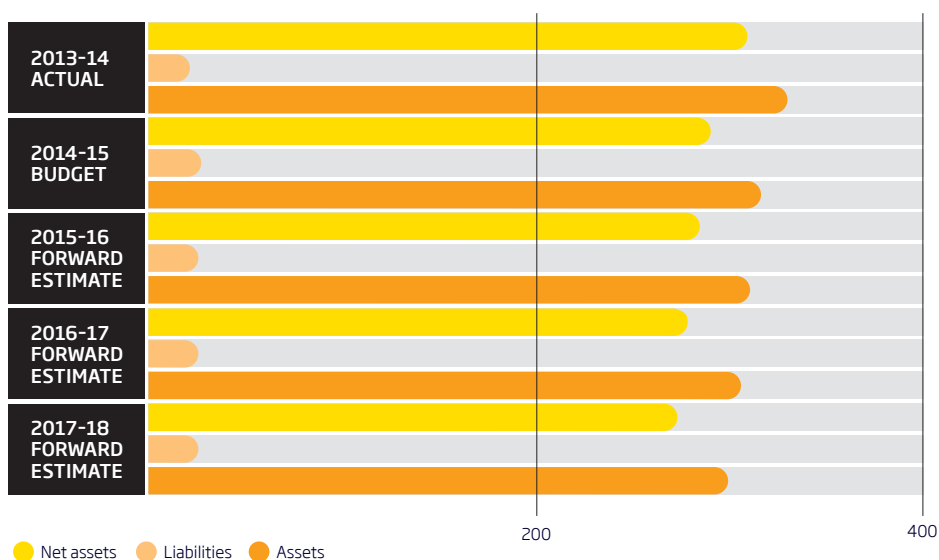
| | Actual | Actual | Variance | Estimated | | |
|-------------------|------------|------------|----------|------------|------------|-------------|
| | 2013-14 \$ | 2012-13 \$ | | 2013-14 \$ | 2013-14 \$ | Variance \$ |
| Income | 297.8 | 305.5 | -7.7 | 297.8 | 297.5 | 0.3 |
| Expenses | 307.1 | 310.7 | -3.6 | 307.1 | 313.3 | -6.2 |
| Surplus/(Deficit) | -9.3 | -5.2 | -4.1 | -9.3 | -15.8 | 6.5 |

Note: Budget figures are 2013-14 estimated actual based on the figures published in the 2014-15 PBS.

Financial position

Key indicators of the health of the ASC's financial position are demonstrated by its ability to sustain its asset base, pay debts as they fall due in the short term and maintain prudent levels of long-term liabilities. The ability of the ASC to sustain its asset base is indicated by changes in net assets. Figure 2 shows that net assets are stable in relation to 2013-14 and forward estimates.

Figure 2: Net asset position – actual results and budgeted financial year estimates



Note: Budget and forward estimates are based on the figures published in the 2013-14 PBS.

Asset management

The ASC continues to strengthen its asset management framework, processes and planning.

While the financial position of the ASC is considered to be sound, the Commission will seek to secure ongoing capital funding for the refurbishment and replacement of buildings and infrastructure, plant and equipment, to ensure the requirements and strategic direction of the ASC into the forward years are aligned with capital funding.

Financial statements

The following pages contain the ASC's financial statements for the 2013-14 financial year.



14 August 2014

John Wylie AM
Chair
Australian Sports Commission
PO Box 176
BELCONNEN ACT 2616

Dear Mr Wylie

**AUSTRALIAN SPORTS COMMISSION
FINANCIAL STATEMENTS 2013-14**

I am writing to advise that the audit of the financial statements of the Australian Sports Commission for the year ended 30 June 2014 is now complete.

I enclose for your information a copy of the auditor's report together with the financial statements to which it relates. The audit report is unmodified.

The report includes my audit opinion that the financial statements have been prepared in accordance with the Finance Minister's Orders giving a true and fair view of the Australian Sports Commission's financial position as at 30 June 2014 and for its performance for the year ended on that date.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Puspa Dash'.

Puspa Dash
Executive Director



INDEPENDENT AUDITOR'S REPORT

To the Minister for Sport

I have audited the accompanying financial statements of the Australian Sports Commission for the year ended 30 June 2014, which comprise: a Statement by the Commissioner, Chief Executive Officer and Chief Financial Officer; the Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; and Notes to and forming part of the Financial Statements comprising a Summary of Significant Accounting Policies and other explanatory information.

Commissioners' Responsibility for the Financial Statements

The Commissioners of the Australian Sports Commission are responsible for the preparation of the financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards, and for such internal control as is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Opinion

In my opinion, the financial statements of the Australian Sports Commission:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Australian Sports Commission's financial position as at 30 June 2014 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Puspa Dash
Executive Director

Delegate of the Auditor-General

Canberra
14 August 2014



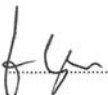
AUSTRALIAN SPORTS COMMISSION

STATEMENT BY THE COMMISSIONER, CHIEF EXECUTIVE OFFICER, AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the Australian Sports Commission for the year ended 30 June 2014 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, as amended.


In our opinion, at the date of this statement, there are reasonable grounds to believe that the Commission will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Commissioners.

Signed: 

John Wylie
Chair

14 August 2014

Signed: 

Simon Hollingsworth
Chief Executive Officer

14 August 2014

Signed: 

Fiona Johnstone
Chief Financial Officer

14 August 2014

AUSTRALIAN SPORTS COMMISSION
STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2014

| | Notes | 2014 \$'000 | 2013 \$'000 |
|--|-------|----------------|----------------|
| NET COST OF SERVICES | | | |
| EXPENSES | | | |
| Employee benefits | 3A | 75,142 | 76,839 |
| Suppliers | 3B | 44,621 | 50,445 |
| Grants | 3C | 164,036 | 161,678 |
| Depreciation and amortisation | 3D | 21,625 | 20,663 |
| Write-down and impairment of assets | 3E | 1,188 | 607 |
| Foreign exchange losses | 3F | 23 | 12 |
| Losses from sale of assets | 3G | 64 | - |
| Other expenses | 3H | 401 | 493 |
| TOTAL EXPENSES | | 307,100 | 310,737 |
| OWN-SOURCE INCOME | | | |
| Own-source revenue | | | |
| Sale of goods and rendering of services | 4A | 27,629 | 30,478 |
| Interest | 4B | 3,753 | 4,461 |
| Rental income | 4C | 71 | 85 |
| Royalties | 4D | 23 | 297 |
| Other revenue | 4E | 276 | 2,388 |
| Total own-source revenue | | 31,752 | 37,709 |
| Gains | | | |
| Reversals of previous asset write-downs and impairments | 4F | 161 | 117 |
| Gains from sale of assets | 3G | - | 53 |
| Total gains | | 161 | 170 |
| TOTAL OWN-SOURCE INCOME | | 31,913 | 37,879 |
| NET COST OF SERVICES | | 275,187 | 272,858 |
| Revenue from Government | 4G | 265,914 | 267,698 |
| SURPLUS / (DEFICIT) | | (9,273) | (5,160) |
| ITEMS NOT SUBJECT TO SUBSEQUENT RECLASSIFICATION TO NET COST OF SERVICES | | | |
| Changes in asset revaluation reserves | | 5,521 | 15,829 |
| TOTAL OTHER COMPREHENSIVE INCOME | | 5,521 | 15,829 |
| TOTAL COMPREHENSIVE INCOME | | (3,752) | 10,669 |

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

AUSTRALIAN SPORTS COMMISSION
STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

| | Notes | 2014 \$'000 | 2013 \$'000 |
|--|-------|-----------------|----------------|
| ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 5A | 12,914 | 15,041 |
| Trade and other receivables | 5B | 6,814 | 6,070 |
| Investments | 5C | 60,077 | 65,077 |
| Total financial assets | | 79,805 | 86,188 |
| Non-financial assets | | | |
| Land and buildings | 6A,C | 233,386 | 238,023 |
| Property, plant and equipment | 6B,C | 12,587 | 14,035 |
| Intangibles | 6D,E | 2,526 | 2,944 |
| Inventories | 6F | 486 | 1,225 |
| Other non-financial assets | 6G | 2,610 | 1,346 |
| Total non-financial assets | | 251,595 | 257,573 |
| TOTAL ASSETS | | 331,400 | 343,761 |
| LIABILITIES | | | |
| Payables | | | |
| Suppliers | 7A | 2,113 | 3,310 |
| Grant payables | 7B | 1,608 | 7,092 |
| Other payables | 7C | 3,165 | 2,985 |
| Total payables | | 6,886 | 13,387 |
| Provisions | | | |
| Employee provisions | 8A | 14,038 | 16,146 |
| Other provisions | 8B | 145 | 145 |
| Total provisions | | 14,183 | 16,291 |
| TOTAL LIABILITIES | | 21,069 | 29,678 |
| NET ASSETS | | 310,331 | 314,083 |
| EQUITY | | | |
| Contributed equity | | 148,710 | 148,710 |
| Reserves | | 176,949 | 171,428 |
| Retained surplus / (accumulated deficit) | | (15,328) | (6,055) |
| TOTAL EQUITY | | 310,331 | 314,083 |

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

AUSTRALIAN SPORTS COMMISSION
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2014

| | Retained surplus / (accumulated deficit) | | Asset revaluation reserve | | Contributed equity / capital | | Total equity | |
|---|--|----------------|---------------------------|----------------|------------------------------|----------------|----------------|----------------|
| | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 |
| Opening balance | | | | | | | | |
| Balance carried forward from previous period | (6,055) | (895) | 171,428 | 155,599 | 148,710 | 148,710 | 314,083 | 303,414 |
| Adjusted opening balance | (6,055) | (895) | 171,428 | 155,599 | 148,710 | 148,710 | 314,083 | 303,414 |
| Comprehensive income | | | | | | | | |
| Other comprehensive income | - | - | 5,521 | 15,829 | - | - | 5,521 | 15,829 |
| Surplus / (deficit) for the period | (9,273) | (5,160) | - | - | - | - | (9,273) | (5,160) |
| Total comprehensive income | (9,273) | (5,160) | 5,521 | 15,829 | - | - | (3,752) | 10,669 |
| Transfer between equity components | - | - | - | - | - | - | - | - |
| Closing balance attributable to the Australian Government | (15,328) | (6,055) | 176,949 | 171,428 | 148,710 | 148,710 | 310,331 | 314,083 |

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

AUSTRALIAN SPORTS COMMISSION
CASH FLOW STATEMENT

For the year ended 30 June 2014

| | Notes | 2014 \$'000 | 2013 \$'000 |
|--|-------|------------------|----------------|
| OPERATING ACTIVITIES | | | |
| Cash received | | | |
| Sale of goods and rendering of services | | 28,919 | 36,692 |
| Receipts from Government | | 265,914 | 267,698 |
| Interest | | 3,689 | 4,556 |
| Net GST received | | 17,090 | 16,143 |
| Total cash received | | 315,612 | 325,089 |
| Cash used | | | |
| Employees | | (76,978) | (77,659) |
| Suppliers | | (51,585) | (59,344) |
| Grants | | (182,872) | (169,140) |
| Total cash used | | (311,435) | (306,143) |
| Net cash from / (used by) operating activities | 9 | 4,177 | 18,946 |
| INVESTING ACTIVITIES | | | |
| Cash received | | | |
| Proceeds from sales of property, plant and equipment | | 1,060 | 984 |
| Total cash received | | 1,060 | 984 |
| Cash used | | | |
| Purchase of property, plant and equipment | | (12,364) | (12,176) |
| Total cash used | | (12,364) | (12,176) |
| Net cash from / (used by) investing activities | | (11,304) | (11,192) |
| Net increase / (decrease) in cash held | | (7,127) | 7,754 |
| Cash and cash equivalents at the beginning of the reporting period | | 80,118 | 72,364 |
| Cash and cash equivalents at the end of the reporting period | 9 | 72,991 | 80,118 |

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

AUSTRALIAN SPORTS COMMISSION
SCHEDULE OF COMMITMENTS

As at 30 June 2014

| | 2014 | 2013 |
|--|--------|--------|
| | \$'000 | \$'000 |
| BY TYPE | | |
| Commitments receivable | | |
| Operating lease income | 666 | 486 |
| Sponsorship | 451 | 44 |
| Net GST receivable on commitments | 166 | 344 |
| Other commitments receivable ¹ | 14,866 | 17,948 |
| Total commitments receivable | 16,149 | 18,822 |
| Commitments payable | | |
| Capital commitments | | |
| Property, plant and equipment ² | 129 | 616 |
| Total capital commitments | 129 | 616 |
| Other commitments | | |
| Operating leases ³ | 4,858 | 5,555 |
| Other commitments | 2,067 | 2,636 |
| Total other commitments | 6,925 | 8,191 |
| Total commitments payable | 7,054 | 8,807 |
| Net commitments receivable / (payable) by type | 9,095 | 10,015 |
| BY MATURITY | | |
| Commitments receivable | | |
| Operating lease income | | |
| One year or less | 154 | 64 |
| From one to five years | 410 | 256 |
| Over five years | 102 | 166 |
| Total operating lease income | 666 | 486 |
| Other commitments receivable | | |
| One year or less | 7,237 | 5,964 |
| From one to five years | 8,080 | 12,028 |
| Over five years | - | - |
| Total other commitments receivable | 15,317 | 17,992 |
| Net GST receivable on commitments | | |
| One year or less | 216 | 354 |
| From one to five years | (41) | 5 |
| Over five years | (9) | (15) |
| Total GST receivable on commitments | 166 | 344 |
| Total commitments receivable | 16,149 | 18,822 |

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

AUSTRALIAN SPORTS COMMISSION
SCHEDULE OF COMMITMENTS

As at 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|-----------------------------------|----------------|----------------|
| Commitments payable | | |
| Capital commitments | | |
| One year or less | 129 | 616 |
| From one to five years | - | - |
| Over five years | - | - |
| Total capital commitments | 129 | 616 |
| Operating lease commitments | | |
| One year or less | 1,311 | 1,263 |
| From one to five years | 2,495 | 2,702 |
| Over five years | 1,052 | 1,590 |
| Total operating lease commitments | 4,858 | 5,555 |
| Other commitments | | |
| One year or less | 2,067 | 2,636 |
| From one to five years | - | - |
| Over five years | - | - |
| Total other commitments | 2,067 | 2,636 |
| Total commitments payable | 7,054 | 8,807 |
| Net commitments by maturity | 9,095 | 10,015 |

Note: Commitments are GST inclusive where relevant.

¹ Amounts receivable under Record of Understanding agreements are recognised where there is an agreement in place and the due date for payments to be received has not yet occurred.

² Outstanding contractual commitments for property, plant and equipment purchases.

³ Operating lease commitments comprise contractual obligations for offices, accommodation, motor vehicles and the lease obligation under the Heads of Agreement for the European Training Centre in Varese, Italy. The lease payments for offices are subject to annual increases in accordance with upward movements in the Consumer Price Index. The lease obligation for the European Training Centre is based on a percentage of the expected final construction costs for the facility. With respect to motor vehicle leases there are no renewal or purchase options available.

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

AUSTRALIAN SPORTS COMMISSION
SCHEDULE OF CONTINGENCIES
As at 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|---------------------------------------|----------------|----------------|
| CONTINGENT ASSETS | | |
| Guarantees | - | - |
| Total contingent assets | - | - |
| CONTINGENT LIABILITIES | | |
| Guarantees | - | - |
| Total contingent liabilities | - | - |
| Net contingent assets / (liabilities) | - | - |

There are no contingent assets or liabilities as at 30 June 2014 (2012-13: Nil).

The Commission has given a financial guarantee of \$77,000 which is disclosed at Note 16: *Financial instruments*.

Disclosures regarding remote and unquantifiable contingencies are disclosed in Note 11: *Contingent liabilities and assets*.

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

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

- Note 1 : Summary of significant accounting policies
- Note 2 : Events after the reporting period
- Note 3 : Expenses
- Note 4 : Own-source income
- Note 5 : Financial assets
- Note 6 : Non-financial assets
- Note 7 : Payables
- Note 8 : Provisions
- Note 9 : Cash flow reconciliation
- Note 10 : Fair value measurement
- Note 11 : Contingent assets and liabilities
- Note 12 : Commissioners' remuneration
- Note 13 : Related party disclosures
- Note 14 : Senior executive remuneration
- Note 15 : Remuneration of auditors
- Note 16 : Financial instruments
- Note 17 : Financial assets reconciliation
- Note 18 : Compensation and debt relief
- Note 19 : Assets held in trust
- Note 20 : Reporting of outcomes

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS

For the year ended 30 June 2014

Note 1: Summary of significant accounting policies

1.1 Objectives of the Australian Sports Commission

The Australian Sports Commission (the Commission) is an Australian Government controlled entity. It is a not-for-profit entity. The objective of the Commission is to provide leadership, coordination and support for Australian sport. The Commission promotes and supports the development of a cohesive and effective national sports sector that creates opportunities for all Australians to participate and excel in sport. The Commission aims to improve participation in sport, excellence in sports performance and continued international success.

