

**Tennis SA Incorporated**  
**ABN 19 103 003 187**

**30 June 2016**

# Tennis SA Incorporated

## Statement of financial position

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As at 30 June 2016

	Note	2016	2015
<b>Assets</b>			
Cash and cash equivalents	10	864,610	779,509
Trade and other receivables	11	163,983	101,420
<b>Total current assets</b>		<b>1,028,593</b>	<b>880,929</b>
Property, plant and equipment	12	1,414,851	1,518,413
<b>Total non-current assets</b>		<b>1,414,851</b>	<b>1,518,413</b>
<b>Total assets</b>		<b>2,443,444</b>	<b>2,399,342</b>
<b>Liabilities</b>			
Trade and other payables	13	151,118	136,593
Employee benefits	14	100,265	84,991
Deferred income	15	74,190	65,205
Interest bearing liability	16	72,828	71,719
<b>Total current liabilities</b>		<b>398,401</b>	<b>358,508</b>
Employee benefits	14	11,045	22,887
Interest bearing liability	16	15,363	88,191
<b>Total non-current liabilities</b>		<b>26,408</b>	<b>111,078</b>
<b>Total liabilities</b>		<b>424,809</b>	<b>469,586</b>
<b>Net assets</b>		<b>2,018,635</b>	<b>1,929,756</b>
<b>Members' equity</b>			
Retained earnings		1,975,223	1,878,994
Reserves		43,412	50,762
<b>Total members' equity</b>		<b>2,018,635</b>	<b>1,929,756</b>

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 5 to 17.

**Tennis SA Incorporated**  
**Statement of changes in equity**  
**For the year ended 30 June 2016**

	Ken McGregor foundation	Retained earnings	Total equity
Balance at 1 July 2014	34,871	1,786,121	1,820,992
<b>Total comprehensive income for the period</b>			
Total other comprehensive income	-	-	-
Surplus for the period	-	108,764	108,764
Allocation of fundraising money	15,891	(15,891)	-
Balance at 30 June 2015	<u>50,762</u>	<u>1,878,994</u>	<u>1,929,756</u>
Balance at 1 July 2015	50,762	1,878,994	1,929,756
<b>Total comprehensive income for the period</b>			
Total other comprehensive income	-	-	-
Surplus for the period	-	88,879	88,879
Payment made for player grants and other expenses	(7,350)	7,350	-
Balance at 30 June 2016	<u>43,412</u>	<u>1,975,223</u>	<u>2,018,635</u>

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 5 to 17.

Tennis SA Incorporated  
Statement of profit or loss and other comprehensive income  
For the year ended 30 June 2016

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	<i>Note</i>	2016	2015
Player development revenue	5	79,487	61,990
Tournament and competition revenue	5	168,333	198,708
Participation revenue	5	1,067,854	907,225
Marketing and events revenue	5	81,996	87,132
World Tennis Challenge revenue	5	773,748	787,182
<b>Total revenue</b>		2,171,418	2,042,237
Other income	6	838,576	972,840
Player development expenses		(144,600)	(160,091)
Tournament and competition expenses		(362,538)	(397,003)
Participation expenses		(501,433)	(368,183)
Marketing and events expenses		(194,148)	(166,008)
Commercial and administration expenses		(686,979)	(708,843)
World Tennis Challenge expenses		(1,051,091)	(1,130,888)
<b>Total expenses</b>		(2,940,789)	(2,931,016)
Finance income	8	21,338	27,982
Finance costs	8	(1,664)	(3,279)
<b>Net finance income</b>		19,674	24,703
<b>Net surplus for the period</b>		88,879	108,764
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		88,879	108,764

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 5 to 17.

