

# CONNECTING MORE PEOPLE TO TENNIS ...

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Tennis Australia (TA) is the governing body of tennis in Australia. The Company was established by the Victorian, New South Wales, Queensland, West Australian, South Australian, Tasmanian and the New Zealand Lawn Tennis Association in 1904 to allow for the staging of the first Australasian Men's Championships in 1905.

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# A FAN FAVOURITE...

1M+

FANS WHO ATTENDED THE AUSTRALIAN OPEN AND EMIRATES AUSTRALIAN OPEN SERIES EVENTS IN 2016

720,363

TOTAL FANS TO ATTEND AUSTRALIAN OPEN 2016

81,094

COMBINED DAY/NIGHT ATTENDANCE ON MIDDLE SATURDAY OF AUSTRALIAN OPEN 2016 – A TOURNAMENT RECORD

15,543

RECORD NUMBER OF PEOPLE TO ATTEND THE FOURTH ANNUAL KIDS TENNIS DAY PRESENTED BY NICKELODEON

26,000+

PEOPLE WHO ATTENDED 2016 KIDS TENNIS DAYS ACROSS AUSTRALIAN OPEN AND EMIRATES AUSTRALIAN OPEN SERIES EVENTS

30,000+

VISITORS TO ANZ TENNIS HOT SHOTS ZONE AT AUSTRALIAN OPEN 2016

280,000+

PEOPLE TO ATTENDED INAUGURAL AUSTRALIAN OPEN FESTIVAL AT BIRRARUNG MARR





**2.14M** 

AUSTRALIANS AGED SIX AND OVER WHO PLAYED TENNIS IN 2015

**290K** 

AUSTRALIANS WHO PLAYED TENNIS FOR THE FIRST TIME

**51%** 

FEMALE TENNIS PARTICIPANTS, MAKING IT ONE OF THE MOST GENDER-EQUAL SPORTS IN AUSTRALIA





More than \$34 million was invested into a range of initiatives that benefited the community in 2015-2016. These included:

\$34M+

PROJECT VALUE GENERATED By the national court rebate

\$290M

SPENT ON COMMUNITY FACILITIES THROUGH THE NATIONAL COURT REBATE

107

PROJECTS SUPPORTED BY THE NATIONAL COURT REBATE

327

NEW OR RESURFACED COURTS FUNDED, INCLUDING 187 ANZ TENNIS HOT SHOT COURTS

## \$500K

INVESTED INTO THE ONLINE BOOK A COURT SYSTEM

\$100K+

INVESTED TO SUPPORT TENNIS DEVELOPMENT IN OCEANIA



#### PRESIDENT AND CEO'S REPORT

## INNOVATE AND GROW



▲ ANZ Tennis Hot Shots provides the foundations for the successful growth of our sport.

What a fantastic year it has been.

Our commitment to innovation, focus on participation growth and desire to continuously improve the sport of tennis in Australia has rewarded us in leaps and bounds. Record participation numbers, dedicated investment in facilities across Australia, the creation of inspiring and cutting edge event content and our on court successes are the results of our team's passion, drive and dedication to ensure the success of our sport. This dedication has also contributed to our financial performance, as we conclude with a surplus for the third consecutive year.

#### **PARTICIPATION GROWTH**

Our dedicated focus on growing our sport and making it more accessible to participants has paid off. This coordinated effort between ourselves and our Member Associations, clubs and associations has significantly boosted the profile of our sport, connecting with more Australians each day. A recent ITF survey on tennis participation reported that we have 2.1 million Australians playing tennis, with

290,000 of those players having taken up the game within the last 12 months.

Our ANZ Tennis Hot Shots program continues to play the critically important role of introducing our youngest Australians to the sport. We have focused on improving the program this year to maximise ease of implementation and are proud to announce a nine per cent increase in participation, resulting in 213,883 junior tennis stars in the making. Our partnership with the Australian **Sports Commission Sporting Schools** Program, which helped us bring Hot Shots into close to 1500 schools, has certainly contributed to our growth. We will continue to invest our resources in Hot Shots with an aim to transition our little champions into lifelong tennis players.

One of our key priorities is to consistently improve the playing experience for our current participants through the innovative use of technology. One of the key initiatives is the Book a Court online platform, which makes courts easily accessible for players. The Book a Court pilot programs run across 20 clubs in Victoria have resulted in over

10,000 court bookings, increased club revenue and received extremely positive feedback from players and administrators alike. We are now taking steps to roll out the program nationally.

We have also maintained our focus on the importance of a healthy lifestyle, and have partnered with Fitbit to continue to deliver high intensity Cardio Tennis programs in the community.

#### **FACILITY DEVELOPMENT**

The growth of our sport would not be possible without the growth of facilities. It is for this reason that the creation of places to play in our community is one of the cornerstones of our business.

Through our annual \$2 million dollar commitment to the National Court Rebate program, we have not only supported the construction and redevelopment of tennis facilities nationwide, but have also triggered stakeholder investment of \$34.4 million resulting in 327 new/resurfaced courts and 187 ANZ Hot Shots courts.

A combined effort between our sport and local, state and federal governments has resulted in a \$9.79 million Coalition election commitment to revamp the Memorial Drive sporting precinct in Adelaide. The development will include construction of a new outdoor show court, two new match courts and a stateof-the-art National Academy training venue which will have all three Grand Slam surfaces (clay, grass and hard court) helping South Australia to continue to produce world class players.

In the Northern Territory, we have worked with government to secure a \$16 million dollar commitment to fund a major new facility in Darwin, helping drive continued growth for the sport in the territory.

In Western Australia, we recently completed a business case which was supported by the State Department of Sport and Recreation recommending the redevelopment of the current State Tennis Centre.

We also continue to work with government and stakeholders in New South Wales with the goal of achieving a new tennis facility

in central Sydney. A feasibility study is currently underway looking into an ideal CBD location for an indoor arena venue capable of hosting major events.

Last but certainly not least we continue to work with the Victorian government on the redevelopment of Melbourne Park. This year's major projects were the construction of 'Tennis HQ' - an administration and media building which will be the new home of Tennis Australia staff as well as media during the Australian Open. Construction has also commenced on the 'Tanderrum Bridge' - a new footbridge which will link Melbourne Park directly to the city, making access to the tennis even easier. Both initiatives will be completed prior to Australian Open 2017.

#### **EVENT HIGHLIGHTS**

Australian Open 2016 was bigger and better than ever, setting new benchmarks in quality, entertainment value, attendance, global viewership and prize money. Novak Djokovic defeated Andy Murray to earn his sixth Australian Open title while Angelique Kerber stunned former champion Serena Williams to win her first ever Grand Slam in an epic women's final. Each winner took home a record prize purse of AUD \$3.4 million of a total AUD \$44 million, the largest prize money pool ever offered at the Australian Open.

One of the major highlights of Australian Open 2016 were the 2.4 metre high digital walls that enveloped the courts on Rod Laver, Margaret Court and Hisense Arenas resulting in the delivery of cutting-edge content for the benefit of fans, partners and broadcasters, while also enhancing the playing environment.



Alongside many new records, the Australian Open set benchmarks in innovations for players, fans and commercial partners.

For the first time ever we produced and broadcast every single match from every single court (including our Australian Open juniors, wheelchair and legends events) to fans across the world. This took our total number of live matches to over 600 (up from 250 in 2014) and resulted in 676 million hours of viewing. Our digital reach was stronger than ever, with over 14 million users logging on to AusOpen.com and the total social media audience growing to more than 3.7 million across Facebook, Twitter, Instagram and other channels.

We also welcomed six new commercial partners on board: Accor, Lavazza, Blackmores, William Hill, Jurlique and Yonex, and worked with these partners to create unique activation opportunities which not only enhanced their brands but also greatly added to the fan experience.

Our reach this year extended beyond the Melbourne Park boundaries through the creation of the first ever Australian Open Festival, a free, family-friendly event at Birrarung Marr which gave Melbourne the opportunity to enjoy the tennis off site complete with entertainment, food and beverage options. This new initiative attended by over 280,000 people and combined with our record AO gate attendance of 720,363, resulted in more than one million fans enjoying the Australian Open in Melbourne in 2016.

The event wasn't without its challenges, including the release of a global story alleging match-fixing in tennis which generated high profile news coverage throughout the world in the lead up to the event. Together with our global tennis family, we responded quickly and



"WE ARE SO PROUD OF THE **COOPERATION AND FOCUS WITHIN** MEMBERS OF OUR TENNIS COMMUNITY. WHO ALL WORK TOGETHER TO GROW THE GAME IN AUSTRALIA."

#### PRESIDENT AND CEO'S REPORT



▲Sam Stosur remains an impressive role model in Australian tennis.

in unison, announcing the creation of a global Independent Review Panel.

The Emirates Australian Open Series once again showcased some of the world's best tennis stars across Brisbane. Sydnev. Adelaide. Hobart and Perth. For the first time in 17 years, Australia won the Hopman Cup title thanks to a stellar performance by Nick Kyrgios and Daria Gavrilova.

Both our Fed Cup and Davis Cup teams played the USA on home soil this year with the Kooyong Lawn Tennis Club in Victoria hosting the men and Pat Rafter Arena in Brisbane hosting the women. Although Australia fell short in both ties, the events were staged before enthusiastic crowds and fantastic tennis was on display.

#### **PLAYER PERFORMANCE**

We continue on our quest to create Grand Slam champions. The year was filled with breakthroughs including big moves from our rising stars, as well as some fantastic performances from our more established players.

Sam Stosur continued to lead the way, reaching the semifinals at Roland Garros to retain her top 20 ranking. She was also a leader of Australia's Fed Cup efforts, ably supported by Gavrilova. Daria, or 'Dasha' as she is affectionately known, had a breakout summer as she paired

with Kyrgios to win Australia the Hopman Cup, before going on to make the fourth round at the Australian Open and win the hearts of many tennis fans along the way. In Madrid, Sam and Dasha both progressed to the quarterfinals, a first for Australia at a WTA Premier event.

Nick had a fantastic year as he peaked inside the world's top 20 to become Australia's top male player soon after claiming his first ATP title in Marseille. Bernard Tomic, John Millman and Jordan Thompson also posted career high rankings, while Ash Barty began her comeback to the sport.

Earlier in the financial year, Sam Groth topped off his best 12 months yet to win the 2015 Newcombe Medal while Dylan Alcott continued to set the standard in wheelchair tennis, the popular Victorian rising to world No.1 after claiming his second Grand Slam title at the US Open. Dylan went on to defend his Australian Open quad singles title.

There were also local junior champions crowned at Melbourne Park during Australian Open 2016 as Oliver Anderson won the boys' singles title and Alex De Minaur teamed with Blake Ellis to win the boys' doubles.

Lleyton Hewitt retired in front of an appreciative crowd at Australian Open 2016 and has now taken up the much coveted Davis Cup captaincy role, bringing the very same passion and competitive streak that he was known for on court to his new job.

#### **OUR PEOPLE**

We couldn't do what we do on the ground without the dedication of our people. The collective body of work undertaken by our team in the last 12 months has been nothing short of phenomenal. It is a credit to their professionalism and passion as we continuously grow, innovate and strive for improvement.

This year we welcomed Grea Hutchinson. Javne Hrdlicka, Diane Grady, Elizabeth Minogue and Graham Bradley onto our Board of Directors. All five new additions have brought with them a wealth of corporate board experience and skill sets critical to our business and its future direction. They will join the rest of our Directors to help shape the future of tennis in this country.

We are so proud of the cooperation and focus within our tennis community, including our Member Associations, clubs and associations, players, coaches, volunteers, administrators, officials and fans who all work together to grow our game in Australia. We would like to say a big thank you to all of you for your love of our sport and your efforts to keep making it so enjoyable and successful.

Also a big thank you to our Board, our staff, our sponsors and partners as we continue to collectively drive the growth of tennis.

We are excited for what the future holds. We have big dreams and big plans that we can't wait to share with you.

We look forward to an exciting 12 months.

STEVE HEALY PRESIDENT

**CRAIG TILEY** CEO

#### **OUR VISION**

## **CONNECTING MORE PEOPLE TO TENNIS ...**



The values of Excellence, Humility, Loyalty and Teamwork provide the foundation as Tennis Australia works to achieve three key goals: one million connected Australians, one billion global fans and one Grand Slam champion of whom we are proud.

Targeting strategic priorities of ANZ
Tennis Hot Shots, the Australian Open,
International Growth and Book a Court,
the organisation is supported by more than
400 full-time and part-time staff members
across a range of dedicated teams:

**Commercial** grows revenue to reinvest in tennis

Media & Communications promotes the game

**Business Services** provides world class business services

**Customer Relations** build and strengthen relationships

**Tennis & Member Associations** get more people playing tennis

**Events & Facilities** develop facilities and stage world-class events

Performance develops and nurtures talent





As Novak Djokovic closed in on a record-equalling sixth title at Melbourne Park, more than one million fans had watched live tennis at the Australian Open or one of five Emirates Australian Open Series events. The biggest superstars of the sport – including Angelique Kerber, who upset Serena Williams for her first major title – inspired countless more fans who watched those tournaments via live broadcasts delivered by Tennis Australia. Further opportunities to see top players followed at Davis and Fed Cup ties staged on home soil. Providing entertainment and inspiration in equal measure, these world-class events also spark the drive for many fans to participate ...

"EVERY GRAND SLAM TITLE IS VERY SIGNIFICANT
IN ITS OWN WAY ... I MANAGED TO MAKE HISTORY
AND EQUAL ROY EMERSON'S SIX AUSTRALIAN OPEN
TITLES. (I'M) VERY HONOURED TO BE MENTIONED
ALONGSIDE LEGENDS OF OUR SPORT."

- SIX-TIME AUSTRALIAN OPEN CHAMPION NOVAK DJOKOVIC

#### **INSPIRING EVENTS**

#### **AUSTRALIAN OPEN 2016**

Serbia's Novak Djokovic continued his love affair with Melbourne Park as he defeated Andy Murray to win a sixth title and equal Roy Emerson's tournament record. A first-time champion was crowned in the women's singles event, with German Angelique Kerber stunning defending champion Serena Williams 6-4 3-6 6-4 in a memorable final.

#### **Highlights**

- ► A tournament record 720,363 fans attended, an increase on the record of 703.899 set in 2015.
- ► New attendance records set for 10 sessions during the event, with Heineken Saturday on the middle weekend being the busiest day/night ever with 81,094 fans on site.
- ► More than 12,000 visitors experienced ANZ Tennis Hot Shots on site, with over 1200 participants given the opportunity to take part in on-court demonstrations.
- ► The inaugural Australian Open Festival at Birrarung Marr attracted more than 280.000 visitors.
- ► A 10 per cent increase in prize money elevated the pool to an unprecedented AUD \$44 million. The men's and women's singles champions each received AUD \$3.4 million, with first round losers awarded AUD \$38.500.
- Australia had a clean sweep in the boys' competition, with Oliver Anderson winning the singles event and Alex De Minaur teaming with Blake Ellis to win the doubles title.
- ► Victorian world No.1 Dylan Alcott defended his quad wheelchair singles
- ► A total of 727 players from 67 nations competed across all events.

#### **EMIRATES AUSTRALIAN OPEN SERIES 2016**

#### Brisbane International 2016

Attracting a crowd of 96,045 fans, the tournament continues to prove popular with fans as well as the world's best players. World No.3 Roger Federer headlined the men's field, while an exceptionally strong women's draw featured eight top 15 players.

Men's singles: [4] Milos Raonic (CAN) d [1] Roger Federer (SUI) 6-4 6-4



▲ Daria Gavrilova and Nick Kyrgios combined superbly to claim a Hopman Cup win for Australia.

Women's singles: Victoria Azarenka (BLR) d [4] Angelique Kerber (GER) 6-3 6-1

Men's doubles: [2] Henri Kontinen (FIN) / John Peers (AUS) d [WC] James Duckworth (AUS) / Chris Guccione (AUS) 7-6(4) 6-1

Women's doubles: [1] Martina Hingis (SUI) / Sania Mirza (IND) d [WC] Angelique Kerber (GER) / Andrea Petkovic (GER) 7-5 6-1

#### Hopman Cup 2016

Representing her adopted nation for the first time, Daria Gavrilova teamed with Nick Kyrgios to end a 17-year title drought for Australia. Kyrgios was unbeaten for the tournament, including a straight sets win over world No.2 Andy Murray. The inclusion of Lleyton Hewitt in a second Australian team, a tournament first, proved popular with Perth crowds.

Final: Australia Green d Ukraine 2-0 Daria Gavrilova (AUS) d Elina Svitolina (UKR) 6-4 7-6(6)

Nick Kyrgios (AUS) d Alexandr Dolgopolov (UKR) 6-3 6-4

#### Apia International Sydney 2016

Despite inclement weather creating scheduling challenges and the late withdrawals of top 10 women Agnieszka Radwanska and Petra Kvitova, the tournament produced two popular champions from quality fields.

Men's singles: [3] Viktor Troicki (SRB) d [4] Grigor Dimitrov (BUL) 2-6 6-1 7-6(7)

Women's singles: Svetlana Kuznetsova (RUS) d [Q] Monica Puig (PUR) 6-0 6-2

Men's doubles: Jamie Murray (GBR) / Bruno Soares (BRA) d [4] Rohan Bopanna (IND) / Florin Mergea (ROU) 6-3 7-6(6)

Women's doubles: [1] Martina Hingis (SUI) / Sania Mirza (IND) d [3] Caroline Garcia (FRA) / Kristina Mladenovic (FRA) 1-6 7-5 [10-5]

#### Hobart International 2016

Former world No.5 Eugenie Bouchard headlined one of the strongest fields in the tournament's 23-year history, which also included former Australian Open finalist Dominika Cibulkova.

Women's singles: [7] Alize Cornet (FRA) d Eugenie Bouchard (CAN) 6-16-2

Women's doubles: Xinyun Han (CHN) / Christina McHale (USA) d Kimberly Birrell (AUS) / Jarmila Wolfe (AUS) 6-3 6-0

#### World Tennis Challenge

Seven of the nine players to contest the innovative World Tennis Challenge in Adelaide were Grand Slam champions: Lleyton Hewitt and Arantxa Sanchez-Vicario featured in Team Philippoussis alongside Mark Philippousis, Team Ivanisevic featured three major-winning Croatians in Goran Ivanisevic, Marin Cilic and Iva Majoli while Fernando Verdasco joined major winners Mats Wilander and Marion Bartoli in Team Wilander. Team Ivanisevic were declared overall

victors following three-days of spirited competition between popular legends and current players.

#### **DAVIS AND FED CUP**

Lleyton Hewitt's debut as Davis Cup captain occurred in a home tie staged at Kooyong Lawn Tennis Club as Australia faced the USA in the World Group first round in March. After a tough fight that included Hewitt's return to the court in doubles (where he and John Peers were defeated by Bob and Mike Bryan in five enthralling sets), the visitors claimed a 3-1 overall victory. USA was also victorious when Australia contested the Fed Cup World Group Play-off at Brisbane's Pat Rafter Arena in April. Staged before an enthusiastic home crowd, the event marked Daria Gavrilova's first appearance in the Australian team.

#### **DECEMBER SHOWDOWN**

With more than 1500 matches contested, the annual December Showdown at Melbourne Park included the crowning of national champions in the 18/u, 16/u, 14/u and 12/u categories. The 16-day event

culminates with the Australian Open Playoff, with James Duckworth and Maddison Inglis awarded coveted Australian Open 2016 wildcards following their respective victories in the 2015 event.

Australian 18/u champions:

Marc Polmans (Vic.) Priscilla Hon (Qld)

Australian 16/u champions:

Moerani Bouzige (Qld) Violet Apisah (NSW)

Australian 14/u champions:

Ken Cavrak (Vic.) Amber Marshall (SA)

Australian 12/u champions:

Philip Sekulic (QId) Lara Walker (QId)

#### **AUSTRALIAN PRO TOUR**

Top-level tennis features in many Australian cities and towns through the Australian Pro Tour, comprising ATP Challenger events, ITF Futures and Australian Money tournaments. Among notable highlights in the past year was Taylor Fritz's victory at the Happy Valley challenger event, which helped the young American's notable ascension into the world's top 100. There was also a welcome victory for rising Australian Blake Mott in Launceston.

## 720,363

TOURNAMENT RECORD FANS WHO ATTENDED AUSTRALIAN OPEN 2016

## 81,094

FANS ON SITE IN BUSIEST-EVER Day/Night on Australian Open Middle Saturday

10

NUMBER OF SESSIONS IN WHICH ATTENDANCE RECORDS WERE SET AT AUSTRALIAN OPEN 2016

280,000+

VISITORS TO INAUGURAL AUSTRALIAN OPEN FESTIVAL AT BIRRARUNG MARR

> ◄Angelique Kerber defeated Serena Williams in a memorable final to win the Australian Open.