The Commission is structured to meet two outcomes:

Outcome 1: Improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sports activity

Outcome 2: Excellence in sports performance and continued international sporting success, by talented athletes and coaches, including through leadership in high-performance athlete development, and targeted science and research

The continued existence of the Commission in its present form and with its present program is dependent on Government policy and on continuing funding by Parliament for the Commission's administration and program.

1.2 Basis of preparation of the Financial Statements

The financial statements are general purpose financial statements and are required by clause 1(b) of Schedule 1 to the *Commonwealth Authorities and Companies Act 1997* (CAC Act).

The financial statements and notes have been prepared in accordance with:

- Finance Minister's Orders (FMOs) for reporting periods ending on or after 1 July 2011; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have 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.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FMOs, assets and liabilities are recognised in the Statement of Financial Position when and only when it is probable that future economic benefits will flow to the Commission or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard.

Liabilities and assets that are unrecognised are reported in the schedule of commitments or the schedule of contingencies.

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

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS

For the year ended 30 June 2014

Comparatives

Where practicable, comparatives may be restated to show the information that would have been disclosed in the prior reporting period had the new accounting policy always been applied.

1.3 Significant accounting judgements and estimates

In the process of applying the accounting policies listed in this note, the Commission has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- a) The fair value of buildings has been taken to be the depreciated replacement cost as determined by an independent valuer. The Commission uses this valuation methodology as the buildings are purpose built and may in fact realise more or less than the market value.
- b) The Commission assesses impairment of all assets at each reporting date by evaluating conditions specific to the Commission and to the particular asset that may lead to impairment. If an impairment trigger exists then the recoverable amount is restated.

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 accounting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

The following new standards, amendments to standards or interpretations were issued prior to the signing of the Statement by the Chair of the Board, Chief Executive Officer and the Chief Financial Officer and are applicable to the current reporting period and had a material effect on the entity's financial statements:

- AASB 13 *Fair Value Measurement* which provides a single standard for the definition, measurement and disclosures about fair value measurements. This standard requires additional disclosure regarding the valuation of assets held-at-fair-value therefore there is an additional note in the financial statements relating to fair value. Retrospective application was not required for this standard.
- AASB 119 *Employee Benefits* which introduces a single approach for the recognition and measurement of defined benefit plans and reclassifies the definition of 'short-term employee benefits' which subsequently impacts the disclosures of annual leave in the Senior Executive Remuneration note. Retrospective application was required for this standard.

All other new, revised or amended standards that were issued prior to the signing of the Statement by the Chair of the Board, Chief Executive Officer and the Chief Financial Officer and are applicable to the current reporting period did not have a material effect, and are not expected to have a future material effect, on the Commission's financial statements.

Future Australian Accounting Standard Requirements

The following new standards, amendments to standards or interpretations were issued by the Australian Accounting Standards Board prior to the signing of the Statement by the Chair of the Board, Chief Executive Officer and Chief Financial Officer and are expected to have a financial impact on the Commission for future reporting periods.

- AASB 1055 *Budgetary Reporting* which will require the reporting of budgetary information by the not-for-profit sector within the General Government sector, including the original budget presented to Parliament, the variance of actual figures from the budget figures and explanations of all significant variances.

AUSTRALIAN SPORTS COMMISSION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

Other reissued standards and amendments that were issued prior to the signing of the Statement by the Chair of the Board, Chief Executive Officer and the Chief Financial Officer and are applicable to the future reporting periods are not expected to have a future financial impact on the Commission.

1.5 Revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the Commission retains no managerial involvement or effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the Commission.

Revenue from the rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to the Commission.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date, bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Revenue from Government

Funding received or receivable from agencies (appropriated to the agency as a CAC Act body payment item for payment to the Commission) is recognised as Revenue from Government unless they are in the nature of an equity injection or a loan.

Contributions received

Revenue arising from the contribution of an asset to the Commission (including sponsorship) is recognised when:

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

Revenue is recognised irrespective of whether restrictions or conditions are imposed on the use of the contribution.

1.6 Gains

Resources received free of charge

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL
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For the year ended 30 June 2014

Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition.

Sale of assets

Gains from disposal of non-current assets are recognised when control of the asset has passed to the buyer.

1.7 Transactions with the Government as Owner

Equity injections

Amounts which are designated as 'equity injections' for a year are recognised directly in contributed equity in that year.

Other distributions to owners

Other distributions to owners are debited to contributed equity unless in the nature of a dividend.

1.8 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 Commission 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 Commission's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave and annual leave has been determined by reference to the work of an actuary as at 31 December 2012. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and redundancy

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

Superannuation

Staff of the Commission are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap), Australian Super, CARE Superannuation, CBUS Industry Super Pty Ltd, Health Employees Super Trust (HESTA), Media Super (MEDIA) and Labour Union Co-operative Retirement Fund (LUCRF).

The CSS and PSS are defined benefit schemes for the Australian Government. The remaining funds are defined contribution schemes.

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL
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For the year ended 30 June 2014

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The Commission makes employer contributions to the employee superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of the Commission's employees. The Commission accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the year.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

The Commission does not have any finance leases.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

1.10 Fair value measurement

The Commission deems transfers between levels of the fair value hierarchy to have occurred at the date of the event or change in circumstances that caused the transfer.

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand and demand deposits in bank accounts that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. All term deposits held by the Commission are classified as 'held-to-maturity' investments and are discussed below under financial assets.

1.12 Financial assets

The Commission classifies its financial assets in the following categories:

- held-to-maturity investments; and
- loans and receivables.

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

Effective interest method

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

Income is recognised on an effective interest rate basis except for financial assets at fair value through profit or loss.

Held-to-maturity investments

AUSTRALIAN SPORTS COMMISSION
**NOTES TO AND FORMING PART OF THE FINANCIAL
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For the year ended 30 June 2014

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Commission has the positive intent and ability to hold to maturity are classified as 'held-to-maturity investments'. Held-to-maturity investments include all term deposits held by the Commission and are initially recognised at fair value and subsequently recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. 'Loans and receivables' are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Loans and receivables primarily comprise receivables for goods and services and accrued revenue.

Impairment of financial assets

Financial assets held at amortised cost, are assessed for impairment at the end of each reporting period. If there is objective evidence that an impairment loss has been incurred for loans and receivables or held-to-maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

1.13 Financial liabilities

The Commission classifies its financial liabilities as 'other financial liabilities' and does not recognise any financial liabilities as 'financial liabilities at fair value through profit or loss' that are subsequently measured at fair value. Financial liabilities are recognised and derecognised upon trade date.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

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

1.14 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset 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 Financial guarantee contracts

Financial guarantee contracts are accounted for in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. They are not treated as a contingent liability, as they are regarded as financial instruments outside the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS

For the year ended 30 June 2014

1.16 Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition.

1.17 Property, plant and equipment

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, 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 cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make-good' provisions in property leases taken up by the Commission where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Commission's leasehold improvements with a corresponding provision for the make-good recognised.

Revaluations

Fair values for each class of asset are determined as shown below

| Asset Class | Sub-class |
|--|---|
| Land | Market selling price |
| Land improvements | Depreciated replacement cost |
| Buildings (excluding leasehold improvements) | Depreciated replacement cost |
| Leasehold improvements | Depreciated replacement cost |
| Property, plant and equipment | Market selling price and depreciated replacement cost |

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

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through operating result. Revaluation decrements for a class of asset are recognised directly through operating result except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its re-valued amount.

Depreciation

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

AUSTRALIAN SPORTS COMMISSION
**NOTES TO AND FORMING PART OF THE FINANCIAL
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For the year ended 30 June 2014

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

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

| Asset Class | Sub-class | 2014 | 2013 |
|-------------------------------|--|----------------------|---------------|
| Buildings | Buildings | 3 - 75 years | 3 - 75 years |
| Land improvements | Land improvements | 15 - 40 years | 15 - 40 years |
| Leasehold improvements | Leasehold improvements | Lease term | Lease term |
| Property, plant and equipment | Furniture, fittings, plant and equipment | 4 - 25 years | 4 - 25 years |
| Property, plant and equipment | Computer hardware | 3 - 5 years | 3 - 5 years |
| Property, plant and equipment | Marine fleet | 2 - 20 years | 2 - 20 years |
| Property, plant and equipment | Motor vehicles | 2 - 10 years | 2 - 10 years |

Impairment

All assets were assessed for impairment at 30 June 2014. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Commission were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

1.18 Intangibles

The Commission's intangibles comprise purchased software and internally-developed software for internal use.

Purchases of intangibles are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$5,000 (or \$250,000 in the case of internally developed software), 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).

These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the Commission's software are 3 to 7 years (2013: 3 to 7 years).

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL
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For the year ended 30 June 2014

1.19 Inventories

Inventories held for sale are valued at the lower of cost and net realisable value. Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

Inventories acquired at no cost or for nominal consideration are initially measured at current replacement cost at the date of acquisition.

1.20 Taxation

The Commission is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Revenues, expenses, liabilities and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

1.21 Grants

Grant expenses and liabilities are recognised to the extent that:

- (i) the services required to be performed by the grantee have been performed; or
- (ii) the grant eligibility criteria have been satisfied, but payments due have not been made.

A commitment is recorded when the Commission enters into an agreement to make these grants but services have not been performed or criteria satisfied.

Where some or all of a grant is required to be repaid, the Commission recognises the amount to be repaid, or due to be repaid as:

- (i) a reduction in grant expenses if the repayment of grant monies arises in the same financial year that the grant expense was incurred; or
- (ii) an increase in income if the grant expense was incurred in a prior financial year.

1.22 Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at the end of the financial year. Net foreign exchange gains and losses (both realised and unrealised) arising from foreign currency transactions are reported in the Statement of Comprehensive Income.

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

Note 2: Events after the reporting period

Operational Effectiveness Review

To meet ongoing budget outcomes, the Commission undertook an Operational Effectiveness Review in 2014. In order to achieve efficiencies and budget savings, the Commission adopted the recommendations of the review, including greater efficiencies in business processes and reducing staff numbers. The Commission plans to reduce staff numbers in 2014-15 through a combination of voluntary and forced redundancies.

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
| Note 3: Expenses | | |
| Note 3A: Employee benefits | | |
| Wages and salaries | 59,779 | 60,631 |
| Superannuation: | | |
| Defined contribution plans | 3,962 | 5,310 |
| Defined benefit plans | 5,601 | 4,298 |
| Leave and other entitlements | 5,083 | 5,582 |
| Separation and redundancies | 717 | 1,018 |
| Total employee benefits | 75,142 | 76,839 |
| Note 3B: Suppliers | | |
| Goods and services | | |
| Consultants and contractors | 11,049 | 10,198 |
| Travel | 4,952 | 7,213 |
| Property operating | 11,149 | 11,168 |
| Materials | 4,526 | 6,373 |
| Communications and IT | 2,957 | 3,166 |
| Other | 6,923 | 9,004 |
| <i>Total goods and services</i> | 41,556 | 47,122 |
| Goods and services are made up of: | | |
| Provision of goods – external parties | 3,836 | 4,130 |
| Rendering of services – related entities | 3,536 | 3,990 |
| Rendering of services – external parties | 34,184 | 39,002 |
| <i>Total goods and services</i> | 41,556 | 47,122 |
| Other suppliers | | |
| Operating lease rentals – external parties: | | |
| Minimum lease payments | 2,338 | 2,672 |
| Workers compensation expenses | 727 | 651 |
| <i>Total other suppliers</i> | 3,065 | 3,323 |
| Total suppliers | 44,621 | 50,445 |
| Note 3C: Grants | | |
| Public sector: | | |
| Australian Government entities (related parties) | 1,505 | 1,193 |
| State and Territory Governments | 15,363 | 15,038 |
| Local Governments | 326 | 445 |
| Private sector: | | |
| Non-profit organisations | 127,625 | 129,116 |
| Other | 270 | 801 |
| Overseas | 2,792 | 3,811 |
| Other | 16,155 | 11,274 |
| Total grants | 164,036 | 161,678 |

AUSTRALIAN SPORTS COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|---|----------------|----------------|
| Note 3D: Depreciation and amortisation | | |
| Depreciation: | | |
| Buildings and land improvements | 16,724 | 15,611 |
| Property, plant and equipment | 3,809 | 4,196 |
| <i>Total depreciation</i> | 20,533 | 19,807 |
| Amortisation: | | |
| Intangibles - Computer software | 1,092 | 856 |
| <i>Total amortisation</i> | 1,092 | 856 |
| Total depreciation and amortisation | 21,625 | 20,663 |
| Note 3E: Write-down and impairment of assets | | |
| Impairment of financial instruments | 76 | 312 |
| Non-financial assets: | | |
| Write-down and impairment - land and buildings | 360 | 204 |
| Write-down and impairment - property, plant and equipment | 236 | 65 |
| Write-down and impairment - intangibles | 218 | - |
| Write-down and impairment of inventory | 298 | 26 |
| Total write-down and impairment of assets | 1,188 | 607 |
| Note 3F: Foreign exchange losses | | |
| Non-speculative | 23 | 12 |
| Total foreign exchange losses | 23 | 12 |
| Note 3G: Losses/(gains) from sale of assets | | |
| Property, plant and equipment: | | |
| Proceeds from sale | (1,060) | (984) |
| Carrying value of assets sold | 1,073 | 913 |
| Selling expense | 51 | 18 |
| Total net loss/(gain) from sales of assets | 64 | (53) |

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|---|----------------|----------------|
| Note 3H: Other expenses | | |
| Other | 401 | 493 |
| Total other expenses | 401 | 493 |
| Note 4: Own-source income | | |
| Own-source revenue | | |
| Note 4A: Sale of goods and rendering of services | | |
| Provision of goods - external parties | 1,528 | 1,531 |
| Rendering of services - related entities | 5,357 | 8,369 |
| Rendering of services - external parties | 20,744 | 20,578 |
| Total sale of goods and rendering of services | 27,629 | 30,478 |
| Note 4B: Interest | | |
| Deposits | 3,753 | 4,461 |
| Total interest | 3,753 | 4,461 |
| Note 4C: Rental income | | |
| Rental Income | 71 | 85 |
| Total rental income | 71 | 85 |
| Note 4D: Royalties | | |
| Royalty income | 23 | 297 |
| Total royalties | 23 | 297 |
| Note 4E: Other revenue | | |
| Resources received free of charge | 145 | 343 |
| Other | 131 | 2,045 |
| Total other revenue | 276 | 2,388 |

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|---|----------------|----------------|
| Gains | | |
| Note 4F: Reversals of previous asset write-downs and impairments | | |
| Reversal of impairment losses | 161 | 117 |
| Total reversals of previous asset write-downs and impairments | 161 | 117 |
| Revenue from Government | | |
| Note 4G: Revenue from Government | | |
| CAC Act body payment | 265,914 | 267,698 |
| | 265,914 | 267,698 |

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
|--|----------------|----------------|

Note 5: Financial assets

Note 5A: Cash and cash equivalents

| | | |
|---------------------------------|--------|--------|
| Cash on hand or on deposit | 12,914 | 15,041 |
| Total cash and cash equivalents | 12,914 | 15,041 |

Note 5B: Trade and other receivables

| | | |
|--|-------|-------|
| Goods and services receivables in connection with | | |
| Related entities | 770 | 268 |
| External parties | 3,149 | 2,906 |
| <i>Total goods and services receivables</i> | 3,919 | 3,174 |
| Other receivables: | | |
| GST receivable from the Australian Taxation Office | 2,484 | 2,375 |
| Other tax receivable | - | 330 |
| Interest | 522 | 460 |
| <i>Total other receivables</i> | 3,006 | 3,165 |
| Total trade and other receivables (gross) | 6,925 | 6,339 |
| Less impairment allowance: | | |
| Goods and services | (111) | (269) |
| Total trade and other receivables (net) | 6,814 | 6,070 |

All receivables are expected to be recovered within 12 months.

Credit terms for goods and services were within 30 days (2013: 30 days)

| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
| Receivables (gross) are aged as follows: | | |
| Not overdue | 5,800 | 5,204 |
| Overdue by: | | |
| Less than 30 days | 397 | 178 |
| 30 to 60 days | 108 | 612 |
| 61 to 90 days | 474 | 124 |
| More than 90 days | 146 | 221 |
| <i>Total receivables (gross)</i> | 6,925 | 6,339 |
| The impairment allowance account is aged as follows: | | |
| Not overdue | - | - |
| Overdue by: | | |
| Less than 30 days | - | (6) |
| 30 to 60 days | - | - |
| 61 to 90 days | - | (45) |
| More than 90 days | (111) | (218) |
| <i>Total impairment allowance account</i> | (111) | (269) |
| Reconciliation of the impairment allowance account: | | |
| Opening balance | (269) | (214) |
| Amounts written off | 66 | 5 |
| Amounts recovered and reversed | 171 | 111 |
| Increase/(decrease) in impairments recognised in net surplus | (79) | (171) |
| <i>Closing balance</i> | (111) | (269) |

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
|--|----------------|----------------|

Note 5C: Investments

| | | |
|--------------------------|--------|--------|
| Term deposits | 60,077 | 65,077 |
| <i>Total investments</i> | 60,077 | 65,077 |

All investments are expected to be recovered within 12 months.