**Tennis SA Incorporated**  
**Statement of cash flows**  
**For the year ended 30 June 2016**

	<i>Note</i>	2016	2015
<b>Cash flows from operating activities</b>			
Cash receipts from customers		2,792,943	2,754,922
Cash paid to suppliers and employees		(3,197,222)	(3,265,979)
Interest received		17,493	26,384
Interest paid		(1,664)	(3,279)
Cash receipts from government grants		545,270	683,100
<b>Net cash from operating activities</b>	<b>19</b>	<b>156,820</b>	<b>195,148</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	12	-	(80,234)
<b>Net cash (used in) investing activities</b>		<b>-</b>	<b>(80,234)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(71,719)	(70,104)
<b>Net cash (used in) financing activities</b>		<b>(71,719)</b>	<b>(70,104)</b>
Net increase in cash and cash equivalents		85,101	44,810
Cash and cash equivalents at 1 July		779,509	734,699
<b>Cash and cash equivalents at 30 June</b>	<b>10</b>	<b>864,610</b>	<b>779,509</b>

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 5 to 17.

## Tennis SA Incorporated

### Notes to the financial statements

#### 1. Reporting entity

Tennis SA Incorporated ('Association') is an Association domiciled in Australia. The Association is incorporated under the Associations Incorporation Act 1985. The address of the Association's registered office is;

Tennis SA Incorporated  
War Memorial Drive  
Adelaide SA 5000

The Association is a not for profit entity and the principal activities of the Association during the course of the financial year were the promotion and development of the game of tennis in South Australia.

#### 2. Basis of preparation

##### (a) 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 Members of the Committee (the "officers") on 31 August 2016.

##### (b) Basis of measurement

The financial report has been prepared on the historical cost basis.

##### (c) Functional and presentation currency

The financial report is presented in Australian dollars, which is the Association's functional currency.

##### (d) Use of estimates and judgements

The preparation of financial statements 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.

In particular, 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 note:

- Note 12 – property, plant and equipment (impairment assessment and determination of useful lives)

## Tennis SA Incorporated

### Notes to the financial statements

#### 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. Certain comparative amounts have been reclassified to conform with the current year's presentation.

##### (a) Financial instruments

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

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, interest-bearing liabilities, 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 Association becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Association's contractual rights to the cash flows from the financial assets expire or if the Association 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 Association's obligations specified in the contract expire or are discharged or cancelled.

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

###### (ii) 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.

###### (iii) 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 Association in the management of its short term commitments.

##### (b) 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.

###### (ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Association and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

## Tennis SA Incorporated

### Notes to the financial statements

#### 3. Significant accounting policies (continued)

##### (iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives in the current and comparative periods are as follows:

- Building and leasehold improvements 10-40 years
- Plant and equipment 4-10 years
- Courts and court equipment 5-40 years

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually.

##### (c) Impairment

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

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

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 through 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 through profit or loss.

###### (ii) Non-financial assets

The carrying amounts of the Association'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.

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.



## Tennis SA Incorporated

### Notes to the financial statements

#### 3. Significant accounting policies (continued)

##### (d) Employee benefits

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

The Association'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 the Corporate bonds at the balance sheet date which have maturity dates approximating to the terms of the Association'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 Association 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 Association can no longer withdraw the offer of those benefits and when the Association recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months at the end of the reporting, then they are discounted.

##### (e) Provisions

A provision is recognised if, as a result of a past event, the Association 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.

##### (f) Revenue and other income

###### (i) Services

Revenue from services rendered 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.

###### (ii) Affiliation fees

Revenue from affiliation fees 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 the period to which membership relates.

###### (iii) Grants

###### Reciprocal grants

Grants received on the condition that specified services should be delivered or conditions fulfilled are considered reciprocal. Such grants are initially recognised as a liability and revenue recognised as services are performed or conditions fulfilled.

###### Non-reciprocal grants

Where a grant is received where there is no performance obligation or return obligation, revenue is recognised when the grant is received or receivable.

##### (g) 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.

## Tennis SA Incorporated

### Notes to the financial statements

#### 3. Significant accounting policies (continued)

##### (h) Finance income and costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings.

##### (i) Income tax

The income of the Association 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.