"I'VE BEEN VERY FORTUNATE THAT I'VE HAD SUCH A GREAT CAREER, THAT I HAD THE OPPORTUNITY TO GO OUT ON MY TERMS ... TO DO THAT HERE AT THE AUSTRALIAN OPEN."

- LLEYTON HEWITT, ON HIS PROFESSIONAL RETIREMENT AFTER A 20TH APPEARANCE AT HIS HOME GRAND SLAM.

# CREATING CHAMPIONS

As they celebrated new milestones, Australian players inspired others to emulate their achievements. Debuting in an Australian team, Daria Gavrilova combined superbly with Nick Kyrgios to win the nation's first Hopman Cup title in 17 years; career-high rankings were among breakthroughs that soon followed for both players. There were local champions at Australian Open 2016, Oliver Anderson scooping the boys' titles and world No.1 Dylan Alcott repeating his quad wheelchair singles victory. Following his professional retirement, Lleyton Hewitt continued his legacy as Davis Cup captain. Backed by comprehensive high performance services, the future appears bright for our professional and developing athletes.



## **TOP 100**

THERE WERE SIX AUSTRALIANS **RANKED INSIDE THE TOP 100** AT 30 JUNE 2016

## **CAREER-HIGHS**

SIX AUSTRALIAN PLAYERS ACHIEVED CAREER-HIGH RANKINGS IN THE TOP 100 IN 2015-2016

NUMBER OF TIMES AUSTRALIANS APPEARED IN GRAND SLAM SINGLES MAIN DRAWS



#### **CREATING CHAMPIONS**

#### **PROFESSIONAL HIGHLIGHTS**

From exciting new breakthroughs for our rising stars to career-best performances from more established names, Australian tennis had much to celebrate in 2015-2016. Highlights included:

Career-high rankings were achieved by the following top 200 players: Bernard Tomic (No.17 in January 2016) Nick Kyrgios (No.18 in June 2016) Daria Gavrilova (No.32 in May 2016) Sam Groth (No.53 in August 2015) John Millman (No.60 in May 2016) Jordan Thompson (No.88 in June 2016) John-Patrick Smith (No.108 in Sep. 2015)

Two Australians reached the fourth round at Australian Open 2016 (Bernard Tomic and Daria Gavrilova) and Wimbledon 2016 (Bernard Tomic and Nick Kyrgios).

Nick Kyrgios made giant inroads, teaming with Daria Gavrilova to claim the Hopman Cup title and winning his first ATP World Tour title in February. He soon became the top-ranked Australian man.

Bernard Tomic made fourth rounds at the Australian Open and Wimbledon, with improved consistency overall rewarding him with a new career-high ranking of No.17 in January.

Sam Stosur re-established her place in the top 20 with a fourth round run at the US Open and a semifinal appearance at Roland Garros, the best Grand Slam singles result by an Australian player in four years.

Casey Dellacqua rose to a career-high doubles ranking of No.3 in February

2016 and reached the US Open 2015 final alongside Kazakhstan's Yaroslava Shvedova.

John Peers reached a career-best doubles ranking of No.7 in September 2015, reaching the Wimbledon and US Open finals and qualifying for the 2015 ATP World Tour Finals alongside British partner Jamie Murray.

#### A NEW BEGINNING

Lleyton Hewitt was farewelled at Australian Open 2016, the former world No.1 playing his final singles matches in a record 20th consecutive tournament appearance. The long-time fan favourite received a standing ovation as he left Rod Laver Arena following a secondround loss to world No.8 David Ferrer.

Hewitt remains a key figure in Australian tennis as Davis Cup captain, debuting in that role in the World Group first round tie against USA staged at Kooyong.

Boasting the most decorated Davis Cup history of any Australian, Hewitt holds a 58-21 win-loss record from 42 ties across an unprecedented 18 years. He has played the most ties over the most years of any Australian, and holds national records for most total wins and most singles wins, making him an inspirational leader for the new generation.

#### **DAVIS CUP**

**Squad:** Lleyton Hewitt, Bernard Tomic, Sam Groth, John Peers, Nick Kyrgios, Thanasi Kokkinakis, John Millman.

Coaches: Until October 2015: Wally Masur, Davis Cup captain; Josh Eagle, Davis Cup coach; Tony Roche, Davis Cup coach. From October 2015: Lleyton Hewitt, Davis Cup captain; Jason Stoltenberg, Davis Cup coach.

#### 2015-2016 RESULTS

World Group quarterfinals

17-19 July 2015 Australia d Kazakhstan 3-2 Darwin, Australia

T. Kokkinakis (AUS) lost to M. Kukushkin (KAZ) 4-6 3-6 3-6

N. Kyrgios (AUS) lost to A. Nedovyesov (KAZ) 6-7(5) 7-6(2) 6-7(5) 4-6

S. Groth / L. Hewitt (AUS) d A. Golubev / A. Nedovyesov (KAZ) 6-4 7-6(4) 6-2

S. Groth (AUS) d M. Kukushkin (KAZ) 6-3 7-6(6) 4-6 7-6(6)

L. Hewitt (AUS) d A. Nedovyesov (KAZ) 7-6(2) 6-2 6-3

#### World Group semifinals

18-20 September 2015 Great Britain d Australia 3-2 Glasgow, Scotland

A. Murray (GBR) d T. Kokkinakis (AUS) 6-3 6-0 6-3

D. Evans (GBR) lost to B. Tomic (AUS) 3-6 6-7(2) 7-6(4) 4-6

A. Murray / J. Murray (GBR) d S. Groth / L. Hewitt (AUS) 4-6 6-3 6-4 6-7(6) 6-4

A. Murray (GBR) d B. Tomic (AUS) 7-5 6-3 6-2

D. Evans (GBR) lost to T. Kokkinakis (AUS)



▲ Nick Kyrgios became Australia's top-ranked man soon after winning his first career title in Marseille.



▲Lleyton Hewitt was named Davis Cup captain in October 2015.



▲Sam Stosur returned to the top 20 following a semifinal run at the French Open.

#### World Group 1st round

4-6 March 2016 USA d Australia 3-1 Melbourne, Australia

J. Isner (USA) d S. Groth (AUS) 7-6(2) 6-2 6-2

J. Sock (USA) lost to B. Tomic (AUS) 6-7(2) 3-6 6-3 4-6

B. Bryan / M. Bryan (USA) d L. Hewitt / J. Peers (AUS) 6-3 6-3 4-6 4-6 6-3

J. Isner (USA) d B. Tomic (AUS) 6-4 6-4 5-7 7-6(4)

#### **FED CUP**

Squad: Sam Stosur, Casey Dellacqua, Daria Gavrilova, Arina Rodionova, Kimberly Birrell, Storm Sanders.

Coaches: Alicia Molik, Fed Cup captain; Nicole Pratt, Fed Cup coach.

#### 2015-2016 RESULTS World Group II

6-7 February 2016 Australia d Slovakia 3-2 Bratislava, Slovakia

Ar. Rodionova (AUS) lost to A.K. Schmiedlova (SVK) 7-5 5-7 0-6

S. Stosur (AUS) d J. Cepelova (SVK) 6-36-4

S. Stosur (AUS) d A.K. Schmiedlova (SVK) 7-6(5) 7-5

K. Birrell (AUS) lost to D. Cibulkova (SVK) 3-61-6

C. Dellacqua / S. Stosur (AUS) d J. Cepelova / D. Hantuchova (SVK) 5-7 6-1 6-2

#### World Group Play-off

16-17 April 2016 USA d Australia 4-0 Brisbane, Australia

M. Keys (USA) d D. Gavrilova (AUS) 6-4 6-2

C. McHale (USA) d S. Stosur (AUS) 3-6 6-1 7-5

C. Vandeweghe (USA) d S. Stosur (AUS) 2-6 7-5 6-4

B. Mattek-Sands / C. Vandeweghe (USA) d D. Gavrilova / Ar. Rodionova (AUS) 6-1 6-4

#### HIGH PERFORMANCE PATHWAY

Tennis Australia's National Academies (NA) offer comprehensive training programs designed to assist athletes to reach their full potential. The ultimate vision is to produce Grand Slam champions we are proud of.

There are currently 351 athletes at academies in Melbourne, Sydney, Brisbane, Perth, Adelaide, Canberra and Hobart. These athletes receive a range of support opportunities based on their age, results, attitude and professional ambitions. Benefits of support opportunities include:

- Coaching, training, physical performance and other sport science and medical support.
- Access to NA training facilities as well as professional team management.
- Structured pathways to a professional career.
- ► Travel subsidies.

#### **ATHLETE SERVICES**

The Performance pathway is strengthened through Tennis Australia's sport science and medicine teams who deliver education, medical, nutritional, performance analysis, physiotherapy and psychological support to athletes.

These services have been enhanced through the recent introduction of a Wellbeing team. Along with a range of specialist practitioners, this team offers a holistic pro-active education support program for all stakeholders involved in the pathway. The program comprises a range of skill development activities focused on developing appropriate personal, mental and life skills in order for athletes to perform at their personal optimum.

#### WHEELCHAIR HIGHLIGHTS

Dylan Alcott (Vic.) rose to world No.1 by winning the US Open and became the first wheelchair player to be nominated for the Newcombe Medal, recognition of a stellar 2015 season that netted eight titles. He defended his Australian Open quad singles title in 2016.

Adam Kellerman (NSW), who reached a career-high ranking of No.8 in June 2016, and Sarah Calati (Vic.), whose ranking peaked at No.29 in December 2015, won the 2015 Australian Wheelchair Tennis National Championships.

David Hall (NSW) was presented with the prestigious ITF Brad Parks Award in April, recognising his contribution to the game at international level.

#### **CREATING CHAMPIONS**

#### **JUNIOR HIGHLIGHTS**

Alex De Minaur (NSW) rose to a world junior ranking of No.2 after semifinal appearances at US Open and Australian Open boys' singles events. He went one better at Wimbledon, reaching the final. De Minaur also combined with Blake Ellis (QLD) to win the Australian Open boys' doubles title.

Oliver Anderson (Qld) claimed the Australian Open boys' singles title as a wildcard entry, a performance which earnt him Orange boy duties in Australia's Davis Cup team in March.

Jaimee Fourlis (Vic.) won her first professional title in Perth in February as a 16-year-old qualifier and also claimed the Gallipoli Youth Cup in April.

Sara Tomic (Qld) reached the Australian Open girls' singles semifinals, defeating Baijing Lin (VIC) in an all-Australian quarterfinal.

#### **NEWCOMBE MEDAL**

With a career-high ranking, Grand Slam consistency and a new level of admiration from peers and a growing fan base, 2015 was already a time of unprecedented highs for Sam Groth. But at season's end, the popular Victorian celebrated another one as the 2015 Newcombe Medallist.



▲ Dylan Alcott

"One to be nominated and then two to take it away, it's kind of hard to put into words ... it was a great year and this really tops it off," said Groth, a finalist for Australia's highest tennis honour alongside Sam Stosur, Thanasi Kokkinakis, John Peers, Casey Dellacqua and Dylan Alcott.

Acknowledging his family and closest supporters – including Davis Cup captains John Fitzgerald, Wally Masur and Pat Rafter – Groth's most heartfelt appreciation was for coach Ben Mathias,



▲Oliver Anderson

who fittingly received the Australian Tennis Award for Coaching Excellence – High Performance.

"(He's) the one guy for the last three years that really pushed me and made me a better player but also a better person," said an emotional Groth of Mathias

The annual tennis awards gala recognises players, coaches, clubs, communities, volunteers and officials for their service to the sport.



In its sixth year in 2015, another highlight was the presentation of the President's Spirit of Tennis Award to Ray Ruffels, for his outstanding contribution to tennis.

"So many people that I've travelled around the world with are in this room," said Ruffels, an accomplished professional in the 1960s and 1970s before his highly-influential role as coach to many top players, including Todd Woodbridge and Mark Woodforde, and helping to establish the tennis program at the Australian Institute of Sport.

#### **AUSTRALIAN TENNIS AWARDS 2015** WINNERS

Newcombe Medal: Sam Groth -Templestowe, Vic.

President's Spirit of Tennis Award: Ray Ruffels - Sandringham, Vic.

Female Junior Athlete of the Year: Kimberly Birrell - Hope Island, Qld

Male Junior Athlete of the Year: Omar Jasika - Clarinda, Vic.

Most Outstanding Athlete with a Disability: Dylan Alcott - East St Kilda, Vic.

Tennis Senior of the Year: Bob Howes -Highett, Vic.

Coaching Excellence - ANZ Tennis Hot Shots: Adrian Muscillo - Kew, Vic.

Coaching Excellence - Club: Jason Lindeman - Hawthorn, Vic.

Coaching Excellence - Talent Development: Janine Thompson -Lalor Park, NSW

Coaching Excellence - High Performance: Ben Mathias - Labrador, Qld

Most Outstanding Club presented by Medibank: Alexander Park Tennis Club -Menora, WA

Most Outstanding School: Brisbane Boys' College - Toowong, Qld

**Most Outstanding Professional** Tournament: 2015 Mildura Grand International - Mildura, Vic.

Most Outstanding Australian Ranking Tournament: Bendigo Junior Tour and Australian Money Tournament -Bendigo, Vic.

Excellence in Officiating: John Blom -Heathcote, NSW

Volunteer Achievement Award: Lyn Duffy - Melton South, Vic.

#### **AUSTRALIAN TENNIS HALL OF FAME**

Rex Hartwig joined many greats of the game when he was inducted into the Australian Tennis Hall of Fame in a special ceremony during Australian Open 2016.

An outstanding doubles player, six-time Grand Slam champion Hartwig won titles at the US Open in 1953, the Australian Open in 1954 and at Wimbledon in 1954 with Mervyn Rose, winning again at Wimbledon in 1955 with Lew Hoad.

He also won mixed doubles at the Australian Open in 1953, with Julie Sampson (USA) and again in 1954 with fellow Aussie Thelma Long.

"It is an absolute honour to have this Hall of Fame induction bestowed on me and I feel both very honoured and very humble," said 86-year-old Hartwig. "I am extremely proud that my contribution to tennis is being recognised in this way and receiving this accolade is very meaningful indeed.

"I look forward to my own bust being placed in Garden Square at Melbourne Park as it will be joining my great tennis mates in Rose, Hoad, Rosewall, Fraser and Sedgman whom I was fortunate enough to travel and play with, sharing so many great experiences, stories, triumphs and memories together that will never fade."

Although achieving most of his success in the doubles game, Hartwig was also a handy singles player, reaching a ranking of world No.5 and finishing as runner-up at the Australian Open, losing to Rose, and the US Open to Vic Seixas, both in 1954.

#### **AUSTRALIAN TENNIS HALL OF FAME INDUCTEES**

2016: Rex Hartwig 2015: David Hall

2014: Kerry Reid (Melville)

2013: Judy Dalton 2012: Ken Fletcher

2011: Owen Davidson 2010: Mark Woodforde. Todd Woodbridge

2009: Wendy Turnbull

► Rex Hartwig

2008: Pat Rafter 2007: Mark Edmondson 2006: Daphne Akhurst

2005: Australian Open Centenary

2004: Brian Tobin 2003: Pat Cash 2002: Mervyn Rose, Thelma (Covne) Long 2001: Mal Anderson,

Nancye (Wynne) Bolton

2000: Ken McGregor

1999: Australia inducted into the International Tennis Hall of Fame

1998: John Newcombe, Tony Roche, Lesley (Turner) Bowrey, Adrian Quist

1997: Fred Stolle, Jack Crawford, Gerald Patterson

1996: Frank Sedgman, John Bromwich, Sir Norman Brookes. Ashley Cooper, Harry Hopman

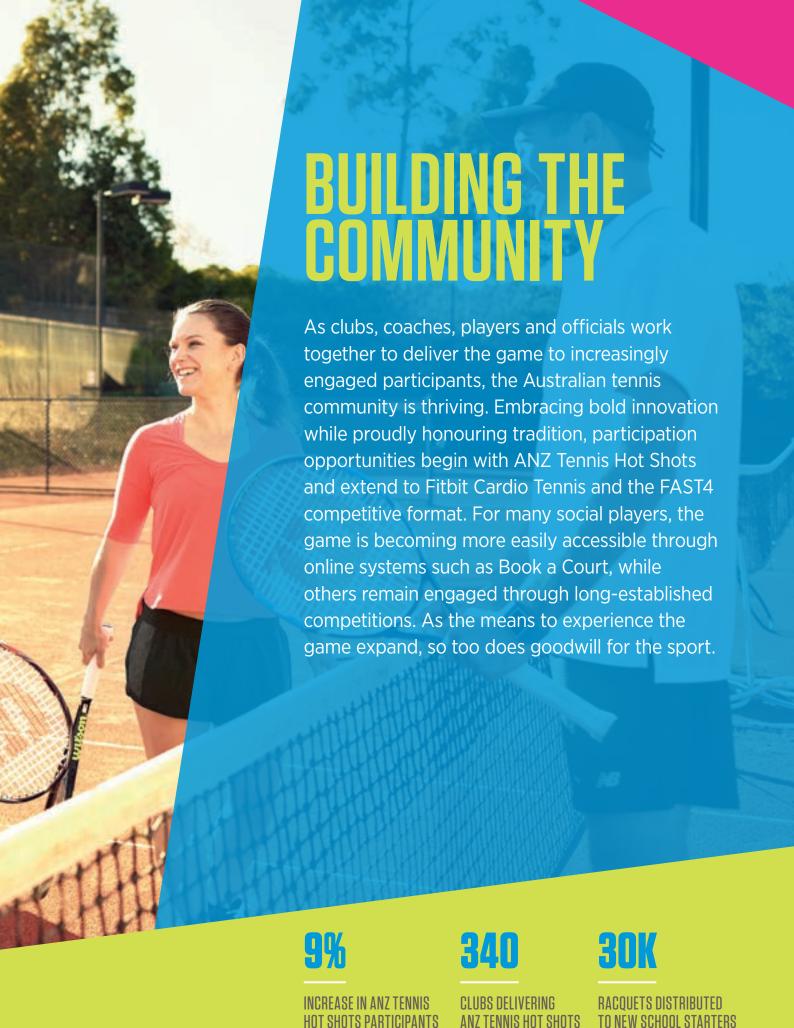
1995: Lew Hoad, Ken Rosewall

1994: Roy Emerson, Evonne Goolagong Cawley, Neale Fraser

**1993:** Rod Laver, Margaret Smith (Court)







YEAR-ON-YEAR

LEAGUES

IN 2016

#### **BUILDING THE COMMUNITY**

#### **ANZ TENNIS HOT SHOTS**

Reputation as one of Australia's premier junior sport participation programs continues to grow, with ANZ Tennis Hot Shots participants exceeding yearly targets with a significant nine per cent increase year-on-year. There are 1049 registered coaches delivering the program.

The program had a strong presence during the Australian Open, highlighted when eight-year-old Victorian Chantelle McCormack was named ANZ Tennis Hot Shot of the Year in a special ceremony at Rod Laver Arena. The annual Kids Tennis Day presented by Nickelodeon on the eve of the tournament, which showcases the program to a family-orientated audience. attracted a record crowd of 15,543.

#### **SCHOOLS**

Expansion of the ANZ Tennis Hot Shots program into schools is proving an effective engagement strategy with 98,325 participants.

A partnership with the Australian Sports Commission (ASC) Sporting Schools Program, a new federal government initiative to get more kids active and healthy in schools, resulted in 1592 schools delivering tennis as part of their health and physical education curriculum. As part of this program 30,000 racquets were distributed to new school starters in 2016, encouraging more kids to pick up a racquet and play.

In addition to the National School Partnership Program, a new School Play Program was introduced to help support



▲ Chantelle McCormack, 2015 ANZ Hot Shot of the Year winner, with ANZ Head of Marketing Carolyn Bendall and amabassador Alicia Molik



competition within schools. 249 schools officially took part in this program, assisting in the transition of learning the game to playing the game.

The inaugural ANZ Tennis Hot Shots Primary School Championships took place at Melbourne Park in December 2015, with the winners from the state championships invited to participate. Mount View Primary School (Vic.) was crowned the winner from Prince Alfred College (SA).

As part of the strategy to engage and educate the next generation of deliverers, 20 university partnerships were established with institutions across the country to equip teachers with the knowledge and confidence to deliver. Further professional learning workshops were delivered at Australian Council for Health & Physical Education (ACHPER) conferences in all states and territories to further support current practicing teachers. The ANZ Tennis Hot Shots in Schools program moved into international waters with delivery at the APPEC International Conference Hong Kong, the Game Sense conference New Zealand, the AIESEP International Conference in America and the Teaching Games for Understanding Conference in Germany.