Term deposits are recognised at their nominal amounts and interest is credited to revenue as it accrues.

Note 6: Non-financial assets

Note 6A: Land and buildings

| | | |
|---|----------------|----------------|
| Land | | |
| Fair value | 10,000 | 10,100 |
| Land improvements | | |
| Fair value | 16,073 | 17,093 |
| Accumulated depreciation | (11,483) | (11,973) |
| <i>Total land improvements</i> | 4,590 | 5,120 |
| Buildings on freehold land: | | |
| Fair value | 477,583 | 466,565 |
| Work in progress | 1,568 | 1,257 |
| Accumulated depreciation and impairment | (260,967) | (246,020) |
| <i>Total buildings on freehold land</i> | 218,184 | 221,802 |
| Leasehold improvements: | | |
| Fair value | 2,133 | 2,100 |
| Work in progress | 44 | 9 |
| Accumulated depreciation | (1,565) | (1,108) |
| <i>Total leasehold improvements</i> | 612 | 1,001 |
| Total land and buildings | 233,386 | 238,023 |

Impairment of \$146,000 was identified for land and buildings assets in 2013-14 (2012-13: \$nil). This is included within 'Write-down and impairment recognised in the operating result' in Note 6C

Over the next 12 months, land and building assets that have come to the end of their useful lives will be disposed of in line with the Commission's capital replacement plan.

Revaluation of land and buildings

All revaluations were conducted in accordance with the revaluation policy stated at Note 1. As at 31 December 2013 an independent valuer conducted the revaluations of land and buildings.

The following revaluation increments / (decrements) were credited to the asset revaluation reserve by asset class and included in the equity section of the Statement of Financial Position:

| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
| Land | (100) | - |
| Land improvements | 55 | 1,744 |
| Buildings on freehold land | 5,735 | 13,816 |
| Leasehold improvements | (169) | 332 |
| <i>Total revaluation increments / (decrements)</i> | 5,521 | 15,892 |

No revaluation decrements were expensed in 2013-14 (2012-13: \$nil).

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|---|----------------|----------------|
| Note 6: Non-financial assets | | |
| Note 6B: Property, plant and equipment | | |
| Furniture, fittings, plant and equipment: | | |
| Fair value | 15,984 | 16,139 |
| Work in progress | 56 | 314 |
| Accumulated depreciation | (10,261) | (9,842) |
| <i>Total furniture, fittings, plant and equipment</i> | 5,779 | 6,611 |
| Computer hardware: | | |
| Fair value | 5,943 | 8,130 |
| Work in progress | 158 | - |
| Accumulated depreciation | (2,893) | (4,617) |
| <i>Total computer hardware</i> | 3,208 | 3,513 |
| Marine fleet: | | |
| Fair value | 2,579 | 3,335 |
| Accumulated depreciation | (1,309) | (2,070) |
| <i>Total marine fleet</i> | 1,270 | 1,265 |
| Motor vehicles: | | |
| Fair value | 3,748 | 4,562 |
| Accumulated depreciation | (1,418) | (1,916) |
| <i>Total motor vehicles</i> | 2,330 | 2,646 |
| Total property, plant and equipment | 12,587 | 14,035 |

Impairment of \$3,558 was identified for property, plant and equipment assets in 2013-14 (2012-13: \$4,000). This is included within 'Write-down and impairment recognised in the operating result' in Note 6C

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

Revaluation of property, plant and equipment

All revaluations were conducted in accordance with the revaluation policy stated at Note 1. As at 31 December 2012 an independent valuer conducted the revaluations of property, plant and equipment.

The following revaluation increments / (decrements) were credited to the asset revaluation reserve by asset class and included in the equity section of the Statement of Financial Position:

| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
| Property, plant and equipment | - | (63) |
| <i>Total revaluation increments / (decrements)</i> | - | (63) |

AUSTRALIAN SPORTS COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 For the year ended 30 June 2014

Note 6: Non-financial assets

Note 6C: Reconciliation of the opening and closing balances of property, plant and equipment (2013-14)

| | Land \$'000 | Buildings & land improvements \$'000 | Total land, buildings & land improvements \$'000 | Property, plant & equipment \$'000 | Total \$'000 |
|--|----------------|--|---|--|-----------------|
| As at 1 July 2013 | | | | | |
| Gross book value | 10,100 | 487,024 | 497,124 | 32,480 | 529,604 |
| Accumulated depreciation and impairment | - | (259,101) | (259,101) | (18,445) | (277,546) |
| Net book value 1 July 2013 | 10,100 | 227,923 | 238,023 | 14,035 | 252,058 |
| Additions: | | | | | |
| By purchase | - | 6,926 | 6,926 | 3,670 | 10,596 |
| Revaluations recognised in other comprehensive income | (100) | 5,621 | 5,521 | - | 5,521 |
| Write-down and impairment recognised in the operating result | - | (360) | (360) | (236) | (596) |
| Disposals: | | | | | |
| Written-down value of assets sold | - | - | - | (1,073) | (1,073) |
| Depreciation expense | - | (16,724) | (16,724) | (3,809) | (20,533) |
| Net book value 30 June 2014 | 10,000 | 223,386 | 233,386 | 12,587 | 245,973 |
| Net book value as of 30 June 2014 represented by: | | | | | |
| Gross book value | 10,000 | 497,401 | 507,401 | 28,468 | 535,869 |
| Accumulated depreciation | - | (274,015) | (274,015) | (15,881) | (289,896) |
| Total as at 30 June 2014 | 10,000 | 223,386 | 233,386 | 12,587 | 245,973 |

Note 6C: Reconciliation of the opening and closing balances of property, plant and equipment (2012-13)

| | Land \$'000 | Buildings & land improvements \$'000 | Total land, buildings & land improvements \$'000 | Property, plant & equipment \$'000 | Total \$'000 |
|---|----------------|--|---|--|-----------------|
| As at 1 July 2012 | | | | | |
| Gross book value | 10,100 | 460,873 | 470,973 | 30,522 | 501,495 |
| Accumulated depreciation and impairment | - | (240,200) | (240,200) | (15,696) | (255,896) |
| Net book value 1 July 2012 | 10,100 | 220,673 | 230,773 | 14,826 | 245,599 |
| Additions: | | | | | |
| By purchase | - | 7,173 | 7,173 | 4,446 | 11,619 |
| Revaluations and impairments recognised in other comprehensive income | - | 15,892 | 15,892 | (63) | 15,829 |
| Write-down and impairment recognised in the operating result | - | (204) | (204) | (65) | (269) |
| Disposals: | | | | | |
| Written-down value of assets sold | - | - | - | (913) | (913) |
| Depreciation expense | - | (15,611) | (15,611) | (4,196) | (19,807) |
| Net book value 30 June 2013 | 10,100 | 227,923 | 238,023 | 14,035 | 252,058 |
| Net book value as of 30 June 2013 represented by: | | | | | |
| Gross book value | 10,100 | 487,024 | 497,124 | 32,480 | 529,604 |
| Accumulated depreciation | - | (259,101) | (259,101) | (18,445) | (277,546) |
| Total as at 30 June 2013 | 10,100 | 227,923 | 238,023 | 14,035 | 252,058 |

AUSTRALIAN SPORTS COMMISSION
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For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
|--|----------------|----------------|

Note 6: Non-financial assets

Note 6D: Intangibles

| | | |
|------------------------------------|---------|---------|
| Internally developed - in use | 1,843 | 2,169 |
| Internally developed - in progress | - | 49 |
| Purchased at cost | 4,853 | 5,039 |
| Purchased - in progress | 518 | 143 |
| Accumulated amortisation | (4,688) | (4,456) |
| <i>Total computer software</i> | 2,526 | 2,944 |
| Total intangibles | 2,526 | 2,944 |

Impairment of \$169,084 was identified for intangible assets in 2013-14 (2012-13: \$nil).

Over the next 12 months, intangible assets that have come to the end of their useful lives will be disposed of in line with the Commission's capital replacement plan.

Note 6E: Reconciliation of the opening and closing balances of intangibles (2013-14)

| | Computer software internally developed \$'000 | Computer software purchased \$'000 | Total intangibles \$'000 |
|---|--|---------------------------------------|-----------------------------|
| As at 1 July 2013 | | | |
| Gross book value | 2,218 | 5,182 | 7,400 |
| Accumulated amortisation and impairment | (851) | (3,605) | (4,456) |
| Net book value 1 July 2013 | 1,367 | 1,577 | 2,944 |
| Additions: | | | |
| By purchase | 147 | 745 | 892 |
| Impairments and write-offs recognised in the operating result | (218) | - | (218) |
| Depreciation expense | (506) | (586) | (1,092) |
| Net book value 30 June 2014 | 790 | 1,736 | 2,526 |
| Net book value as of 30 June 2014 represented by: | | | |
| Gross book value | 1,843 | 5,371 | 7,214 |
| Accumulated amortisation and impairment | (1,053) | (3,635) | (4,688) |
| Total as at 30 June 2014 | 790 | 1,736 | 2,526 |

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Note 6E: Reconciliation of the opening and closing balances of intangibles (2012-13)

| | Computer software internally developed \$'000 | Computer software purchased \$'000 | Total Intangibles \$'000 |
|---|--|---------------------------------------|-----------------------------|
| As at 1 July 2012 | | | |
| Gross book value | 2,022 | 4,998 | 7,020 |
| Accumulated amortisation and impairment | (511) | (3,089) | (3,600) |
| Net book value 1 July 2012 | 1,511 | 1,909 | 3,420 |
| Additions: | | | |
| By purchase | 196 | 184 | 380 |
| Depreciation Expense | (340) | (516) | (856) |
| Net book value 30 June 2013 | 1,367 | 1,577 | 2,944 |
| Net book value as of 30 June 2013 represented by: | | | |
| Gross book value | 2,218 | 5,182 | 7,400 |
| Accumulated amortisation and impairment | (851) | (3,605) | (4,456) |
| Total as at 30 June 2013 | 1,367 | 1,577 | 2,944 |

| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
| | | |

Note 6F: Inventories

| | | |
|--|-----|-------|
| Inventories held for sale - finished goods | 486 | 857 |
| Inventories held for distribution | - | 368 |
| Total inventories | 486 | 1,225 |

During 2013-14, \$906,262 of inventory held for sale was recognised as an expense (2012-13: \$820,000).

During 2013-14, \$389,391 of inventory held for distribution was recognised as an expense (2012-13: \$238,000).

No items of inventory were recognised at fair value less cost to sell.

All inventories are expected to be sold or distributed in the next 12 months.

Note 6G: Other non-financial assets

| | | |
|----------------------------------|-------|-------|
| Prepayments | 2,610 | 1,346 |
| Total other non-financial assets | 2,610 | 1,346 |

Total other non-financial assets are expected to be recovered in:

| | | |
|----------------------------------|-------|-------|
| No more than 12 months | 2,594 | 1,283 |
| More than 12 months | 16 | 63 |
| Total other non-financial assets | 2,610 | 1,346 |

No indicators of impairment were found for other non-financial assets.

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| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
|--|----------------|----------------|

Note 7: Payables

Note 7A: Suppliers

| | | |
|-----------------|-------|-------|
| Trade creditors | 2,113 | 3,310 |
| Total suppliers | 2,113 | 3,310 |

Suppliers expected to be settled within 12 months:

| | | |
|------------------|-------|-------|
| Related entities | 148 | 172 |
| External parties | 1,965 | 3,138 |

Suppliers expected to be settled greater than 12 months:

| | | |
|------------------------|-------|-------|
| Related entities | - | - |
| External parties | - | - |
| <i>Total suppliers</i> | 2,113 | 3,310 |

Settlement is usually made within 30 days.

Note 7B: Grant payables

| | | |
|---------------------------------|-------|-------|
| Public sector: | | |
| Australian Government entities | 1,500 | 1,000 |
| State and Territory Governments | 44 | 213 |
| Private sector: | | |
| Non-profit organisations | 64 | 5,441 |
| Other | - | 210 |
| Overseas | - | 137 |
| Other | - | 91 |
| <i>Total grant payables</i> | 1,608 | 7,092 |

All grants payable are expected to be settled within 12 months.

Note 7C: Other payables

| | | |
|-----------------------------|-------|-------|
| Salaries and wages | 1,869 | 1,580 |
| Superannuation | 279 | 248 |
| Financial guarantee | 77 | 77 |
| Unearned income | 639 | 707 |
| Redundancies | 301 | 373 |
| <i>Total other payables</i> | 3,165 | 2,985 |

Other payables are expected to be settled in:

| | | |
|-----------------------------|-------|-------|
| No more than 12 months | 3,159 | 2,980 |
| More than 12 months | 6 | 5 |
| <i>Total other payables</i> | 3,165 | 2,985 |

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| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
|--|----------------|----------------|

Note 8: Provisions

Note 8A: Employee provisions

| | | |
|---------------------------|---------------|--------|
| Leave | 14,038 | 16,146 |
| Total employee provisions | 14,038 | 16,146 |

Employee provisions are expected to be settled

| | | |
|----------------------------------|--------------|--------|
| No more than 12 months | 5,299 | 4,882 |
| More than 12 months | 8,739 | 11,264 |
| <i>Total employee provisions</i> | 14,038 | 16,146 |

Note 8B: Other provisions

| | | |
|-------------------------|------------|-----|
| Provision for make good | 145 | 145 |
| Total other provisions | 145 | 145 |

Other provisions are expected to be settled in:

| | | |
|-------------------------------|------------|-----|
| No more than 12 months | 145 | 145 |
| More than 12 months | - | - |
| <i>Total other provisions</i> | 145 | 145 |

Reconciliation of provision for make good¹:

| | |
|--|-----|
| Carrying amount 1 July 2013 | 145 |
| Additional provisions made | - |
| Amounts used | - |
| Amounts reversed | - |
| Unwinding of discount or change in discount rate | - |
| <i>Closing balance 30 June 2014</i> | 145 |

1. The ASC currently has three (2012-13: three) agreements for the leasing of premises which have provisions requiring the Commission to restore the premises to their original condition at the conclusion of the lease. The Commission has made a provision to reflect the present value of this obligation.

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| | 2014 | 2013 |
|--|--------|--------|
| | \$'000 | \$'000 |

Note 9: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement

| | | |
|---|--------|--------|
| Cash at year end per Cash Flow Statement | 72,991 | 80,118 |
| Statement of Financial Position items comprising cash and cash equivalents: | | |
| Cash on hand or on deposit | 12,914 | 15,041 |
| Investments | 60,077 | 65,077 |
| Total cash and cash equivalents per Statement of Financial Position | 72,991 | 80,118 |
| Difference | - | - |

Reconciliation of net cost of services to net cash from operating activities:

| | | |
|--|-----------|-----------|
| Net cost of services | (275,187) | (272,858) |
| Add: Revenue from Government | 265,914 | 267,698 |
| Adjustments for non-cash items: | | |
| Depreciation / amortisation | 21,625 | 20,663 |
| Impairment of assets | 814 | 269 |
| Assets now recognised | (61) | - |
| (Gain) / Loss on disposal of assets | 13 | (72) |
| Other non-cash expenses / (income) | - | - |
| Changes in assets / liabilities: | | |
| (Increase) / decrease in interest receivable | (62) | 96 |
| (Increase) / decrease in net receivables | (903) | 1,579 |
| (Increase) / decrease in inventories | 739 | 16 |
| (Increase) / decrease in prepayments | (327) | 442 |
| (Increase) / decrease in tax receivable | 221 | (375) |
| Increase / (decrease) in employee provisions | (2,108) | (1,032) |
| Increase / (decrease) in supplier payables | (1,197) | (2,648) |
| Increase / (decrease) in revenue received in advance | (68) | (210) |
| Increase / (decrease) in grant payables | (5,484) | 5,196 |
| Increase / (decrease) in other payables | 248 | 219 |
| Increase / (decrease) in other payables | - | (37) |
| Net cash from / (used by) operating activities | 4,177 | 18,946 |

Note 10: Fair Value Measurements

The following tables provide an analysis of assets and liabilities that are measured at fair value.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Commission can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Note 10A: Fair value measurements at the end of the reporting period by hierarchy for assets and liabilities in 2013-14

| | Fair value measurements at the end of the reporting period using | | | |
|--|--|--------------------------|--------------------------|--------------------------|
| | Fair value \$'000 | Level 1 inputs \$'000 | Level 2 inputs \$'000 | Level 3 inputs \$'000 |
| Non-financial assets | | | | |
| Land | 10,000 | - | 10,000 | - |
| Buildings | 223,386 | - | - | 223,386 |
| Property, plant and equipment | 12,587 | - | 10,286 | 2,301 |
| Total non-financial assets | 245,973 | - | 20,286 | 225,687 |
| Total fair value measurements of assets in the statement of financial position | 245,973 | - | 20,286 | 225,687 |

The highest and best use for all non-financial assets are the same as their current use.

Note 10B: Level 1 and Level 2 transfers for recurring fair value measurements

There have been no transfers between level 1 and level 2 for 2013-14.