##### (j) 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.

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.

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

The following accounting standards, amendments to accounting standards and interpretations have been identified as those which may impact the Association in the period of initial adoption.

AASB 9 Financial Instruments becomes mandatory for the Association's financial statements for the period beginning on or after 1 January 2018 and could change the classification and measurement of financial assets. The Association 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 Association'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 Association 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 Association's financial performance or financial position.

## Tennis SA Incorporated

### Notes to the financial statements

#### **3. Significant accounting policies (continued)**

##### **(I) Changes in accounting policies**

The Association has consistently applied the accounting policies set out in Note 3 to all periods presented in these financial statements.

#### **4. Determination of fair values**

A number of the Association'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.

##### **(a) 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.

## Tennis SA Incorporated

### Notes to the financial statements

#### 5. Revenue

	2016	2015
Player development revenue		
Squad fees	79,487	61,990
	79,487	61,990
Tournaments & competitions revenue		
Tennis Australia grants	26,500	66,427
Sponsorship	13,000	21,058
Entry fees	112,190	97,803
Sanction fees	12,240	11,773
Other income	4,403	1,647
	168,333	198,708
Participation revenue		
Tennis Australia grants	771,292	628,789
Affiliation and registrations	292,490	275,013
Court rebates	3,000	3,000
Entry fees	1,072	423
	1,067,854	907,225
Marketing & events revenue		
Sponsorship	23,993	13,900
Event ticket sales	35,333	46,245
Fundraising income	22,670	26,987
	81,996	87,132
World Tennis Challenge revenue		
Tennis Australia grants	115,047	40,000
Sponsorship	247,337	320,634
Event ticket sales	270,266	306,837
Corporate suites	96,665	63,227
Catering	44,433	56,484
	773,748	787,182
Total revenue	2,171,418	2,042,237

## Tennis SA Incorporated

### Notes to the financial statements

#### 6. Other income

	2016	2015
Government grants (including World Tennis Challenge)	495,700	629,820
Tennis Australia grants	40,000	73,891
Rental income	249,174	230,750
Advertising income	30,605	-
Court hire	20,649	22,838
Other income	2,448	15,541
<b>Total other income</b>	<b>838,576</b>	<b>972,840</b>

#### Government grants

The Association has been awarded government grants from the Office for Recreation and Sport (ORS) and South Australian Tourism Commission (SATC). The ORS grants cover funding to deliver tennis programs and services to increase player participation numbers and activities and the SATC grants cover funding to help promote the World Tennis Challenge Events.

#### 7. Other expenses

The Association has the following key expenses:

	2016	2015
Depreciation expense		
buildings & leasehold improvements	37,276	36,940
plant and equipment	12,043	11,628
courts	54,243	52,215
Employee benefits expense	883,994	808,250
Insurance expense	87,464	89,463
Operating lease rental expense	19,512	21,813

#### 8. Finance income and costs

	2016	2015
Interest income on bank deposits	21,338	27,982
<b>Total finance income</b>	<b>21,338</b>	<b>27,982</b>
Interest expense on borrowings	(1,664)	(3,279)
<b>Total finance costs</b>	<b>(1,664)</b>	<b>(3,279)</b>
<b>Net finance income and costs</b>	<b>19,674</b>	<b>24,703</b>

No finance income and costs are recognised through equity. This is consistent with the statement of changes in equity on page 2.

## Tennis SA Incorporated

### Notes to the financial statements

#### 9. Auditors' remuneration

##### Audit services

Auditors of the Association

*KPMG Australia:*

Audit and review of financial reports

	2016	2015
	12,500	12,200
	<u>12,500</u>	<u>12,200</u>

#### 10. Cash and cash equivalents

Bank balances

Cash and cash equivalents

	2016	2015
	864,610	779,509
	<u>864,610</u>	<u>779,509</u>

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.

