

Australian Sports Technologies Network Limited

ABN 29 157 877 471

Financial Report for the Period Ended 30 June 2023

Australian Sports Technologies Network Limited

DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30 June 2023.

Directors

The names of each person who has been a director during the year and to the date of this report are:

- Martin Schlegel
- James Demetriou (resigned 30th June 2023)
- Franz Konstantin Fuss (resigned 30th June 2023)
- John Persico
- Shaun Bajada
- Jasmine Lim
- Cameron O'Riordan (resigned 30th June 2023)
- Angela Dahlke (appointed 30th June 2023)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the company during the financial year was to foster the growth and development of Australia's sports technology industries.

The company's short-term objectives are to:

- Increase memberships from all parts of the sports tech eco-system
- Develop stronger collaboration between sports technology firms, researchers and markets to improve commercial outcomes for the sports technologies industry
- Develop education and knowledge sharing pathways for the development of sports technologies

The company's long-term objectives are to:

- Build commercialisation pathways for the development of sports technologies
- Develop an industry that realises significant jobs, investment and export for Australia

To achieve these objectives, the company has adopted the following strategies:

- Tiered membership structure with defined benefits
- Education programs including Masterclasses, Pitching Competition/Education and State node events
- Securing Government support for industry development programs (e.g. Mentoring Program, Export Program, Pre-Accelerator Program and Accelerator Program)

Australian Sports Technologies Network Limited

DIRECTORS' REPORT

Information on Directors:

Martin Schlegel	Director (Chemneera)
Qualifications	PhD Chemical Engineering, Bachelor Business Studies, Masters Chemistry
Experience	International Sports technology / Facilities/ Materials expert
Special Responsibilities	Chairperson
James Demetriou	Director (Bartiss Pty Ltd, Pencil Pay Pty Ltd)
Qualifications	Bachelor of Law, Master of International Business (University of Melbourne)
Experience	Legal, Mergers and Acquisition, Sports Administration, Commercialisation
Special Responsibilities	Founding Chairperson
Franz Konstantin Fuss	Professor and Chairholder – University of Bayreuth Germany.
Qualifications	Professor, PG Dip Biomech (Strathclyde University), PHD (Vienna University), MD (Vienna University)
Experience	Sports Engineer, Bioengineer
Special Responsibilities	General Board Member
Jasmine Lim	Senior Manager Tourism, International and Government; (Victorian Racing Club)
Qualifications	Bachelor Science, Economics
Experience	International Business Development, Tourism, Sales & Marketing, Sporting Events
Special Responsibilities	Deputy Chairperson
Angela Dahlke	Manager, Industry Engagement (Data Sciences) (QUT)
Qualifications	B.App.Sci. (Hons). M.Laws. M.Bus. Reg'd Patent & Trade Marks Attorney (AU,NZ)
Experience	IP Attorney. STEM. BD. Marketing. Entrepreneurship. Innovation.
Special Responsibilities	General Board Member
John Persico	Director (Persico International Pty Ltd)
Qualifications	Bachelor of Laws (Hons) Bachelor of Commerce (Hons)
Experience	International Sports technology Expert
Special Responsibilities	General Board Member
Shaun Bajada	Executive Director (Australian Sporting Goods Association)
Qualifications	Bachelor of Arts (Information Technology)
Experience	Operational Retail Strategist
Special Responsibilities	General Board Member
Cameron O'Riordan	VP Sales and Revenue (etrainu)
Qualifications	Bachelor of Management in Sport Management & Exercise
Experience	Sports Management, Revenue, Commercialisation
Special Responsibilities	General Board Member

Australian Sports Technologies Network Limited

DIRECTORS' REPORT

Meetings of Directors

During the financial year, five meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended.
James Demetriou	5	5
Franz Konstantin Fuss	5	2
Jasmine Lim	5	5
John Persico	5	4
Martin Schlegel	5	5
Shaun Bajada	5	4
Cam O'Riordan	5	2
Angela Dahlke	0	0

Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2023, the total amount that members of the company are liable to contribute if the company is wound up is \$200 (2022: \$200).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors.



Martin Schlegel
Board Chair

Dated this 23rd day of October 2023



**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AUSTRALIAN SPORTS TECHNOLOGIES NETWORK LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

LBW CHARTERED ACCOUNTANTS

SRIPATHY SARMA
Principal

Dated this day the 23rd of October 2023



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

Australian Sports Technologies Network Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		\$	\$
Income			
Memberships		54,167	20,657
Funding		1,241,000	1,454,832
Other Income		66,293	20,100
		1,361,460	1,495,589
Expenses			
Employee Related Expenses		85,874	69,432
Marketing Expenses		291,313	194,937
Administration Expenses		141,529	102,774
Operational Expenses		1,241,415	915,277
Depreciation		2,342	376
Finance Costs		1,743	450
		1,764,216	1,283,246
Profit / (Loss) before income tax		(402,756)	212,343
Income tax expense	1(d)	-	-
Profit / (Loss) for the year		(402,756)	212,343
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		(402,756)	212,343

The accompanying notes form part of these financial statements.

Australian Sports Technologies Network Limited

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023	2022
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	280,624	3,451,513
Investments	3	1,750,000	-
Receivables		25,647	-
TOTAL CURRENT ASSETS		2,056,271	3,451,513
NON-CURRENT ASSETS			
Property, plant and equipment	4	-	2,342
TOTAL NON-CURRENT ASSETS		-	2,342
TOTAL ASSETS		2,056,271	3,453,855
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	155,720	186,173
Unexpended grants	6	2,035,625	3,000,000
TOTAL CURRENT LIABILITIES		2,191,345	3,186,173
TOTAL LIABILITIES		2,191,345	3,186,173
NET ASSETS		(135,074)	267,682
EQUITY			
Retained earnings		(135,074)	267,682
TOTAL EQUITY		(135,074)	267,682

The accompanying notes form part of these financial statements.