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Note 10C: Valuation technique and inputs for Level 2 and Level 3 fair value measurements

| | Category (Level 2 or 3) | Fair value \$'000 | Valuation technique(s) ¹ | Inputs used | Range (weighted average) ² |
|-------------------------------------|-------------------------|----------------------|--|---|---|
| Non-Financial Assets | | | | | |
| Land | Level 2 | 10,000 | Market approach | Sales price of comparable land | N/A |
| Buildings | Level 3 | 223,386 | Depreciated replacement cost | Replacement cost, expected useful life, adjustments for obsolescence | N/A |
| Other property, plant and equipment | Level 2 | 10,286 | Market approach | Sales price of similar items in the market | N/A |
| Other property, plant and equipment | Level 3 | 2,301 | Depreciated replacement cost | Replacement cost, expected useful life, adjustments for obsolescence | N/A |

¹ No changes in valuation technique occurred during the period.

² Significant unobservable inputs only. Not applicable for assets and liabilities in the Level 2 category. Ranges were not required to measure the full value for the Level 3 category, as confirmed with the valuers

Recurring and non-recurring Level 3 fair value measurements - valuation processes

With regard to land improvements, leasehold improvements and buildings, the Commission procured valuation services from the Preston Rowe Patterson National Property Consultants (PRP) and has relied on valuation models provided by PRP, which are contractually required to be in line with AASB 13. The Commission reviews the assumptions and outcomes of the valuer's services to obtain comfort that the movements in fair value are reasonable and the process in accordance with AASB 13.

With regard to other property, plant and equipment, the Commission procured valuation services from Pickles Valuation Services (PVS). For assets that PVS were unable to identify a market comparison an alternative approach was required. These assets were tested by a cost approach valuation, a depreciated replacement cost (DRC) approach, containing Level 3 Inputs. In doing so, PVS reviewed the estimated replacement cost, total useful lives (TUL), and remaining useful lives (RUL) in line with industry standards to ensure the DRC calculation was accurate. Within the review, PVS tested the new replacement costs obtained from manufacturers to ascertain if the most current replacement costs and utilities of the asset were the same or had there been some impairment for technological or functionally factors. Furthermore, from a macro viewpoint the review approached certain economic drivers that may have increased new price, for example, steel price or labour costs. The TUL and RUL of these components were also reviewed as they affected the formula used to ascertain fair value, and fall under the Level 3 inputs (DRC). PVS compared market recommended lives for similar assets and trends in the market, in addition to consulting with ASC about their understanding of the economic lives suitable to their entity.

Recurring Level 3 fair value measurements - sensitivity of inputs

The significant unobservable inputs used in the fair value measurement of Level 3 items are expected useful lives, replacement cost and any adjustment for obsolescence. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement.

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Note 10D: Reconciliation for recurring Level 3 fair value measurements

| | Non-financial Assets | | Total |
|---|---|---|----------------|
| | Buildings & land improvements \$'000 | Property, plant and equipment \$'000 | \$'000 |
| Opening Balance | 227,923 | 2,723 | 230,646 |
| Additions/purchases | 6,926 | 221 | 7,147 |
| Revaluations recognised in other comprehensive income | 5,621 | - | 5,621 |
| Write-down recognised in the operating result | (360) | (30) | (390) |
| Disposals | - | (22) | (22) |
| Depreciation and amortisation | (16,724) | (591) | (17,315) |
| Closing Balance | 223,386 | 2,301 | 225,687 |

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Note 11: Contingent assets and liabilities

Quantifiable contingencies

The Commission is not aware of any quantifiable contingencies as at 30 June 2014 that would have an impact on its operations (2012-13: Nil).

Unquantifiable contingencies

The Commission is currently seeking the recovery of an overpayment of funds from a consultant engaged by the Commission during 2013-14.

The Commission is not aware of any unquantifiable contingent liabilities as at 30 June 2014 that would have an impact on its operations (2012-13: Nil).

Significant remote contingencies

The Commission is not aware of any significant remote contingencies as at 30 June 2014 that would have an impact on its operations (2012-13: Nil).

Note 12: Commissioners' remuneration

The number of Commissioners of the Commission included in these figures are shown below in the relevant

| | 2014 | 2013 |
|----------------------|------|------|
| \$0 to \$29,999 | 3 | 9 |
| \$30,000 to \$59,999 | 9 | 5 |
| \$60,000 to \$89,999 | 1 | - |
| Total | 13 | 14 |

| | 2014 | 2013 |
|--|---------|---------|
| | \$ | \$ |
| Total remuneration received or due and receivable by Commissioners of the Commission | 436,441 | 392,449 |

| Commissioners of the Board | Appointment | Cessation |
|---|------------------|-----------------|
| Mr John Wylie AM (Chair) | | |
| Mr David Gallop (Deputy Chair) ¹ | 19 February 2014 | 18 January 2014 |
| Ms Alisa Camplin-Warner OAM | | |
| Ms Sally Carbon OAM | | |
| Ms Elizabeth Ellis AM | | |
| Mr John Lee | | |
| Ms Margaret Osmond | | |
| Mr Andrew Plympton | | |
| Mr Kyle Vander-Kuyp | | 1 July 2013 |
| Mr Andrew Fraser | | |
| Mr Kenneth Ryan AM | | |
| Mr Mark Stockwell | 26 June 2014 | |

An Ex-officio Commissioner of the Board attends on behalf of the Department of Health. Prior to Machinery of Government changes, an Ex-officio attended on behalf of the Department of Regional Australia, Local Government, Arts and Sport.

¹ Mr David Gallop's instrument ceased in January 2014, and he was reappointed in February 2014.

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Note 13: Related party disclosures

Loans to Commissioners and Commissioner-related entities

There were no loans made to Commissioners or Commissioner-related entities.

Grants to related organisations

Grants were made to various Commissioner-related sporting organisations. They were approved within 2013-14 and were made on normal terms and conditions. Board Members are required to register conflicts of interest and are not part of decisions where there is a real or perceived conflict. These are disclosed in the table below.

| Entity | Commissioner | 2014 \$'000 | 2013 \$'000 |
|---|-----------------------------|----------------|----------------|
| Australian Rugby League Commission ¹ | Mr A Fraser | 2,775 | - |
| Australian Sports Foundation | Ms A Camplin-Warner OAM | 1,500 | 1,000 |
| | Ms S Carbon OAM | | |
| | Ms M Osmond Mr K Ryan AM | | |
| Australian Olympic Committee | Mr A Plympton | - | 6 |
| Football Federation Australia | Mr D Gallop | 3,726 | 2,501 |
| Monash University ² | Mr K Vander-Kuyp | - | 112 |
| NSW Institute of Sport | Ms E Ellis AM | 137 | 277 |
| Olympic Winter Institute | Ms A Camplin-Warner OAM | 2,171 | 5,086 |
| WA Institute of Sport ¹ | Ms S Carbon OAM | 51 | - |
| Yachting Australia | Mr A Plympton | 6,852 | 8,022 |

¹ This entity became a related party in 2013-14, and accordingly any grant payments made prior to this are not disclosed.

² This entity was considered a related party in 2012-13 but not in 2013-14, and accordingly any grant payments made to this entity in 2013-14 are not disclosed.

There were also payments to Commissioners to reimburse costs incurred on behalf of the Commission. These and the transactions referred to above were conducted with conditions no more favourable than would be expected if the transactions occurred at arm's length.

Individual board members may hold professional engagements with related parties. Such engagements are not reported in this note as they are not required to be disclosed as related party transactions under Australian Accounting Standards.

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| | 2014 | 2013 |
|---|-----------|-----------|
| | \$ | \$ |
| Note 14: Senior executive remuneration | | |
| Note 14A: Senior executive remuneration expense for the reporting period | | |
| Short-term employee benefits: | | |
| Salary | 3,189,513 | 2,643,198 |
| Performance bonuses | 19,337 | 13,792 |
| Total short-term employee benefits | 3,208,850 | 2,656,990 |
| Post-employment benefits: | | |
| Superannuation | 526,276 | 408,663 |
| Total post-employment benefits | 526,276 | 408,663 |
| Other long-term benefits: | | |
| Annual leave accrued | 273,201 | 215,304 |
| Long-service leave | 122,940 | 96,887 |
| Total other long-term benefits | 396,141 | 312,191 |
| Termination benefits | 300,916 | 143,989 |
| Total termination benefits | 300,916 | 143,989 |
| Total senior executive remuneration expenses | 4,432,183 | 3,521,833 |

- Note 14A is prepared on an accrual basis (therefore the performance bonus expense disclosed above may differ from the cash 'Bonus Paid' in Note 14B)
- Note 14A excludes acting arrangements and part-year service where total remuneration expensed for a senior executive was less than \$195,000.
- For the purposes of this note only those employees considered to have the capacity and responsibility for decision making that can have a significant and direct impact on the strategic direction and financial performance of the Commission are included. The CEO, General Managers, AIS Director, Deputy General Managers and AIS Deputy Directors are classified as senior executives and are disclosed in Note 14A and Note 14B.

AUSTRALIAN SPORTS COMMISSION
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Note 14: Senior executive remuneration

Note 14B: Average annual reportable remuneration paid to substantive senior executives during the reporting period

| Average annual reportable remuneration ¹ | | 2014 | | | | | Total |
|---|-----|--|---|--|---------------------------------|---------|-------|
| Senior executives | No. | Average Reportable salary ² | Average Contributed superannuation ³ | Average Reportable allowances ⁴ | Average Bonus paid ⁶ | Total | |
| | | \$ | \$ | \$ | \$ | \$ | |
| | 9 | 133,502 | 22,797 | - | - | 156,299 | |
| | 6 | 172,084 | 31,481 | 391 | - | 203,866 | |
| | 1 | 197,664 | 31,651 | 365 | - | 229,480 | |
| | 3 | 238,182 | 29,081 | 305 | 2,774 | 270,342 | |
| | 1 | 343,394 | 32,783 | 1,250 | 11,015 | 388,442 | |
| | 20 | | | | | | |

Total remuneration (including part-time arrangements):

| | |
|------------------------|--|
| Less than \$195,000 | |
| \$195,000 to \$209,999 | |
| \$210,000 to \$239,999 | |
| \$270,000 to \$299,999 | |
| \$390,000 to \$419,999 | |

Total number of substantive senior executives

| Average annual reportable remuneration ¹ | | 2013 | | | | | Total |
|---|-----|--|---|--|---------------------------------|---------|-------|
| Senior executives | No. | Average Reportable salary ² | Average Contributed superannuation ³ | Average Reportable allowances ⁴ | Average Bonus paid ⁶ | Total | |
| | | \$ | \$ | \$ | \$ | \$ | |
| | 10 | 118,876 | 18,595 | 87 | - | 137,558 | |
| | 4 | 172,956 | 30,869 | 672 | - | 204,487 | |
| | 1 | 203,488 | 26,760 | - | - | 230,268 | |
| | 2 | 239,607 | 31,737 | - | - | 271,344 | |
| | 1 | 354,792 | 29,811 | 1,653 | 13,792 | 400,048 | |
| | 18 | | | | | | |

Total remuneration (including part-time arrangements):

| | |
|------------------------|--|
| Less than \$195,000 | |
| \$195,000 to \$209,999 | |
| \$210,000 to \$239,999 | |
| \$270,000 to \$299,999 | |
| \$390,000 to \$419,999 | |

Total number of substantive senior executives

- The 2013-14 table includes four senior executives occupying two substantive positions, as executives ceased or took leave from their positions during the year and were replaced.
- This table reports substantive senior executives who received remuneration during the reporting period. Each row has an averaged figure based on headcount for individuals in the band.
- Reportable salary includes the following:
 - gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
 - reportable fringe benefits (at the net amount prior to 'grossing up' for tax purposes);
 - Reportable employer superannuation contributions; and
 - Exempt foreign employment income.
- The 'contributed superannuation' amount is the average cost to the Commission for the provision of superannuation benefits to substantive senior executives in that reportable remuneration band during the reporting period.
- 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
- 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing or leaving the Commission during the financial year.

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Note 14: Senior executive remuneration

Note 14C: Average annual reportable remuneration other highly paid staff during the reporting period

| | | 2014 | | | | | Total |
|-----------|-----|--|---|--|---------------------------------|---------|-------|
| Employees | No. | Average Reportable salary ² | Average Contributed superannuation ³ | Average Reportable allowances ⁴ | Average Bonus paid ⁵ | \$ | |
| | 4 | 179,870 | 23,581 | - | - | 203,451 | |
| | 1 | 245,638 | 37,209 | - | - | 283,047 | |
| | 5 | | | | | | |

Average annual reportable remuneration¹

| | | | |
|--|-----------|----|-----------|
| Total remuneration (including part-time arrangements): | \$195,000 | to | \$209,999 |
| | \$210,000 | to | \$239,999 |

Total number of other highly paid staff

| | | 2013 | | | | | Total |
|-----------|-----|--|---|--|---------------------------------|---------|-------|
| Employees | No. | Average Reportable salary ² | Average Contributed superannuation ³ | Average Reportable allowances ⁴ | Average Bonus paid ⁵ | \$ | |
| | 4 | 164,017 | 25,106 | - | 16,250 | 205,373 | |
| | 2 | 146,335 | 22,288 | - | 65,000 | 233,623 | |
| | 6 | | | | | | |

Average annual reportable remuneration¹

| | | | |
|--|-----------|----|-----------|
| Total remuneration (including part-time arrangements): | \$195,000 | to | \$209,999 |
| | \$210,000 | to | \$239,999 |

Total number of other highly paid staff

- This table reports individuals :
 - who were employed by the Commission during the reporting period;
 - whose reportable remuneration was \$195,000 or more for the financial year; and
 - were not required to be disclosed in Note 14A, Note 14B or Commissioner's remuneration.
- 'Reportable salary' includes the following:
 - gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
 - reportable fringe benefits (at the net amount prior to 'grossing up' for tax purposes);
 - reportable employer superannuation contributions; and
 - exempt foreign employment income.
- The 'contributed superannuation' amount is the average cost to the Commission for the provision of superannuation benefits to other highly paid staff in that reportable remuneration band during the reporting period.
- 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individual's payment summaries.
- 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing or leaving the Commission during the financial year.

AUSTRALIAN SPORTS COMMISSION
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| | 2014 | 2013 |
|--|--------|--------|
| | \$'000 | \$'000 |

Note 15: Remuneration of auditors

The cost of financial statement audit services provided to the Commission were:

| | | |
|--|----|----|
| The fair value of the services provided was: | 84 | 78 |
|--|----|----|

No other services were provided by the auditors of the financial statements.

AUSTRALIAN SPORTS COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|
| Note 16: Financial instruments | | |
| Note 16A: Categories of financial instruments | | |
| Loans and receivables: | | |
| Cash and cash equivalents | 12,914 | 15,041 |
| Receivables for goods and services | 3,808 | 2,905 |
| Interest receivable | 522 | 460 |
| Total loans and receivables | 17,244 | 18,406 |
| Investments held-to-maturity: | | |
| Investments under s18 of the CAC Act | 60,077 | 65,077 |
| Total investments held-to-maturity | 60,077 | 65,077 |
| Carrying amount of financial assets | 77,321 | 83,483 |
| Financial liabilities | | |
| Other financial liabilities: | | |
| Trade creditors | 2,113 | 3,310 |
| Grants payable | 1,608 | 7,092 |
| Financial guarantee | 77 | 77 |
| Total financial liabilities | 3,798 | 10,479 |
| Carrying amount of financial liabilities | 3,798 | 10,479 |

Note 16B: Net gains or losses on financial assets

| | | |
|---|-------|-------|
| Loans and receivables: | | |
| Foreign exchange gain / (loss) | (23) | (12) |
| Impairment of loans and receivables | (76) | (312) |
| Net gain / (loss) loans and receivables | (99) | (324) |
| Investments held-to-maturity: | | |
| Interest revenue | 3,753 | 4,461 |
| Net gain / (loss) held-to-maturity | 3,753 | 4,461 |

The interest income from financial assets not at fair-value through profit and loss is \$3,753,000 (2012-13: \$4,461,000)

AUSTRALIAN SPORTS COMMISSION
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Note 16: Financial instruments

Note 16C: Fair value of financial instruments

| | Carrying amount 2014 \$'000 | Fair value 2014 \$'000 | Carrying amount 2013 \$'000 | Fair value 2013 \$'000 |
|---|--------------------------------------|---------------------------------|--------------------------------------|---------------------------------|
| Financial assets | | | | |
| Cash and cash equivalents ¹ | 12,914 | 12,914 | 15,041 | 15,041 |
| Receivables for goods and services ¹ | 3,808 | 3,808 | 2,905 | 2,905 |
| Interest receivable ¹ | 522 | 522 | 460 | 460 |
| Investments | 60,077 | 60,077 | 65,077 | 65,077 |
| Total financial assets | 77,321 | 77,321 | 83,483 | 83,483 |
| Financial liabilities | | | | |
| Trade creditors ¹ | 2,113 | 2,113 | 3,310 | 3,310 |
| Grants payable ¹ | 1,608 | 1,608 | 7,092 | 7,092 |
| Financial guarantee | 77 | 77 | 77 | 77 |
| Total financial liabilities | 3,798 | 3,798 | 10,479 | 10,479 |

¹ The net fair values of cash and non-interest bearing financial assets and liabilities approximate their carrying value due to the short term nature of these balances. The investments are short-term in nature and as such the fair value of these investments at year end approximate their carrying value.