#### 11. Trade receivables and other assets

Trade receivables

Prepayments

Other receivables

	2016	2015
	104,312	43,461
	25,739	26,416
	33,932	33,470
	<u>163,983</u>	<u>101,420</u>

**Tennis SA Incorporated**  
**Notes to the financial statements**  
**12. Property, plant and equipment**

	Building and leasehold improvements	Plant and equipment	Courts and court equipment	Total
<b>Cost</b>				
Balance at 1 July 2014	1,188,269	282,445	1,255,089	2,725,803
Additions	45,160	30,053	5,021	80,234
Disposals	-	-	-	-
Balance at 30 June 2015	1,233,429	312,498	1,260,110	2,806,037
Balance at 1 July 2015	1,233,429	312,498	1,260,110	2,806,037
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 30 June 2016	1,233,429	312,498	1,260,110	2,806,037
<b>Accumulated depreciation</b>				
Balance at 1 July 2014	(420,660)	(240,644)	(525,537)	(1,186,841)
Depreciation charge for the year	(36,940)	(11,628)	(52,215)	(100,783)
Disposals	-	-	-	-
Balance at 30 June 2015	(457,600)	(252,272)	(577,752)	(1,287,624)
Balance at 1 July 2015	(457,600)	(252,272)	(577,752)	(1,287,624)
Depreciation charge for the year	(37,276)	(12,043)	(54,243)	(103,562)
Disposals	-	-	-	-
Balance at 30 June 2016	(494,876)	(264,315)	(631,995)	(1,391,186)
<b>Carrying amounts</b>				
At 1 July 2014	767,609	41,801	729,552	1,538,962
At 30 June 2015	775,829	60,226	682,358	1,518,413
At 1 July 2015	775,829	60,226	682,358	1,518,413
At 30 June 2016	738,553	48,183	628,115	1,414,851

## Tennis SA Incorporated

### Notes to the financial statements

#### 13. Trades and other payables

	2016	2015
Trade payables	17,366	37,665
Other payables and accrued expenses	133,752	98,928
	<u>151,118</u>	<u>136,593</u>

#### 14. Employee benefits

##### Current

	2016	2015
Provision for long-service leave	30,933	12,422
Provision for annual leave	69,332	72,569
	<u>100,265</u>	<u>84,991</u>

##### Non-current

Provision for long-service leave	11,045	22,887
	<u>11,045</u>	<u>22,887</u>

#### 15. Deferred income

	2016	2015
Affiliation & registration	49,307	45,955
Other Income	24,883	19,250
	<u>74,190</u>	<u>65,205</u>

#### 16. Interest bearing liabilities

##### Current

	2016	2015
Tennis Australia loan	72,828	71,719
	<u>72,828</u>	<u>71,719</u>

##### Non-current

Tennis Australia loan	15,363	88,191
	<u>15,363</u>	<u>88,191</u>

A loan was acquired from Tennis Australia in order to redevelop the Southern Stand at the Memorial Drive Complex. This loan has an overall term of ten years and quarterly repayments commenced in February 2008. The average interest rate charged on this loan during the year was 1.27%.



## Tennis SA Incorporated

### Notes to the financial statements

#### 17. Capitals and reserves

##### Ken McGregor Foundation reserve

This reserve originated in the 2009/10 financial year, with the establishment of the Ken McGregor Foundation. The foundation was set up to assist junior player development at an international level.

##### Members equity

The Association is a body corporate incorporated under the Associations Incorporation Act 1985. In the event of the Association being wound up the liability of members is determined by its rules.