The Tennis for Schools pilot was conducted in Shanghai China, with support from the Department of Foreign Affairs and Trade. The program delivered professional learning to teachers to then implement a six-week program in schools for students.

#### **FITBIT CARDIO TENNIS**

Relaunched in April with a brand overhaul, including a new logo and partnership with Fitbit. This revitalised the popular program, which promotes a healthy lifestyle through

a high-energy tennis workout. There are now 804 registered deliverers, exceeding the yearly target by 16 per cent.

#### **SYSTEMS**

Developing systems and providing solutions to make the lives of deliverers easier and the experience for participants better has been a focus through:

- ▶ Book a Court: an online court booking and payment platform for affiliated tennis clubs, an innovative approach to make courts more accessible for interested players. The program went live in October 2015, piloted by 20 clubs. More than 2000 players have since used the program, making more than 10,000 bookings and generating over \$70,000 in revenue for the involved clubs. This is expected to grow significantly as more clubs adopt the program and with installation grants now available through the National Court Rebate.
- League Manager: a free online management system that allows players to view fixtures, scores and statistics in real time. It is designed to improve the efficiency of league administration and provide players and teams access to their information in a more timely way.
- ► MyTennis: a free online membership system for clubs, which allows members to register online and clubs to manage membership.

#### **COMPETITIVE FORMATS**

There is an increased focus on grassroots team tennis, in particular expanding FAST4 Tennis, a format designed to fit into busy schedules while retaining the fundamentals of the sport. Matches remain competitive in the format, however several innovations ensure they can be played within a short period of time including the playing of lets, the adoption of no-ad scoring, a tiebreaker at three games all and sets determined by the first player to win four games.

The format was showcased in front of a sold out crowd in Sydney in January 2016, with an Australian team of Lleyton Hewitt and Nick Kyrgios playing a 'World' team of Rafael Nadal and Gael Monfils. It was also promoted at the Australian Open Festival and several Emirates Australian Open Series events. The format is ITF-endorsed and has been introduced in the United Kingdom, United States and China.



Tennis Australia delivered workshops with key competition deliverers and Member Associations resulted in 154 Australian clubs delivering FAST4 Tennis during 2015–2016. It has also been introduced as the format for all ANZ Tennis Hot Shots Leagues. These leagues continue to grow, with 340 registered clubs involved. An ANZ Tennis Hot Shots primary school competition is providing another platform for juniors to experience competitive play.

The Asia-Pacific Tennis League (ATL) and Win a Wildcard concepts also proved popular formats, connecting fans and players to professional-level competition and further promoting FAST4 Tennis.

#### **COACHES**

Coaches remain a vitally important group, with more than 2500 active Tennis Australia coach members delivering the sport in clubs, centres and schools. These coaches benefited from 81 courses across a range of levels during 2015-2016. Women's coaching scholarships were introduced, with 15 awarded so far to encourage female involvement. Regional development is also a focus, with 42 per cent of courses held in regional areas and travel subsidies offered.



Coaches are supported in their business and professional development through membership benefits, promotion of national programs, learning opportunities via our online platform, workshops and visits, as well as the GrandSlam Coaches' Conference.

#### **SENIORS**

Providing opportunities for players of all ages to engage with the game continues to be a priority. Senior competitions play an integral part. The Australian team enjoyed success at the ITF World Seniors Championships in Finland in June, winning multiple team and individual titles.

#### **TENNIS WORLD**

Tennis World continues to expand and create playing opportunities for the tennis community, having taken on management responsibilities for the Canberra Tennis Centre and Sydney Olympic Park Tennis Centre. Total participation across all sites surpassed 495,000 in 2015-2016, with utilised facility hours increasing year-on-year. Revenue exceeded \$4.7 million in the reporting period, a 34 per cent increase on 2014-15.

272,569

**CLUB MEMBERS** 

213,883

ANZ TENNIS HOT SHOTS
PARTICIPANTS (INCLUDING
98.325 SCHOOLS PARTICIPANTS)

4891

REGISTERED FITBIT CARDIO TENNIS PARTICIPANTS

2591

**ACTIVE COACH MEMBERS** 

WAYS TO PLAY: A growing number of players are engaging and participating in the sport through programs such as ANZ Tennis Hot Shots (top left), Fitbit Cardio Tennis (top right) and competitive formats such as FAST4 Tennis (below).



## FOUNDATIONS FOR GROWTH

As tennis grows, so too do the facilities that support it. The ever-expanding nature of the Australian Open is reflected in the \$338 million Stage 2 Melbourne Park redevelopment, which continued with the construction of Tennis HQ and Tanderrum Bridge in 2015-2016. There is also substantial development at grassroots level, including stunning new facilities for Canberra, Sydney and Darwin. Combined with projects arising from our Places to Play team, the game is increasingly a cornerstone within many communities. Such state-of-the art facilities and a fine-tuned community focus underline important investments in the game's future.





## \$338 MILLION

TOTAL INVESTMENT IN THE STAGE 2 OF THE MELBOURNE PARK REDEVELOPMENT

## \$58 **MILLION +**

**COMBINED INVESTMENT INTO NEW** TENNIS FACILITIES FOR CANBERRA. SYDNEY AND DARWIN

# **MILLION**

**FUNDING COMMITMENT THAT ALLOWED FOR THE CONSTRUCTION** OR REFURBISHMENT OF 327 COURTS THROUGH THE NATIONAL **COURT REBATE. 187 ANZ TENNIS** HOT SHOTS COURTS WERE ALSO CREATED

"TENNIS HAS BECOME THE SPORT OF CHOICE. STUDENTS NOW CARRY AROUND TENNIS RACQUETS AT SCHOOL INSTEAD OF (FOCUSING ON) MORE TRADITIONAL SPORTS SUCH AS FOOTBALL OR SOCCER."

> - JAMES CUMMING, PRINCIPAL OF RESERVOIR EAST PRIMARY SCHOOL, WHOSE FACILITIES WERE BOOSTED BY TENNIS AUSTRALIA COMMUNITY INITIATIVES.

#### **FOUNDATIONS FOR GROWTH**



▲Tennis HQ will be fully operational for Australian Open 2017.

#### **MELBOURNE PARK** REDEVELOPMENT

Building facilities that support the future of tennis in Australia and cater for the growing popularity of the Australian Open is reflected in the Stage 2 of the \$338 million Melbourne Park redevelopment. This includes:

- ► Tennis HQ: Construction of Tennis HQ, which commenced in February 2015. Some areas of the building were operational during Australian Open 2016 and it will be fully operational for the 2017 tournament.
- ► Tanderrum Bridge: Construction of a footbridge linking Melbourne Park directly to the city and Birrarung Marr began after Australian Open 2016. Tanderrum Bridge, as it

was subsequently named, will be completed for the 2017 event, providing a new ticketed entry point.

► Rod Laver Arena: The Rod Laver Arena refurbishment began in February 2016 with demolition of existing loading dock and expansion of public concourse. Work will continue over the next three years, improving concourse areas and patron amenities as well as expanded player facilities including new change rooms, training facilities, multi-level café and lounge.

Planning for Stage Three of the redevelopment is underway and is proposed to include the development of a 5000-capacity show court and match court on a new elevated concourse, a function and media centre. Grand Slam

Oval landscape and civil works. There will also be an additional southern site entry and updated merchandise and patron amenities at a new elevated concourse east of Rod Laver Arena.

#### **PLACES TO PLAY**

Supporting the construction, redevelopment and management of facilities nation-wide is an investment in the future of the sport that encourages greater community participation.

A funding commitment approaching \$2.3 million contributed to a total stakeholder investment of \$34.4 million during 2015-2016, allowing 327 new or resurfaced courts to be funded through the National Court Rebate. An additional 187 ANZ Tennis Hot Shots courts were also funded.



▲Tanderrum Bridge construction.



▲ Rod Laver Arena redevelopment.



▲The newly-developed Canberra Tennis Centre.

Current major projects include a \$16.7 million tennis centre in the Darwin suburb of Marrara, featuring ITFcompliant courts and facilities as well as four ANZ Tennis Hot Shots courts, and a new \$15 million 16-court facility in the Blacktown (Western Sydney) suburb of Stanhope Gardens.

An \$27 million redevelopment of Canberra Tennis Centre was officially opened in July 2015. The facility now boasts eight outdoor and four indoor Plexipave courts, 12 European clay courts, four synthetic grasscourts and four ANZ Tennis Hot Shots courts.

#### A VEHICLE FOR CHANGE

Providing pathways and programs to contribute to a vibrant community through tennis is the priority for Tennis Cares. As part of the investment in community, \$50,000 was distributed between 14 tennis clubs via Tennis Cares Community Grants to fund projects such as:

- Coaching programs and scholarships for children facing financial, physical or geographic challenges
- ► Clubhouse upgrades to improve community access and use
- ► Leadership opportunities for young

Two indigenous leadership camps were held in conjunction with Davis Cup ties and 25 young indigenous players were granted scholarships to support their coaching and playing careers.

Australian players with intellectual disabilities competed in the Australian Tennis Championships in January and a team of athletes travelled to Delaware, USA, to compete in the INAS World Championships in June.



▲Indigienous players with members of the Australian Davis Cup team.



▲Todd Woodbridge joined students on new courts at Reservoir East Primary School.

#### **CASE STUDY: RESERVOIR EAST PRIMARY SCHOOL, VICTORIA**

A key priority is to connect communities with tennis - and involvement with Reservoir East Primary School exemplifies the positive impact this can have.

The school in Melbourne's northern suburbs had experienced challenges in engaging students and their families. More than half of the students speak a language other than English at home, with 27 different language backgrounds from a student population of 161.

The school introduced Tennis Australia's National Schools Partnership Program and with the support of Tennis Cares, now boasts four ANZ Tennis Hot Shots mini-courts and an Indigenous Education Garden,



▲Tennis Australia supported the construction of four ANZ Tennis Hot Shots courts.

a project that engaged the schools Indigenous community (10 per cent of total students). Most importantly, it has helped improve engagement and culture within the school community.

"Tennis is now the cornerstone of the school's culture and has become the preferred sport of choice in our community," Principal James Cumming explained. "Students now carry around tennis racquets at school instead of more traditional sports such as football or soccer.

"Our school facilities are significantly run down and this investment has not only sent a clear message to our community that they are important. but also given them the opportunity to participate in a wonderful sporting endeavour that may not have been accessed without this project."

#### Outcomes:

- ▶ 4 per cent increase in student attendance, demonstrating positive engagement has an encouraging flow-on effect for the school community.
- ▶ 12 per cent of students now participating in coaching at neighbouring Keon Park Tennis Club.





## STRENGTHENING PARTNERSHIPS

Mirroring the growth of events and the number of fans who attend them, commercial relationships continued to expand with significant effect. Boosted by the company's commitment to innovation, key new partnerships were formed and existing ones strengthened. Other opportunities were created by landmark media rights deals that provided a new high in the reach of the Australian Open and other events. There were also exciting initiatives in ticketing and hospitality – developments that combined to create revenue that is reinvested into the sport.

## **1.76 BILLION**

POTENTIAL REACH OF THE AUSTRALIAN OPEN 2016 FREE-TO-AIR AUDIENCE BROADCAST

### **676 MILLION**

HOURS VIEWED OF TENNIS AUSTRALIA-PRODUCED AUSTRALIAN OPEN 2016 BROADCAST WORLDWIDE

### 30+

COMMERCIAL PARTNERSHIPS AT AUSTRALIAN OPEN 2016, INCLUDING SIX NEW PARTNER BRANDS

#### STRENGTHENING PARTNERSHIPS

#### **MEDIA RIGHTS**

With more hours of coverage, more live broadcast courts and more content produced, the Australian Open media reach was the biggest ever in 2016. Live and bespoke coverage of the Australian Open and the Emirates Australian Open Series events aired on more than 125 different TV channels around the world, reaching more than 200 countries.

The Australian Open was broadcast to more than 900 million homes every day on television, with major networks dedicating between two to six channels each in over 150 territories including Seven Network, Fox Sports Asia, WOWOW Japan, Eurosport Europe, belN Sports Middle East, SuperSport Africa, ESPN US, TSN Canada and ESPN Latin America.

Nearly 70 per cent of the Australian Open's global audience of 676 million hours viewed was generated between Australia, Japan, USA and China. All 16 main draw match courts were streamed live in over 130 countries.

More than 1200 hours of AO coverage was broadcast on free-to-air television by 15 broadcasters reaching a potential audience of 1.7 billion people, including Australia, China, Japan, Vietnam and United Kingdom. For the first time, all matches played in the Australian Open juniors, wheelchairs and legends events



▲Ticket sales rose domestically and internationally.

were produced live, taking the total number of live matches to more than 600 – up from 250 in 2014.

In addition, all Emirates Australian Open Series tournaments were broadcast on free-to-air television in Australia following a new deal with the Seven Network to also transmit highlights from Hobart and Adelaide, as well as of the Australian Open juniors and wheelchair events – a first for the summer of tennis.

#### **TICKETING**

More than one million fans experienced tennis across the country including the Emirates Australian Open Series events, a FAST4 Tennis exhibition in Sydney with Rafael Nadal, and culminating in the Australian Open.

The Australian Open attracted record crowds on four of 14 days, including more than 80,000 spectators on the middle Saturday.

Seating plans within the reserved stadiums, Rod Laver Arena and Margaret Court Arena, were revised to ensure greater flexibility for fans.

Contracted tour operators continued to rise, as did their sales of tickets domestically and internationally.

 Australian Open coverage of Roger Federer and other competitors was broadcast to more than 200 countries via 125 different TV channels.





#### **HOSPITALITY**

A major change in hospitality was introduced at Australian Open 2016, offering fans a bespoke experience that allowed them to enjoy their experience when, where and how they wanted.

With the main arenas divided into categories for the first time, it allowed guests to choose their seat in the right location and at the right price point to meet their objectives.

A major investment into the breadth and quality of restaurants meant there were seven new restaurants on site. There was an array of choice on offer from family style pizza and pasta, through to a full degustation menu at Estelle by Scott Pickett.

Coupled with this, 12 new private spaces were offered. The Trophy Club offered guests private entry into Rod Laver Arena - previously reserved solely for guests of President's Reserve, and the Green Room offered a new experience where guests could feel the tension of the players walk on and be within touching distance of the legends of the sport.





# SEVEN

**NUMBER OF RESTAURANTS** ON SITE AT AUSTRALIAN OPEN 2016 – A TOURNAMENT FIRST

#### STRENGTHENING PARTNERSHIPS



▲The new digital walls at the Australian Open provided a platform for partner brands.

#### **PARTNERSHIPS**

Six new partner brands were welcomed for Australian Open 2016 – Accor, Lavazza, Blackmores, William Hill, Jurlique and Yonex. This year's event provided some innovative new platforms for partners to activate, and none were more significant than the 2.4-metre high digital walls wrapping Rod Laver Arena, Margaret Court Arena and Hisense Arena. The digital walls enabled brands to bring their campaigns to life and connect with fans in these stadiums; Tourism Victoria (with their beautiful adaptation of regional

Victoria landscapes) and Kia (who brought their AO Selfie promotion to life) were a couple of great examples.

ANZ built an immersive experience at Grand Slam Oval, with Novak's World providing fans a virtual experience with the Australian Open champion. A two-storey Lavazza Café was introduced, as well as a Blackmores Oasis for fans. The inaugural Australian Open Festival at Birrarung Marr was embraced by partners, whose act ivations were experienced by over 280,000 fans who enjoyed free, engaging experiences such as the TAC People's Court and Canadian Club's Racquet Club.

#### INTERNATIONAL GROWTH

Tennis Australia has made a considerable investment in its Asian operations in the past 12 months, opening a local office in China and employing local expertise to further expand business growth throughout the region. A dedicated team that is operational in the region has allowed the development of more valuable commercial relationships with media and broadcast partners, brand partners, as well as visitation and tourism partners.

Kei Nishikori joined Rafael Nadal and Li Na as a "Friend of the Australian Open" – an ambassadorial role that will help growth and engagement of fans in Japan, one of the Australian Open's most important markets. Relationships were further enhanced when the Shanghai Masters and China Open became additional Friends of the Australian Open.

A new Visitation and Tourism Program was developed and launched into key markets, allowing Tennis Australia to better attract and capitalise on the rapid increase of Chinese inbound tourism and welcoming thousands of Chinese fans to the Australian Open and Emirates Australian Open Series

For the Chinese fans who couldn't visit the Australian Open in 2016, the largest ever "AO Live" experience was held in Shanghai. Chinese fans braved snow for their own Australian Open experience with entertainment emulating that of the activity in Melbourne via the food offerings, music entertainment, live viewing, and a very special appearance from China's top performing tennis player, Zhang Shuai, a quarterfinalist at the tournament.

"TENNIS HAS BECOME SO POPULAR IN ASIA AND IT'S GREAT TO SHARE OUR SPORT WITH ALL OUR FANS."

- RAFAEL NADAL, WHO JOINED Rod Laver at the Shanghai Launch of the Australian Open



#### **AUSTRALIAN OPEN 2016 PARTNERS**

Kia Motors

ANZ

Jacob's Creek

Rolex

Accor Hotels Blackmores

Canadian Club

CCA

China Open

City of Melbourne

CPA Australia

Emirates

Guvera

Heineken

Herald Sun

Hisense

IBM

Jurlique

K&L Gates

Lacoste

Lavazza

Maxxis

Medibank

Optus

Shanghai Masters

State Government of Victoria

TAC

Titan Fitness Water

Toshiba

William Hill

Wilson

Woolworths

Yonex

#### **AUSTRALIAN OPEN LEGENDS TOURNAMENT**

McDonalds

#### **AUSTRALIAN OPEN 2016 BROADCASTERS**

Domestic Broadcaster

Seven Network

#### International Broadcasters

Sky - New Zealand

Beijing TV - China

BesTV - China

CCTV - China

Guangdong TV - China

IQiyi - China

Shanghai TV - China

Tianiin TV - China

NHK - Japan

WOWOW - Japan

Fox Sports Asia -

Pan-Asia (Excluding China,

India and Japan)

JTBC - South Korea

TDM - Macau

VTVcab - Vietnam

Sony Six/MSM -

India & Subcontinent

Fiji TV - Fiji & Pacific Islands

Eurosport -

Pan-Europe (& North Africa)

BBC - UK & Ireland

NOS - Netherlands

RTS - Serbia

SRG SSR - Switzerland

SuperSport -

Sub-Saharan Africa

belN Sports -

Middle East & North Africa

ESPN -

Latin America & North America

Tennis Channel -

North America

RDS & TSN - Canada

Sport24 - In-flight/In-ship

(Worldwide)

#### **TENNIS AUSTRALIA**

ANZ

Australian Paralympic

Committee

**Australian Sports Commission** 

Fitbit

FIT-Bioceuticals

**Isowhev Sports** 

**K&L** Gates

Medibank

**New Balance** 

Qantas

Sportscraft

Vic Health

Wilson

#### **HOPMAN CUP 2016**

Tourism WA

City of Perth

**Emirates** 

NAB VW

Blackmores

Canadian Club

CCA

Crown Perth

**Daniel Hechter** 

Four Points by Sheraton Perth

Heineken

Jacob's Creek

Solid Gold Diamonds

Streets

Rio Tinto

William Hill

MIWilson

Woolworths

#### **BRISBANE INTERNATIONAL 2016**

Suncorn

Tourism & Events Queensland

Blackmores

**Brisbane Marketing** 

Rado

Canadian Club

Diadora

**Emirates** 

Hisense

Jacob's Creek

McDonalds

Morton Hire SAP

Streets

Ticketek

Toshiba

Treasury Casino and Hotel

Volkswagen

William Hill

Heineken

Coca-Cola Amatil

Wilson

Woolworths

#### **APIA INTERNATIONAL SYDNEY 2016**

Apia

Volkswagen

Infosys

**Emirates** 

New South Wales Government

**Destination NSW** 

Accor Hotels

Blackmores

Canadian Club

CCA

Fed Ex

**GEMA Catering** 

Heineken

Hisense

Jacob's Creek

MIYO Tennis Streets

Suntivity

Sydney Olympic Park

Ticketek

Toshiba

University of NSW

William Hill Wilson Woolworths

**HOBART INTERNATIONAL 2016** 

**Events Tasmania** 

Blackmores

Canadian Club

CCA

Emirates

Heart 107.3 Moorilla

Moo Brew

Toshiba

William Hill

Wilson Woolworths

Southern Cross Television Ticketek

TPG

The Old Woolstore Apartment

Hotel





# ENGAGING WITH FANS

Cutting edge content created by digital, production, marketing, publicity and broadcast teams brings the game to life for fans. The connection is further enhanced by services provided to worldwide media in their coverage of the sport, as well as benchmarks set by the delivery of host broadcast services at every Australian event. Promotion of the game, whether at professional or grassroots level, is achieved through a range of innovations. In 2015-2016, there were bold new marketing campaigns and strategic activations that engaged audiences and boosted ticket sales. As audience numbers grow to extraordinary heights, so too does excitement for tennis.