Note 16D: Credit risk

The Commission is exposed to low overall credit risk. The majority of loans and receivables are cash, and receivables for goods and services. Investments held-to-maturity represent investments held with financial institutions with an approved credit rating, in accordance with the Commission's Investment Policy.

The maximum exposure to credit risk is the risk that arises from potential default of a debtor or financial institution. The Commission's maximum exposure to credit risk at the reporting date in relation to each class of recognised financial assets is the gross amount of those assets as indicated in the Statement of Financial Position (2013-14: \$4,441,000; 2012-13: \$3,634,000). The Commission has assessed the risks of default on payments and has allocated \$111,000 in 2013-14 (2012-13: \$269,000) to an impairment allowance account.

The Commission has a significant exposure to Authorised Deposit-taking Institutions (ADIs), as the majority of its cash-holdings and investments are with Australian-owned ADIs. Given that ADIs are all regulated by the Australian Prudential Regulation Authority in accordance with the *Banking Act 1959*, the level of credit risk is considered low. In addition, the Commission has an Investment Policy to only deposit funds with financial institutions with credit ratings of A- or greater, and to diversify across these financial institutions, which further reduces the Commission's exposure to credit risk.

The Commission holds no collateral to mitigate against credit risk.

AUSTRALIAN SPORTS COMMISSION
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For the year ended 30 June 2014

Credit risk of financial instruments not past due or individually determined as impaired

| | Not past due nor impaired 2014 \$'000 | Not past due nor impaired 2013 \$'000 | Past due or impaired 2014 \$'000 | Past due or impaired 2013 \$'000 |
|--------------------------------------|---|---|--|--|
| Cash and cash equivalents | 12,914 | 15,041 | - | - |
| Receivables for goods and services | 2,794 | 2,039 | 1,125 | 1,135 |
| Interest receivable | 522 | 460 | - | - |
| Investments under s18 of the CAC Act | 60,077 | 65,077 | - | - |
| Total | 76,307 | 82,617 | 1,125 | 1,135 |

Ageing of financial assets that were past due but not impaired for 2014

| | 0 to 30 days \$'000 | 31 to 60 days \$'000 | 61 to 90 days \$'000 | 90+ days \$'000 | Total \$'000 |
|------------------------------------|------------------------|-------------------------|-------------------------|--------------------|-----------------|
| Receivables for goods and services | 397 | 108 | 474 | 35 | 1,014 |
| Total | 397 | 108 | 474 | 35 | 1,014 |

Ageing of financial assets that were past due but not impaired for 2013

| | 0 to 30 days \$'000 | 31 to 60 days \$'000 | 61 to 90 days \$'000 | 90+ days \$'000 | Total \$'000 |
|------------------------------------|------------------------|-------------------------|-------------------------|--------------------|-----------------|
| Receivables for goods and services | 172 | 612 | 79 | 3 | 866 |
| Total | 172 | 612 | 79 | 3 | 866 |

Note 16E: Liquidity risk

The Commission's financial liabilities comprise payables and a financial guarantee. The exposure to liquidity risk is based on the notion that the Commission will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to appropriation funding from Government and mechanisms available to the Commission as well as internal policies and procedures put in place to manage cash and investment balances to ensure there are appropriate resources available to meet its financial obligations.

The following tables illustrate the maturities for financial liabilities:

| | On demand 2014 \$'000 | within 1 year 2014 \$'000 | 1 to 2 years 2014 \$'000 | 2 to 5 years 2014 \$'000 | > 5 years 2014 \$'000 | Total 2014 \$'000 |
|-----------------------------|-----------------------------|---------------------------------|--------------------------------|--------------------------------|-----------------------------|-------------------------|
| Trade creditors | - | 2,113 | - | - | - | 2,113 |
| Grants payable | - | 1,608 | - | - | - | 1,608 |
| Financial guarantee | 77 | - | - | - | - | 77 |
| Total financial liabilities | 77 | 3,721 | - | - | - | 3,798 |

| | On demand 2013 \$'000 | within 1 year 2013 \$'000 | 1 to 2 years 2013 \$'000 | 2 to 5 years 2013 \$'000 | > 5 years 2013 \$'000 | Total 2013 \$'000 |
|-----------------------------|-----------------------------|---------------------------------|--------------------------------|--------------------------------|-----------------------------|-------------------------|
| Trade creditors | - | 3,310 | - | - | - | 3,310 |
| Grants payable | - | 7,092 | - | - | - | 7,092 |
| Financial guarantee | 77 | - | - | - | - | 77 |
| Total financial liabilities | 77 | 10,402 | - | - | - | 10,479 |

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For the year ended 30 June 2014

Note 16F: Market risk

The Commission holds basic financial instruments that do not expose it to certain market risks. The Commission was not exposed to material 'currency risk' or 'other price risk'.

Interest rate risk

The interest-bearing items on the Commission's Statement of Financial Position are cash and investments.

Cash on deposit is held in a bank account with a floating interest rate. The investments bear fixed interest rates and will not fluctuate due to changes in the market interest rate.

Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Commission is exposed to foreign exchange risk primarily through undertaking certain transactions denominated in foreign currency and through the operation of a foreign currency bank account held in Italy for the Commission's European Training Centre.

The Commission is exposed to foreign currency denominated in Euros.

Note 16G: Assets pledged as collateral

| | 2014 \$'000 | 2013 \$'000 |
|---|----------------|----------------|
| Investments held-to-maturity: | | |
| Investments ¹ | 77 | 77 |
| <i>Total assets pledged as collateral</i> | 77 | 77 |

1. A term deposit is held as collateral on a bank guarantee. The guarantee is provided for all obligations of the Commission for a leased premises. The lease was renegotiated with an effective from 1 April 2012 and expiring on 31 December 2015. In accordance with the agreement, the bank guarantee is to continue until the expiration of the lease.

AUSTRALIAN SPORTS COMMISSION
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For the year ended 30 June 2014

| | 2014 \$'000 | 2013 \$'000 |
|---|----------------|----------------|
| Note 17: Financial assets reconciliation | | |
| Total financial assets as per Statement of Financial Position | 79,805 | 86,188 |
| <u>Less</u> : Non-financial instrument components: | | |
| GST receivable from the Australian Taxation Office | 2,484 | 2,375 |
| Other tax receivable | - | 330 |
| <i>Total non-financial instrument components</i> | <u>2,484</u> | <u>2,705</u> |
| Total financial assets as per financial instruments note | 77,321 | 83,483 |

Note 18: Compensation and debt relief

| | | |
|---|---|---|
| One waiver of amounts owing to the Australian Government was made pursuant to Section 8.1(n) of the <i>Australian Sports Commission Act 1989</i> (2012-13: 1 waiver). | 5 | 2 |
| Nil 'Act of Grace payments' were expensed during the reporting period (2012-13: Nil expenses) | - | - |
| Nil ex-gratia payments were provided for during the reporting period (2012-13: Nil payments) | - | - |

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Note 19: Assets held in trust

Gary Knoke Memorial Scholarship Trust Account

Purpose – The Gary Knoke Memorial Scholarship Trust Account is to be used for the provision of scholarships to eligible persons. These monies are not available for other purposes of the Commission and are not recognised in the financial statements.

| | 2014 \$'000 | 2013 \$'000 |
|---|----------------|----------------|
| Total amounts held at the beginning of the reporting period | 49 | 50 |
| Receipts | 1 | 1 |
| Payments | (2) | (2) |
| Total amounts held at the end of the reporting period | 48 | 49 |

Promoters Trust Account

Purpose – The Commission operates a Promoters Trust Account into which it deposits monies received in the course of conducting events at the Commission. These monies are held until such time as the events are completed and all costs associated with the events have been finalised. The remaining funds are then apportioned between the promoter and the Commission in accordance with the terms of each agreement. These monies are not available for other purposes of the Commission and are not recognised in the financial statements.

| | 2014 \$'000 | 2013 \$'000 |
|---|----------------|----------------|
| Total amounts held at the beginning of the reporting period | 593 | 44 |
| Receipts | 1,076 | 2,022 |
| Payments | (1,604) | (1,473) |
| Total amounts held at the end of the reporting period | 65 | 593 |

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Note 20: Reporting of outcomes

A review was conducted of all cost centres used by the Commission. Where a cost centre could be directly attributed to a particular outcome all costs associated with that cost centre were attributed to that outcome. Where a cost centre was an overhead cost centre, the attribution was based on the direct attribution percentage. The basis of attribution in the table below is consistent with the basis used for the Budget.

Note 20A: Net cost of outcome delivery

| | Outcome 1 | | Outcome 2 | | Total | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 |
| Expenses | 107,562 | 108,948 | 199,538 | 201,810 | 307,100 | 310,758 |
| Own-source income | 12,533 | 14,814 | 19,380 | 23,068 | 31,913 | 37,900 |
| Net cost/(contribution) of outcome delivery | 95,029 | 94,134 | 180,158 | 178,742 | 275,187 | 272,858 |

Outcomes 1 and 2 are described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget outcome.

Note 20B: Major classes of expenses, income, assets and liabilities by outcomes

| | Outcome 1 | | Outcome 2 | | Net attributed* | | Total | |
|--|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|
| | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 |
| Expenses: | | | | | | | | |
| Employee benefits | 31,727 | 31,826 | 43,415 | 45,013 | | | 75,142 | 76,839 |
| Suppliers | 17,688 | 19,213 | 26,763 | 31,232 | | | 44,621 | 50,445 |
| Grants | 50,771 | 50,873 | 113,265 | 110,605 | | | 164,036 | 161,678 |
| Depreciation and amortisation | 6,645 | 6,355 | 14,780 | 14,308 | | | 21,625 | 20,663 |
| Write-down and impairment | 197 | 384 | 891 | 213 | | | 1,188 | 607 |
| Foreign exchange losses | - | - | 23 | 12 | | | 23 | 12 |
| Losses from sale of assets | 20 | 21 | 44 | - | | | 64 | 21 |
| Other | 164 | 266 | 237 | 227 | | | 401 | 493 |
| Total expenses | 107,562 | 108,948 | 199,538 | 201,810 | | | 307,100 | 310,758 |
| Income: | | | | | | | | |
| Income from government | 69,366 | 90,529 | 176,546 | 177,169 | | | 265,914 | 267,688 |
| Sale of goods and services | 11,019 | 12,843 | 16,610 | 17,635 | | | 27,629 | 30,478 |
| Interest | 1,321 | 1,645 | 2,432 | 2,816 | | | 3,753 | 4,461 |
| Rental income | 25 | 25 | 46 | 60 | | | 71 | 85 |
| Royalties | 17 | 110 | 6 | 187 | | | 23 | 297 |
| Other | 96 | 132 | 180 | 2,256 | | | 276 | 2,388 |
| Reversal of previous asset write-downs and impairments | 55 | 59 | 106 | 58 | | | 161 | 117 |
| Gains from sale of assets | - | - | - | 74 | | | - | 74 |
| Total income | 101,899 | 105,343 | 195,928 | 200,255 | | | 297,827 | 305,598 |

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Note 20: Reporting of outcomes

Note 20B: Major classes of expenses, income, assets and liabilities by outcomes (continued)

| | Outcome 1 | | Outcome 2 | | Not attributed* | | Total | |
|-------------------------------|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|
| | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 | 2014 \$'000 | 2013 \$'000 |
| Assets | | | | | | | | |
| Cash and cash equivalents | - | - | 161 | 95 | 12,753 | 14,946 | 12,914 | 15,041 |
| Trade and other receivables | 247 | 53 | - | - | 6,567 | 6,017 | 6,814 | 6,070 |
| Investments | 77 | 77 | - | - | 60,000 | 65,000 | 60,077 | 65,077 |
| Land and buildings | - | 34 | 86,754 | 89,451 | 146,632 | 148,538 | 233,386 | 238,023 |
| Property, plant and equipment | 443 | 870 | 5,804 | 6,722 | 6,340 | 6,443 | 12,587 | 14,035 |
| Intangibles | 202 | 90 | 927 | 1,458 | 1,397 | 1,396 | 2,528 | 2,944 |
| Inventories | - | 78 | - | - | 486 | 1,147 | 486 | 1,225 |
| Other non-financial assets | 121 | 168 | 907 | 304 | 1,562 | 874 | 2,610 | 1,346 |
| Total assets | 1,090 | 1,370 | 94,553 | 98,030 | 235,757 | 244,361 | 331,400 | 343,761 |
| Liabilities | | | | | | | | |
| Suppliers | - | - | - | - | 2,113 | 3,310 | 2,113 | 3,310 |
| Grants | 1,500 | 3,694 | 108 | 3,398 | - | - | 1,608 | 7,092 |
| Other payables | 922 | 761 | 618 | 1,173 | 1,625 | 1,051 | 3,165 | 2,985 |
| Employee provisions | 3,520 | 4,455 | 4,690 | 7,274 | 5,828 | 4,417 | 14,038 | 16,146 |
| Other provisions | 145 | 145 | - | - | - | - | 145 | 145 |
| Total liabilities | 6,087 | 9,055 | 5,416 | 11,845 | 9,566 | 8,778 | 21,069 | 29,678 |

* Assets and liabilities that can not be reliably attributed to outcomes.





Chapter 5 Australian Sports Foundation

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Australian Sports Foundation

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Australian Sports Foundation

The Australian Sports Foundation Ltd (ASF) was established in 1986 to raise funds from philanthropic and corporate sources, and the community at large, for the development of sport in Australia.

As the ASF is a deductible gift recipient, donations of \$2 or more are tax deductible and the ASF works with grassroots and community sporting organisations right through to elite and national levels to help raise funds for vital sporting projects. These projects fund the improvement of facilities and purchase of equipment, as well as team travel, training and other initiatives designed to increase sporting participation and performance. Through these initiatives, the ASF helps improve the health of our nation, build our communities and strengthen our national sporting identity.

During the course of the year, the number of registered fundraising projects increased by 4.5% to 639. Grants issued to sports clubs and organisations also increased by 4% to just over \$19.8m, taking the total value of grants issued since the ASF's inception to over \$230m. The overall level of donations received during the year fell due to the cyclical nature of sports fundraising, which is generally lower in the period following an Olympic year, and as a result of a change in the mix of projects away from higher-value facility development to lower-value equipment and other projects.

The ASF also launched a new small grants program in 2014, Giving4Grassroots™, which allocated grants of up to \$10,000 to selected projects that adopted innovative approaches to increasing participation in grassroots and community sport.

In 2014, the ASF invested in a number of initiatives as part of a strategy designed to increase the level of donations to sport in future years. These initiatives included the development of a new digital platform, incorporating a website with online donation capabilities and the launch of a social media presence. The ASF also invested in enhanced fundraising skills to bolster its capability to provide fundraising advice and support to the sporting community.

Financial statements

As required by legislation, the annual financial statements and related audit opinion of the Australian Sports Foundation for 2013-14 are outlined below, along with the Directors report.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2014

The Directors present their report together with the financial report of the Australian Sports Foundation Limited (the Foundation) for the year ended 30 June 2014 and the Auditor's report thereon.

Directors

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

Name and qualifications

Experience and special responsibilities

Ms Alisa Camplin-Warner OAM, BIT

Alisa Camplin-Warner worked globally with the IBM Corporation for 16 years, most recently holding the position of Strategy and Transformation Executive, Global Technology Services, UK & Ireland. She is currently a Director of the Collingwood Football Club, Royal Children's Hospital Foundation, Olympic Winter Institute of Australia, Board Member of the Australian Sports Commission and a Fellow of the Australian Institute of Company Directors. Ms Camplin-Warner holds a Bachelor of Information Technology and is a high performance consultant, regular keynote speaker, sports commentator and co-founder of the charity Finnan's Gift.

Ms Camplin-Warner represented Australia in freestyle aerial skiing at two consecutive Winter Olympic Games. She won gold in Salt Lake City in 2002 and bronze in Turin in 2006, and was Australia's flag bearer at the Opening Ceremony in 2006. Ms Camplin-Warner was also the Australian Olympic Committee Chef de Mission for the 2012 Winter Youth Olympic Games.

Ms Camplin-Warner was appointed as a Director of the Australian Sports Foundation on 6 July 2007, held the role of Chair from 5 April 2010 to 31 March 2014 and was a member of the Audit Committee.

Ms Camplin-Warner attended one Board meeting before commencing a period of maternity leave.

Resigned on 31 March 2014.

AUSTRALIAN SPORTS FOUNDATION LIMITED
DIRECTORS' REPORT

For the year ended 30 June 2014

Ms Sally Carbon
OAM, BA, BED,
GAICD

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

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

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

Ms Carbon was appointed as a Director of the Australian Sports Foundation on 7 May 2008 and is Chair of the Audit Committee. Ms Carbon attended all four Board meetings she was eligible to attend.

Appointed to 25 June 2015.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2014

Ms Margy Osmond

Margy Osmond is the Chief Executive Officer of the Australian National Retailer's Association, representing Australia's largest national retailers and is a well-known advocate in media and political circles for the sector. As a leading figure in the sector, she also sits on the Australian Government's advisory body, the Australian Retail Council.

