



**ROWING AUSTRALIA INC.
AS TRUSTEE FOR
THE OLYMPIC BOAT FLEET TRUST
SPECIAL PURPOSE FINANCIAL REPORT**

30 JUNE 2004

Rowing Australia Inc. As Trustee For The Olympic Boat Fleet Trust

STATEMENT BY TRUSTEE

In the opinion of the Trustee:

- a) The Olympic Boat Fleet Trust is not a reporting entity;
- b) The financial statements as set out on pages 4 to 10 are drawn up so as to present fairly the financial position of the Olympic Boat Fleet Trust at 30 June 2004 and the results of its operations and cash flows for the year then ended and are in accordance with the accounting policies described in Note 1 to the financial statements, and comply with the provisions of the Trust Deed; and
- c) there are reasonable grounds to believe that the Olympic Boat Fleet Trust will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Trustee.



PATRICK McNAMARA
President



PETER CRAWFORD
Director of Finance

15 November 2004

**Rowing Australia Inc.
As Trustee For
The Olympic Boat Fleet Trust**

**STATEMENT BY PERSON RESPONSIBLE FOR THE
PREPARATION OF THE FINANCIAL STATEMENTS**

I, Andrew Dee, being the person responsible for the preparation of the attached financial statements of the Olympic Boat Fleet Trust for the year ended 30 June 2004, state that to the best of my knowledge and belief such financial statements present fairly the financial position of the Olympic Boat Fleet Trust at 30 June 2004, and the results of its operations and cash flows for the year then ended, and are in accordance with the accounting policies described in Note 1 and comply with the provisions of the Trust Deed.



ANDREW DEE
Chief Executive Officer

15 November 2004

Rowing Australia Inc. As Trustee For The Olympic Boat Fleet Trust

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR 30 June 2004

	Notes	2004 \$	2003 \$
REVENUE FROM ORDINARY ACTIVITIES	2	<u>39,120</u>	<u>-</u>
ADMINISTRATION EXPENSES		291	61
OPERATING EXPENSES		<u>46,176</u>	<u>-</u>
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		(7,347)	(61)
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES	1(c)	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER INCOME TAX		<u>(7,347)</u>	<u>(61)</u>
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE TRUST		<u>(7,347)</u>	<u>(61)</u>
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS ATTRIBUTABLE TO THE OLYMPIC BOAT FLEET TRUST AND RECOGNISED DIRECTLY IN TRUST CAPITAL		<u>(7,347)</u>	<u>352,457</u>
TOTAL CHANGES IN TRUST CAPITAL OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS	8	<u>(7,347)</u>	<u>352,396</u>

Rowing Australia Inc. As Trustee For The Olympic Boat Fleet Trust

STATEMENT OF FINANCIAL POSITION

AS AT 30 June 2004

	Notes	2004 \$	2003 \$
CURRENT ASSETS			
Cash	3	9,651	49
Receivables	4	<u>1,543</u>	<u>-</u>
TOTAL CURRENT ASSETS		<u>11,194</u>	<u>49</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	5	<u>363,037</u>	<u>352,447</u>
TOTAL NON- CURRENT ASSETS		<u>363,037</u>	<u>352,447</u>
TOTAL ASSETS		<u>374,231</u>	<u>352,496</u>
CURRENT LIABILITIES			
Payables	6	9,182	100
Income in Advance		<u>20,000</u>	<u>-</u>
TOTAL CURRENT LIABILITIES		<u>29,182</u>	<u>100</u>
TOTAL LIABILITIES		<u>29,182</u>	<u>100</u>
NET ASSETS		<u>345,049</u>	<u>352,396</u>
TRUST CAPITAL			
Accumulated Funds	8	<u>345,049</u>	<u>352,396</u>

Rowing Australia Inc. As Trustee For The Olympic Boat Fleet Trust

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 June 2004

	Notes	2004 \$ Inflows/ (Outflows)	2003 \$ Inflows/ (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt from organisations and persons		58,870	-
Payments to organisations and persons		(2,410)	(61)
Interest received		250	-
		<u>58,710</u>	<u>(61)</u>
NET CASH FLOWS/(OUTFLOWS) FROM OPERATING ACTIVITIES	7(a)	<u>56,710</u>	<u>(61)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Property, Plant & Equipment		(56,190)	-
		<u>(56,190)</u>	<u>-</u>
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES		<u>(56,190)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Settlement Sum received		-	10
Proceeds from Borrowings		9,282	100
Repayment of Borrowings		(200)	-
		<u>9,082</u>	<u>110</u>
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		<u>9,082</u>	<u>110</u>
NET INCREASE/(DECREASE) IN CASH HELD		<u>9,602</u>	<u>49</u>
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		<u>49</u>	<u>-</u>
CASH AT THE END OF THE FINANCIAL YEAR	7(b)	<u><u>9,651</u></u>	<u><u>49</u></u>

Rowing Australia Inc. As Trustee For The Olympic Boat Fleet Trust

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 June 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Olympic Boat Fleet Trust have been prepared as a Special Purpose Financial Report for use by the Trustee and to fulfil the Trustee's responsibility under the Trust Deed to prepare a financial report. The financial report has been prepared on the basis that the Olympic Boat Fleet Trust is not a reporting entity because there are unlikely to be any other users of the financial report.