RECORD NUMBER OF VIDEO VIEWS ACHIEVED ACROSS AUSOPEN.COM AND SOCIAL **CHANNELS DURING AUSTRALIAN OPEN 2016** 

UNIOUF **VISITORS TO** AUSOPEN.COM

STAGED THROUGHOUT THE **AUSTRALIAN SUMMER** 

# **ENGAGING WITH FANS**

#### **PUBLICITY**

Career-best performances from a string of top names, as well as expanding events and enticing grassroots initiatives helped ensure year-round engagement. Interest naturally peaked during the summer of tennis, but ongoing breakthroughs from several players and strong news angles in other areas extended positive coverage throughout the year. Highlights included:

#### Australian summer of tennis

Commencing with a series of launches around the country - along with a milestone first Australian Open launch in China - excitement for the summer started early, then grew steadily as player participation and other key news angles were promoted. Lleyton Hewitt's final events as a professional player, the announcement of a second Australian team for the Hopman Cup and the return of Roger Federer to Brisbane were among popular stories that attracted interest.

Human interest angles created by Australlian Open Play-off women's finalist Arina Rodionova playing on the weekend of her wedding and men's finalist Ben Mitchell withdrawing for the birth of his first child boosted December Showdown coverage.

The Emirates Australian Open Series events generate significant publicity and builds momentum ahead of the Australian Open, with a range of media opportunities stemming from these events.

#### Australian Open

The Australian Open media and publicity



Lleyton Hewitt's final events as a professional player generated significant coverage.

40 countries, managing more than 1000 player press conferences and in excess of 100 colour (off-court) media opportunities with players, legends and celebrities.

A trophy procession from defending champions Serena Williams and Novak Djokovic at the pre-tournament draw set a positive tone in colour coverage, Other highlights included Andy Murray meeting 380+ AO Ballkids, David Goffin visiting the Prahran Market, Zhang Shuai photographed in Chinatown and Milos Raonic attending the Andy Warhol / Ai Weiwei exhibition at the National Gallery.

News stories naturally emerged from player performances, with Angelique Kerber's Grand Slam breakthrough and Novak Djokovic's sixth victory both generating mass worldwide interest.

Australian players were also in the spotlight, with particular focus on Daria Gavrilova's run to the fourth round. Her bouncy personality was a hit with both the media and the public.

#### Other events

A strong focus on tennis continued with the staging of Davis and Fed Cup ties, at Kooyong Lawn Tennis Club and the Queensland Tennis Centre respectively, early in 2016. While neither resulted in an Australian victory, both provided opportunities to promote the sport.

Other positive coverage included Sam Stosur congratulating the first recipients of a new female coaching scholarship initiative, Daria Gavrilova's appearance at a primary school to distribute racquets for Medibank's Australian Open Second Serve initiative and Todd Woodbridge launching new ANZ Tennis Hot Shots courts at a Canberra primary school.

A major competition offering two ANZ Tennis Hot Shots participants the chance to win a trip to Shanghai to meet Novak Djokovic was launched in June, sparking a 12-month publicity campaign that includes racquet giveaways, schools ambassador appearances and a summer launch.

#### **PRODUCTION**

With a multi-skilled in-house team of producers, editors and camera operators. Tennis Australia Production delivers all aspects of video and live event production during the Australian summer and throughout the year. Content is produced daily for distribution across broadcast, digital and social media channels.



items of content were produced in-house pre-event and 5000 commercial content rotations delivered across the event.

Other significant milestones included:

- ► A record 30.2 million video views were achieved across ausopen.com and social channels during Australian Open 2016 a 23 per cent increase on 2015
- ▶ More than 400 media events were filmed across the entire summer, with 1200 video packages edited for distribution to fans, partners and worldwide media
- ► A new TA Media Library was used to distribute 600 gigabytes of on and off court vision to media outlets throughout the world during January, with over 2160 transfers occurring on the new platform
- ► For the first time, the Australian Open TV commercial was produced entirely in-house including creative concept development, scripting, pre and post production
- ► The Australian Open YouTube channel celebrated a unique high in January, reaching 100 million lifetime views since it was launched in 2007
- Expansion of Tennis Australia's integrated content programs made for partners during the Australian Open
- ► A revamped entertainment and show production was delivered at key events including the Newcombe Medal. Partner Forum and AO Team Rally.
- ► International broadcast distribution of the Australian Open Play-off and Australian Open Qualifying events to over 10 countries
- ► A co-production and sales partnership with sports-programming production company Inverleigh created the opportunity to develop a suite of tennis programs for global distribution. This includes "Deuce" a half-hour weekly magazine show covering all international tennis that runs for 52 weeks a year and "Courtside" a premium player profile series featuring 13 episodes

#### **MARKETING**

#### Australian Open 2016

A range of initiatives drove ticket sales and increased engagement at Australian Open 2016. Among notable highights:

► After featuring in Melbourne's City Square from October, the Open Season

- installation sat on top of the Rod Laver Arena steps during the tournament. This was illuminated in various colours at night, providing a stunning photo opportunity for fans.
- ► Hamer Hall lit up with a giant screen projecting live scores from Rod Laver Arena throughout the Australian Open. It was the first projection of this type, ensuring everyone in the city could be part of the event. Visible from Fed Square and Flinders Street Station, it became a focal point for night-time visitors and on conservative estimates, was seen by over two million people.
- ► The band line-up at Grand Slam Oval was significantly changed to incorporate emerging Australian talent in conjunction with Australia's largest music company Frontier Touring. Only an hour after they performed on the Grand Slam Oval stage on Australia Day, The Rubens won the prestigious Triple J Hottest 100 song of the year.
- ► The Australian Open Festival marketing campaign promoted free activities and great food and beverage offerings, highlighting value-added opportunities from the event.
- Roving giant ball entertainers encouraged the fans to play tennis and love tennis.
- ► Radio partner Fox FM ran a 'Balls Up" competition for two weeks, which generated over AUD \$1 million airtime value across the tournament. Activations on site created content opportunities that resulted in the Australian Open being live all day for 14 days across Fox FM and Triple M. An extremely successful relationship with this enthusiastic radio partner saw them provide more than AUD \$850,000 of value through their activations and on air promotions throughout January.

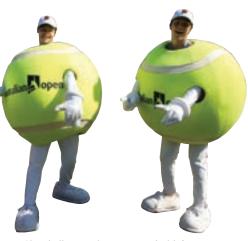
## A new visual identity

Looking beyond 2016, a significant marketing focus has been on the development of a new brand identity for the Australian Open. While "Serving Man" remains a well-loved element of the event's recent history, the Australian Open has in many ways outgrown that visual representation. Key research, consumer insights and Tennis Australia's overall strategic direction were all considered in the creation of a new identity that will be implemented from Australian Open 2017.

Translating more effectively across digital platforms and readily adaptable for event partners and broadcasters, it is anticipated that this new visual identity will resonate strongly as a global, iconic landmark.

#### Tennis Marketing

- ► ANZ Tennis Hot Shots launched a new "Play For Life" campaign in September 2015. The campaign focused on tennis as a game for life, compared to other childhood sports which do not transcend into adulthood.
- ► The annual marketing strategy included advertising across national and metro TV. radio and digital, reaching 2.1 million Australian families, generating 500,000 unique visitors to the ANZ Tennis Hot Shots website, a yearly increase of 12 per cent. The campaign included a partnership with prominent radio personalities Hamish and Andy on Hit Network Fox FM for a "Trillion Dollar Tennis" competition in September 2015, which significantly over delivered on radio air-time, and was covered by the Today morning program on the back of strong interest in the competition. In January 2016, ANZ Tennis Hot Shots partnered with the Hughsey and Kate radio program on the KIIS Network for the "Hughsey's Hot Shots" competition, driving solid interest in the program, and contributing to the strongest week of website traffic and expressions of interest in the ANZ Tennis Hot Shots program ever.
- ► The digital campaign included highlytargeted advertising on parenting sites such as Kidspot and Mamamia, which delivered solid results, with click-through rates doubling industry benchmarks.



▲ Giant ball entertainers engaged with fans.

# **ENGAGING WITH FANS**

#### **DIGITAL**

#### Australian Open

Fans were provided with a more complete view of the Australian Open than ever before in 2016. Match Centre was introduced to the mobile site, giving millions of fans a complete endto-end solution for match coverage. Text and video output was synergised, setting new highs in coverage. The introduction of AO Live gave users behind-the-scenes coverage for the first time, while social channels were expanded to include Snapchat and WeChat in China.

Key digital results included:

- ► Unique website visitors: 14m+
- ► Website visits: 58.6m+
- ► Website page views: 378m+
- ► App downloads for iPhone and Android: 949.104
- ► Match Centre views on mobile: 17.3m+ views
- ► New Chinese online partner Sina.com: 2.8m downloads of Mandarin Australian Open scoreboard.

The Australian Open's total social media audience grew to more than 3.7 million across Facebook, YouTube, Twitter, Instagram and Google+.

Other highlights included:

- #ausopen was mentioned 1.23 million times (57 per cent year-on-year growth)
- #hewbeauty was mentioned 29,000 times
- ▶ 110,000 people adopted a new Australian Open-profile frame on Facebook to support their favourite player
- ► A Snapchat live story was viewed by 5.8 million unique people
- New Australian Open Wechat channel gained 32,000 followers
- New Australian Open emoji keyboard had 18.142 downloads.

#### Social Shack

The Social Shack was once again a leader in fan engagement, with a range of new innovations at Australian Open 2016:

In a world first for sport, Rod Laver Arena action was live streamed in 360 (Virtual Reality) into the Social Shack



▲Women's champion Angelique Kerber was among many visitors to the AO Social Shack.

- Appearances from top players including Novak Djokovic, Serena Williams, Angelique Kerber and Li Na were broadcast live via Periscope in the form of 'People's Pressers'
- ▶ The "upside down" photo booth was extremely popular, becoming one of the fan experiences most shared via social media. Similarly, an appearance with the giant tournament hashtag was an in-demand photo opportunity
- ▶ Patron social media photos were uploaded to the giant Mosaic, with one lucky participant winning a Kia car in the process
- ► A tribute to the winners of the inaugural Social Suite competition.

#### Social media

Social media presence continues to expand, with audiences for Emirates Australian Open Series events growing and peaks evident around Davis and Fed Cup ties and other events.

Fresh content angles were explored daily, many inspired by special calendar days. A World Happiness Day post - featuring a short video of AO stars smiling to camera had an organic reach of 171K on Facebook and 1.3K reactions.

A fun Aprils Fools clip, put together by Tennis Australia Production announcing a new wooden surface for the Australian Open, showcased the style of content that connects with fans and other media. The post saw more than 200,000 views on Facebook, a reach of 725,969 people and 18,559 reactions, comments and shares. On Twitter, 16,580 engaged with the post,



▲ Social media photos were uploaded to the giant mosiac.

which was also reported by high profile media outlets Mashable and news.com.au.

#### Tennismash.com

A new Tennis Australia-produced website, tennismash.com, went live in January. The purpose of tennismash.com

- Extend the tennis year beyond the Australian Open and talk to fans vear-round
- ▶ Promote Tennis Australia's expertise in athlete, coaching and sports science, creating content that is innovative and easy to consume
- ► Create a digital extension of Australian Tennis Magazine as the publication evolves into a greater online presence and maximise content generation
- Provide a compelling destination to champion Australian tennis success on a big stage that has international appeal.

A phased approach was adopted for the launch, beginning with a lean site that tested the market in January. With its immediate popularity (including hitting nearly 200,000 unique users per month

within the first six months) evident, Phase Two - a more complete build - was launched. We will continue to evolve the property, which has engaged more than 500,000 unique users since its inception.

#### **PUBLISHING**

Australian Tennis Magazine (ATM) celebrated its 40th birthday in January, marking the occasion with a special "celebrations" issue that was distributed with every copy of the Australian Open program sold on site. Subscription

numbers were steady, with audiences receptive to a slightly reduced frequency, which allows for more a more efficient allocation of resources and marginally-expanded publications released closer to key events.

The regular edition of the magazine was once again

complemented by the special edition ATM 4 Kids, which was distributed via schools and at all Kids Tennis Day events throughout the summer. This popular edition, produced in partnership with the ANZ Tennis Hot Shots team, is a strong promotion point for Tennis Australia programs.

ATM social media was also a growing point of interest. An extremely engaged audience on Facebook now numbers more than 130,000 and many high-profile players interacted with our content, including Maria Sharapova who tweeted her thanks for appearing on the August 2015 cover to close to four million followers. This was retweeted over 500 times and liked by close to 2000 users.

#### Australian Open Program

The Australian Open official program was extremely well received, with on-site sales increasing by seven per cent and several sessions of record sales throughout the event. Further copies were distributed via corporate ticket holders, through tour operators and to Australian Open members. Newsagency sales figures matched those of 2015.

The Australian Open Daily Schedule and Draw (DSD) was more in-demand than

ever before, with sales increasing by 9.3 per cent on 2015. Program Sellers Australia reported this as their highestever distribution of the DSD.

#### **BROADCAST**

Tennis Australia's host broadcast of major events such as Australian Open 2016, as well as Davis Cup and Fed Cup ties, continues to set a benchmark. Coverage was expanded this year, providing more behind-the-scenes and off-court access than ever.

> A focus on an expanded host broadcast communications model across all Emirates Australian Open Series events was showcased in the delivery of a multi-event broadcaster website as well as dedicated and well-timed updates across every event for the first time in 2015-2016. This kept broadcasters in Australia and throughout the world up-to-date with tournament and coverage information throughout January.

Expansion of Tennis Australia's remote production delivered content across nine courts at Australian Open 2016, allowing quality and consistent delivery across the entire site.

Highlights of the host broadcast operation included:

- Seven host broadcast events across five cities/states, delivered using six separate outside broadcast trucks plus a large outside broadcast compound custom built for the Australian Open
- ► Most comprehensive host broadcast coverage of any Grand Slam with

- 16 match courts covered during Australian Open (totaling 153 individual coverage days) plus 12 practice courts
- ► Total of 641 matches covered during Australian Open (including 254 main draw singles, 154 main draw doubles, 18 legends, 187 juniors and 28 wheelchair matches)
- ▶ 364 staff and freelance crew plus 17 presenters were employed at Australian Open 2016
- ▶ 119 individual cameras across the entire host broadcast - including a variety of cameras inside and throughout player areas providing unique access and customised content
- ▶ Both women's and men's singles finals featured access to more than 35 cameras, including for the first time two steadicams, three extreme slo-mo NAC cameras and seven super slo-mo cameras
- ► There were 27 domestic and international networks on-site at the Australian Open, plus more than 15 others receiving feeds off-site
- ► Total of 1215 broadcast representatives accredited at tournament - including 444 international, 341 domestic, 364 TA staff and crew, 34 dual roles plus 32 broadcast contractors
- ▶ Brand new custom built walk-on at Rod Laver Arena with smaller replicas at Margaret Court Arena and Hisense Arena (lit and designed for TV).

Ownership of technical broadcast gear places Tennis Australia in a unique position for revenue growth and year-round potential expansion to other events.

▼ The most comprehensive host broadcast coverage of any Grand Slam was delivered at AO2016.







# OUR TENNIS TEAMS

More than 4200 people are employed in diverse roles across Tennis Australia, Member Associations and at the Australian Open or Emirates Australian Open Series events. Demonstrating the Tennis Australia values of humility, excellence, loyalty and teamwork, those passionate team members are committed to delivering high levels of service and achieving company goals. In turn, a range of initiatives provide staff recognition and make Tennis Australia a workplace of choice - highlighting the clear understanding that team members best represent the heart of the organisation.

4200+

TOTAL STAFF NUMBERS FOR TENNIS AUSTRALIA, MEMBER ASSOCIATIONS, AUSTRALIAN OPEN AND EMIRATES AUSTRALIAN OPEN SERIES

11,174

APPLICATIONS FOR AUSTRALIAN OPEN AND AUSTRALIAN OPEN SFRIFS ROLFS

88%

OF AUSTRALIAN **OPEN STAFF** 

# **OUR TENNIS TEAMS**

#### **HUMAN RESOURCES**

Staff are the heart of an organisation and Tennis Australia supports a culture of inclusiveness where differences are valued:

## **VALUES**



#### **TEAMWORK**

Diverse teams get better results



## **LOYALTY**

A sense of belonging for all



## **EXCELLENCE**

People's success is based on merit



#### **HUMILITY**

Actions speak louder than words

As of 30 June 2016, employee numbers were.

- ▶ **436:** Tennis Australia full-time, part-time and casual staff
- ▶ 164: Member Associations full-time and part-time staff
- ▶ 600: Total full-time, part-time and casual staff across the business
- ▶ 4182: Total staff including Australian Open and Emirates Australian Open Series events casual staff

Close to 300 Tennis Australia and Member Asoocation staff were appointed to full-time, part-time and casual roles in 2015-2016, and 320 new staff appointed to Australian Open and Emirates Australian Open Series events positions from a total of 11,174 applications. Retention rate for Australian Open staff was 88 per cent.

A number of initiatives have been employed to recognise staff and make Tennis Australia an attractive workplace. This includes:

► Serving Your Success: a reward and recognition program launched in May 2016, encouraging teams to





Australian wheelchair player Luba Josevski welcomed staff to Health and Wellbeing Day.

recognise staff members outside their immediate teams

- ► Service awards: Recognising employees for service at five, 10, 15 and 20 year milestones
- ▶ Professional development: Providing education support and offering development opportunities. There were 336 staff involved in development programs during 2015-16, which included leadership and first aid training
- ► Health and Wellbeing Day: The third annual event on 21 April saw more than 250 employees take advantage of the activities offered on the day. This included hitting with professional players such as Lleyton Hewitt, Thanasi Kokkinakis and Sam Groth, Fitbit Cardio Tennis sessions and a healthy lunch expo
- Serving Your Health: A year-round company-wide health and wellbeing strategy. The program features monthly themes based on the World Health Organisation events calendar, with staff encouraged and incentivised to join in a range of health and wellbeing-related activities each month. A Fitbit steps challenge saw more than 70 million steps recorded in June, demonstrating the high staff engagement with the program



- ► Member Association Roadshows: Educating and developing internal culture across all states
- ► Staff engagement survey: A survey was conducted in May 2016 with an estimated 85 per cent participation rate.



▲ Health and Wellbeing Day provided the opportunity to hit with Llevton Hewitt and other players.

Of those who completed the survey, the five highest-impact questions that mattered most to staff were:

- ▶ I am happy with my current role relative to what was described to me
- ► Tennis is a great company for me to make a contribution to my development
- ▶ I have confidence in the leaders at Tennis
- ► At Tennis there is open and honest two-way communication
- ► The leaders at Tennis demonstrate that people are important to the company's success.

#### **CUSTOMER SUPPORT**

The Customer Support team aims to provide consistent information in a friendly manner via all streams of communication; including phone, web, live chat and social media. During Australian Open 2016 the team responded to 9232 enquires during the event.

To improve customer experiences, the customer support team was centralised across the organisation in June 2016 and a new Customer Relationships Management project established.

#### **INTEGRITY & COMPLIANCE** UNIT

A division to lead the organisation's integrity and compliance strategy was introduced early in 2016. Objectives include: co-operation with the global Tennis Anti-Corruption Program through an Independent Review Panel and the Royal Commission into Institutional

Responses to Child Sexual Abuse, reviewing and developing Tennis Australia's current education programs, improving data sharing internally and with external governing bodies as well as fostering closer relationships with other major sporting codes and law enforcement.

#### **GENDER EQUALITY**

Empowering women and gender equality is a strong focus for the organisation, with a number of initiatives introduced. These included:

- ► Inspirational women from sport as well as human rights, medicine, the arts and media were celebrated in a Grand Slam-first Celebration of Inspirational Women brunch on women's semifinal day during Australian Open 2016
- ► Tennis Australia CEO Craig Tiley and Director Jayne Hrdlicka co-chaired a United Nations women's economic empowerment panel in June 2016, a historic consultation that saw business, sport and not-for-profit delegates gather at Melbourne Park to produce vital data for a United Nations report
- ▶ The introduction of 35 coaching scholarships for women, with 15 awarded so far.