Ms Osmond is a Board Member of the Australian Sports Commission and Chair of the NSW TAFE Commission Board. Ms Osmond also chairs the Retail Advisory Panel established by the City of Sydney.

Ms Osmond's previous Board appointments include the Retail Employees Superannuation Trust, Tourism NSW, the NSW Major Events Board, the NSW Police Minister's Advisory Board, NSW State Transit Authority and Bell Shakespeare. Ms Osmond chaired the bid and official Organising Committee for the largest non-elite sporting event in the world, the International World Masters Games, held in Sydney in 2009.

Ms Osmond was appointed a Director of the Australian Sports Foundation on 5 April 2010 and as acting Chair from 27 September 2013 until her term ended on 30 June 2014.

Ms Osmond attended all four Board meetings she was eligible to attend.

Appointment ended 30 June 2014.

AUSTRALIAN SPORTS FOUNDATION LIMITED
DIRECTORS' REPORT

For the year ended 30 June 2014

Mr Ken Ryan AM

Ken Ryan worked for Qantas for 18 years in a variety of senior management positions, including Regional General Manager, Victoria and Southern Australia, Group General Manager, Marketing, Head of Corporate Development; Regional General Manager South East Asia, Qantas and British Airways; and Chief Executive, Jetstar Asia.

Mr Ryan holds a Bachelor of Commerce from Melbourne University and is a Board member of the Australian Sports Commission, Victorian Major Events Corporation, Toll Holdings Limited and the Australian Grand Prix Corporation. He is also a former Board member of Skiing Australia.

Mr Ryan was made a Member of the Order of Australia in 2012 for services to children's and youth charitable organisations, tourism and sport. Mr Ryan was appointed as a Director of the Australian Sports Foundation on 6 March 2014 and is a member of the Audit Committee.

Mr Ryan attended the two Board meetings he was eligible to attend.

Appointed to 30 September 2014.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2014

Mr Mark Stockwell

Mark Stockwell was an Olympic and Commonwealth Games medallist, representing Australia in swimming. He was also on scholarship at the AIS from 1982-1984 and again in 1987.

Mr Stockwell studied Engineering and Commerce at the University of Queensland, and Economics at the Australian National University. After his retirement from swimming in 1992, Mr Stockwell joined the family business established by his parents Bill and Necia Stockwell. Since that time he has been the driving force behind the steady growth and commercial focus of Stockwell. As Managing Director, Mr Stockwell has seen the company diversify as an investor, developer, builder, project manager and property manager of industrial, retail, commercial, residential and leisure developments.

Mr Stockwell is a past President of the Property Council of Australia, Queensland Division and served on the National Board for two years. His leadership of and input to the Property Council led to the review of a raft of planning legislation and Government policies relating to the property industry, has enhanced the profile of the Property Council with Government. Mr Stockwell was previously the Chairman of the Gold Coast 2018 Commonwealth Games Organising Committee, having led the Bid through 2010-2011 to win the right to host the Games.

Mr Stockwell is currently Chairman of Trade and Investment Queensland, the Queensland Government's export and foreign investment agency which assists international companies to invest in Queensland and local businesses to expand into new markets. He was appointed as a Board member of the Australian Sports Commission in June 2014.

Mr Stockwell is also a Trustee of the Stockwell Foundation, founded by Mark and his wife Tracy to benefit children in need.

Mark was appointed as a Director and Chair of the Australian Sports Foundation on 1 July 2014.

Appointed to 30 June 2017.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2014

Directors' meetings

Four Directors' meetings and two Audit Committee meetings were held during the financial year. The number of meetings attended by each Director of the Foundation during the financial year is:

| Director | Board Meetings | | Audit Committee Meetings | |
|------------------|--------------------------|---|--------------------------|---|
| | A | B | A | B |
| | Alisa Camplin-Warner OAM | 1 | 2 | 1 |
| Sally Carbon OAM | 4 | 4 | 2 | 2 |
| Margy Osmond | 4 | 4 | 2 | 2 |
| Ken Ryan AM | 2 | 2 | 1 | 1 |

A - Number of meetings attended

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

Principal activities

The principal activity of the Foundation during the course of the financial year was to support the development of sport in Australia. Specifically the Foundation's objective is to increase opportunities for Australians to participate in sport activities and excel in sports performance. To achieve this, the Foundation receives donations from individual and corporate philanthropists and distributions from ancillary funds and makes discretionary grants to eligible organisations in respect of sporting projects. The administration of the Foundation is supported by the Australian Sports Commission (the Commission).

No significant change in the nature of these activities occurred during the year.

Performance Measures

The Foundation seeks to raise awareness of its services and capabilities within the sport and community sector. Key performance indicators include the number of organisations applying to register new projects with the Foundation and the amount of donations received in support of projects registered with the Foundation. The Foundation also monitors and reports on the number and category of projects registered with it and the type of registering organisations.

AUSTRALIAN SPORTS FOUNDATION LIMITED
DIRECTORS' REPORT

For the year ended 30 June 2014

Enabling legislation, objectives and functions inherent in that legislation

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

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

Organisational structure

The Foundation is a public company limited by guarantee in accordance with the *Corporations Act 2001*. As a result of amendments to the *Commonwealth Authorities and Companies Act 1997* on 1 July 2008, the Foundation is also regarded as a wholly owned Commonwealth company.

As at 30th June 2014 the Foundation has seven staff (6.7 full time equivalents), those being the General Manager and Company Secretary, Manager Business Operations, Finance Officer and three Project Officers. Casual staff are sourced as required. These staff were employed by the Commission during the period. During June 2014 an additional appointment was made and funded by the Foundation for the position of Chief Executive Officer.

Location of major activities and facilities

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

Factors, events or trends influencing performance

The Foundation receives administrative and operational support from the Commission in order to maximise its capacity to support the development of sport in Australia. A focus on involving relevant national sporting stakeholders in promoting the services offered by the Foundation has significantly increased the number of registered projects, although a reduction in the number of high value projects affected the level of donations received during the year. In June 2014 the Commission approved a grant of \$1,500,000 to be paid to the Foundation to assist with a Revitalisation Strategy for the Foundation with the aim of increasing the level of donations in future years.

Risks and opportunities in future years

Business activity is expected to trend upwards as a result of the Revitalisation Strategy. With the support of the Commission, the Foundation is implementing a new constituent relationship management system and a new digital strategy, including social media and a new website with online donation capability to facilitate donations and streamline reporting processes. The Foundation's fundraising capabilities are being strengthened, and branding and collateral are being enhanced.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2014

Risks and opportunities in future years (continued)

The Foundation is also implementing targeted business development initiatives, including working closer with national and state sporting organisations and recreation departments and agencies. Rural and regional Australia encompassing club based sport remains a development target. There has been a continued growth in distributions from ancillary funds as a source of income for the Foundation. In addition, the Australia's Winning Edge strategy implemented by the Commission will continue to encourage National Sporting Organisations to work with the Foundation.

State of affairs

There were no significant changes in the state of affairs of the Foundation during the financial year. The Foundation continued implementation of a range of business development activities to sustain and increase its client base. This included the launch of a new small grant program for community sport titled Giving4Grassroots™.

Review and results of operations

The operating loss for the year ended 30 June 2014 was (\$1,320,832) (2013: surplus of \$2,951,184). The variation in the operating results is due to the timing of donations received and discretionary grants made by the Foundation and the grants received from the Commission.

Dividends

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

Members' funds

In the event of winding up every member of the Foundation undertakes to contribute to the property of the Foundation up to an amount not exceeding \$100. At 30 June 2014, the total amount that members are liable to contribute if the Foundation is wound up is \$300 (2013: \$300).

Significant developments since the end of the financial year

In line with the next phase of the Revitalisation Strategy, the Foundation recruited two new members of staff in July 2014 to enhance its marketing and fundraising capabilities. Apart from this, there have been no significant developments since the end of the financial year. No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Foundation, the results of operations or the state of affairs of the Foundation in future years.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2014

Future likely developments

The report of the independent sport panel commissioned by the Australian Government to review sport in Australia was released in late 2009. The government responded by releasing its sports policy *Australian Sport – the pathway to success* in May 2010. The response included a reference to reviewing the governance, structural and operational arrangements of the Foundation. The Board initiated a Revitalisation Strategy and has commenced upgrading IT systems, website and collateral as well as sourcing marketing and fundraising capabilities. The Foundation will operate more independently from the Commission from 2014-15 and will transition to employ all its own staff rather than operating with seconded Commission resources.

Environmental regulations

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

Directors, the Audit and Remuneration Committees

The Federal Minister for Sport is responsible for appointing the Board of Directors. Allowing for a period of maternity leave from 27 September 2013, Ms Camplin-Warner's appointment as Chair continued in 2013-14 until her resignation on 31 March 2014. Ms Carbon and Ms Osmond continued their appointments during 2013-14 with Ms Osmond being appointed acting Chair on 27 September 2013 until the end of her term on 30 June 2014. Mr Ryan was appointed as a Director on 6 March 2014. Mr Mark Stockwell was appointed Chair on 1 July 2014. All current Directors are members of the Audit Committee. Ms Carbon was appointed Chair of that committee on 5 February 2009. The Foundation does not have a Remuneration Committee.

Indemnities and insurance premiums for officers

The Foundation maintains Directors' and Officers' Liability insurance and General Liability insurance policies.

The Foundation indemnifies the retiring Directors to the maximum extent permitted by law, against legal costs reasonably incurred in defending an action for a liability incurred as a Director of the Foundation, unless the costs are incurred by the Director in defending or resisting proceedings brought against the Director by the Foundation. Each indemnity is a continuing obligation, separate and independent from the other obligations of the parties.

If the retiring Director becomes liable to pay any amount for which the Director is entitled to be indemnified, the Foundation must pay that amount at the direction of the Director within 30 days of the date on which the Director provides evidence satisfactory to the Foundation that the Director is liable to pay that amount and is entitled to be indemnified.

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2014

Indemnities and insurance premiums for officers (continued)

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

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

Auditor's independence declaration

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

Directors' benefits

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors) by reason of the contract made by the Foundation or a related corporation with the Director or with a firm of which he or she is a member, or with a company in which he or she has a substantial financial interest. Directors fees ceased to be payable from 1 August 2001.

Dated at Canberra (city) this 13th day of August 2014



Mark Stockwell
Director



Sally Carbon OAM
Director

Signed in accordance with the resolution of the Directors.



INDEPENDENT AUDITOR'S REPORT

To the members of the Australian Sports Foundation Limited

I have audited the accompanying financial report of the Australian Sports Foundation Limited, which comprises the Statement of Financial Position as at 30 June 2014, the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year then ended, Notes to and forming part of the Financial Report comprising a Summary of Significant Accounting Policies, and the Directors' Declaration.

Directors' Responsibility for the Financial Report

The directors of the Australian Sports Foundation Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as 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.

Auditor's Responsibility

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

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

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

Independence

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

Opinion

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

- (i) giving a true and fair view of the Australian Sports Foundation Limited's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Australian National Audit Office



Puspa Dash
Executive Director

Delegate of the Auditor-General

Canberra
13 August 2014



Mr Mark Stockwell
Director and Chair
Australian Sports Foundation Limited
PO Box 176
BELCONNEN ACT 2616

**AUSTRALIAN SPORTS FOUNDATION LIMITED FINANCIAL
REPORT 2013–14
AUDITOR'S INDEPENDENCE DECLARATION**

In relation to my audit of the financial report of the Australian Sports Foundation Limited for the year ended 30 June 2014, 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

Puspa Dash
Executive Director

Delegate of the Auditor-General

Canberra
13 August 2014

AUSTRALIAN SPORTS FOUNDATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2014

| | Notes | 2014 \$ | 2013 \$ |
|--|-------|--------------------|-------------|
| NET COST OF SERVICES EXPENSES | | | |
| Employee benefits | 3A | 616,185 | 599,954 |
| Suppliers | 3B | 649,647 | 243,909 |
| Grants | 3C | 19,818,128 | 19,085,457 |
| Total expenses | | 21,083,960 | 19,929,320 |
| LESS: | | | |
| OWN-SOURCE INCOME | | | |
| Own-source revenue | | | |
| Donations | 4A | 17,443,147 | 21,143,340 |
| Grants | 4A | 1,500,000 | 1,000,000 |
| Interest | 4B | 187,280 | 113,979 |
| Other revenue | 4A | 8,000 | 7,250 |
| Total own-source revenue | | 19,138,427 | 22,264,569 |
| Gains | | | |
| Resources received free of charge | 4C | 624,701 | 615,935 |
| Total gains | | 624,701 | 615,935 |
| Total own-source income | | 19,763,128 | 22,880,504 |
| Net cost of (contribution by) services | | 1,320,832 | (2,951,184) |
| Surplus (Deficit) on continuing operations | | (1,320,832) | 2,951,184 |
| OTHER COMPREHENSIVE INCOME | | | |
| Other comprehensive income | | - | - |
| Total other comprehensive income | | - | - |
| Total comprehensive income (loss) | | (1,320,832) | 2,951,184 |

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

AUSTRALIAN SPORTS FOUNDATION LIMITED
**STATEMENT OF FINANCIAL
 POSITION**

As at 30 June 2014

| | Notes | 2014 \$ | 2013 \$ |
|--|-------|-------------------|------------|
| ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 5A | 10,515,419 | 12,012,707 |
| Trade and other receivables | 5B | 1,869,773 | 1,242,387 |
| Total financial assets | | 12,385,192 | 13,255,094 |
| Total assets | | 12,385,192 | 13,255,094 |
| LIABILITIES | | | |
| Payables | | | |
| Suppliers | 6A | 460,301 | 9,121 |
| Other payables | 6B | 15,000 | 15,250 |
| Total payables | | 475,301 | 24,371 |
| Total liabilities | | 475,301 | 24,371 |
| Net assets | | 11,909,891 | 13,230,723 |
| EQUITY | | | |
| Reserves | 7 | 11,909,891 | 13,230,723 |
| Retained surplus (accumulated deficit) | | - | - |
| Total equity | | 11,909,891 | 13,230,723 |

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

AUSTRALIAN SPORTS FOUNDATION LIMITED
STATEMENT OF CHANGES IN
EQUITY

For the year ended 30 June 2014

| | Retained earnings | | Reserves | | Total equity | |
|--|-------------------|-------------|-------------|------------|--------------|------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Opening balance | | | | | | |
| Balance carried forward from previous period | - | - | 13,230,723 | 10,279,539 | 13,230,723 | 10,279,539 |
| Adjusted opening balance | - | - | 13,230,723 | 10,279,539 | 13,230,723 | 10,279,539 |
| Comprehensive income | | | | | | |
| Other comprehensive income | - | - | - | - | - | - |
| Surplus (Deficit) for the period | (1,320,832) | 2,951,184 | - | - | (1,320,832) | 2,951,184 |
| Total comprehensive income | (1,320,832) | 2,951,184 | - | - | (1,320,832) | 2,951,184 |
| Transactions with owners | | | | | | |
| Distributions to owners | - | - | - | - | - | - |
| Contributions by owners | - | - | - | - | - | - |
| Sub-total transactions with owners | - | - | - | - | - | - |
| Transfers between equity components | 1,320,832 | (2,951,184) | (1,320,832) | 2,951,184 | - | - |
| Closing balance as at 30 June | - | - | 11,909,891 | 13,230,723 | 11,909,891 | 13,230,723 |

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

AN SPORTS FOUNDATION LIMITED
CASH FLOW STATEMENT
 For the year ended 30 June 2014

| | Notes | 2014 \$ | 2013 \$ |
|---|-------|---------------------|--------------|
| OPERATING ACTIVITIES | | | |
| Cash received | | | |
| Donations | | 17,287,702 | 21,147,715 |
| Grants | | 1,000,000 | - |
| Interest | | 196,610 | 116,222 |
| Net GST received | | 1,938,602 | 1,808,463 |
| Other | | 6,945 | 7,975 |
| Total cash received | | 20,429,859 | 23,080,375 |
| Cash used | | | |
| Grants | | (21,503,598) | (20,924,843) |
| Suppliers | | (423,549) | (251,710) |
| Total cash used | | (21,927,147) | (21,176,553) |
| Net cash from (used by) operating activities | 8 | (1,497,288) | 1,903,822 |
| Net Increase (decrease) in cash held | | (1,497,288) | 1,903,822 |
| Cash and cash equivalents at the beginning of the reporting period | | 12,012,707 | 10,108,885 |
| Cash and cash equivalents at the end of the reporting period | 5A | 10,515,419 | 12,012,707 |

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

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

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

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies

1.1 Objective of the Australian Sports Foundation Limited

The Australian Sports Foundation Limited (the Foundation) is a public company limited by guarantee. The objective of the Foundation is to assist eligible sporting, community, educational and other government organisations to raise funds for the development of sport in Australia.

The Foundation was established by Section 10 of the *Australian Sports Commission Act 1989*. The Foundation is dependent on the Australian Sports Commission (the Commission) to provide staff and other overheads to support its operational expenditure.

1.2 Basis of Preparation of the Financial Report

The Foundation is a Commonwealth company as defined in the *Commonwealth Authorities and Companies Act 1997* and is subject to the *Corporations Act 2001*.