Australian Sports Technologies Network Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Retained Earnings	Total
	\$	\$
Balance at 30 June 2021	55,339	55,339
Comprehensive income		
Profit / (Loss) for the year	212,343	212,343
Total comprehensive income for the year	-	-
Balance at 30 June 2022	267,682	267,682
Comprehensive income		
Profit / (Loss) for the year	(402,756)	(402,756)
Total comprehensive income for the year	-	-
Balance at 30 June 2023	(135,074)	(135,074)

The accompanying notes form part of these financial statements.

Australian Sports Technologies Network Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers & grants		334,248	2,495,559
Payments to suppliers		(1,792,327)	(1,392,824)
Interest received		37,190	30
Net cash provided by operating activities	7	(1,420,889)	1,102,765
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	-
Net movement for investments		(1,750,000)	-
Net cash provided by investing activities		(1,750,000)	-
Net increase/(decrease) in cash held		(3,170,889)	1,102,765
Cash and cash equivalents at the beginning of the financial year		3,451,513	2,348,748
Cash and cash equivalents at the end of the financial year	2	280,624	3,451,513

The accompanying notes form part of these financial statements.

Australian Sports Technologies Network Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Australian Sport Technologies Limited as an individual entity, incorporated and domiciled in Australia. Australian Sport Technologies Limited is a company limited by guarantee.

Financial Reporting Framework

The directors have prepared the financial statements on the basis that the Entity is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The Entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Statement of Compliance

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001*, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: *Presentation of Financial Statements*, AASB 107: *Cash Flow Statements*, AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054: *Australian Additional Disclosures*.

The Entity has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures. Hence, the financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

Basis of Preparation

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Revenue

When the entity received operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Entity:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest revenue is recognised as it accrues using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

Australian Sports Technologies Network Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

c. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

d. Income Tax

No provision for income tax has been raised as the entity has self assessed to be exempt from income tax.

e. Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability.

f. Going Concern

Australian Sports Technologies Network Limited is dependent on the continued support of its funding bodies and sponsors. At the date of this report the Board of Directors has no reason to believe these funding bodies and sponsors will not continue to support Australian Sports Technologies Network Limited.

	2023	2022
	\$	\$
NOTE 2: CASH AND CASH EQUIVALENTS		
Cash at bank	280,624	3,451,513
	280,624	3,451,513

NOTE 3: INVESTMETNS

Term deposit	1,750,000	-
	1,750,000	-

Australian Sports Technologies Network Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 4: PROPERTY, PLANT AND EQUIPMENT		
Furniture at cost	9,475	9,475
Less: accumulated depreciation	(9,475)	(8,377)
	-	1,098
Server cabinet at cost	1,450	1,450
Less: accumulated depreciation	(1,450)	(820)
	-	630
Low value pool at cost	1,510	1,510
Less: accumulated depreciation	(1,510)	(896)
	-	614
	-	2,342

NOTE 5: TRADE & OTHER PAYABLES

Accounts payable	148,913	87,032
Good & services tax	-	79,982
ATO ICA	-	14,773
Annual leave provision	2,503	764
PAYG withholding payable	4,018	2,316
Superannuation payable	286	1,306
	155,720	186,173

NOTE 6: UNEXPENDED GRANTS

DJPR Grant (ASICE)	2,000,000	3,000,000
Entrepreneurship Education Program	35,625	-
	2,035,625	3,000,000

Australian Sports Technologies Network Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 7: CASH FLOW INFORMATION

	2023	2022
	\$	\$
Reconciliation of cash flows from operations with profit after income tax:		
Profit/(Loss) after income tax	(402,756)	212,343
Non-cash flows in profit:		
– depreciation	2,342	376
Changes in assets and liabilities:		
– (increase)/decrease in trade and other receivables	(25,647)	-
– (decrease)/increase in trade and other payables	(30,453)	(109,954)
– (decrease)/increase in unexpended grants	(964,375)	1,000,000
Cash flows provided by operating activities	<u>(1,420,889)</u>	<u>1,102,765</u>

NOTE 8: ENTITY DETAILS

The registered office of the company is:

Launchpad, 132 Cremorne Street, Cremorne Vic 3121

The principal place of business is:

Australian Sports Technologies Network – Launchpad, 132 Cremorne Street, Cremorne Vic 3121

Australian Sports Technologies Network Limited

DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 13, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards; and
 - b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Martin Schlegel (Chairman)

Dated this 23rd day of October 2023



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN SPORTS TECHNOLOGIES NETWORK LTD

Opinion

We have audited the financial report of Australian Sports Technologies Network Ltd (the company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Australian Sports Technologies Network Ltd is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to extent described in Note 1 and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110: Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process



CHARTERED ACCOUNTANTS
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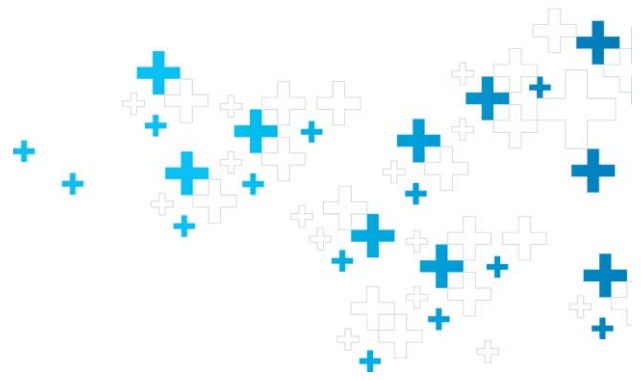
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Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Sripathy Sarma
Principal

Dated this day the 23rd of October 2023



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