# INFORMATION TECHNOLOGY Australian Open 2016

Precinct Wi-Fi was expanded to include Birrarung Marr and Hisense Arena in

2016. This provided access to 68,100 registered users, using 140,000 unique devices of which 72 per cent were fans. An analytics platform allowing identification of patron numbers using the Wi-Fi service provided quantitative data on behaviours and patterns. The Wi-Fi network managed about 12TB of traffic, with a total of 43TB of internet traffic consumed during the whole event.

In a Grand Slam first, umpires used tablet devices for scoring with direct messaging capabilities between tournament control and umpires on court.

The technology team also developed and released the Australian Open player iPhone app. This provided services to players such as practice partner look-up, transport, schedule, draws and news feeds. In addition to this, the transport area included kiosk and an express transport booking service via tablets. Dashboards within the waiting area provided guests and players with real time information on the status of their booking.

#### Innovation

After introducing Microsoft Office 365 into the business in June 2015, Skype for Business followed. This real-time collaboration tool allows Tennis Australia staff to communicate and securely share data regardless of location.

Microsoft Yammer created a single destination for Participation team messages, files, and updates, allowing team members to have a single view of a projects' collateral.

Implementation of a Hybrid Cloud environment to support Tennis Connect complements the current on site systems to offer further scalability and resilience to the systems Tennis Australia is building.

### Systems availability, security and risk management

Security continues to be a strong focus, ensuring the organisation has been protected from many identified threats. The annual testing regime continues to provide improvement opportunities in an ever-changing technology environment.

The team has undertaken an assessment of the organisation's security governance. The security framework is being developed to strengthen and ensure compliance to ISO 27001 Security Framework standard.

#### **LEGAL**

The Legal team continued to provide quality legal assistance and support across all Tennis Australia business units with contractual arrangements and the provision of strategic legal advice. The focus was not only on preparing, negotiating and finalising the many contracts involved in the staging of the Australian Open, Emirates Australian Open Series events, Davis Cup and Fed Cup events, but also assisting in the growth and expansion of the Australian Open, supporting athletes in achieving performance goals and expanding the Legal team's services to Tennis Australia's state-based Member Associations

#### Athlete assistance

Working closely with Tennis Australia's Performance team to support athletes in a number of areas, including: successful appeals to the ITF regarding athlete classification and Fed Cup eligibility, as well as Olympic and Paralympic Games eligibilities.

#### New and renewed partnerships

Working with the Commercial team in the preparation, negotiation and execution of partnership contracts with new event partners including William Hill and Blackmores, in addition to assisting in the renewal of major media rights deals such as Eurosport and FSPN.

▼(L-R) Kim Clijsters, Michelle Payne, Elizabeth Broderick and Moira Kelly were among the inspirational women celebrated at Australian Open 2016.



# **OUR TENNIS TEAMS**



▲Long-term Australian Open team members received service awards from Tournament Director

#### Australian Open growth

Supporting Tennis Australia in its continued expansion of the Australian Open through the provision of strategic legal advice regarding new projects, such as the move from static to digital signage and the development of the Australian Open Festival at Birrarung Marr.

#### Davis Cup and Fed Cup events

Assisting the various business units across Tennis Australia in all appropriate contracting and risk management processes required for the Davis Cup and Fed Cup home events held throughout the year in Marrara, Kooyong and Brisbane.

#### Tennis Shared Legal Services

A new resource to the team was introduced to assist Tennis Australia's Member Associations through the provision of quality legal support and advice at state level.

### **SAFETY AND RISK MANAGEMENT**

#### Safety

Tennis Australia's Safety Management System was aligned to the Australian Standard 4801:2004. Additional first aid-trained staff, first aid equipment a nd automated external defibrillators were introduced across the Melbourne Park precinct.

No lost time injuries were recorded at Tennis Australia in the past 12 months, with a record low safety incidents during the Australian Open and no notifiable incidents for the third year in succession.

#### Risk

Riskware, a risk management software, was introduced to assist the business in recording, monitoring and reporting on enterprise-wide risk in accordance with ISO 31000:2009. This also includes crisis management and business continuity software, which mitigates the effects of unplanned failures which could impact operations.

New risk categories have been introduced for evaluating identified risks and standardisation of effective controls.

#### **POLICIES**

#### TA Member Protection Policy

The policy has been developed as part of Tennis Australia's ongoing commitment to the health, safety and wellbeing of its members and participants. Member Protection is all about practices and procedures that protect a sports organisation's members including athletes, administrators, coaches and officials.

#### Tennis Australia Anti-Doping Policy

Tennis Australia condemns doping as fundamentally contrary to the spirit of sport. The Tennis Australia Anti-Doping Policy seeks to preserve what is intrinsically valuable about sport. It endeavours to protect athletes' fundamental right to participate in doping-free sport and thus promote health, fairness and equality for athletes worldwide. It also ensures there are harmonised, coordinated and effective anti-doping programs at the international and national level with regard to the detection, deterrence and prevention of doping.

#### Code of Behaviour Tournaments and Weekly Competitions

Code of Behaviour regulates behaviour breaches related to and during tournaments and weekly competitions in Australia. Tennis Australia is committed to protecting the integrity of tennis and ensuring there is a healthy and positive environment for players; improving the behaviour of players and spectators at tournaments and competitions is a major element of this.

## Tennis Anti-Corruption Program

The purpose of the Tennis Anti-Corruption Program is to (i) maintain the integrity of tennis, (ii) protect against

any efforts to improperly impact the results of any match and (iii) establish a uniform rule and consistent scheme of enforcement and sanctions applicable to all professional tennis events and to all governing bodies.

#### **Privacy Policy**

Tennis Australia is committed to the protection of personal information in accordance with the National Privacy Principles and the Australian Privacy Principles, set out in the Privacy Act 1988 (Cwlth).

#### **FINANCE**

The Finance department continued in 2015-2016 to refine its processes and improve efficiencies within the team. The web based budgeting software first used in 2014-2015 was further developed to include a forecasting tool, making the ongoing process of managing the budget throughout the year a seamless task.

The same tool is now being rolled out into the Member Associations which will further improve their efficiencies and management of budgets. The reporting aspect of the software is now being developed and will ensure informative dashboard reporting for both Board and Management purposes.

The Tennis Australia Procurement function is managed by the Finance team. Due to the recent growth in the organisation, additional resources have been placed in this area to ensure an enterprise wide procurement strategy is implemented that achieves best practices and cost saving opportunities. The ongoing process involves the education of employees, development of rigorous tender and other purchasing processes and continual review of supplier performance.

The Finance team are responsible for the operations of the Prizemoney Office at the Australian Open and Australian Open Series events. The team coordinate the Australian Taxation Office and ANZ Bank to be on site which allows all players to finalise taxation obligations and banking before leaving Australia. The services offered receive overwhelming positive feedback from players and is an area that places us above Grand Slam standard. The team continue to innovate to ensure this level of service is maintained.

# TENNIS AUSTRALIA CORPORATE GOVERNANCE STATEMENT

## **TENNIS AUSTRALIA -**THE COMPANY AND **GOVERNANCE STRUCTURE**

Tennis Australia (TA) is a not-for-profit Company limited by guarantee and registered in Victoria. The Company's purpose is to grow, manage, promote and showcase the game of tennis domestically and represent Australia's tennis interests internationally. The Australian Open is owned and organised by TA each year at Melbourne Park. The Members of TA are the six state and two territory tennis associations also known as the Member Associations (MAs).

#### **BOARD CHANGES**

At the Annual General Meeting (AGM) on 26 October 2015, Mr Greg Hutchinson was elected to the Board for a three-year term. In December 2015, Mr Scott Tanner resigned as a Director and in January 2016, Mr Peter Armstrong, Ms Kerryn Pratt and Dr Janet Young resigned as Directors. The resulting casual vacancies were filled by Ms Jayne Hrdlicka in January 2016 and Ms Elizabeth Minogue, Ms Diane Grady and Mr Graham Bradley in May 2016. During the year Mr Chris Freeman and Mr Harold Mitchell were elected as Vice Presidents for a period of one year.

### **COMPOSITION OF THE BOARD OF DIRECTORS**

The Board comprises up to nine Directors of whom six are elected by the MAs at a General Meeting and up to three elected by the Directors at a Board meeting. All Directors are independent of simultaneous MA affiliation while they serve on the Board. The President is to be elected by the Board from a field of sitting Directors.

## **ACTIVITIES OF THE BOARD AND DIRECTORS**

The Board of Directors is responsible for guiding and monitoring the Company, its strategic direction, setting its goals for management, and monitoring performance against these goals on behalf of the MAs. The Board met 10 times during the year and received reports from the Chief Executive Officer (CEO) and other members of staff where appropriate. The names and qualifications of Directors are shown on p.49 and a record of attendance at the meetings held during the year and other relevant data for the Directors is shown in the Directors' report. See pages 54-55.

#### THE ROLE OF THE CEO

The responsibility for the management and administration of the Company is undertaken by the CEO, who reports directly to the Board. While it is primarily the responsibility of the CEO to ensure that suitably qualified and experienced personnel are retained, the Board is made aware on a continuous basis of any changes in key personnel and the quality of replacement staff to ensure that the Executive Team is appropriately qualified and sufficiently experienced to discharge its responsibilities.

#### **TA AUDIT AND RISK COMMITTEE**

The Board has an Audit and Risk Committee that includes Chris Freeman (Chairman), Greg Hutchinson, Elizabeth Minogue and David McGregor (external) with the President and CEO (ex officio). The role of the Committee is to assist the Board in discharging its responsibilities for financial reporting, risk management, maintaining an internal control system and addressing matters of Corporate Governance. The Audit and Risk Committee achieves this through overseeing the annual budget process, the financial reporting process and interacting with management and the external auditors on behalf of the Board.

#### TA'S REMUNERATION COMMITTEE

TA's Remuneration Committee consists of Mr Chris Freeman (Chairman), Greg Hutchinson, Jane Hrdlicka and Diane Grady with the President (ex officio). The Remuneration Committee determines matters affecting the terms and conditions of employment of the CEO and senior executives of the Company and oversees the Company's normal salary review process.

#### TA'S INVESTMENT ADVISORY COMMITTEE

The Board has appointed an Investment Advisory Committee to assist the Board to manage its investment policy and to monitor the Company's funds. The Committee also has a responsibility to evaluate and monitor the risk factors within the investment environment, recognising the Board's policy of risk aversion and its position as trustee of company's funds. The Committee consists of Harold Mitchell (Chairman), Steve Healy (ex officio), David Roberts, Ken Laffey, Jane Hrdlicka, Graham Bradley and Craig Tiley with provision for up to two people from outside TA appointed by the Board each financial year. No outside appointments were made during the financial year 2015-2016.

#### **GOVERNANCE AND NOMINATIONS COMMITTEE**

The Nominations Committee consists of all Board members and oversees the recruitment, retention and termination of senior executives, as well as succession planning for the CEO and all Directors. The Committee also manages the Board evaluation process. As well the Committee addresses Board governance in line with the corporate principles of governance and integrity. A separate Committee manages the evaluation of prospective Board members and consists of Chris Freeman (Chairman), Steve Healy, Kerri Burgess (external) and Don Argus (external).

#### TA'S RELATIONSHIP WITH ITS MEMBER ASSOCIATIONS

As members of TA, the MAs are involved in implementing many of TA's programs and activities. The Board of Directors adopts a policy of continuous disclosure with members via a phone call briefing and the circulation of a Board meeting Executive Summary to all MA Representatives immediately following each meeting. Further, the CEO conducts regular meetings with the CEOs of each MA as well as Tennis Participation staff at MA level. The Board and CEO meet at least twice a year with the MA Presidents and Member Representatives in a strategic planning forum. In addition, the President has provided regular written updates and feedback to all of the Directors of each MA.

#### **SAFEGUARDING THE TENNIS COMMUNITY**

All Directors, Committee Members, selectors, executives, managers and employees are expected to adhere to a code of conduct, acting with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company. They are required to declare any conflict of interest, perceived or otherwise, they may have in matters before the Board or Committees as appropriate. They may not vote on, or participate in the debate on, matters in which they have a conflict and, where appropriate, they must absent themselves from meetings featuring discussions and votes on that issue. As the only members in the Company are the eight MAs, trading in company securities is not applicable.

TA has a Member Protection Policy. Code of Behaviour for Tournaments and Weekly Competitions, TA Disciplinary Policy and TA Social Media Policy to protect all members of the tennis community.

# TENNIS AUSTRALIA BOARD (AT JUNE 2016)

#### STEVE HEALY (PRESIDENT)

BEc and LLB

President and Chairman Tennis Australia (since 2010)

Director Tennis Australia (2008-2010)

Chair of Gadens Lawyers Sydney Limited

ITF Board Member 2013-2015

ITF Regional Association President Taskforce 2016

Grand Slam Board 2010-

ITF Davis Cup Committee

President Tennis New South Wales (2007-2010)

Vice President Tennis New South Wales (2005-2007)

Tennis New South Wales Board member (2002-2005)

Member of Tennis Australia Player Development Board (1994-2004)

Northern Suburbs Tennis Association NSW President (1990-1999)

Former ATP ranked singles and doubles player

Australian junior doubles champion

#### **CHRIS FREEMAN AM** (VICE PRESIDENT)

Director and Vice President Tennis Australia (since 2007)

Chair Queensland Performing Arts Trust

Director Brisbane Airport Corporation Ltd

Director Sunland Group Ltd

Chair Urban Renewal Brisbane City Council

Member Major Performance Arts Panel - Australia Council

Adjunct Professor University of Queensland

#### HAROLD MITCHELL AC (VICE PRESIDENT)

Director Tennis Australia (since 2008)

Mr Mitchell is the founder of Mitchell & Partners and until August 2013, was Executive Chairman of Aegis Media. Australia and New Zealand. Since he started Mitchell & Partners in 1976, the company has evolved to become the largest media and communications group in Australia today.

In December 2000, Mr Mitchell launched the Harold Mitchell Foundation, which distributes funds between health and the arts

Mr Mitchell holds a large number of community roles including Chairman of Art Exhibitions Australia, Vice President of Tennis Australia, Chairman of The Florey Institute of Neuroscience and

Mental Health, board member of New York Philharmonic, Chairman of Australia-Indonesia Centre and Chairman FreeTV Australia. Previously Chairman of the Melbourne Symphony Orchestra, TVS, and University of Western Sydney's television service for Greater Sydney and in June 2015, Mr Mitchell was appointed Chairman of the Victorian Premier's Job and Investment Panel

Chairman Florey Institute of Neuroscience and Mental Health (since 2012)

Director Harold Mitchell Foundation Limited (since 2012)

Executive Chairman Aegis Media Pacific group of companies (2011-2013)

Director the Melbourne City School Director Melbourne Symphony Orchestra Pty Ltd (since 2008)

Director Mitchell Family Office Pty Ltd

Director National Stroke Research Institute Pty Ltd

Director Melbourne Rebels Rugby Union Ltd (since 2009)

Director Alzheimer's Disease Research Foundation Ltd.

Director Australian Stockman's Hall of Fame and Outback Heritage Centre (since 2011)

Director Care Australia (since 2004)

Director Crown Ltd (since 2011)

Director New York Philharmonic Orchestra (since 2012)

#### **KEN LAFFEY**

Director Tennis Australia (since 2014) President Tennis Queensland 2009-2014

Member Representative to Tennis Australia 2009-2014

Tennis Queensland Director 1999-2003

Professional Tennis Coach -Tennis Australia Coach member

Past President Tennis Coaches Australia (QLD)

Qualified Tennis Official

Owner and manager Laffs Mt Gravatt Tennis Centre 1979-2013

Founder and President Queensland Tennis Centres Association

Grade player, including international tournaments

#### **DIANE GRADY AM**

MBA, MA (Chinese Studies)

Director Tennis Australia (since 2016)

Diane is a full-time Non-executive Director with 20 years experience on major public company and notfor-profit Boards. She is currently a Director of Macquarie Bank, Spotless Group and Tennis Australia. Diane is also a member of the Senior Advisory Board of McKinsey Australia, and Chair of The Hunger Project Australia. She is also on the Advisory Board of Heads Over Heels (a group that supports women entrepreneurs) the NSW Innovation and Productivity Council and Centre for Ethical Leadership / Melbourne Business School

Previously, Diane was a Director of Woolworths, Lend Lease, Goodman Group, Wattyl, BlueScope Steel, Australian Stationery Industries, Chair of Ascham School, a Trustee of the Sydney Opera House and President of Chief Executive Women.

As a Director, Diane has taken particular interest in ensuring people strategies are developed to support business strategies, and to that end has chaired or served on the remuneration and people committees of all the Boards she has served on.

Before becoming a full time director, Diane spent 15 years with McKinsey & Co where she was a leading partner in the firm's global Organisation and Change Management group and head of Australia's Consumer Goods, Retailing and Marketing Practice.

Diane has an MBA from Harvard, an MA (Chinese Studies) from University of Hawaii and a BA (Honours) from Mills College. She received her AM (Order of Australia) for services to business and promoting opportunities for women leaders

#### **GREG HUTCHINSON**

Grad Dip (Sports Physiotherapy) BAppSc (Physiotherapy)

Director Tennis Australia (since 2015) CEO and Director Sonic HealthPlus Ptv Ltd

Deputy CEO and Director Sonic Clinical Services Pty Ltd

CEO Prime Health Group Pty Ltd

Director North Perth Bendigo Bank

President Tennis West

President Alexander Park Tennis Club

#### **ELIZABETH MINOGUE**

Bachelor of Business (Marketing)

Director Tennis Australia (since 2016)

Australian Institute of Company Directors

Executive General Manager Media, Marketing and Property Relates Services The REA Group (Realestate com au)

National Director Content and Brand Partnerships - Multi Channel Network

National Director Strategic Integration - Multi Channel Network

Group Sales Manager -Multi Channel Network

Senior Sales Executive (Manager South East Region) - Fox Cable Networks New York USA

Sales and Marketing Executive -The Seven Network Sydney

#### JAYNE HRDI ICKA

MBA, BA (Economics and Mathematics)

Director Tennis Australia (since 2016)

CEO Jetstar Group (Qantas Group) (Current)

Qantas Group Executive Strategy and Technology (2010-2012)

Senior Partner Bain & Company Sydney (1997-2010)

CEO and transformation director - consumer products businesses (1991-1997)

Arthur Young and Company (now Ernst and Young)

Non-executive Director Woolworths (2010-2016)

Scotch College School Council

#### GRAHAM BRADI FY AM

#### Academic Qualifications

BA LLB (Hons) Sydney University LLM Harvard Law School

Director Tennis Australia (since 2016)

Company Director (current)

- HSBC Bank Australia (Non-executive Chairman)
- Stockland Corporation (Chairman)
- EnergyAustralia Holdings (Chairman)
- Virgin Australia International Holdings (Chairman)
- Infrastructure NSW (Chairman)
- GI Dynamics Inc Director

Fellow Australian Institute of Company Directors

Australian School of Business of **NSW Council** 

Member, AICD Corporate Governance

Director, State Library of NSW Foundation

Former President Business Council of Australia

#### **OFFICE BEARERS**

**CRAIG TILEY** (CHIEF EXECUTIVE OFFICER)

DAVID ROBERTS (COMPANY SECRETARY)

#### **MEMBER DELEGATES**

Member Associations are represented by the following representatives at Tennis Australia's AGM and at Strategic Forums.

ACT

Dan Bisa

NSW

Greg Doyle Wayne Pascoe

Warren Martin

SA

Kent Thiele Philip Roberts

TAS

Philip Bowden Andrew Youl

VIC

Gary Clark Mark Da Silva

WA

Wayne Firns Warren Harding

QLD

Mark Bloomfield Murray Whitbread



Ken Laffey



Elizabeth Minogue





Jayne Hrdlicka

Diane Grady AM

Chris Freeman AM

#### **TA BOARD MEMBERS**



Steve Healy



Harold Mitchell AC



**Greg Hutchinson** 



Graham Bradley AM

## **OFFICE BEARERS**



**Craig Tiley** 



**David Roberts** 

# TENNIS AUSTRALIA EXECUTIVE TEAM



#### **TOM LARNER**

B Bus, CA

Director Events and Facilities, Tennis Australia (since 2013)

Manager Tennis Operations, Tennis Australia (2010–2013)

Chief Executive Officer, Tennis Queensland (2008-2010)

Commercial Analyst, Tennis Australia (2006-2008)

Strategic Analyst.

