

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF NORTH SUBURBAN SPORTS CLUB INCORPORATED  
43 599 469 338**

**Scope**

**The Financial Report and Committee's Responsibility**

The financial report comprises the statement of financial position, income and expenditure statement, statement of cash flows, accompanying notes to the financial statements, and the statement by members of the committee for North Suburban Sports Club Incorporated (the association), for the year ended 30 June 2007.

The committee of the association is responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the Associations Incorporations Act VIC and are appropriate to meet the needs of the members. 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.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting requirements under the Associations Incorporations Act VIC. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

**Audit Approach**

We conducted an independent audit in order to express an opinion to the members of the association. Our audit was conducted in accordance with Australian Auditing Standards, 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, the 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 the accounting policies as described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate for the needs of the members.

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**

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

**Audit Opinion**

In our opinion, the financial report of North Suburban Sports Club Incorporated presents a true and fair view in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of North Suburban Sports Club Incorporated as at 30 June 2007 and the results of its operations and its cash flows for the year then ended.

**Name of Firm:** John L Gregory  
Certified Practising Accountant

**Name of Partner:**   
John L Gregory

**Address:** 272 Keilor Road Essendon North

**Dated this 4th day of September 2007**