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

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

Unless an alternative treatment is specifically required by an accounting standard, assets and liabilities are recognised in the Statement of Financial Position when, and only when, it is probable that future economic benefits will flow to the Foundation or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard. Assets and liabilities that are unrecognised are reported in the Schedule of Commitments or the Schedule of Contingencies.

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

The Financial Report was authorised for issue by the Directors of the Foundation on 13 August 2014.

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

1.3 Significant Accounting Judgements and Estimates

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

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

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard. There were a number of new accounting standards, amendments to standards and interpretations that were issued by the Australian Accounting Standards Board and are applicable to the current reporting period which did not have a financial impact, and are not expected to have a future financial impact on the Foundation.

Future Australian Accounting Standard Requirements

There are no new accounting standards, amendments to standards or interpretations that have been issued by the Australian Accounting Standards Board and are applicable to the future reporting period that are expected to have a future financial impact on the Foundation.

1.5 Revenue

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

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

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

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

AUSTRALIAN SPORTS FOUNDATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2014

1.6 Gains

Resources received free of charge

At the direction of the Australian Government, the Commission provides support for the administration of the Foundation by way of staff, administration expenses and accommodation. These services are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been provided. Use of those resources is recognised as an expense.

1.7 Employee Benefits

The Commission provides employees to assist in the administration of the Foundation. During the financial year 6 employees (5.7 full time equivalents) were provided (2012-13: 6 employees (5.7 full time equivalents)). Casual staff were provided as required. During June 2014 the Foundation created and funded an additional position of Chief Executive Officer.

1.8 Grants

The Foundation makes grant payments to eligible sporting, community, educational and other Government organisations to facilitate the development of sport in Australia. Grants are made at the discretion of the Board of Directors and only after criteria set out in the Foundation guidelines have been met. Grants are recognised as a liability upon approval for payment by the Board of Directors.

1.9 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.

1.10 Financial Assets

The Foundation classifies its financial assets as loans and receivables.

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

Effective interest method

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

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

1.10 Financial Assets (continued)

Loans and receivables

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

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period. If there is objective evidence that an impairment loss has been incurred for loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

1.11 Financial Liabilities

The Foundation classifies its financial liabilities as other financial liabilities and does not recognise any financial liabilities at fair value through profit or loss. Financial liabilities are recognised and derecognised upon trade date.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

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

1.12 Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation in the Financial Report where required.

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

1.13 Contingent Liabilities and Contingent Assets

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

1.14 Taxation

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

Revenues, expenses, liabilities and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

Note 2: Events After the Reporting Period

There was no subsequent event that had the potential to significantly affect the ongoing structure and financial activities of the Foundation.

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

| | 2014 \$ | 2013 \$ |
|--|-------------------|------------|
| Note 3: Expenses | | |
| Note 3A: Employee Benefits | | |
| Salaries and related expenses paid by the Commission | 616,185 | 599,954 |
| Total employee benefits | 616,185 | 599,954 |
| Note 3B: Suppliers | | |
| Goods and services | | |
| Provision of goods and services by the Commission | 8,516 | 15,981 |
| Administration reimbursement to the Commission | 579,557 | 155,983 |
| Sundry expense | 445 | - |
| Bank charges | 61,129 | 71,945 |
| Total goods and services | 649,647 | 243,909 |
| Goods and services are made up of: | | |
| Rendering of services – related entities | 588,073 | 171,964 |
| Rendering of services – external parties | 61,574 | 71,945 |
| Total goods and services | 649,647 | 243,909 |
| Total supplier expenses | 649,647 | 243,909 |
| Note 3C: Grants | | |
| Public sector: | | |
| Local Governments | 48,067 | 121,494 |
| Private sector: | | |
| Not for profit organisations | 19,770,061 | 18,963,963 |
| Total grants | 19,818,128 | 19,085,457 |

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 For the year ended 30 June 2014

| | 2014 \$ | 2013 \$ |
|---|-------------------|-------------------|
| Note 4: Income | | |
| Own-Source Revenue | | |
| Note 4A: Sale of Goods and Rendering of Services | | |
| Donations | 17,443,147 | 21,143,340 |
| Grants | 1,500,000 | 1,000,000 |
| Administration revenue | 8,000 | 7,250 |
| Total sale of goods and rendering of services | 18,951,147 | 22,150,590 |
| Sale of goods and rendering of services are made up of: | | |
| Rendering of services – related entities | 1,561,033 | 1,044,425 |
| Rendering of services – external parties | 17,390,114 | 21,106,165 |
| Total sale of goods and rendering of services | 18,951,147 | 22,150,590 |
| Note 4B: Interest | | |
| Deposits | 187,280 | 113,979 |
| Total Interest | 187,280 | 113,979 |
| Gains | | |
| Note 4C: Gains | | |
| Resources provided to the Foundation by the Commission | 624,701 | 615,935 |
| Total gains | 624,701 | 615,935 |

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

| | 2014 \$ | 2013 \$ |
|--|-------------------|-------------------|
| Note 5: Financial Assets | | |
| Note 5A: Cash and Cash Equivalents | | |
| Cash on hand or on deposit | 10,515,419 | 12,012,707 |
| Total cash and cash equivalents | 10,515,419 | 12,012,707 |
| Note 5B: Trade and Other Receivables | | |
| Goods and services in connection with | | |
| Related parties | 1,500,000 | 1,000,000 |
| External parties | 329,829 | 174,384 |
| Total receivables for goods and services | 1,829,829 | 1,174,384 |
| Other receivables: | | |
| GST receivable from the Australian Taxation Office | 39,275 | 58,004 |
| Interest | 669 | 9,999 |
| Total other receivables | 39,944 | 68,003 |
| Total trade and other receivables (gross) | 1,869,773 | 1,242,387 |
| Less impairment allowance account: | | |
| Goods and services | - | - |
| Other | - | - |
| Total impairment allowance account | - | - |
| Total trade and other receivables (net) | 1,869,773 | 1,242,387 |
| Receivables are expected to be recovered in: | | |
| No more than 12 months | 1,869,773 | 1,242,387 |
| More than 12 months | - | - |
| Total trade and other receivables (net) | 1,869,773 | 1,242,387 |

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

| | 2014 | 2013 |
|--|------|------|
| | \$ | \$ |

Note 6: Payables

Note 6A: Suppliers

| | | |
|--------------------------------|----------------|--------------|
| Trade creditors and accruals | 460,301 | 9,121 |
| Total supplier payables | 460,301 | 9,121 |

Supplier payables expected to be settled within 12 months:

| | | |
|------------------|----------------|--------------|
| Related entities | 251,467 | - |
| External parties | 208,834 | 9,121 |
| Total | 460,301 | 9,121 |

Supplier payables expected to be settled in greater than 12 months:

| | | |
|--------------------------------|----------------|--------------|
| Related entities | - | - |
| External parties | - | - |
| Total | - | - |
| Total supplier payables | 460,301 | 9,121 |

Settlement is usually made within 30 days.

Note 6B: Other Payables

| | | |
|-----------------------------|---------------|---------------|
| Unearned application fees | 15,000 | 15,250 |
| Total other payables | 15,000 | 15,250 |

Total other payables are expected to be settled in:

| | | |
|-----------------------------|---------------|---------------|
| No more than 12 months | 15,000 | 15,250 |
| More than 12 months | - | - |
| Total other payables | 15,000 | 15,250 |

AUSTRALIAN SPORTS FOUNDATION LIMITED
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 For the year ended 30 June 2014

| | 2014 | 2013 |
|--|------|------|
| | \$ | \$ |

Note 7: Equity

Future grants:

| | | |
|---------------------------------------|--------------------|------------|
| As at start of reporting period | 13,230,723 | 10,279,539 |
| Transfers to (from) retained earnings | (1,320,832) | 2,951,184 |
| As at end of reporting period | 11,909,891 | 13,230,723 |

Nature and purpose of reserves

The future grants reserve includes donations received from which grants will be made in the following year. From the \$11,909,891 held as at 30 June 2014 the Board of Directors approved grants of \$7,411,283 (ex GST) for payment on 24 July 2014. At the corresponding time in 2013 the Board of Directors approved grants of \$9,607,882 (ex GST) for payment on 12 July 2013 from \$13,230,723 held as at 30 June 2013.

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 For the year ended 30 June 2014

| | 2014 | 2013 |
|--|------|------|
| | \$ | \$ |

Note 8: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per
 Statement of Financial Position to Cash Flow Statement

Cash and cash equivalents as per:

| | | |
|---------------------------------|-------------------|------------|
| Cash Flow Statement | 10,515,419 | 12,012,707 |
| Statement of Financial Position | 10,515,419 | 12,012,707 |
| Difference | - | - |

Reconciliation of net cost of services to net cash from
 operating activities:

| | | |
|---|--------------------|-------------|
| Net cost of (contribution by) services | 1,320,832 | (2,951,184) |
| | (1,320,832) | 2,951,184 |
| Movements in assets/liabilities | | |
| (Increase) decrease in net receivables | (627,386) | (1,046,297) |
| Increase (decrease) in supplier payables | 450,930 | (1,065) |
| Net cash from (used by) operating activities | (1,497,288) | 1,903,822 |

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 For the year ended 30 June 2014

| | 2014 | 2013 |
|--|------|------|
|--|------|------|

Note 9: Directors' Remuneration

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

| | | |
|-----------------|----------|----------|
| \$0 to \$29,999 | 4 | 3 |
| Total | 4 | 3 |

| 2014 | 2013 |
|------|------|
| \$ | \$ |

Total remuneration received or due and receivable by Directors of the Foundation

| | |
|---|---|
| - | - |
|---|---|

There are no executive Directors of the Foundation.

The Directors of the Foundation during the financial year are:

- Ms Alisa Camplin-Warner OAM (Chair)
- Ms Sally Carbon OAM
- Ms Margy Osmond
- Mr Ken Ryan AM

Ms Camplin-Warner continued as Chair until her resignation on 31 March 2014 including a period of leave commencing 27 September 2013. Ms Carbon has held her position during and since year end. Ms Osmond was appointed acting Chair on 27 September 2013 until her appointment ended on 30 June 2014. Mr Ryan was appointed on 6 March 2014 and has held his position since year end.

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
[For the year ended 30 June 2014](#)

Note 10: Related Party Disclosures

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

The Commission has provided support and this has been recognised as resources provided free of charge in calculating the operating result. For the 2013-14 financial year, these services totalled \$624,701 (2012-13: \$615,935). The operating result of the Foundation for the 2013-14 financial year also takes into account a reimbursement to the Commission for administration totalling \$579,557 (2012-13: \$155,983).

As at 30 June 2014 the following Directors were also Board Members of the Commission:

Ms Sally Carbon OAM
Ms Margy Osmond
Mr Ken Ryan AM

In June 2014 a grant of \$1,500,000 was approved for payment to the Foundation by the Commission (2012-13: \$1,000,000).

Donations received from related parties during 2013-14 totalled \$61,033 from the Commission. In 2012-13 donations received from related parties totalled \$44,425 from the Commission.

Discretionary grants paid to related parties during 2013-14 totalled \$57,580 (ex GST) to the Commission in support of its AIS Gymnastics project (2012-13: \$Nil).

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

| | 2014 | 2013 |
|--|------|------|
| | \$ | \$ |

Note 11: Key Management Personnel

Key Management Personnel Remuneration Expense for the Reporting Period

Short-term employee benefits:

| | | |
|------------------------------------|----------------|---------|
| Salary | 160,908 | 152,979 |
| Annual leave accrued | 11,877 | 11,133 |
| Performance bonuses | - | - |
| Total short-term employee benefits | 172,785 | 164,112 |

Post-employment benefits:

| | | |
|--------------------------------|---------------|--------|
| Superannuation | 25,668 | 24,744 |
| Total post-employment benefits | 25,668 | 24,744 |

Other long-term employee benefits:

| | | |
|---|--------------|-------|
| Long-service leave | 1,651 | 3,618 |
| Total other long-term employee benefits | 1,651 | 3,618 |

Termination benefits

| | | |
|-------------------------------|---|---|
| Voluntary redundancy payments | - | - |
| Total termination benefits | - | - |

Total key management personnel remuneration expenses

| | |
|----------------|---------|
| 200,104 | 192,474 |
|----------------|---------|

The above amounts in total were paid/accrued by the Commission, as part of resources received free of charge.

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
[For the year ended 30 June 2014](#)

Note 12: Members' Funds

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

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

As at 30 June 2014 the Foundation has 3 members (30 June 2013: 3 members).

| | 2014 | 2013 |
|--|------|------|
| | \$ | \$ |

Note 13: Remuneration of Auditors

| | | |
|---|---------------|--------------|
| Financial statement audit services provided to the Foundation | <u>10,700</u> | <u>9,750</u> |
|---|---------------|--------------|

No other services were provided by the auditors of the Financial Report.

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

| | 2014 | 2013 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Note 14: Financial Instruments | | |
| Note 14A: Categories of Financial Instruments | | |
| Financial Assets | | |
| Loans and receivables | | |
| Cash and cash equivalents | 10,515,419 | 12,012,707 |
| Trade and other receivables | 1,830,498 | 1,184,383 |
| Total loans and receivables | 12,345,917 | 13,197,090 |
| Total financial assets | 12,345,917 | 13,197,090 |

| | | |
|---|----------------|---------------|
| Financial Liabilities | | |
| Financial liabilities measured at amortised cost | | |
| Trade creditors | 460,301 | 9,121 |
| Other payables | 15,000 | 15,250 |
| Total financial liabilities measured at amortised cost | 475,301 | 24,371 |
| Total financial liabilities | 475,301 | 24,371 |

Note 14B: Net Gains or Losses on Financial Assets

| | | |
|--|----------------|----------------|
| Loans and receivables | | |
| Interest revenue | 187,280 | 113,979 |
| Net gains (losses) on loans and receivables | 187,280 | 113,979 |
| Net gains (losses) on financial assets | 187,280 | 113,979 |

There was no interest income from financial assets not at fair value through profit or loss in the year ending 2014 (2013: \$Nil).

Note 14C: Net Gains or Losses on Financial Liabilities

| | | |
|---|----------|----------|
| Financial liabilities measured at amortised cost | | |
| Interest expense | - | - |
| Net gains (losses) on financial liabilities measured at amortised cost | - | - |
| Net gains (losses) on financial liabilities | - | - |

The total interest expense from financial liabilities not at fair value through profit or loss was \$Nil

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

Note 14D: Fair Value of Financial Instruments

| | Carrying amount 2014 \$ | Fair value 2014 \$ | Carrying amount 2013 \$ | Fair value 2013 \$ |
|------------------------------------|--|-----------------------------------|--|-----------------------------------|
| Financial Assets | | | | |
| Cash and cash equivalents | 10,515,419 | 10,515,419 | 12,012,707 | 12,012,707 |
| Trade and other receivables | 1,830,498 | 1,830,498 | 1,184,383 | 1,184,383 |
| Total financial assets | 12,345,917 | 12,345,917 | 13,197,090 | 13,197,090 |
| Financial Liabilities | | | | |
| Trade creditors | 460,301 | 460,301 | 9,121 | 9,121 |
| Other payables | 15,000 | 15,000 | 15,250 | 15,250 |
| Total financial liabilities | 475,301 | 475,301 | 24,371 | 24,371 |

The fair value of all financial assets and liabilities of the Foundation equals the carrying value due to the short term nature of the balance. Financial assets and liabilities are disclosed in the Statement of Financial Position and related notes.

Note 14E: Credit risk

The Foundation is exposed to minimal credit risk as the majority of receivables are cash, interest or amounts owed by the Australian Taxation Office in the form of a Goods and Services Tax refund. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2014: \$1,830,498 and 2013: \$1,184,383). The Foundation has assessed the risk of the default on payment and has allocated \$Nil in 2014 (2013: \$Nil) to an impairment allowance account.

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

The Foundation holds no collateral to mitigate against credit risk.

Credit quality of financial assets not past due or individually determined as impaired

| | Not past due nor impaired 2014 \$ | Not past due nor impaired 2013 \$ | Past due or impaired 2014 \$ | Past due or impaired 2013 \$ |
|-----------------------------|--|--|---|---|
| Cash and cash equivalents | 10,515,419 | 12,012,707 | - | - |
| Trade and other receivables | 1,830,498 | 1,184,383 | - | - |
| Total | 12,345,917 | 13,197,090 | - | - |

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2014

Note 14F: Liquidity risk

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

Maturities for non-derivative financial liabilities 2014

| | On demand \$ | Within 1 year \$ | 1 to 2 years \$ | Total \$ |
|-----------------|--------------------|------------------------|-----------------------|----------------|
| Trade creditors | - | 460,301 | - | 460,301 |
| Other payables | - | 15,000 | - | 15,000 |
| Total | - | 475,301 | - | 475,301 |

Maturities for non-derivative financial liabilities 2013

| | On demand \$ | Within 1 year \$ | 1 to 2 years \$ | Total \$ |
|-----------------|--------------------|------------------------|-----------------------|---------------|
| Trade creditors | - | 9,121 | - | 9,121 |
| Other payables | - | 15,250 | - | 15,250 |
| Total | - | 24,371 | - | 24,371 |

The Foundation has no derivative financial liabilities in 2014 (2013: None).