Royal Bank of Scotland (2000–2003) Manager, PricewaterhouseCoopers

(1994-2000)

#### JAQUIE SCAMMELL

Director of Customer Relations, Tennis Australia (since 2015)

Director, Jaquie Scammell Management Consulting (2012–2015)

General Manager, Retail Strategy & Development, Spotless Services (2011-2012)

General Manager, Delaware North Catering, Melbourne & Olympic Parks (2007-2011)

Head of Hospitality, Wembley National Stadium, Delaware North Catering UK (2005-2007)

Corporate Operations Manager, Delaware North Catering, Melbourne & Olympic Parks (2002-2007)

#### **CRAIG TILEY**

BSc Economics BA Business Management MS Kinesiology (ABD)

CEO Tennis Australia (since 2013)

Tournament Director Australian Open (since 2006)

Director Tennis, Tennis Australia (2005-2013)

Vice-Chair USTA's High Performance Committee (2003-2005)

US National Coach of the Year (1999, 2003)

Captain, South African Davis Cup team (1998-2001)

Head Coach/Director of Tennis, University of Illinois (1994-2005)

US Collegiate Hall of Fame (2010)

## **DAVID ROBERTS**

B.Bus. CPA

Chief Operating Officer, Tennis Australia (since 2012)

Chief Financial Officer, Tennis Australia (2006-2012)

Corporate Services Director, Tennis Australia (1997-2006)

Treasurer & Tax Manager, Kraft Foods Ltd (1990-1994)

Co-founder Direct Marketing Agency, Robe John & Associates Ptv Ltd (1987)

#### JACQUIE MANGAN

LLB (Hons), BA

General Counsel. Tennis Australia (since 2013)

Senior Legal Counsel, Tennis Australia (2011–2013)

Senior Associate, Middletons (2003-2011)

#### PAUL CAMMACK

BA Hons (European Business and German)

Director of Participation, Tennis Australia (since 2016)

Manager Places to Play, Tennis Australia (2012-2016)

National Infrastructure Manager, Tennis Australia (2010-2012)

Community Tennis Officer/Manager, Tennis Queensland (2006-2010)

Senior Trade Broker, Bartercard (2004-2006)

Contracts and Projects Manager, Petrolic Consultants Ltd (2000-2004)

Qualified Tennis Coach and club volunteer

#### ANNA CAPLE

BA Commerce (Human Resources & Industrial Relations) MS Law (Employment & Labour Law)

General Manager Performance, Tennis Australia (since 2014)

Director People & Community Partnerships, Tennis Australia (2014)

Manager Human Resources, Tennis Australia (2012-2014)

Senior Human Resources Manager, ANZ & APAC Consumer Division Newell Rubbermaid (2010-2012)

Global Human Resources Manager, PrintSoft: Australia Post (2009-2011)

Vice President Human Resources. Trident International Holdings (2008-2009)

Australian Human Resources Manager, Bosch (2006-2008)

#### RICHARD HEASELGRAVE

MA (Leisure Management) BA (German and Spanish)

Director Commercial, Tennis Australia (since 2014)

Chief Commercial Officer, The Football League London, UK (2012-2014)

Vice President Business Development, NBA, London, UK (2009 - 2012)

Sponsorship Sales and Event Promotion, UEFA, Geneva, Switzerland (2005-2009)

Sponsorship Director, International Sportsworld Communicators. London, UK (2002-2005)

European Head of Sponsorship, Anheuser-Busch, London, UK (2000-2001)

#### **DARREN PEARCE**

Director Media & Communications Tennis Australia (since 2009)

Media Manager, Tennis Australia (2007-2009)

Chief of Staff, Channel Nine News Melbourne (2004-2007)

State Editor, ABC News and Current Affairs South Australia (2003–2004) Chief of Staff, ABC News Melbourne

Director News, Victoria WIN TV (2000-2002)

#### ANN WEST

(2002-2003)

Graduate Diploma Sports Management

Head of Integrity and Compliance, Tennis Australia (since 2016)

Manager Business Operations, Tennis Australia (2005-2016)

General Manager Participation. Tennis Australia (2000-2005)

# **TENNIS AUSTRALIA**

#### OFFICE BEARERS

**PRESIDENTS** 

W.H. Forrest 1904-1909 P.B. Colquhoun 1909-1926 Sir N.E. Brookes 1926-1955 D.M. Ferguson 1955-1960 N.W. Strange, OBE 1960-1965 C.A. Edwards, OBE 1965-1969 W.V. Reid, OBE 1969-1977 B.R. Tobin, Am 1977–1989 G.N. Pollard, AM 1989-2010 S. Healy 2010-

## **BOARD OF DIRECTORS**

G.N. Pollard, AM 1994-2010

D.I. Nicholl, AM 1994-2008 W. Beischer 1994-2008 J.G. Fraser, OAM 1994-1997

A.R. Hicks 1994-1997 H.E. MacMillan 1997-2004 Ms A.R. Mitchell 1997-2008

J. Reynolds 1994-2003 A.J. Ryan 1994-2005 P. Ritchie, AO 2004–2008 A. Cooper, AO 2004-2014

D. Stobart 2005-2009 C. Freeman, AM 2007-S. Tanner 2007–2015

S. Healy 2008-G. Holloway 2008–2013 H. Mitchell, AC 2008-Dr J. Young 2008-2016 B. Cossey, AM 2009-2011 J.B. Fitzgerald, OAM

2010-2013 J. Davies 2011-2014 P. Armstrong 2013–2016 K. Pratt 2013–2016

W. Masur 2014-2015 K. Laffey 2014-G. Hutchinson 2015-

J. Hrdlicka 2016-D. Grady AM 2016-E. Minoque 2016-

G. Bradley AM 2016-

#### **COUNCILLORS**

(Since Withdrawal of New Zealand on 30 June 1922)

(TA Council disbanded March 2006)

(Member Representative From March 2006)

#### **NEW SOUTH WALES**

B.C. Fuller 1926 M.H. Marsh 1926 R.C. Wertheim 1926-1933 P.W. Sandral 1926-1927 M. Mcl Duigan 1927-1930 H. Siminton 1930-1938 J. Clemenger, OBE 1933-1938 G. Rennick 1938–1950 G. Cross 1938–1940 N.W. Strange, OBE 1940-1960 A.W. Cobham 1950-1965

T.M. Kennedy 1960-1964

J.P. Young, OBE 1964-1974 J.N. Watt 1966-1968 G.W. Sample 1968-1970 G.E. Brown 1970-1974 E.R. Stephens, MBE 1974-1975 J.K. Hall, OAM 1974-1979 C.E. Sproule, OBE 1975-1977

W.V. Austin 1977-1983 G.N. Pollard, AM 1979-1989 D.I Nicholl, AM 1983-2003 K.C. Sheel, OAM

1989-1991 J.C. Whittaker, OAM 1991-2007 M. Bergman, OAM

2003-2006 S. Healy 2005–2010 H. Beck 2008–2013 M. Parslow 2010-2012 G. Doyle 2013-W. Pascoe 2013-

#### QUEENSLAND F. Peach 1926 E. Martin 1926

L.A. Baker 1926-1949 W.S. Sproule 1926-1938 A.H. Barraclough 1938-1950 G.A. Bitcon 1949-1961 G. Elliot 1951-1959 R. Mitchell 1960–1965 C.A. Edwards OBE 1961-1962 Judge A.M. Fraser 1962-1979 N.C. Vickers, MBE 1965-1975 G.E. Griffith 1975-1991 J.L.C. McInnes, OAM 1979-1989 F.G. Hennessy 1989-1991 J.F. Brown 1991-1993 B.D. Thomas 1991-1992 G.E. Griffith 1992-1993 D.A. Keating, OAM 1993-1999 J.C. Reynolds 1993-1994 I.C. Klug 1994-1996

J. Roney 1996-1997 S. Nucifora 1997–1999 M. Philp 1999–2004 A. Cooper. AO

1999-2009 M. Ford 2004-2005 S. Ayles 2005-2007 I. Rodin 2008-2009

K. Laffey 2009–2014 D. Kingston 2010–2012 R. Rolfe 2012-2012 P. Robertson 2013-2015

L. Taylor 2014-M. Bloomfield 2014-

SOUTH AUSTRALIA W.P. Dunlop 1926 T.H. Hicks 1926 P.B. Wald 1926-1941 H.W. Pownall 1926-1930 E.F.K. McIver 1930-1931 E. Lewis 1931-1938 Judge Piper 1938-1940 R R P Barhour 1940-1954 D.M. Frankenberg 1941-1969 F.E. Piper 1954-1957 J.K. Hall, OAM 1957-1968

W.H. Carlier 1968-1974

C.J. Woodgate 1970-1974 J.P. Young, OBE 1974-1975 G.D. Fair 1974-1991 G.E. Brown 1975-1976 J.D.C. Nelson 1976-1977 W.H. Carlier 1977–1981 B.F. McMillan 1981-1984 R.J. Green 1984-1995 C.J. Altman 1991-1996 I.R. Beadmeade 1995-1997 D. Dall 1996-2005 K. Thiele 1997-W. Cossev. AM 2005-2015 P. Roberts 2015-

#### VICTORIA

R.M. Kidston 1924 S.E. Jamison 1926 W.J. Lampard 1924-1926 H. Malcolm 1926–1938 W.J. Daish 1926-1931 R.R. Treloar 1931-1934 C.R. Cowling 1934-1951 A.R. Bingle 1938-1941 A.L. Hughes 1941–1947 J.K. Hall, OAM 1947–1949 R.N. Vroland 1950-1964 W.B. Barnett 1951-1957 J.J. Courtney 1958-1968 Dr. J.N. Diggle 1964-1978 I.R. Carson 1968-1975 J.P. Young, OBE 1975-1980 Dr J.G. Fraser, OAM 1978, 1980-1996 Dr J.L. Foster 1978-1980

K.W. Howard 1980–1985 H.E. MacMillan 1985-2004

P. Bellenger 1996–2003 D. Stobart 2003-2014 G. Stone 2004-2011 M. Keys 2012- 2014

G. Clark 2014-M. Da Silva 2015-

TASMANIA A.H. Bunting 1926 H.S. Utz 1926 E.B. Coles 1926-1929 G. Cragg 1926-1934 Sir. T. Nettlefold 1929-1947 W.H. Walker 1934-1965 D.M. Ferguson 1947–1955 J.T. Tomasetti 1955–1965 W.V. Reid, OBE 1965-1969 N.A. Fraser, AO, MBE 1969-1974 B.R. Tobin, AM 1965-1977 V. Holloway, OAM 1974-1981 A.J. Ryan 1977-2005 E.C. Stewart 1981-1982 M. McMullen 1982-1992 J. Barrenger 1992-1993 W.J. Fitzgerald 1993-2003

#### R. Munro 2003-2007 G. Holloway 2005-2008 P. Armstrong 2007–2013 P. Bowden 2008-

A Youl 2013-WESTERN AUSTRALIA R. Eagle 1922 L.M. Howell 1926 H.G. Jefferson 1922-1926 E.D. Gilchrist 1926-1930 H.A. Pitt. CMG. OBE 1926-1954

T.E. Robinson 1930-1964 Justice E.A. Dunphy 1954-1968 Judge J.X. O'Dirscoll 1964-1969 G.B. Davis 1968-1969 J. Loughrey 1969–1990 J. Heathcote 1972–1976 B.S. Sanders 1976–1982 H.M. Spilsbury 1982-1995 A.R. Hicks 1990-1996 Ms. A.R. Mitchell 1995-2008 D.P. Rundle 1996-1998 M. Lee, OAM 1998-2008, 2012 J. Davies 2008-2012 D. Wiliams 2008-2012 G. Hutchinson 2012-2015 W. Firns 2012-

#### **AUSTRALIAN CAPITAL TERRITORY**

W. Harding 2015-

G.C. Scott 1980\* G.R. Gordon 1980-1984\* R.F. Smalley 1984-1989\*, 1989-1993 D.K. Barker 1993-2001 C. Mason 2001–2005 T. Lane 2005-2006 B. Lilburn 2006-2010 J. Cattle 2011-2015

## NORTHERN TERRITORY

M.f. Horton, OAM 1981-1989\*, 1989-2001 Ms S. Smiles 2001-2008 W. Martin 2008-

\*Observer Status At Council Meetings.

#### HONORARY **TREASURERS**

D. Bisa 2015-

L.M. Howell 1925 H.G. Jefferson 1925-1926 W.J. Daish 1926-1931 R.R. Treloar 1931–1934 D.M. Ferguson 1935-1953 J.K. Hall, OAM 1953-1961 T.M. Kennedy 1961-1968 J.K. Hall, OAM 1968-1979 J.L.C. McInnes, OAM 1979-1999

#### HONORARY SECRETARIES

T.M. Hicks 1904-1926 H. Malcolm 1926-1933

#### **COMPANY** SECRETARIES

A.H. Barraclough 1933-1938 J.F. Fullarton 1938-1951 J.A.C. Andrew 1951-1979 C.C. McDonald, AM 1979-1987 T.J. Dohnt 1987-1997 D.A. Roberts 1997-

#### TENNIS AUSTRALIA NATIONAL AWARD FOR SERVICE TO THE GAME

#### 1997

Kevin Bolton David Bierwirth Bill Carlier Dr John Diggle Jim Entink Graeme Fair Dorn Fogarty, OAM Ron Green Geoff Kerr

John McInnes, OAM Max McMullen Harry Spilsbury John Young, OBE

#### 1999

Ian Occleshaw

#### 2001

Max Atkins Bill Gilmour John Newcombe, AO, OBE Tony Roche, AO Max Horton, OAM

### 2003

Jack Mav Colin McDonald Barry McMillan

#### 2004

Peter Bellenger

#### 2005

Dennis Dall Hamish MacMillan Todd Woodbridge, OAM

#### 2006

lan Basey Lindsay Cox Mike Daws Jim Sheppard Colin Stubs

#### 2007

John Whittaker, OAM Alan Trengove Judy Dalton

#### 2008

William (Bill) Beischer Fenton Coull David Hall, OAM David Jude Andrea Mitchell

#### 2009

Ken Richardson Carol Langsford, OAM

#### 2011

Malcolm Bergmann, OAM Malcolm (Mal) Anderson Brian Grace Michael Lee, OAM

Michael (Mick) Parslow Ken Laffey

Geoff Stone Bill Cossey

#### LIFE MEMBERS

John Andrew † Sir Norman Brookes † Bill Edwards, OBE †
Donald Ferguson, OBE † Ken Hall, OAM 1 Viv Holloway, OAM † Harry Pitt, CMG, OBE † Tony Ryan † Fred Small † Cliff Sproule, OBE † Harold Walker Rov Youdale Dr John Fraser, OAM Neale Fraser, AO, MBE Brian Tobin, AM Wayne Reid, OBE Des Nicholl AM Geoff Pollard, AM Ashley Cooper, AM

#### **TENNIS AUSTRALIA** COMMITTEES

# (AS AT 30 JUNE 2016)

#### **AUDIT AND RISK** COMMITTEE

Chris Freeman (Chairman) Steve Healy (Ex Officio) Craig Tiley (Ex Officio) Greg Hutchinson Elizabeth Minogue David McGregor (External)

#### INVESTMENT ADVISORY COMMITTEE

Harold Mitchell (Chairman) Craig Tiley **David Roberts** Steve Healy (Ex Officio) Jane Hrdlicka Ken Laffey Graham Bradley

# REMUNERATION

COMMITTEE Chris Freeman (Chairman) Steve Healy (Ex Officio) Greg Hutchinson Jane Hrdlicka Diane Grady

#### **GOVERNANCE AND NOMINATIONS** COMMITTEE

All Board Members

## **NOMINATIONS**

COMMITTEE (TA Board Members) Chris Freeman (Chairman) Steve Healy Kerri Burgess (External) Don Argus (External) Ashley Cooper (External)

#### CONTRACT APPROVAL COMMITTEE

Steve Healy Greg Hutchinson Harold Mitchell

## **AO REVIEW TEAM 2016**

C. Tiley (Chairman) T. Larner

D. Roberts R. Healesgrave J. Scammell

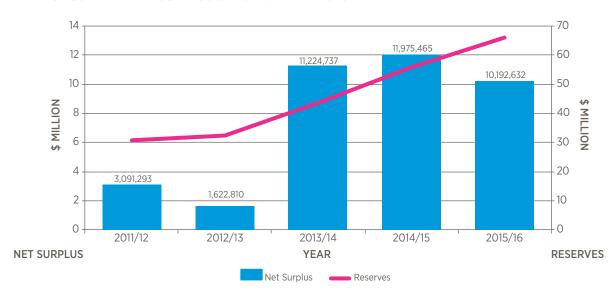
D Pearce

A. Richardson S Glover

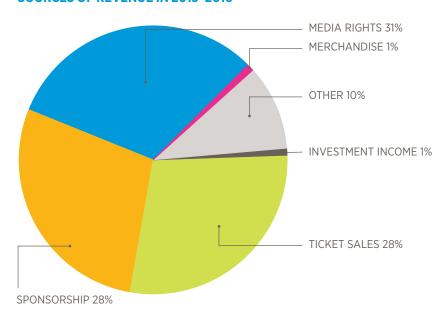
P Trcek A. West

# FINANCIAL REPORT FOR THE YEAR END JUNE 2016

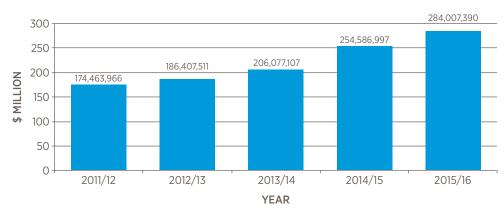
#### **TENNIS AUSTRALIA NET SURPLUS & RESERVE BALANCES**



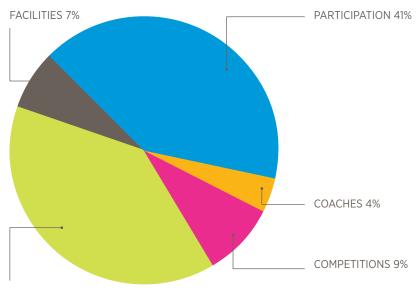
#### **SOURCES OF REVENUE IN 2015-2016**



## **TENNIS AUSTRALIA REVENUE**

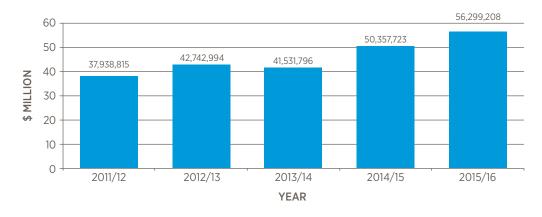


#### **INVESTMENT IN TENNIS 2015-2016**



## PERFORMANCE 39%

## **INVESTMENT IN TENNIS**



# **DIRECTORS' REPORT**

The Directors present their report together with the financial report of Tennis Australia Limited ('the Company') for the financial year ended 30 June 2016 and the auditor's report thereon.

#### 1. DIRECTORS

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

#### **President**

S Healy Legal Practioner Director since 2008 (President since 2010)

Vice-president

H Mitchell, AC Company Director Director since 2008 (VP since 2010)

C Freeman, AM Company Director Director since 2007

(VP since 2012)

**Directors** 

S M Tanner Banking Executive Director since 2007 (resigned 11 December 2015)

Dr J Young Company Director Director since 2008

(resigned 15 January 2016)

K Pratt Media Professional Director since 2013

(resigned 15 January 2016)

P Armstrong Company Director Director since 2013

(resigned 15 January 2016)

K Laffey Company Director Director since 2014

G Hutchinson Company Director Director since 26 October 2015

J Hrdlicka Company Executive Director since 28 January 2016

D Grady Company Director Director since 11 May 2016
E Minogue Company Executive Director since 13 May 2016

G Bradley Company Director Director since 17 May 2016

#### 3. CORPORATE GOVERNANCE

The Audit and Risk Committee met on two occasions and the Investment Advisory Committee met on one occasion in the year under review. The Board of Directors meets as a separate Remuneration Committee and met once in the year under review and the Nomination Committee met on five occasions during the year.

# 4. SHORT AND LONG-TERM STRATEGIES FOR ACHIEVING THOSE OBJECTIVES

The Company's objectives and strategies are as follows:

- to create champions that Australians are proud of through the fostering of player ethics and integrity
- get more people playing tennis more often by making it easier to play
- teach people to teach tennis
- ensure there are competitive opportunities for players of all levels
- improve tennis facilities
- innovate throughout all major events to ensure deep stakeholder and fan engagement
- reinvest in the sport to fund strategic objectives
- to operate workplace health and safety practices to the highest standard

#### 5. PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of the financial year were the promotion and development of the game of tennis in Australia, including the conduct of the Australian Open, other tennis tournaments and youth development programs. These principal activities are consistent with the strategies that assist in achieving the short and long-term objectives of the Company.