The financial statements have been prepared in accordance with all Australian Accounting Standards, with the following exceptions: AASB 1017 - Related Party Disclosures, AASB 1033 - Financial Instruments, AASB 1034 - Financial Report Presentation and Disclosures and AASB 1041 - Revaluation of Non-Current Assets.

(b) Basis of Accounting

The financial report has been prepared on the basis of historical costs.

(c) Income Tax

Under current taxation legislation the Trust does not pay income tax, as all taxable profits will be distributed to Rowing Australia Inc.

(d) Depreciation

Depreciation in respect of non-current assets is calculated so as to write off the cost of each asset over its effective useful life.

Major depreciation periods are:

- Boats & Related Equipment 8 years

Newly acquired assets are first depreciated from the beginning of the financial year after acquisition.

(e) Cash Flows

For the purposes of the Statement of Cash Flows, cash includes cash at bank and deposits at call.

(f) Accounting Period

These financial statements are for the period 1 July 2003 to 30 June 2004. Comparative information is for the period 16 December 2002 to 30 June 2003.

**Rowing Australia Inc.
As Trustee For
The Olympic Boat Fleet Trust**

NOTES (CONT'D)

(g) Recognition of Revenue

All revenue is recognised to the extent that it is probable that the economic benefits will flow to the trust and the revenue can be reliably measured.

Rowing Australia Inc. As Trustee For The Olympic Boat Fleet Trust

NOTES (CONT'D)

FOR THE YEAR ENDED 30 June 2004

	2004 \$	2003 \$
2. OPERATING PROFIT/(LOSS)		
Included in the operating profit/(loss) are the following revenues arising from operating activities:		
Boat leasing	38,870	-
Interest received	250	-
	<hr/>	<hr/>
The operating profit/(loss) before income tax is arrived at after charging the following item:		
Bank Charges	291	61
Depreciation	44,057	-
Equipment Replacement	2,119	-
	<hr/>	<hr/>
3. CASH AND OTHER LIQUID FUNDS		
National Australia Bank Limited	9,651	49
	<hr/>	<hr/>
4. RECEIVABLES		
GST Refundable	1,543	-
	<hr/>	<hr/>
Total Receivables	1,543	-
	<hr/>	<hr/>
5. PROPERTY, PLANT & EQUIPMENT		
Boat Assets & Related Equipment – At Cost & Valuation	407,094	352,477
Less: Accumulated Depreciation	44,057	-
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Total Property, Plant & Equipment	363,037	352,477
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Rowing Australia Inc. As Trustee For The Olympic Boat Fleet Trust

NOTES (CONT'D)

FOR THE YEAR ENDED 30 June 2004

	2004 \$	2003 \$
6. PAYABLES		
Loan – Rowing Australia Inc.	<u>9,182</u>	<u>100</u>
Total Payables	<u>9,182</u>	<u>100</u>
7. NOTES TO THE STATEMENT OF CASH FLOWS		
(a) Reconciliation of cash flows from operations to operating profit/(loss) after income tax		
Operating profit/(loss) after income tax	(7,347)	(61)
Non-cash flows in operating profit/(loss)		
Depreciation	44,057	-
Increase/(Decrease) in Income in Advance	<u>20,000</u>	<u>-</u>
Net cash Inflow/(Outflow) from operating activities	<u>57,710</u>	<u>(61)</u>
(b) Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash at Bank	<u>9,651</u>	<u>49</u>
8. TRUST CAPITAL & ACCUMULATED FUNDS		
SETTLEMENT SUM	<u>10</u>	<u>10</u>
Balance at the beginning of the financial year	352,396	-
Accretions to Capital-		
Australian Olympic Committee Gift	-	172,751
Rowing Australia Inc. Gift	<u>-</u>	<u>179,696</u>
	<u>-</u>	<u>352,447</u>
Net Profit/(Loss) for year	<u>(7,347)</u>	<u>(61)</u>
Balance at the end of the financial year	<u>345,049</u>	<u>352,396</u>

Independent audit report to members of the Rowing Australia Inc. as Trustee for the Olympic Boat Fleet Trust

Scope

The financial report and directors' responsibility

The financial report is a special purpose financial report and comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and certification statement for the Olympic Boat Fleet Trust (the "Trust"), for the year ended 30 June 2004.

The directors of the trust are responsible for preparing a financial report that presents fairly the financial position and performance of the Trust. 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 directors have determined that the accounting policies used and described in Note 1 to the financial statements are consistent with the financial reporting requirements of the trust deed and are appropriate to meet the needs of the members. These policies do not require the application of all Accounting Standards and other mandatory financial reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the directors' financial reporting requirements under the Trust deed. 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 of the financial report in order to express an opinion on it to the members of Rowing Australia as trustee for the Trust. 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 in Note 1 to the financial statements, a view which is consistent with our understanding of the trust's financial position, and of its performance as represented by the results of its operations and cash flows.

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 disclosures used and the reasonableness of significant accounting estimates made by the directors.

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.

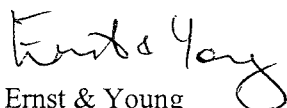
We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the trust.

Independence

We are independent of the Trust, and have met the independence requirements of Australian professional ethical pronouncements.

Audit opinion

In our opinion, the financial report of the Trust presents fairly, in accordance with the accounting policies described in Note 1 to the financial statements, a view which is consistent with our understanding of the trust's financial position as at 30 June 2004, and of its financial performance as represented by the results of its operations and cash flows for the year then ended.



Ernst & Young
Sydney

15 November 2004