

Vargin & Associates



Chartered Accountants

Principal : Leonardo Vargin FCA

Independent Audit Report to Club Italia Sporting Club Inc.

Scope

This audit is in relation to the Community Benefit Statement for Italo Australian Sporting Club Inc. for the year ended 30th June, 2009.

The committee of the association is responsible for the preparation and true and fair presentation of the financial report in accordance with the Gaming Regulation Act 2003. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the Victorian Commission for Gaming Regulation. Our audit was conducted in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with applicable Accounting Standards in Australia and, consistent with auditor's understanding of sections 3.6.9(2)(a) and (b) of the Gaming Regulation Act 2003 ("the Act").

We formed our audit opinion on the basis of these procedures, which included:

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

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

The Community Benefit Statement of Club Italia Sporting Club Inc. for the year ended 30th June, 2009 presents fairly, in accordance with applicable Accounting Standards in Australia and, consistent with sections 3.6.9(2)(a) and (b) of the Gaming Regulations Act 2003 ("the Act").

Leonardo Vargin FCA

Vargin & Associates

506-508 Racecourse Rd, Flemington VIC 3031

Dated this 25th Day of September, 2009