#### 2. DIRECTORS' MEETINGS

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year are:

Director	Board M	1eetings		nd Risk e Meetings	Nomii Committe	nation e Meetings	Remun Committee	eration e Meetings	Investmen Committee	
	Α	В	Α	В	Α	В	Α	В	Α	В
S Healy	10	10	2	2	5	5	1	1	1	1
H Mitchell	8	7	-	-	-	-	1	1	1	1
C Freeman	10	10	2	2	5	5	1	1	-	-
S Tanner	5	5	-	_	-	-	1	1	1	-
Dr J Young	6	6	-	-	-	-	1	1	1	1
K Pratt	6	6	1	1	-	-	1	1	-	-
P Armstrong	6	6	1	1	-	-	1	1	-	-
K Laffey	10	10	-	-	-	-	1	1	-	-
G Hutchinson	6	6	1	-	-	-	-	-	-	-
J Hrdlicka	4	4	-	-	-	-	-	-	-	-
D Grady	1	1	-	-	-	-	-	-	-	-
E Minogue	1	1	-	-	-	-	-	-	-	-
G Bradley	-	-	_	-	-	-	-	-	-	-

A - Number of meetings held during the time the Director held office during the year

**B** – Number of meetings attended

#### 6. PERFORMANCE MEASURES

The Company has a detailed annual Professional Development Review (PDR) process that ensures key performance indicators (KPI's) are set across all business units in the Company. These KPI's form the basis of the performance incentives provided to senior management. The two key areas of consideration relate to:

- the performance of the Australian Open and the Australian Open Series events
- the effectiveness of Performance and Participation programs

#### 7. OPERATING AND FINANCIAL REVIEW

The Company's net result for the year ended 30 June 2016 was a net surplus of \$10.192.632. This compares with a net surplus of \$11.975.465 for the year ended 30 June 2015. The decrease in net surplus mainly reflects the additional investment into grassroots programs.

#### Significant changes in the state of affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or the financial statements.

#### 8. EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

#### 9. LIKELY DEVELOPMENTS

The Directors do not anticipate any major changes in the basis of operations of the Company and the future results of those operations in subsequent financial years.

#### 10. INDEMNIFICATION AND INSURANCE OF **OFFICERS**

#### Indemnification

The Company has agreed to indemnify the Directors of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

#### **Insurance premiums**

The Company has an insurance policy in place in respect of Directors' and officers' liability, legal expenses and insurance contracts. for current and former directors and officers of the Company. In the current year the Company paid premiums totalling \$45,213 in respect of this policy (2015: \$30,335).

### 11. LEAD AUDITOR'S INDEPENDENCE **DECLARATION**

The Lead auditor's independence declaration is set out on page 78 and forms part of the Directors' report for the financial year ended 30 June 2016.

This report is made in accordance with a resolution of the Directors:

**S Healy President** 

Dated at Sydney this 22nd day of August 2016.

# STATEMENT OF FINANCIAL POSITION

## As at 30 June 2016

As at 30 Julie 2010			
	Note	2016	2015
Assets			
Cash and cash equivalents	11	18,134,098	16,446,403
Trade and other receivables	12	12,723,378	12,804,873
Inventories	13	558,523	131,632
Other financial assets, including derivatives	14	46,584,979	44,502,984
Total current assets		78,000,978	73,885,892
Trade and other receivables	12	1,170,864	1,392,210
Equity-accounted investees	15	2,608,106	-
Intangible assets	16	2,386,504	261,827
Property, plant and equipment	17	6,160,867	5,877,812
Total non-current assets		12,326,341	7,531,849
Total assets		90,327,319	81,417,741
Liabilities			
Trade and other payables, including derivatives	18	11,217,581	13,519,719
Employee benefits	19	5,508,349	4,685,331
Income received in advance	20	4,867,740	4,081,014
Total current liabilities		21,593,670	22,286,064
Employee benefits	19	838,227	428,887
Income received in advance	20	2,000,000	3,000,000
Total non-current liabilities		2,838,227	3,428,887
Total liabilities		24,431,897	25,714,951
Net assets		65,895,422	55,702,790
Members' equity			
Retained earnings		51,947,327	41,754,695
Reserves		13,948,095	13,948,095
Total members' equity		65,895,422	55,702,790
			•

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 60 to 74.

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

#### For the year ended 30 June 2016

Tot the year chaca 30 June 2010			
	Note	2016	2015
Revenue from sale of goods	6	3,711,009	3,669,075
Revenue from operations & events	6	270,781,032	240,012,787
Other revenues from operating activities	6	260,037	294,144
Total revenue	6	274,752,078	243,976,006
Other income	7	5,459,803	5,245,733
Total revenue and other income	,	280,211,881	249,221,739
Operations & events expenses		(176,515,268)	(154,879,795)
Tennis expenses		(54,016,072)	(48,439,983)
Commercial expenses		(7,245,706)	(4,571,315)
Media & marketing expenses		(10,297,045)	(9,893,948)
Facility grants		(2,283,136)	(1,917,740)
Other expenses		(22,610,205)	(22,516,163)
Total expenses		(272,967,432)	(242,218,944)
Finance income	9	3,795,509	5,365,258
Finance costs	9	(847,326)	(392,588)
Net finance income	9	2,948,183	4,972,670
Net surplus for the period		10,192,632	11,975,465
Other comprehensive income		-	
Total comprehensive income for the period		10,192,632	11,975,465
		,,	,,

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes of the financial statements set out on pages 60 to 74.

# **STATEMENT OF CHANGES IN EQUITY**

## For the year ended 30 June 2016

	Facility development reserve	Player & participation development reserve	Retained earnings	Total equity
Balance at 1 July 2014	5,948,095	8,000,000	29,779,230	43,727,325
Total comprehensive income for the period				
Total other comprehensive income	-	-	-	-
Surplus for the period	-	-	11,975,465	11,975,465
Balance at 30 June 2015	5,948,095	8,000,000	41,754,695	55,702,790
Balance at 1 July 2015	5,948,095	8,000,000	41,754,695	55,702,790
Total comprehensive income for the period				
Total other comprehensive income	-	-	-	-
Surplus for the period	-	-	10,192,632	10,192,632
Balance at 30 June 2016	5,948,095	8,000,000	51,947,327	65,895,422

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 60 to 74.

# **STATEMENT OF CASH FLOWS**

## For the year ended 30 June 2016

	Note	2016	2015
Cash flows from operating activities			
Cash receipts from customers		308,564,915	266,851,723
Cash paid to suppliers and employees		(299,986,622)	(263,486,331)
Interest received		321,777	659,534
Net cash from operating activities	24	8,900,070	4,024,926
Cash flows from investing activities			
Borrowings from member/affiliate loans		607,928	(1,109,854)
Acquisition of other investments		-	(6,000,000)
Acquisition of equity-accounted investee	15	(2,608,106)	_
Payments for intangibles	16	(2,530,412)	-
Acquisition of property, plant and equipment	17	(2,681,785)	(2,065,494)
Net cash used in investing activities		(7,212,375)	(9,175,348)
Cash flows from financing activities			
Net cash from financing activities		-	_
Net (decrease)/ increase in cash and cash equivalents		1,687,695	(5,150,422)
Cash and cash equivalents at 1 July 2015		16,446,403	21,596,825
Cash and cash equivalents at 30 June 2016	11	18,134,098	16,446,403

The statement of cash flow is to be read in conjunction with the notes to the financial statements set out on pages 60 to 74.

# NOTES TO THE FINANCIAL STATEMENTS

#### 1. REPORTING ENTITY

Tennis Australia Limited (the "Company") is a company domiciled in Australia. The address of the Company's registered office is Batman Avenue, Melbourne, Victoria. The Company is a not-for-profit entity and the primary business is the development of tennis in Australia.

#### 2. **BASIS OF PREPARATION**

#### Statement of compliance

The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the Corporations Act 2001. These financial statements comply with Australian Accounting Standards - Reduced Disclosure Requirements.

The financial statements were approved by the Board of Directors on 22 August 2016.

#### **Basis of measurement**

The financial statements have been prepared on the historical cost basis except for derivative financial instruments and trading investments, which are measured at fair value. The methods used to measure fair values are discussed further in note 4.

## **Functional and presentation currency**

The financial statements are presented in Australian dollars, which is the Company's functional currency.

#### Use of estimates and judgements

The preparation of financial statements in conforming with the AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 17 property, plant and equipment (impairment assessment and determination of useful lives)
- Note 22 operating leases (lease classification)

#### SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below.

#### **Basis of consolidation** (a)

#### **Equity-accounted investees**

The Company's interest in equity-accounted investee comprises of interest in an associate. Associates are those entities in which the Company has significant influence, but not control over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and other comprehensive income of equityaccounted investee, until the date on which significant influence ceases.

#### Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Australian dollars at foreign exchange rates ruling at the dates the fair value was determined.

#### **Financial instruments** (c)

#### Non-derivative financial instruments (i)

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

#### 3. **SIGNIFICANT ACCOUNTING POLICIES CONTINUED**

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss when incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Financial assets designated at fair value through profit or loss comprise equity securities that otherwise would have been classified as available for sale.

#### Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

#### (ii) Derivative financial instruments

The Company hold derivative financial instruments to hedge its exposure to foreign currency risks arising from operating, financing and investing activities. In accordance with its treasury policy, the Company does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value through profit and loss. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

The fair value of forward exchange contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.

#### (d) Property, plant and equipment

#### (i) Recognition and measurement

Items of property, plant and equipment are measured at cost or deemed cost less accumulated depreciation (see below) and accumulated impairment losses. The cost of property, plant and equipment at 1 July 2004, the date of transition to AASBs, was determined by reference to its cost at that date.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

#### Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

#### (iii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset.

The estimated useful lives in the current and comparative years of significant items of property, plant and equipment are as follows:

· Plant and equipment 3-10 years · Leasehold improvements 3-16 years Memorabilia Indefinite

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

# NOTES TO THE FINANCIAL STATEMENTS

#### SIGNIFICANT ACCOUNTING POLICIES CONTINUED 3.

#### Intangible assets (e)

#### (i) Recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

#### Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

#### (iii) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of intangible assets, other than goodwill, from the date they are available for use. The estimated useful life for the current and comparative periods are as follows:

 Domain names Indefinite Trademarks 10 years Capitalised development cost 5 years Other 10 years

Amortisation methods, useful lives and residual values are reviewed each reporting date and adjusted if appropriate.

#### **(f) Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

#### **Impairment** (g)

#### Financial assets (including receivables) (i)

A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individual significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised, and this reversal is recognised in profit or loss.

#### (ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### (iii) Equity-accounted investees

An impairment loss in respect of an equity accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

#### 3. **SIGNIFICANT ACCOUNTING POLICIES CONTINUED**

#### (h) **Employee benefits**

#### (i) Long-term employee benefits

The Company's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to Corporate bonds at the balance sheet date which have maturity dates approximating to the terms of the Company's obligations.

#### (ii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (iii) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

#### (i) **Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

#### (i) Revenue

#### Sale of goods (i)

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executable sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is possible that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

#### (ii) Rendering of services

Revenue from rendering of services is recognised in the profit or loss in proportion to the stage of completion of the transaction at reporting date. The stage of completion is assessed by reference to surveys of work performed.

#### (iii) Australian Open revenue

Under agreements entered into with Melbourne & Olympic Parks Trust, the Company is responsible for and is entitled to bring to account all of the income and expenditure for the Australian Open. This financial report includes the results from the 2016 Australian Open. Under the agreements a percentage of agreed revenue items is payable to the Melbourne & Olympic Parks Trust and has been accrued or paid during the current financial period. Where income is received in advance, the amount is deferred and recognised as revenue upon completion of the applicable Australian Open.

#### (k) Other income

#### Government grants

Grants that compensate the Company for expenses incurred are recognised as other income in the statement of comprehensive income when funding is received. Grants that compensate the Company for the cost of an asset are recognised in the income statement as other income on a systematic basis over the useful life of the asset.

#### **(**D) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

#### (m) Finance income and finance costs

Finance income comprises interest income on funds invested, dividend income, changes in the fair value of financial assets at fair value through profit or loss and foreign currency gains. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, foreign currency losses, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

# NOTES TO THE FINANCIAL STATEMENTS

#### SIGNIFICANT ACCOUNTING POLICIES CONTINUED 3.

#### Income tax (n)

The income of the Company is exempt from income tax, and accordingly, no provision has been made in the accounts for income tax payable.

Withholding tax from other jurisdictions is provided when the liability is due and payable.

#### Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

#### **Facility loans and Member Association loans**

Member Association loans are secured and interest is payable over the term of the loan at the published 180 day bank bill swap rate. The rate is adjusted at six monthly intervals on 30 June and 31 December each year. Facility loans are repayable over a maximum of ten years with interest charged at the bank bill 180 day swap rate.

#### New accounting standards and interpretations not yet (a) adopted

The following accounting standards, amendments to accounting standards and interpretations have been identified as those which may impact the Company in the period of initial adoption. They were available for early adoption for the Company's annual reporting period beginning 1 July 2014, but have not been applied in preparing this financial report.

AASB 9 Financial Instruments becomes mandatory for the Company's financial statements for the period beginning on or after 1 January 2018 and could change the classification and measurement of financial assets. The Company does not plan to adopt this standard early and the extent of the impact has not been determined.

AASB 15 Revenue from Contracts with Customers becomes mandatory for the Company's financial statements for the period beginning on or after 1 January 2018 and establishes a comprehensive framework for determining whether, how much and when revenue is recognised. The standard replaces existing revenue recognition guidance. The Company does not plan to adopt this standard early and the extent of the impact is being assessed.

There are also other amendments and revisions to accounting standards and interpretations that have not been early adopted. These changes are not expected to result in any material changes to the Company's financial performance or financial position.

#### Changes in accounting policies

Except for the change below, the Company has consistently applied the accounting polices set out in Note 3 to all periods presented in these financial statements.

The Company has adopted the following new standard and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2013.

#### AASB 13 Fair Value Measurement

AASB 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other AASBs. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements about fair value measurements in other AASBs, including AASB 7. As a result, the Company has included additional disclosures, where appropriate, in this regard.

In accordance with the transitional provisions of AASB 13, the Company has applied the new fair value measurement guidance prospectively and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impact on the measurements of the Company's assets and liabilities.

#### **DETERMINATION OF FAIR VALUES** 4.

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

#### (i) Intangible assets

The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

#### Investments in equity and debt securities

The fair value of financial assets at fair value through profit or loss is determined by reference to their quoted bid price at the reporting date.

#### **DETERMINATION OF FAIR VALUES CONTINUED**

#### (iii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

#### (iv) Forward exchange contracts

Forward exchange contracts are marked to market using listed market prices or by discounting the contractual forward price and deducting the current spot rate.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market related rate for a similar instrument at the balance sheet date. Where other pricing models are used, inputs are based on market related data at the reporting date.

#### Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

#### **FINANCIAL RISK MANAGEMENT**

The Company has exposure to the following risks from their use of financial instruments:

- Credit risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established the Audit & Risk Committee, which is responsible for developing and monitoring risk management policies. The Committee reports regularly to the Board of Directors on its activities.

Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit & Risk Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

#### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk. Approximately 13 percent (2015: 14 percent) of the Company's revenue is attributable to transactions with a single customer.

The Company has established an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individual exposures.

# NOTES TO THE FINANCIAL STATEMENTS

#### FINANCIAL RISK MANAGEMENT CONTINUED

#### Market risk

#### Currency risk

The Company is exposed to currency risk on trade receivables and trade payables that are denominated in a currency other than the functional currency of the Company, being the Australian dollar (AUD). The currencies in which these transactions primarily are denominated are Euro and USD.

The Company hedged 82 percent of all trade receivables and trade payables denominated in a foreign currency. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. When necessary, forward exchange contracts are rolled over at maturity.

#### Interest risk

The Company adopts a policy of ensuring that at least 67 percent of its interest rate risk exposure is at fixed-rates.

#### Other market price risk

Market risk exposure arises from the Company's investment portfolio. These investments are classified on the balance sheet as fair value through profit or loss. All investments present a risk of loss of capital. The maximum risk resulting from these investments is determined by the fair value of these investments.

The Board has established the Investment Advisory Committee, which monitors the mix of debt and equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis by the Fund Managers, who have discretionary power to make, buy and sell decisions, subject to being within the guidelines established with the Fund Managers.

The primary goal of the Company's investment strategy is to achieve optimum return relative to risk. The Company is assisted by external advisors in this regard. In accordance with this strategy, investments are designated at fair value through profit or loss because their performance is actively monitored and they are managed on a fair value basis.

#### Investment management

The Board has appointed the Investment Advisory Committee to monitor, on its behalf, the effectiveness of the investment process of the Company in achieving optimum return relative to risk. The Investment Advisory Committee's function is to:

- Make recommendations for the appointment of advisers on asset allocation and manager selection, fund managers, custodians and other service
- Review the performance of these service providers;
- Review management's brief to asset allocation advisers regarding acceptable levels of risk and projected operating financial performance of the Company;
- Review asset allocation advisers' recommendations on asset allocation and make recommendations to the Board of Directors:
- Review advisers' recommendations on manager selection and make recommendations to the Board of Directors:
- Review management's reports on investment performance and outlook and make appropriate recommendations to the Board of Directors; and
- Review compliance with and the ongoing appropriateness of, the company's Reserves Policy and Investment strategy.

#### Capital management

The Company is a company limited by guarantee. Every member of the Company undertakes to contribute to the property of the Company in the event of the Company being wound up while they are a member, or within one year after they cease to be a member, for payment of the debts and liabilities of the Company contracted before the time they cease to be a member and of the costs, charges and expenses of winding up and for adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding \$100.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

#### 6. REVENUE

rotal revenue	274,752,078	243,976,006
Total revenue	274 752 070	247.076.006
	260,037	294,144
Other parties	228,928	270,115
Affiliated clubs & Member Associations	31,109	24,029
Interest received:		
Other revenues:		
Revenue from operations & events	270,781,032	240,012,787
Revenue from sale of goods	3,711,009	3,669,075
	2016	2015

#### **7.** OTHER INCOME

Government grants 5,459,803 5,245,733 **Total other income** 5,459,803 5,245,733

#### **Government grants**

The Company has been awarded government grants from the Australian Sports Commission ('ASC'), Department of Foreign Affairs & Trade and Tourism Victoria. One of the grants from the ASC relates to a sport grant and is dependent upon the Company supporting its sport development initiatives, including the implementation of recommendations arising from the High Performance Advisory

These grants are recognised as income at their fair value at the time they became receivable.

## **OTHER EXPENSES**

The Company has the following expenses:

	2016	2015
Depreciation expenses:		
- Plant and equipment	2,319,106	2,014,285
- Leasehold improvements	79,624	9,677
Amortisation expense	405,735	57,331
Cost of goods sold	733,203	927,367
Movement in the provision for employee entitlements	919,354	618,108
Operating lease rental expense	1,719,046	1,684,940

# **NOTES TO THE FINANCIAL STATEMENTS**

## 9. FINANCE INCOME AND FINANCE COSTS

Recogni	ised in	profit o	or loss

	Recognised in profit of 1033		
Interest income on bank deposits  Dividend income on investments at fair value through profit or loss  Ret change in fair value of financial assets at fair value through profit or loss  Net change in fair value of derivatives at fair value through profit or loss  Net change in fair value of derivatives at fair value through profit or loss  Net change in fair value of derivatives at fair value through profit or loss  Thance income  The foreign exchange loss  Net change in fair value of financial assets at fair value through profit or loss  Net change in fair value of derivatives at fair value through profit or loss  The change in fair value of derivatives at fair value through profit or loss  (392,588)  Thance expense  (847,326)  The change in fair value of derivatives at fair value through profit or loss  (392,588)		2016	2015
Dividend income on investments at fair value through profit or loss  28,071  29,564  Net change in fair value of financial assets at fair value through profit or loss  341,107  1,828,921  Net foreign exchange gain  - 1,121,369  Net change in fair value of derivatives at fair value through profit or loss  1,419,071  - Finance income  3,795,509  5,365,258  Net change in fair value of financial assets at fair value through profit or loss  (131,705)  - Net change in fair value of derivatives at fair value through profit or loss  (715,621)  - Net change in fair value of derivatives at fair value through profit or loss  - (392,588)  Finance expense  (847,326)  (392,588)	Interest income on investments at fair value through profit or loss	1,715,844	2,034,326
Net change in fair value of financial assets at fair value through profit or loss  341,107  1,828,921  Net foreign exchange gain  Net change in fair value of derivatives at fair value through profit or loss  1,419,071  Finance income  3,795,509  5,365,258  Net foreign exchange loss  (131,705)  Net change in fair value of financial assets at fair value through profit or loss  (715,621)  Net change in fair value of derivatives at fair value through profit or loss  Finance expense  (847,326)  (392,588)	Interest income on bank deposits	291,416	351,078
Net foreign exchange gain-1,121,369Net change in fair value of derivatives at fair value through profit or loss1,419,071-Finance income3,795,5095,365,258Net foreign exchange loss(131,705)-Net change in fair value of financial assets at fair value through profit or loss(715,621)-Net change in fair value of derivatives at fair value through profit or loss-(392,588)Finance expense(847,326)(392,588)	Dividend income on investments at fair value through profit or loss	28,071	29,564
Net change in fair value of derivatives at fair value through profit or loss  1,419,071  Finance income  3,795,509  5,365,258  Net foreign exchange loss  (131,705)  Net change in fair value of financial assets at fair value through profit or loss  (715,621)  Net change in fair value of derivatives at fair value through profit or loss  (392,588)  Finance expense  (847,326)  (392,588)	Net change in fair value of financial assets at fair value through profit or loss	341,107	1,828,921
Finance income  3,795,509 5,365,258  Net foreign exchange loss (131,705) - Net change in fair value of financial assets at fair value through profit or loss (715,621) - Net change in fair value of derivatives at fair value through profit or loss - (392,588)  Finance expense (847,326) (392,588)	Net foreign exchange gain	-	1,121,369
Net foreign exchange loss  (131,705)  Net change in fair value of financial assets at fair value through profit or loss  Net change in fair value of derivatives at fair value through profit or loss  - (392,588)  Finance expense  (847,326)  (392,588)	Net change in fair value of derivatives at fair value through profit or loss	1,419,071	-
Net change in fair value of financial assets at fair value through profit or loss  (715,621)  Net change in fair value of derivatives at fair value through profit or loss  - (392,588)  Finance expense  (847,326)  (392,588)	Finance income	3,795,509	5,365,258
Net change in fair value of financial assets at fair value through profit or loss  (715,621)  Net change in fair value of derivatives at fair value through profit or loss  - (392,588)  Finance expense  (847,326)  (392,588)			
Net change in fair value of derivatives at fair value through profit or loss  - (392,588)  Finance expense (847,326) (392,588)	Net foreign exchange loss	(131,705)	-
Finance expense (847,326) (392,588)	Net change in fair value of financial assets at fair value through profit or loss	(715,621)	-
	Net change in fair value of derivatives at fair value through profit or loss	-	(392,588)
Net finance income and expense         2,948,183         4,972,670	Finance expense	(847,326)	(392,588)
	Net finance income and expense	2,948,183	4,972,670

The above finance income and finance costs include the following in respect of assets/(liabilities) held at amortised cost:

Total interest income on financial assets

291,416	351,078
---------	---------

No finance income or finance costs are recognised through equity. This is consistent with the Statement of profit or loss and other comprehensive income on page 57.