#### 18. Operating leases

##### Leases as lessee

Non-cancellable operating lease rentals are payable as follows

	2016	2015
Less than one year	11,456	11,456
Between one and five years	38,423	42,863
More than five years	-	7,016
	<u>49,879</u>	<u>61,335</u>

##### Leases as lessor

Non-cancellable operating lease rentals are payable as follows

	2016	2015
Less than one year	-	-
Between one and five years	-	-
More than five years	-	-
	<u>-</u>	<u>-</u>

During the financial year ended 30 June 2016, \$19,512 was recognised as an expense in the statement of profit or loss and other comprehensive income in respect of operating leases (2015: \$21,813) and \$249,174 was recognised as income (2015: \$230,750). The lease that the Association was operating under with the Adelaide City Council expired on 30 June 2015. The renewed terms are currently being negotiated and are expected to be finalised in March 2017. The Association is currently operating under the holding period of the lease and is subleasing under this agreement to its existing tenants. SA Rugby Union, AFL Sportsready, Sport Development Australia and Port Adelaide Football Club are currently occupying the offices.

#### 19. Reconciliation of cash flows from operating activities

	Note	2016	2015
<b>Cash flows from operating activities</b>			
Surplus for the period		88,879	108,764
<i>Adjusted for:</i>			
Depreciation	12	103,562	100,783
Loss on disposal of property, plant and equipment		-	-
<b>Operating profit before changes in working capital and provisions</b>		<u>192,441</u>	<u>209,547</u>
(Increase)/decrease in trade and other receivables		(62,563)	237,747
Increase/(decrease) in deferred income		8,985	(209,387)
Increase/(decrease) in trade and other payables		14,525	(43,926)
Increase in provisions and employee benefits		3,432	1,167
<b>Net cash from operating activities</b>		<u>156,820</u>	<u>195,148</u>

## Tennis SA Incorporated

### Notes to the financial statements

#### 20. Other related party transactions

The Association being an Associate member of Tennis Australia Limited receives shared services benefits from Tennis Australia. These benefits include accounting, legal, information technology and human resources. These services are provided for nil consideration.

The names of each person holding the position of officer of the Association during the financial year were:

Philip Roberts, Kent Thiele, Neville Guthberlet, Neville Messenger, Rick Baldock, John MacKenzie, Graham Smart, Natalie Morley and Kerry Morrow (since October 2015).

Officers of the Association are acting on an honorary basis.

The key management personnel for the Association include the following employees:

Steve Baldas, CEO, Ty Allen, Tournaments, Competitions and Officiating Manager and Brett Hidson, Manager-Participation & Places to Play.

#### Key management personnel compensation

<i>In AUD</i>	2016	2015
Short-term employee benefits	308,788	295,628
Post employment benefits	28,827	26,578
Total compensation	337,615	322,206

In addition to salaries paid, key management personnel receive cash incentive bonuses based on key performance indicators.

#### 21. Economic Dependence

The Association, being an associate member of Tennis Australia, receives grant funding from Tennis Australia that forms an important part of the funding it requires to deliver the services to its members in line with its objective of promoting and supporting tennis in South Australia.

In the event that grant funding from Tennis Australia should cease, or be reduced, it is the view of the officers that if the Association was not able to replace that funding from other sources then it would need to change the services provided to its members so that those services were consistent with the funding available while still meeting its underlying objective.

#### 22. Subsequent events

There have been no events subsequent to balance date which would have a material effect on the Association's financial statements.


## Tennis SA Incorporated Statement by the Officers

In the opinion of the officers of Tennis SA Incorporated ('the Association'):

- (a) the financial statements and notes set out on pages 1 to 17, are in accordance with the Associations Incorporation Act 1985, including:
  - (i) fair presentation of the financial position of the Association as at 30 June 2016 and of their performance, for the financial year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the Associations Incorporation Act 1985;
- (b) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Dated at Adelaide.....<sup>31<sup>st</sup></sup>.....day of.....<sup>August</sup>.....2016.

Signed in accordance with a resolution of the officers:

  
\_\_\_\_\_  
P. Roberts  
Treasurer

  
\_\_\_\_\_  
K. Thiele  
President