Note 14G: Market risk

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

Interest rate risk

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

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

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 For the year ended 30 June 2014

Note 14G: Market Risk (continued)

Sensitivity analysis

The table below details the interest rate sensitivity analysis of the Foundation at the reporting date, holding all other variables constant. A 60 basis point change is deemed to be reasonably possible and is used when reporting interest rate risk.

Sensitivity analysis of the risk that the Foundation is exposed to for 2014

| | Risk variable | Change in risk variable % | Effect on | |
|---------------------------|-----------------|---------------------------|------------------|-----------|
| | | | Profit & loss \$ | Equity \$ |
| Interest rate risk | Interest | 0.60 | 55,896 | - |
| Interest rate risk | Interest | (0.60) | (55,896) | - |

Sensitivity analysis of the risk that the Foundation is exposed to for 2013

| | Risk variable | Change in risk variable % | Effect on | |
|--------------------|---------------|---------------------------|------------------|-----------|
| | | | Profit & loss \$ | Equity \$ |
| Interest rate risk | Interest | 1.20 | 144,152 | - |
| Interest rate risk | Interest | (1.20) | (144,152) | - |

The method used to arrive at the possible risk of 60 basis points was based on both statistical and non-statistical analysis. The statistical analysis has been based on the cash rate for the last five years issued by the Reserve Bank of Australia as the underlying dataset. This information is then revised and adjusted for reasonableness under the current economic circumstances.

AUSTRALIAN SPORTS FOUNDATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
[For the year ended 30 June 2014](#)

Note 15: Contingent Liabilities and Contingent Assets

There are no quantifiable, unquantifiable or remote contingencies identifiable for the 2013-14 financial year (2012-13: \$Nil).

Note 16: Commitments

There are no capital, operating lease or other commitments identifiable for the 2013-14 financial year (2012-13: \$Nil).

Note 17: Additional Company Information

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

Registered name: Australian Sports Foundation Limited

ACN: 008 613 858

ABN: 27 008 613 858

Company Secretary: Rodney Philpot (appointed 11 November 2002)

Registered office:

C/- Australian Sports Commission
Leverrier Street
Bruce ACT 2617

Principal place of business:

Australian Sports Commission
Leverrier Street
Bruce ACT 2617

AUSTRALIAN SPORTS FOUNDATION LIMITED

DIRECTORS' DECLARATION

For the year ended 30 June 2014

The Directors of the Australian Sports Foundation Limited declare that:

- a) the financial report, as attached, is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Australian Sports Foundation Limited as at 30 June 2014 and its performance, as represented by the results of its operations and cash flows for the year ended on that date, and
 - (ii) complying with Australian Accounting Standards and *Corporations Regulations 2001*; and
- b) there are reasonable grounds to believe that the Australian Sports Foundation Limited will be able to pay its debts as and when they become due and payable.

Dated at Canberra (city) this 13th day of August 2014



Mark Stockwell
Director



Sally Carbon
Director

Signed in accordance with the resolution of the Directors.



Appendixes and references

174 Appendix 1 – Funding to sports

179 Appendix 2 – Contact officers

| | |
|----------------------------------|-----|
| > Chair/CEO | 179 |
| > Distribution officer | 179 |
| > Annual Report contact officer | 179 |
| > Freedom of Information officer | 180 |

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182 Summary of compliance

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Appendix 1 – Funding to sports

2013-14 funding for national sporting organisations (NSOs)/national sporting organisations for people with disability (NSODs)

| Sport | AIS allocations | High performance | Participation | Whole of sport | Sport grant | Other | Total |
|---------------------------------|-----------------|------------------|---------------|----------------|-------------|---------|------------------|
| Archery | - | 600,800 | 27,200 | - | - | 50,000 | 678,000 |
| Athletics | 651,481 | 7,548,689 | 296,400 | - | - | 75,150 | 8,571,720 |
| Australian football | - | 194,000 | 966,000 | - | - | 145,179 | 1,305,179 |
| Australian Paralympic Committee | - | 4,190,000 | - | - | - | 400,000 | 4,590,000 |
| Badminton | - | 540,000 | 177,000 | - | - | 146,850 | 863,850 |
| Baseball | - | - | 296,000 | 845,000 | - | 9,100 | 1,150,100 |
| Basketball | 723,699 | 5,131,301 | 716,400 | - | - | 295,005 | 6,866,405 |
| Bicycle motocross | - | 458,500 | 132,500 | - | - | - | 591,000 |
| Bocce | - | - | 25,000 | 26,000 | - | - | 51,000 |
| Bowls | - | 667,200 | 546,800 | - | - | 134,000 | 1,348,000 |
| Boxing | - | 850,000 | 54,000 | - | - | - | 904,000 |
| Canoeing | 408,216 | 3,393,215 | 108,000 | - | - | - | 3,909,431 |
| Cricket | 218,793 | 184,000 | 1,116,000 | - | - | 443,200 | 1,961,993 |

| Sport | AIS allocations | High performance | Participation | Whole of sport | Sport grant | Other | Total |
|-------------------|------------------------|-------------------------|----------------------|-----------------------|--------------------|--------------|------------------|
| Cycling | 849,470 | 7,292,449 | 460,000 | - | - | - | 8,601,919 |
| Diving | 301,838 | 1,813,162 | 27,200 | - | - | 75,000 | 2,217,200 |
| Equestrian | - | 2,640,000 | 337,000 | - | - | - | 2,977,000 |
| Fencing | - | - | 26,600 | 35,400 | - | - | 62,000 |
| Football | 687,320 | 1,787,680 | 916,000 | - | - | 620,000 | 4,011,000 |
| Golf | - | 1,010,000 | 501,600 | - | - | - | 1,511,600 |
| Gymnastics | 299,486 | 2,073,485 | 816,000 | - | - | 110,000 | 3,298,971 |
| Hockey | 654,302 | 5,246,727 | 661,800 | - | - | 10,000 | 6,572,829 |
| Ice racing | - | - | - | 83,000 | - | - | 83,000 |
| Judo | - | 667,800 | 16,200 | - | - | 100,000 | 784,000 |
| Karate | - | - | 86,000 | - | - | - | 86,000 |
| Lacrosse | - | - | 50,000 | - | - | - | 50,000 |
| Modern pentathlon | - | 50,000 | - | - | - | - | 50,000 |
| Motor sport | - | 275,000 | 64,800 | - | - | - | 339,800 |
| Motorcycling | - | 330,000 | 64,400 | - | - | - | 394,400 |
| Netball | 333,793 | 1,731,207 | 979,900 | - | - | 735,000 | 3,779,900 |

| Sport | AIS allocations | High performance | Participation | Whole of sport | Sport grant | Other | Total |
|-------------------|-----------------|------------------|---------------|----------------|-------------|-----------|------------|
| Orienteering | - | - | 100,000 | 86,000 | - | - | 186,000 |
| Polocrosse | - | - | 60,000 | 61,000 | - | - | 121,000 |
| Pony club | - | - | 25,000 | 30,000 | - | - | 55,000 |
| Rowing | 723,205 | 6,629,549 | 89,400 | - | - | - | 7,442,154 |
| Rugby league | 95,360 | 95,330 | 616,000 | - | - | 1,110,000 | 1,916,690 |
| Rugby union | 96,999 | 943,001 | 666,000 | - | - | 959,113 | 2,665,113 |
| Sailing | 345,940 | 5,768,641 | 546,400 | - | - | 9,800 | 6,670,781 |
| Shooting | - | 2,255,000 | 76,200 | - | - | - | 2,331,200 |
| Skate | - | - | 686,000 | - | - | - | 686,000 |
| Ski and snowboard | - | 767,600 | 16,400 | - | - | - | 784,000 |
| Softball | - | - | 411,800 | 1,215,000 | - | - | 1,626,800 |
| Squash | 220,192 | 703,052 | 118,400 | - | - | - | 1,041,644 |
| Surf life saving | - | 605,000 | 411,600 | 250,400 | - | - | 1,267,000 |
| Surfing | - | 925,000 | 586,600 | - | - | 250,000 | 1,761,600 |
| Swimming | 742,302 | 9,375,290 | 616,000 | - | - | 44,750 | 10,778,342 |
| Table tennis | - | 290,000 | 198,200 | 103,800 | - | 128,563 | 720,563 |

| Sport | AIS allocations | High performance | Participation | Whole of sport | Sport grant | Other | Total |
|--|------------------|-------------------|-------------------|------------------|-------------|------------------|--------------------|
| Taekwondo | - | 55,000 | - | - | - | - | 55,000 |
| Tennis | 241,061 | 422,594 | 966,000 | - | - | 15,000 | 1,644,655 |
| Tenpin bowling | - | - | 225,000 | 80,000 | - | - | 305,000 |
| Touch Football | - | - | 450,000 | 120,000 | - | - | 570,000 |
| Triathlon | 255,651 | 2,131,465 | 346,400 | - | - | - | 2,733,516 |
| University sport | - | 460,000 | 50,000 | - | - | - | 510,000 |
| Volleyball | 609,121 | 1,874,113 | 64,000 | - | - | 250,500 | 2,797,734 |
| Water polo | 242,138 | 2,317,689 | 61,000 | - | - | - | 2,620,827 |
| Waterski and wakeboard | - | - | - | 161,000 | - | - | 161,000 |
| Weightlifting | - | 362,600 | 21,400 | - | - | - | 384,000 |
| Wrestling | - | - | - | 50,000 | - | - | 50,000 |
| Winter sports (Olympic Winter Institute) | 649,671 | 1,325,000 | - | - | - | - | 1,974,671 |
| NSO TOTALS | 9,350,038 | 85,981,139 | 16,876,600 | 3,146,600 | - | 6,116,210 | 121,470,587 |

| Sport | AIS allocations | High performance | Participation | Whole of sport | Sport grant | Other | Total |
|-----------------------|------------------|-------------------|-------------------|------------------|------------------|------------------|--------------------|
| AUSRAPID | - | - | - | - | 100,000 | - | 100,000 |
| Blind sports | - | - | - | - | 65,000 | - | 65,000 |
| Deaf sports | - | - | - | - | 85,000 | - | 85,000 |
| Disability sports | - | - | - | - | 210,000 | - | 210,000 |
| Disabled wintersport | - | - | - | - | 60,000 | - | 60,000 |
| RDA | - | - | - | - | 100,000 | - | 100,000 |
| Special Olympics | - | - | - | - | 445,000 | 100,000 | 545,000 |
| Transplant | - | - | - | - | 70,000 | - | 70,000 |
| NSOD TOTALS | - | - | - | - | 1,135,000 | 100,000 | 1,235,000 |
| OVERALL TOTALS | 9,350,038 | 85,981,139 | 16,876,600 | 3,146,600 | 1,135,000 | 6,216,210 | 122,705,587 |

Updated 30 June 2014.

AIS – funding for AIS scholarship programmes up to 31 December 2013.

High performance – includes funding for high performance, paralympic high performance and competitive innovation funding. Funding of \$2,904,013 in additional high performance and \$556,800 in transition funding was provided in 2012-13 and therefore not included in the 2013-14 annual report. Funding was utilised by NSOs on 2013-14 activities.

Australian Paralympic Committee (APC) – Funding provided to the Australian Paralympic Committee represents high performance operational funding as well as high performance sport program funding where the program is managed by the Committee. All other funding for Paralympic high performance is represented within the relevant NSOs high performance allocation.

Other includes funding for the business development grants; market segmentation grants; sport leadership grants and scholarships for women, Pacific Sport Partnership grants and some special initiatives.

Appendix 2 – Contact officers

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Freedom of Information officer

Members of the public may make requests in writing to the Minister for Sport or to officers of the ASC regarding a range of policy and other matters.

Enquiries relating to access to documents under the *Freedom of Information Act 1982* can be made to:

Freedom of Information officer
Australian Sports Commission
PO Box 176
BELCONNEN ACT 2616
Email: FOI_Officer@ausport.gov.au

Each request must be in writing, state that the request is an application for the purposes of the *Freedom of Information Act*, provide information about the document/s to assist the ASC to process the request, and provide an address for reply.

It is ASC policy that, where they apply, charges should be imposed for processing requests. However, charges may be remitted, reduced or not imposed for reasons including financial hardship or general public interest. A range of documents and information is provided free on the ASC website at ausport.gov.au, including documents provided under the Information Publication Scheme or released through the Freedom of Information Disclosure Log.

Shortened forms

| | |
|-------|--|
| AASC | Active After-school Communities |
| ANAO | Australian National Audit Office |
| AOC | Australian Olympic Committee |
| ASADA | Australian Sports Anti-doping Authority |
| ASC | Australian Sports Commission |
| ASF | Australian Sports Foundation |
| CAC | Commonwealth Authorities and Companies |
| CASRO | Committee of Australian Sport and Recreation Officials |
| DAS | Direct Athlete Support |
| NESC | National Elite Sports Council |
| NSO | national sporting organisation |
| PBS | Portfolio Budget Statements |
| WHS | work health and safety |

Summary of compliance

The ASC is bound by legislative requirements to disclose certain information in its annual report. The main requirements are detailed in the Commonwealth Authorities (Annual reporting) Orders and the *Australian Sports Commission Act 1989*.

| Commonwealth Authorities and Companies Act 1997 annual report requirements | Clause or subsection | Page in this report |
|--|--------------------------------|----------------------------|
| Report of operations prepared by the directors. | 9(1) and 1 in Schedule 1 | Throughout |
| Financial statements prepared by the directors. | 9(1) and 1 and 2 in Schedule 1 | 78-129 |
| Auditor General's report on the financial statements, addressed to the responsible minister. | 9(1) and 1 in Schedule 1 | 79-80 |
| Presentation to the responsible minister by the deadline specified for presentation to parliament. | 9(1) and 9(2) | 3 |

| Commonwealth Authorities (Annual Reporting) Orders 2011 requirements | Clause or subsection | Page in this report |
|---|-----------------------------|----------------------------|
| The annual report is signed by a director and includes details of how and when approval was given. | Clause 6 | 3 |
| The annual report states that directors are responsible for the preparation and contents of the annual report. | | 3 |
| Enabling legislation is specified, including a summary of its objectives and functions, as specified in its legislation. | Clause 10 | 56 |
| The name of the current responsible minister and any responsible ministers during the relevant financial year are specified. | Clause 11 | 57 |
| Details of directions issued by the responsible minister, or other minister, under the enabling legislation and requirements of other relevant legislation. | Clause 12 | 57 |
| Information about directors is provided, including names, qualifications, experience, attendance at Board meetings, and whether the director is an executive or non-executive director. | Clause 13 | 58-68 |

| Commonwealth Authorities (Annual Reporting) Orders 2011 requirements | Clause or subsection | Page in this report |
|--|-----------------------------|--|
| <p>The annual report provides an outline of:</p> <ul style="list-style-type: none"> > the organisational structure > the location, in Australia or elsewhere, of major activities and facilities > Board committees and their responsibilities > education and performance review processes for directors > ethics and risk management policies. | Clause 14 | 44-45 48-49 67-68 67 69-70 |
| The decision-making process undertaken by the Board in relation to transactions with other entities. | Clause 15 | 65 |
| Any key activities and changes that affected the operations or structure of the organisation. | Clause 16 | 44 |
| <p>The annual report provides details of:</p> <ul style="list-style-type: none"> > judicial decisions and decisions of administrative tribunals that have had, or may have, significant impact on the operations > reports about the authority by the Auditor General, a parliamentary committee, the Commonwealth Ombudsman, the Office of the Australian Information Commissioner, or the Australian Securities and Investment Commissioner. | Clause 17 | 70 70 |
| Explanation if any information is missing from a subsidiary that is required to be included in the annual report. | Clause 18 | n/a |
| Details of any indemnity given to an officer against liability, including premiums paid or agreed to be paid for insurance against the officer's liability for legal costs. | Clause 19 | 70 |
| An index of annual report requirements identifying where relevant information can be found in the annual report. | Clause 21 | 185 |
| The annual report complies with presentation and printing standards for documents presented to parliament. | Clause 8 | Throughout |
| The annual report uses plain English and clear design. | Clause 9 | Throughout |

| Australian Sports Commission Act 1989 requirements | Clause or subsection | Page in this report |
|--|-----------------------------|----------------------------|
| Specify the transactions and the state of affairs of the Australian Sports Foundation. | 48(2)(aa) | 139-142, 146-170 |
| Specify the particulars of each direction given to it by the minister under subsection 11(1). | 48(2)(a) | 57 |
| An assessment of the extent to which its operations during the financial year have: | 48(2)(b) | |
| <ul style="list-style-type: none"> > achieved its objectives as stated in the relevant strategic plan | | 24-39 |
| <ul style="list-style-type: none"> > implemented the operational plan. | | 53 |
| Particulars of: | 48(2)(c) | |
| <ul style="list-style-type: none"> > significant capital works undertaken by the Commission during the financial year | | 50-51 |
| <ul style="list-style-type: none"> > variations to the strategic plan and operational plan agreed by the minister during the financial year. | | n/a |

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