# 10. AUDITOR'S REMUNERATION

Audit services         2016         2015           Auditors of the Company         4         4           KPMG Australia:         68,500         67,000           Audit and review of the financial reports         68,500         67,000           Cother services         68,500         67,000           KPMG Australia and International         3,600         3,400           Payroll assurance procedures         -         10,500           Professional services - Governance Review         -         24,586           Taxation services - Foreign Ambassador Agreements         -         9,388           Taxation services - US Taxation Exemption         -         14,410           Taxation services - US Taxation Return         12,383         11,218           Taxation services - HK Taxation Advice         24,324         -	AUDITUR'S REMUNERATION		
Auditors of the Company  KPMG Australia:  Audit and review of the financial reports  68,500  67,000  68,500  67,000  Other services  KPMG Australia and International  Grant assurance procedures  7,0500  Payroll assurance procedures  7,10,500  Professional services – Governance Review  7,24,586  Taxation services – Foreign Ambassador Agreements  7,24,586  Taxation services – US Taxation Exemption  7,24,100  Taxation services – US Taxation Return  Taxation services – HK Taxation Advice  7,000  68,500  68,500  67,000  68,500  67,000  68,500  68,500  68,500  67,000  68,500  68,500  67,000  68,50		2016	2015
KPMG Australia:68,50067,000Audit and review of the financial reports68,50067,000Other servicesCompany of the financial reports68,50067,000Other servicesCompany of the financial and InternationalCompany of the financial and InternationalGrant assurance procedures3,6003,400Payroll assurance procedures-10,500Professional services - Governance Review-24,586Taxation services - Foreign Ambassador Agreements-9,388Taxation services - US Taxation Exemption-14,410Taxation services - US Taxation Return12,38311,218Taxation services - HK Taxation Advice24,324-	Audit services		
Audit and review of the financial reports 68,500 67,000  Other services  KPMG Australia and International  Grant assurance procedures 3,600 3,400  Payroll assurance procedures - 10,500  Professional services - Governance Review - 24,586  Taxation services - Foreign Ambassador Agreements - 9,388  Taxation services - US Taxation Exemption - 14,410  Taxation services - US Taxation Return 12,383 11,218  Taxation services - HK Taxation Advice 24,324 -	Auditors of the Company		
68,50067,000Other servicesKPMG Australia and InternationalGrant assurance procedures3,6003,400Payroll assurance procedures-10,500Professional services - Governance Review-24,586Taxation services - Foreign Ambassador Agreements-9,388Taxation services - US Taxation Exemption-14,410Taxation services - US Taxation Return12,38311,218Taxation services - HK Taxation Advice24,324-	KPMG Australia:		
Other servicesKPMG Australia and InternationalGrant assurance procedures3,6003,400Payroll assurance procedures-10,500Professional services - Governance Review-24,586Taxation services - Foreign Ambassador Agreements-9,388Taxation services - US Taxation Exemption-14,410Taxation services - US Taxation Return12,38311,218Taxation services - HK Taxation Advice24,324-	Audit and review of the financial reports	68,500	67,000
KPMG Australia and International3,6003,400Grant assurance procedures3,6003,400Payroll assurance procedures-10,500Professional services – Governance Review-24,586Taxation services – Foreign Ambassador Agreements-9,388Taxation services – US Taxation Exemption-14,410Taxation services – US Taxation Return12,38311,218Taxation services – HK Taxation Advice24,324-		68,500	67,000
Grant assurance procedures3,6003,400Payroll assurance procedures-10,500Professional services – Governance Review-24,586Taxation services – Foreign Ambassador Agreements-9,388Taxation services – US Taxation Exemption-14,410Taxation services – US Taxation Return12,38311,218Taxation services – HK Taxation Advice24,324-	Other services		
Payroll assurance procedures - 10,500 Professional services - Governance Review - 24,586 Taxation services - Foreign Ambassador Agreements - 9,388 Taxation services - US Taxation Exemption - 14,410 Taxation services - US Taxation Return 12,383 11,218 Taxation services - HK Taxation Advice 24,324 -	KPMG Australia and International		
Professional services – Governance Review – 24,586 Taxation services – Foreign Ambassador Agreements – 9,388 Taxation services – US Taxation Exemption – 14,410 Taxation services – US Taxation Return 12,383 11,218 Taxation services – HK Taxation Advice 24,324 –	Grant assurance procedures	3,600	3,400
Taxation services – Foreign Ambassador Agreements-9,388Taxation services – US Taxation Exemption-14,410Taxation services – US Taxation Return12,38311,218Taxation services – HK Taxation Advice24,324-	Payroll assurance procedures	-	10,500
Taxation services - US Taxation Exemption-14,410Taxation services - US Taxation Return12,38311,218Taxation services - HK Taxation Advice24,324-	Professional services – Governance Review	-	24,586
Taxation services – US Taxation Return12,38311,218Taxation services – HK Taxation Advice24,324-	Taxation services - Foreign Ambassador Agreements	-	9,388
Taxation services - HK Taxation Advice 24,324 -	Taxation services - US Taxation Exemption	-	14,410
	Taxation services - US Taxation Return	12,383	11,218
40,307 73,502	Taxation services – HK Taxation Advice	24,324	-
		40,307	73,502

## 11. CASH AND CASH EQUIVALENTS

Bank balances       2016       2015         Bank balances       18,134,098       16,446,403         Cash and cash equivalents       18,134,098       16,446,403			
	Cash and cash equivalents	18,134,098	16,446,403
2016 2015	Bank balances	18,134,098	16,446,403
CASH AND CASH EQUIVALENTS	CASH AND CASH EQUIVALENTS	2016	2015

Cash and cash equivalents comprise cash balances and call deposits. The call deposits are readily convertible into known amounts of cash and are held at amortised cost.

TRADE AND OTHER RECEIVABLES		
	2016	2015
Current		
Trade receivables	6,160,264	6,437,054
Other receivables	2,869,298	2,766,639
Prepayments	3,347,040	2,845,322
Facility loans receivable from member affiliated clubs	210,603	175,510
Secured loans receivable from Member Associations	136,173	580,348
	12,723,378	12,804,873
Non-current		
Prepayments	135,000	157,500
Facility loans receivable from member affiliated clubs	504,267	516,418
Secured loans receivable from Member Associations	531,597	718,292
	1,170,864	1,392,210
INVENTODIES		
INVENTORIES	2016	2015
Inventory on hand	558,523	131,632
	558,523	131,632
	Current Trade receivables Other receivables Prepayments Facility loans receivable from member affiliated clubs Secured loans receivable from Member Associations  Non-current Prepayments Facility loans receivable from member affiliated clubs Secured loans receivable from member affiliated clubs Secured loans receivable from Member Associations	2016         Current       6,160,264         Other receivables       2,869,298         Prepayments       3,347,040         Facility loans receivable from member affiliated clubs       210,603         Secured loans receivable from Member Associations       136,173         Non-current       12,723,378         Prepayments       135,000         Facility loans receivable from member affiliated clubs       504,267         Secured loans receivable from Member Associations       531,597         1,170,864         INVENTORIES       2016         Inventory on hand       558,523

14.	OTHER FINANCIAL ASSETS			
		2016	2015	
	Current			
	Fixed interest investments designated at fair value through profit or loss	14,006,894	18,229,144	
	Equity investments designated at fair value through profit or loss	528,596	2,443,263	
	Cash investments designated at fair value through profit or loss	31,021,548	23,830,577	
	Derivatives recognised at fair value	1,027,941	-	
		46,584,979	44,502,984	

The Company's exposure to credit, currency and interest rate risks related to investments is disclosed in note 5.

# **NOTES TO THE FINANCIAL STATEMENTS**

# 15. EQUITY-ACCOUNTED INVESTEE

Name	Principle Activity Balance date Ownership		rship	<b>Carrying amount</b>		
			2016%	2015%	2016	2015
Trident 8 Limited	imited Further the interest of December tennis by establishing and operating a team tennis competition	ng	20%	-	2,608,106	-
				2,608,106	-	

On 18 April 2016 the Company entered into an arrangement and invested in a newly incorporated entity, Trident 8 Limited. At balance date, the Company had invested one third of its commitment, being \$2,608,106. The Company's investment is 20 per cent of the total equity of Trident 8 Limited.

During the year ended 30 June 2016 no dividends were received from the investment in Trident 8 Limited.

# **16. INTANGIBLE ASSETS**

	Domain name	Trademark	Development	Other	Total
Cost					
Balance at 1 July 2014	32,500	573,316	-	-	605,816
Additions	-	-	_	-	-
Balance at 30 June 2015	32,500	573,316	-	-	605,816
Balance at 1 July 2015	32,500	573,316	-	-	605,816
Additions	_	-	2,326,927	203,485	2,530,412
Balance at 30 June 2016	32,500	573,316	2,326,927	203,485	3,136,228
Amortisation					
Balance at 1 July 2014	_	286,658	_	_	286,658
Amortisation charges for the year	_	57,331	_	_	57,331
Balance at 30 June 2015	-	343,989	-	-	343,989
Balance at 1 July 2015	-	343,989	-	-	343,989
Amortisation charges for the year		57,331	348,404	_	405,735
Balance at 30 June 2016	-	401,320	348,404	-	749,724
Carrying amounts					
Balance at 1 July 2014	32,500	286,658	-	_	319,158
Balance at 30 June 2015	32,500	229,327	-	-	261,827
Balance at 1 July 2015	32,500	229,327	-	-	261,827
Balance at 30 June 2016	32,500	171,996	1,978,523	203,485	2,386,504

# 17. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	Plant and equipment	Memorabilia	Total
Cost				
Balance at 1 July 2014	2,502,797	18,052,895	1,876,397	22,432,089
Additions	-	2,065,494	-	2,065,494
Disposals	-	(518,981)	-	(518,981)
Balance at 30 June 2015	2,502,797	19,599,408	1,876,397	23,978,602
Balance at 1 July 2015	2,502,797	19,599,408	1,876,397	23,978,602
Additions	301,849	2,379,936	-	2,681,785
Disposals	-	-	-	-
Balance at 30 June 2016	2,804,646	21,979,344	1,876,397	26,660,387
Depreciation and impairment los	sses			
Balance at 1 July 2014	2,441,251	14,154,558	-	16,595,809
Depreciation charge for the year	9,677	2,014,285	-	2,023,962
Disposals		(518,981)	-	(518,981)
Balance at 30 June 2015	2,450,928	15,649,862	-	18,100,790
Balance at 1 July 2015	2,450,928	15,649,862	-	18,100,790
Depreciation charge for the year	79,624	2,319,106	-	2,398,730
Disposals	-	-	-	-
Balance at 30 June 2016	2,530,552	17,968,968	-	20,499,520
Carrying amounts				
At 1 July 2014	61,546	3,898,337	1,876,397	5,836,280
At 30 June 2015	51,869	3,949,546	1,876,397	5,877,812
At 1 July 2015	51,869	3,949,546	1,876,397	5,877,812
At 30 June 2016	274,094	4,010,376	1,876,397	6,160,867

The carrying value of the memorabilia collection was tested for impairment at balance date and no such impairment was noted. The useful life of the collection has been determined to be indefinite taking into consideration the expected usage of the collection and the lack of external factors that could lead to the collection being deemed obsolete.

# **NOTES TO THE FINANCIAL STATEMENTS**

## 18. TRADE AND OTHER PAYABLES

Trade creditors	1,200,298	3,512,842
Other payables	10,017,283	9,615,747
Derivatives recognised at fair value	-	391,130
	11,217,581	13,519,719

2016

2015

#### 19. EMPLOYEE BENEFITS

EM ESTEL BENEFITS	2016	2015
Current		
Provision for long service leave	2,307,035	1,933,725
Provision for annual leave	3,201,314	2,751,606
	5,508,349	4,685,331
Non-current		
Provision for long service leave	525,223	428,887
Long term incentive plan	313,004	-
	838,227	428,887

# 20. INCOME RECEIVED IN ADVANCE

INCOME RECEIVED IN ADVANCE			
	2016	2015	
Current			
Australian Open	3,291,948	2,317,054	
Other	1,575,792	1,763,960	
	4,867,740	4,081,014	
Non-current			
Australian Open	2,000,000	3,000,000	
	2,000,000	3,000,000	

## 21. CAPITAL AND RESERVES

#### Facility development reserve

The facility development reserve was established by a resolution of the Board and comprises of funds held for future facility developments.

#### Player & participation development reserve

The player and participation development reserve was established by a resolution of the Board and comprises of funds held for the future development of players and player participation in tennis.

#### **Member equity**

The Company is a company limited by guarantee. Every member of the Company undertakes to contribute to the property of the Company in the event of the Company being wound up while they are a member, or within one year after they cease to be a member, for payment of the debts and liabilities of the Company contracted before the time they cease to be a member and of the costs, charges and expenses of winding up and for adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding \$100.

#### 22. OPERATING LEASES

#### Leases as lessee

Non-cancellable operating lease commitments as follows:

	2016	2015
Less than one year	2,124,943	1,612,061
Between one and five years	6,367,117	3,837,107
More than five years	22,285,495	11,238,764
	30,777,555	16,687,932

The Company leases goods and property under non-cancellable operating leases expiring from 1 to 21 years. Leases generally provide the Company with a right of renewal at which time all terms are renegotiated.

Under the property lease with Melbourne & Olympic Parks Trust the Company is required to pay \$532,742, which includes the National Tennis Centre and annual CPI adjustment.

The Company has entered into an agreement to enter a new premise at Melbourne Park from September 2017, resulting in a significant increase for the term of the agreement. Under Australian Accounting Standards only the future minimum payments should be disclosed.

During the financial year ended 30 June 2016, \$1,719,046 was recognised as an expense in the income statement in respect of operating leases (2015: \$1,684,940).

#### 23. CAPITAL AND OTHER COMMITMENTS

The Company is also required to make an annual fixed payment of \$3,769,000 to Melbourne & Olympic Parks Trust that is adjusted for CPI through to 2036. This payment is to obtain the right to 100 per cent of merchandise revenues and a portion of catering and ticketing rebates payable to Melbourne & Olympic Parks Trust during the Australia Open.

It is the Company's expectation that the above commitments will be more than offset by new revenues accruing to the Company in the areas of catering, ticketing and merchandise over the period of the commitments.

As at balance date, the Company had invested one-third of its total commitment in accordance with the agreement with Trident 8 Limited (refer note 15). The Company has committed to make the remaining two-thirds of its commitment by July 2017.

#### 24. RECONCILIATION OF CASHFLOWS FROM OPERATING ACTIVITIES

	Note	2016	2015
Cashflows from operating activities			
Surplus for the year		10,192,632	11,975,465
Adjusted for:			
Depreciation	17	2,398,730	2,023,962
Amortisation	16	405,735	57,331
Unrealised foreign exchange (gains)/losses		(1,419,071)	-
Increase in fair value of investments		(1,054,055)	(3,607,664)
Operating profit before changes in working capital and provisions		10,523,971	10,449,094
Increase in trade and other receivables		(305,086)	(5,244,906)
(Increase)/decrease in inventories		(426,892)	161,690
(Decrease)/increase in trade and other payables		(1,911,008)	1,995,342
Decrease in income received in advance		(213,274)	(3,954,402)
Increase in employee benefits		1,232,359	618,108
Net cash from operating activities		8,900,070	4,024,926

# NOTES TO THE FINANCIAL STATEMENTS

#### 25. OTHER RELATED PARTY TRANSACTIONS

The Company has related party relationships with certain directors.

The names of each person holding the position of director of the Company during the financial year were: Stephen Healy (President), Harold Mitchell, AC, Scott Tanner, Chris Freeman, AM, Dr Janet Young, Kerryn Pratt, Peter Armstrong, Ken Laffey, Greg Hutchinson, Jayne Hrdlicka, Elizabeth Minogue, Diane Grady and Graham Bradley.

#### **KEY MANAGEMENT PERSONNEL AND DIRECTOR TRANSACTIONS**

The aggregate value of transactions and outstanding balances relating to director personnel and entities over which they have control or significant influence are as follows:

		Transaction value year ended 30 June			utstanding O June
		2016	2015	2016	2015
Ms K Pratt	Commentator fees	31,000	29,565	-	_

Ms K Pratt was contracted with the Company to provide media commentary services during the Australian Open and Hopman Cup. The contract with the Company is on normal commercial terms and conditions. Ms K Pratt absented herself from meetings where such contract matters were discussed.

#### **KEY MANAGEMENT PERSONNEL COMPENSATION**

The key management personnel compensation was \$6,221,335 for the year ended 30 June 2016 (2015: \$4,481,177)

#### **26. SUBSEQUENT EVENTS**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

#### **DIRECTORS' DECLARATION**

- In the opinion of the directors of Tennis Australia Limited ('the Company'):
  - the financial statements and notes set out on pages 56 to 74, are in accordance with the Corporations Act 2001, including: (a)
    - giving a true and fair view of the Company's financial position as at 30 June 2016 and its performance for the financial year ended on that date; and
    - complying with Australian Accounting Standards Reduced Disclosure Requirements and the Corporations (ii) Regulations 2001; and
  - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

**S Healy President** 

Dated at Sydney this 22nd day of August 2016.

1) des

# INDEPENDENT AUDITOR'S REPORT



## Independent auditor's report to the members of Tennis Australia Limited

#### Report on the financial report

We have audited the accompanying financial report of Tennis Australia Limited (the Company), which comprises the statement of financial position as at 30 June 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 26 comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility 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 in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 and Australian Accounting Standards – Reduced Disclosure Requirements, a true and fair view which is consistent with our understanding of the Company's financial position and of its performance.

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

#### Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

> KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.

# **AUDITOR'S OPINION**



# Auditor's opinion

In our opinion the financial report of Tennis Australia Limited is in accordance with the Corporations Act 2001, including:

- giving a true and fair view of the Company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards Reduced Disclosure Requirements and the Corporations Regulations 2001.

KPMG

Gordon Sangster Partner

Melbourne

22 August 2016

# LEAD AUDITOR'S INDEPENDENCE DECLARATION



## Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Tennis Australia Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2016 there have been:

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

KPMG

Gordon Sangster Partner

Melbourne

22 August 2016

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.

# **MEMBER ASSOCIATIONS**

#### **TENNIS ACT**

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Diggall Dlace

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